

#02 GROWING PAINS?

A survey of the hotel and restaurant industry's skills requirements to 2023



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FOREWORD

The hotel and restaurant industry faces both great opportunities and challenges. The hospitality industry is one of the largest sectors in Sweden. It is growing faster than GDP, and will double its turnover over the next decade. At the same time, we face a high risk of there being a skills gap in the future. One of the most important issues for the future is how we attract, recruit and retain the best skills.

On the initiative of UHR (Hotel and Restaurant Training Council), which is owned by KFO (Swedish Co-operative Employers' Association), Visita, HRF (Swedish Hotel & Restaurant Worker's Union) and Unionen, the "Sweden's most attractive industry" survey (BFUF (Research and Development Fund of the Swedish Tourism & Hospitality Industry), report 1/2013) took place in 2012. The purpose was to gain in-depth knowledge of the future skills challenge. The report studied trends relating to the employees, leaders, recruitment and employer branding of the future. It examined values and perceptions not only among people working in the industry today, but also among young people that are not. The analysis revealed, among other things, that we in the industry need to be even better at developing leadership, investing in our people, working together and becoming involved and making efforts to improve the work environment.

The Growing Pains? report provides a picture of the industry in 2023. It is a continuation of the work to identify future skills challenges. We used situational analysis to identify interacting trends in the wider world that will have a crucial impact on the hotel and restaurant industry to the year 2023. Our forecast is that the hotel and restaurant industry will grow substantially and will comprise 190,000 people in absolute terms in 2023, compared with just over 140,000 in 2011. The workforce must therefore grow by 50,000 by 2023. However, the requirement is greater than that. While the industry will grow strongly in the next ten years, we have a high staff turnover. The result is that we will need to recruit 40,000-50,000 people between 2013-2023.

Upper secondary vocational training produces nowhere near enough people to meet the demand, if it is to be met by people with relevant training. Even with optimistic assumptions, the supply of qualified people meets only about a tenth of the demand for new staff. Unless the industry-specific vocational courses become much more popular and/or staff turnover in the industry drops drastically, the proportion of staff with training relevant to the industry will continue to be low.

The hotel and restaurant industry needs to be more attractive. We need better-defined career paths where experience, training, skills and long-termism are valued and provide real rewards. The next step involves concentrating our efforts and working together. We want to work with companies strategically and consciously to attract and retain skills, and help update the industry's image – and achieve the goal of the hospitality industry being Sweden's most attractive industry.

Stockholm, January 2014

Malin Ackholt (HRF) chairman, UHR, and Göran Andersson (Visita), UHR

1 / INTRODUCTION

A primary sector facing challenges

The hospitality industry is currently one of Sweden's primary sectors. In "National strategy for the hospitality industry – strategy 2020", the industry formulated the ten-year goals of doubling tourism turnover to SEK 500 billion and increasing the number of employees to more than 250,000. To achieve this requires, among other things, the industry to be able to attract and retain a skilled workforce

Purpose of the project

The purpose of Growing Pains? is to increase our knowledge of the hotel and restaurant industry to enable us to meet future challenges. Using trend analysis and forecasts based on government statistics, we want to build a picture of the industry in 2023. How big is it? How many people work in it? How is it structured? How many staff will be needed? What skills will be needed? How can the skills requirements be met?

Project implementation

The project was initiated by the UHR (Hotel and Restaurant Training Council) and funded by Visita and HRF (the Swedish Hotel & Restaurant Worker's Union). The survey was conducted during 2011-2013. Kairos was responsible for the basic data and analysis. The report is funded by BFUF (Research and Development Fund of the Swedish Tourism & Hospitality Industry), which is owned by Visita and HRF.

Information gathering via the analysis of statistics, questionnaires and interviews

Data from Statistics Sweden, the Swedish Agency for Economic and Regional Growth, the Swedish National Agency for Education and the Confederation of Swedish Enterprise underlies the estimates. It has been processed by Kairos. The attitudes to and perceptions of skills development among various groups connected with the industry were examined in a questionnaire. The 925 respondents represent four different groups: employees in the industry (340), employer representatives (342), students on upper secondary vocational hotel and restaurant programmes (199) and teachers on those programmes (44).

This is a summary of the Growing Pains? report. The full report can be downloaded at bfuf.se.

2/CONCLUSIONS

Major urbanisation is driving development in the industry

Major urbanisation – leading to rapid population growth in the major regions, increased tourism and generally greater prosperity across large sections of the population – will contribute to strong growth in the hotel and restaurant industry.

Workforce needs to increase by 50,000 by 2023

The hotel and restaurant industry will comprise 190,000 people in absolute terms in 2023, compared with just over 140,000 in 2011.

Annual recruitment demand is 40,000-50,000 people

Taking into account growth and staff turnover, the annual recruitment demand will be 40,000-50,000 people over the period 2013-2023. Competition for skilled employees is fierce. Finding, developing and retaining skills becomes the central issue over the next ten years.

Industry-specific training needed

One way to reduce staff turnover, and hence the relentless demand for recruitment, is to increase the proportion of staff with specific hotel and restaurant training. This would create long-termism and stability, thereby helping the industry to retain valuable skills for longer. Altogether too few students are qualifying from relevant upper secondary vocational programmes, and this number is shrinking.

Upper secondary vocational training does not meet the industry's requirements

Employers consider that industry-specific upper secondary vocational training does not sufficiently meet the industry's requirements.

Good attitude to skills development

Employers and employees consider that the attitude to skills development in the industry in general is good.

Important skills development areas

Both employers and employees think that knowledge of leadership and staff management, finance and budgeting, laws and agreements, and the work environment and safety needs to be strengthened. For employers, personal characteristics such as service-mindedness, customer focus and business sense are important. The workforce focuses more strongly on IT skills, languages, and diversity and discrimination issues.

Development requirement is not industry-specific

The skills development requirement applies not only to industry-specific knowledge and skills. Finance/budgeting, leadership, IT systems for business support, and marketing and sales are mentioned as important. It is important to take this into account when planning future training initiatives.

3/THE INDUSTRY AND THE WIDER WORLD

Situational analysis has identified interacting trends in the wider world that will have a crucial impact on the hotel and restaurant industry to the year 2023.

The industry has good future prospects. Urbanisation leading to rapid population growth in the major regions, together with greater prosperity, will provide comprehensive and prolonged lifestyle changes towards more socialising and food and drink outside the home. The industry is expected to grow substantially and diversify – some sections will grow more than others – and become specialised. The supply of staff and skills will become more central.

The trends underlie the forecast for the industry's development over the next ten years, with demand from both Sweden and abroad expected to continue increasing.

Development is driven by some fundamental trends: major urbanisation, increasing prosperity and digitalisation.

Major urbanisation

An ever larger proportion of Sweden's population is concentrated in the major regions and the large cities, which is driving extensive structural change. An increasingly large proportion of the industry will find itself in close proximity to fierce competitors. It becomes more important to stand out, and offer something that others do not. In turn, this makes it more important to have good, skilled staff. Urbanisation is accompanied by an increasing interest in and desire for contact with nature, a trend called the *rurbanisation* of society (a portmanteau word formed from rural and urban). One strong lifestyle trend that is growing internationally is known as *urban farming*.

Increased prosperity

Increasing prosperity in general, and in the large cities in particular, with more money and less time, helps make buying meals more attractive than cooking them. Customers are becoming more knowledgeable and demanding with regard to food and drink, while urbanisation means there are more options. The result is increased competition and an increased requirement for quality.

The experience industry is growing, both in Sweden and globally. Today, an ever growing share of consumption is devoted to experiences rather than consumer goods. Being part of something is often valued more highly than owning things.

Greater global prosperity will lead to increased tourism. Tourists from countries outside Europe are expected to account for a large part of growth in the future.

Digitalisation

Continued digitalisation and technological development will make working life more flexible and independent of location. This affects our consumption patterns. Digitalisation will affect the hotel and restaurant industry in the same way as other industries. The demand for some skills will decline, and rise for others. From automated booking systems to mobile payments, the industry's requirements in terms of skills and training will evolve in step with the technology.

Ten trends affecting the hotel and restaurant industry to 2023

- **Major urbanisation**
Moving from small towns to large cities. Municipalities in conurbations grow.
- **Compact living**
Growing cities contribute to shrinking and more expensive living space.
- **Increased travel and more extensive tourism**
International travel increases, the largest relative growth coming from countries such as China and India.
- **Greater diversity**
Ever greater differences in lifestyles, group affiliations and cultural diversity.
- **More knowledge of food and beverages**
Urban lifestyle leads to increased consumption, with food and drink becoming more important.
- **Everything becomes premium**
As material standards rise, there is scope for luxury and gourmet products.
- **Rurbanisation**
Urbanisation increases interest in and contact with nature.
- **Zero-friction life**
Everyday life has to accommodate ever more, and everything must run friction-free.
- **Everything becomes an experience**
An growing share of consumption is devoted to experiences.
- **Flexible working life**
Labour market becomes more flexible, with employees less tied to geographic locations.

4/SIZE OF THE INDUSTRY IN 2023

The hotel and restaurant industry is expected to continue to grow in the coming decade. How much will it grow, and how will this affect the demand for staff? The forecast of the industry's future skills requirements is the result of an aggregated projection of the development of a large number of essentially unknown factors. The result is a description of a possible future – the most likely, given that we do not know. Data from Statistics Sweden and the Swedish Agency for Economic and Regional Growth underlies the estimates. For a more detailed description of the forecast, see the full report.

Domestic private consumption

Household consumption

Sweden's population is estimated to be approaching 10.5 million in 2023. Despite economic fluctuations, total per capita consumption has risen consistently in monetary terms since the turn of the millennium. Hotel and restaurant services represent a large proportion of today's household consumption. The trend is expected to continue in the same way.

Accommodation

A rising trend can be seen in the number of accommodation facilities since 2005, with the exception of the financial crisis period of 2009-2010. We make the assumption that this trend continues.

Restaurant consumption

There is a clear upward trend in restaurant consumption. Major urbanisation and the accompanying shifts in socialising and lifestyle most likely lie behind a significant part of the trend. Urbanisation shows no signs of abating, with everything pointing to a further concentration of population in the metropolitan areas. We assume a continuation of the observed trend, but incorporate a slight weakening as a precaution.

Hotels and restaurants: SEK 116 billion in 2023?

The projected trends suggest that Swedish household consumption of hotel and restaurant services will grow from approximately SEK 74 billion today to approximately 116 billion in 2023, an increase of 57% at current prices. Consumption of restaurant services is forecast to increase considerably more than the consumption of hotel services. Cultural change will mean that eating and drinking out will be an increasingly common part of everyday life.

Consumption by visitors from abroad

Overnight stays

According to the forecasts, overnight stays by foreign visitors from abroad in hotels, hostels, camping sites and holiday villages are close to 13.5 million in 2023,

compared with about 11 million in 2011, an increase of approximately 23%. This is considerably more conservative than the forecast of 80% growth in volume from 2010 to 2020 presented in the Swedish Travel and Tourism Industry Federation (RTS) report "Trend Analysis: Vision 2020" (which, however, forecast the number of visitors from abroad and not, as here, the number of overnight stays). In part, this is because Growing Pains? has a different purpose: establishing the most likely outcomes of development. For the RTS report, 80% growth is a vision and an ambition. We have also made allowances for a significant decline in arrivals, mainly from western and southern Europe, over the next few years due to the economic crisis, which delays the growth curve for several years.

Forecast for tourism from abroad

Tourism from abroad – forecasts

- Nordic region (the biggest market in absolute numbers) - slight decline due to market maturity
- Baltic States, Eastern Europe – decreasing growth
- Russia – growth rate halved compared with 2000-2008
- Western Europe – continuing reduction until 2015, then rising
- Southern Europe – falling, bottoming out in 2015-16, then slight recovery
- Brazil, India, China, Turkey – continuing strong growth
- Japan, South Korea – flat, possibly very small increase
- USA, Canada, Australia, New Zealand – flat

Consumption per overnight stay

Figures from the Swedish Agency for Economic and Regional Growth show a clear increase in the consumption of meals, in particular, during the second half of the twenty-first century. The increase is significantly higher than that in the number of overnight stays over the same period. Accommodation consumption "per overnight stay" is growing since the 2009-10 crisis, and we assume a slowly declining continuation of this growth. Consumption of "eating out per overnight stay" has increased dramatically since 2003. One possible explanation for this increase may be falling air fares. Another is that an ever larger proportion of visitors from abroad comprises day-visitors from neighbouring countries coming to participate in this upsurge in cross-border shopping. This would generate a greater expansion of tourists' consumption of restaurant services than of accommodation. The rise is not assumed to continue unabated, partly because the "low-cost flight revolution" is largely accomplished, and partly because the rate of growth in cross-border shopping peaked in 2006-2009.¹

SEK 39 billion from tourists from abroad in 2023?

Based on the assumptions for consumption by tourists from abroad, we can predict an increase in hotel and restaurant consumption by tourists from abroad from about SEK 22 billion in 2011 to nearly SEK 39 billion in 2023 at current prices, an increase of 77%.

¹ Nordisk Gränshandel 2012, Handelns Utredningsinstitut, 2012. (In Swedish: Nordic Cross-border shopping 2012, Swedish Retail Institute)

Corporate and governmental consumption

Corporate and governmental hotel and restaurant consumption is expected to increase from just over SEK 50 billion in 2000 to about SEK 85 billion in 2023 at current prices, an increase of 70%.

Total consumption

2023: SEK 240 billion?

The three forecasts for consumption (domestic, tourists from abroad and corporate and governmental) show the consumption of hotel and restaurant services growing by SEK 240 billion by 2023, an increase of approximately 65%.

The figure is significantly less than the SEK 500 billion by 2020 presented in "National strategy for the Swedish hospitality industry" (Svensk Turism AB, 2010). The difference (quite apart from the fundamental differences between forecast and vision) lies in this forecast not encompassing all the sectors that may be regarded as the hospitality industry. Growing Pains? addresses only the hotel and restaurant business. It does not cover retail, transport and the experience industry.

More employees to meet demand

During 2000-2011, the number of employees in the industry rose from just over 100,000 to just over 140,000. At the same time, consumption also grew more rapidly. The industry produced services worth approximately SEK 640,000 per employee in 2000, and about SEK 825,000 per employee in 2011, an increase of 29%. If we assume that the "nominal output value per worker" trend remains relatively steady, each employee is expected to produce services worth approximately SEK 1.03 million in 2023, an increase of about 25%. The number of employees is expected to reach 190,000 by 2023, an increase of approximately 26% compared with 2011.

Uncertainties and alternative scenarios

The forecast is based on the observed development proceeding with no major surprises and the very steady growth in general consumption per capita in Sweden continuing. Some uncertain factors that may affect the future of the industry are:

- population growth in Sweden
- demand development in Swedish households
- changes to restaurant VAT
- turbulent economic situation in Sweden and the wider world
- transport cost development
- climate threats
- inward tourism

5/SUPPLY OF AND DEMAND FOR SKILLED LABOUR

It is important for the industry as a whole that the demand for staff is met by employees with appropriate training. This contributes to the professionalisation of the industry and to raising the standard of professional skills and the status of the industry. It also contributes to a longer-term staffing situation where the hotel and restaurant industry becomes a career choice rather than a temporary job.

Upper secondary education principal source of trained people

Although there are several specialist courses at the higher education level, people trained for hotel and restaurant work come mainly from industry-specific upper secondary vocational programmes.

Fewer students in hotel and restaurant programmes

Interest in the Hotels & Tourism (Hotell och Turism, HT) and Restaurant Management and Food (Restaurang och Livsmedel, RL) programmes may perhaps be gauged by the number of people leaving with qualifications, which has remained steady at 3500-4500 people per year over the past fifteen years. However, interest in the programmes has waned over time. If interest is gauged instead by how many people that chose the previous programme had hotels and restaurants as their first choice, it could be said to have been in free fall for almost twenty years. However, applications for the new HT and RL programmes are showing something of an upturn, and seem to be reversing a long trend. One hopeful scenario would be the new programmes being able to prevent the wane in interest and maintain the outflow of 3500-4500 qualified people per year.

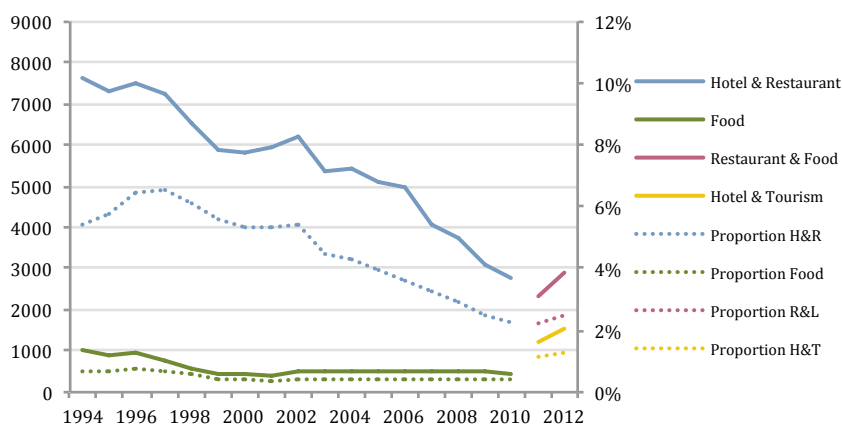


Fig. 1. First-line applicants for the Hotel & Restaurant and Food programmes and the Hotel & Tourism and Restaurant programmes. Source: Swedish National Agency for Education

The industry 'leaks' staff each year

Given the forecast of approximately 190,000 employees in 2023, the industry needs to expand its workforce by approximately 45,000 in ten years. In addition to this, the gaps left by those leaving the industry need to be filled. The magnitude of the demand for the inflow of staff can be estimated via surveys.

The Confederation of Swedish Enterprise estimates that approximately 33% of employees in retail, hotels and restaurants left their employers at the turn of the year 2009/2010.² The figures say nothing about how many people leave the industry for good every year. Some assumptions are necessary here.

Ten to twenty percent of HRF's members leave the organisation annually.³ HRF has approximately 33,000 members (from the industry's 140,000 employees) and staff turnover is probably higher among those who do not belong to the union. The estimate of the number leaving is assumed to be most definitely on the low side.

The results from the survey of employees conducted within the framework of this project indicate that approximately 23% of employees plan to leave the industry in 1-2 years or sooner. Participants in a survey may be presumed to have a longer-term approach to their involvement in the industry, so here too 15-20% should be regarded as the lowest credible estimate.

The age distribution in the industry is strongly skewed towards younger people. The Confederation of Swedish Enterprise's "Fakta om löner och arbetstider" (pay and working hours data) shows that the workforce (which, however, also includes retail in addition to hotels and restaurants) contains twice as many 22-year olds as it does 28-year olds.

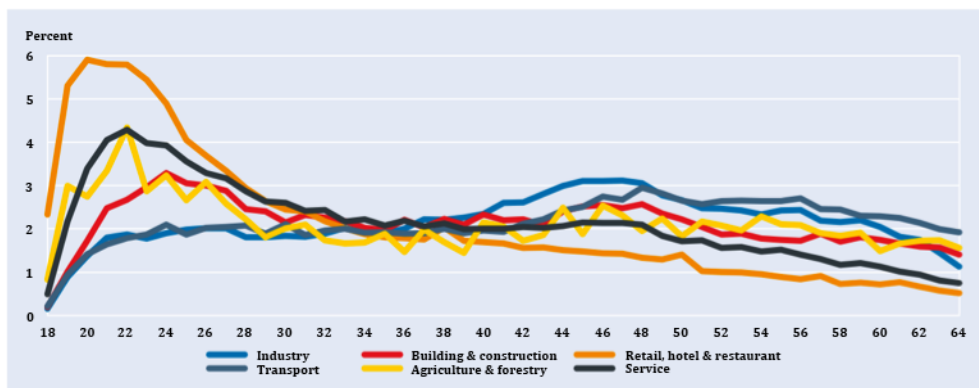


Fig. 2. Age structure for employees in certain economic categories. Source: Confederation of Swedish Enterprise

Any estimate of annual staff turnover must by necessity be a rather artificial figure given the nature of the industry: part-time work, numerous short-term jobs and the many people who work in the industry for less than a year and are therefore not really visible in the staff turnover statistics. The purpose of the estimate is not to show the real staff turnover pattern, but rather to estimate the size of the factor in relation to the recruitment demand in the somewhat longer term.

This leads us to the assumption that staff turnover is approximately 25% at the industry level. If we calculate that a quarter of those working in the industry leave it every year, and must be replaced – and that at the same time the total labour force demand rises as the industry grows – we can estimate the total recruitment demand.

² Fakta om löner och arbetstider 2013, Svenskt Näringsliv, maj 2013 (In Swedish: Pay and working hours data 2013, Confederation of Swedish Enterprise, May 2013).

³ Alla kan inte vara Riche: En studie om personalomsättningen i hotell- och restaurangbranschen, Rai Fierro, Patrik Englund, 2006, HRF verksamhetsberättelse 2011 (In Swedish: A study of staff turnover in the hotel and restaurant industry, Rai Fierro, Patrik Englund, 2006, HRF annual report 2011.)

Year	Employees	Growth	Leave the industry	Recruitment demand
2013	150,782	4,996	36,447	41,443
2014	155,513	4,731	37,696	42,426
2015	159,953	4,440	38,878	43,318
2016	164,218	4,265	39,988	44,254
2017	168,317	4,098	41,055	45,153
2018	172,017	3,701	42,079	45,780
2019	175,589	3,571	43,004	46,576
2020	178,961	3,372	43,897	47,270
2021	182,160	3,199	44,740	47,939
2022	185,228	3,068	45,540	48,608
2023	188,182	2,954	46,307	49,261

Table 1. Forecast of growth and recruitment demand 2013-2023

Annual recruitment demand 40,000-50,000

The result is an annual recruitment demand of 40,000-50,000 people over the period 2013-2023. This could be met in part by people who have previously left the industry. However, more detailed statistics would be needed to estimate the size of this group, and the age distribution in the industry suggests that it is quite small. A demand for some tens of thousands of new employees each year is to be expected.

Upper secondary vocational training does not meet the demand

Upper secondary vocational training produces nowhere near enough people to meet the industry's demand, if it is to be met by people with relevant training. Even with optimistic assumptions about the qualification rate from the HT and RL programmes, qualified people meet only around a tenth of the demand for new staff. Unless the industry-specific vocational courses become much more popular and/or staff turnover in the industry drops drastically, the proportion of staff with training relevant to the industry will continue to be low.

The declining popularity of the programmes may be due to students feeling that specialist training is unusual in the industry and is therefore not required to work in it. Better-defined career paths for trained staff and long-term investment are likely be necessary.

6/TRAINING COURSE CONTENT AND THE INDUSTRY'S REQUIREMENTS

The types of skills employees will need is as important an issue as the number of people who will need to be employed over the next ten years. To get an idea of how different stakeholder groups view the industry's skills development requirements, employers and employees in the industry, students currently on some upper secondary vocational hotel and restaurant programmes and teachers on these programmes have participated in a survey.

The purpose was to investigate attitudes to and perceptions of skills development among various groups connected with the industry. The 925 respondents represent four different groups: employees in the industry (340), employer representatives (342), students on upper secondary vocational hotel and restaurant programmes (199) and teachers on those programmes (44).

General attitude to skills development

Employees and employers feel that the attitude towards skills development in the industry is largely positive. However, one in three employees feel that the attitude to skills development on the managers' part is mainly negative. One in ten employer representatives feel that the attitude to skills development on the staff's part is mainly negative.

Skills development requirements

Employees were asked to identify the areas where they see the greatest need to develop their own skills, while employers were asked to identify where they feel staff have the greatest need for skills development. Students had to identify what they feel they need to learn more about in order to do well at work, and teachers on the hotel and restaurant programmes had to identify what they think will be the more important skills in the industry in the future.

Employees, employers and students see a requirement for skills development in **leadership** and **staff management**. In addition, employees and students see the requirement to learn more about **finance** and **budgeting** as well as **IT systems for business support**. Employees also mention the work environment and knowledge of laws and agreements as important skills development areas.

The employers' view is different. They agree with the requirement for skills development in leadership, but their priorities are more concerned with **customer focus, marketing** and **sales techniques**. The wish for employees to be better able to create customer satisfaction and a willingness to return is expressed in two ways: customer care and higher customer loyalty. Teachers' opinions are very different from those of the other groups, in part probably because their question was put differently ("what will be more important in the future?"), but perhaps also because they are not involved in the industry's day-to-day operations.

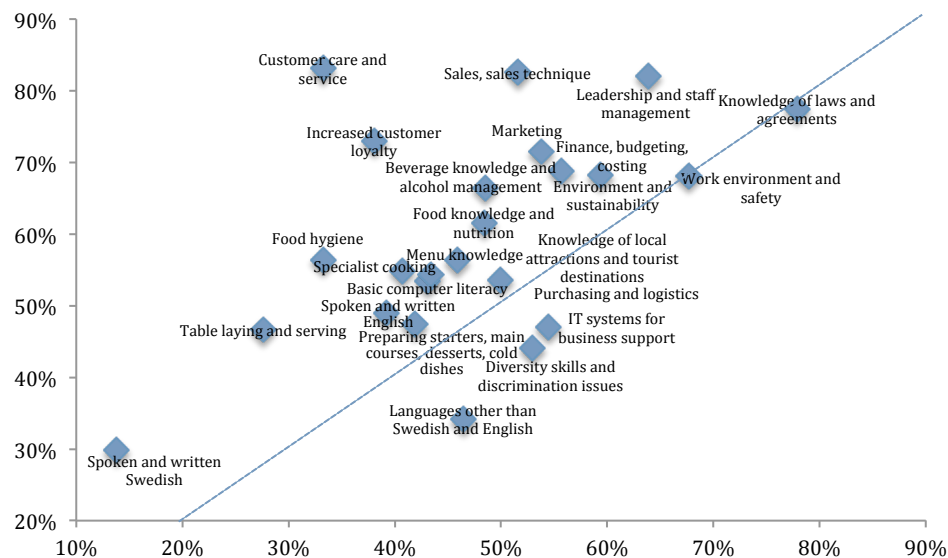


Fig. 3. "Substantial" or "some" skills development requirements, according to employees and employers. Employers' assessments on the vertical axis, employees' on the horizontal.

When employees' and employers' perceptions of skills development requirements are compared, the picture above appears. Employees are commenting on their own skills development requirements, unlike the employers, who are commenting on the staff's skills development requirements.

Employers and employees agree that laws and agreements, leadership and staff management, the work environment and safety, as well as finance and budgeting, are important skills development areas. Of employers, 83% consider that employees need development in customer care and service. However, 22% consider there is "substantial" need for development in this area, while 61% indicate "some" skills development requirement.

Expectations for training courses

A majority of employers believe the match between the content of upper secondary vocational courses and the industry's requirements is quite or very poor, with a quarter rating it good or fairly good. Employees that have taken these courses are considerably more positive. Two in three (67%) feel that what they have learned during training matches up well to the demands imposed on them at work.

Employers who do not feel that upper secondary vocational courses meet the requirements of working life gave reasons such as:

- Too little practical experience
- Lack of knowledge after training
- Lack of service mindedness
- Lack of initiative and motivation

Personal qualities: what is important and what is lacking?

The four groups were asked to give an opinion on the personal qualities required in the industry. Employees and students had to say what is most important; employers, what is most difficult to obtain; and teachers, what qualities will become more important in the future. There are some overlaps among the top five for each category, but also differences.

Most important qualities, according to employees	Most difficult to obtain, according to employers	Most important qualities, according to students	More important qualities in the future, according to teachers
Service mindedness, customer focus	Wide range of skills	Positive attitude	Positive attitude
Positive attitude	Leadership qualities	Passion for the profession	Service mindedness, customer focus
Team player	Passion for the profession	Team player	Passion for the profession
Passion for the profession	Sales focus	Service mindedness, customer focus	Independence, drive, able to take initiative
Work well under pressure	Hard-working, highly ambitious	Good communication skills	Creative, inventive

Table 2. Important and hard-to-find personal qualities, according to various groups.

Short-termism

The hotel and restaurant industry is characterised by high staff turnover. Many see the job as something temporary to do to earn a bit of money, and perhaps have some fun for a few years while young. This may be what employers mean when they say it is difficult to find staff with a passion for the profession. The majority of employees who responded to the survey plan to change jobs relatively soon. More than half plan to leave their jobs within two years, and nearly a quarter are planning to leave the industry entirely within the same period.

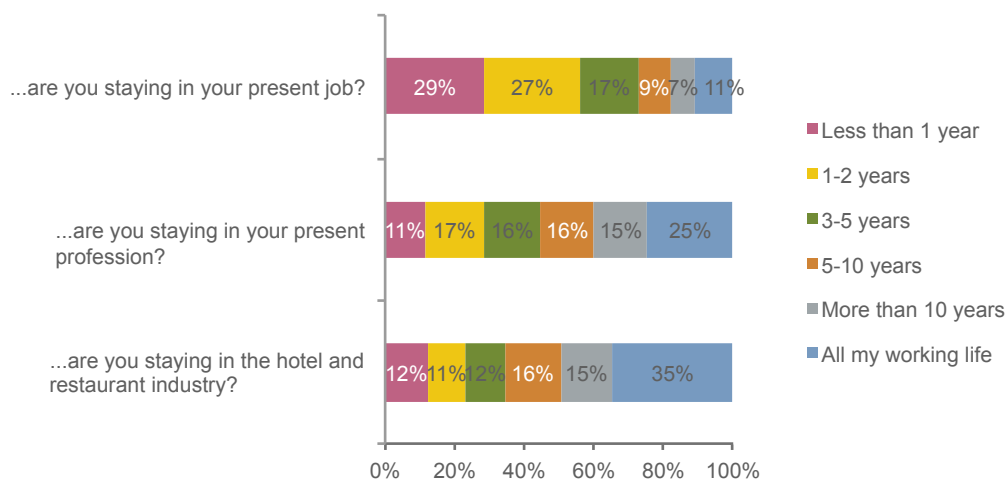


Fig. 4. Employees' intentions to remain in their current job and in the industry.

Misconceptions and false expectations

The impression is that upper secondary students have a poor understanding of what the work actually entails – that the expectations of being able to work well under pressure, take responsibility and multi-task, and of having business sense are much higher than is apparent during training. There is a risk that a false image of the industry means students are attracted to the courses in the belief that the industry suits them when it does not. Employers may also have had a lack of understanding of

what vocational training involves. The courses rarely focus on shaping personality and usually do not require the high level of individual responsibility, stress and sales focus that the "reality" does. To expect "fully finished" employees in this regard is not realistic.

One way to bring the training more in line with the industry's requirements, in addition to more practical knowledge, is to focus more on the commercial aspect of running a business in the industry, and demonstrate clearer evidence of qualities concerning stress and responsibility. In terms of personal qualities, some aspects may be hard to influence, but what is wanted on the industry's part could still be made more obvious.

Increased competition is driving change

Competition for skilled employees is fierce, both between industries and between companies within the same industry. The hotel and restaurant industry is heading for higher growth and increasingly discerning customers. Competition for the best people, who can provide that little extra, is growing. The industry has a long tradition of high staff turnover and short-termism in its HR strategy, which risks becoming a serious problem when the industry occupies a central primary sector. Finding, developing and retaining skills will be a key issue over the next ten years.

New and old skills

Employers are demanding skills such as business sense, leadership qualities, versatility, sales techniques and customer care. However, in the light of trends in the wider world, requirements for new skills profiles are emerging: increased travel demands cultural and social skills and, ideally, language skills. Digital tools, booking and payment systems are imposing new demands on familiarity with technology.

More serious industry with better-defined career paths

Interest in food and drink has never been higher in Sweden, and popular but tough-minded TV chefs demonstrate clearly that the professional-quality restaurant business is demanding. Greater competition for more discerning customers is driving the improvement in quality. It is hoped that this results in a higher status for the industry, leading to higher professionalism and better-trained staff. The industry must become more appealing, and to people other than those attracted by the industry as a lifestyle. Furthermore, retaining competent employees in the older age groups requires better-defined career paths where experience, training, skills and long-termism are valued and provide real rewards.

7 / ABOUT THE PROJECT

The survey and report Growing Pains? was initiated by the Hotel and Restaurant Training Council (UHR) and funded by Visita and HRF (Swedish Hotel & Restaurant Worker's Union). The project was carried out in the period 2011-2013 on the initiative of UHR (Hotel and Restaurant Training Council). UHR representatives: Malin Ackholt (HRF), Göran Andersson (Visita), Peter Thomelius (Visita) and Pim Van Dorpel (HRF). Kairos Future is responsible for the basic data, survey and analysis.

This summary is funded by BFUF (Research and Development Fund of the Swedish Hospitality Industry), which is owned by Visita and HRF. The full report (in Swedish) and this summary can be downloaded at bfuf.se.

The project team at Kairos Future included Johanna Danielsson (Director Travel & Tourism), Christian Wennerström and Björn Ljung (Analysts).

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#02 GROWING PAINS?

A SURVEY OF THE HOTEL AND RESTAURANT INDUSTRY'S SKILLS REQUIREMENTS TO 2023

January 2014

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