June 2019

Hospitality and Tourism workforce landscape

A research report mapping the sector workforce landscape for the Department for Digital, Culture, Media and Sport

CONTENTS

1. Introduction and executive summary

This report sets out the results of Economic Insight's analysis of the workforce landscape for the Hospitality and Tourism industry in the UK – and an assessment of skills deficits and barriers to skills development. The primary purpose of this is to provide the Department for Digital, Culture, Media and Sport with evidence that can be used to help maximise its impact and effectiveness when supporting the industry and helping Government deliver on its aims in this vital area.

1.1 Background and objectives of our work

The Department for Digital, Culture, Media and Sport (DCMS) commissioned Economic Insight to carry out a mixed method research project to better understand the Hospitality and Tourism workforce.

The Hospitality and Tourism sector is a key pillar of the UK's broader economic and social success – delivering £66bn Gross Value Added contribution and employing around 3 million people.[1] Whilst the sector is one of the UK's top ranked industry contributors – both economically and as an employer – there are grounds to believe that (as is true more generally for the UK since 2008 in particular) productivity performance has scope to improve.

In order to support more impactful delivery in this area, DCMS is keen to develop a granular understanding of the sector workforce – including an analysis of the specific skills deficits and their location.

The aim of this research is, therefore, to provide a comprehensive data analysis of the workforce and existing sector skills in the UK – including current and emerging skills gaps, and insight into key barriers to productivity gains in the sector. The evidence can, in turn, help to shape conclusions and future policy development.

[1] *DCMS (2018), 'DCMS Sectors Economic Estimates 2017.'*

1.2 Executive summary

Our method and approach

In order to address the questions outlined by DCMS, we combined a range of methods and approaches. This included:

- Analysis of the **Employer Skills Survey.** The purpose of this was to examine the current workforce and skills landscape. In particular, to address the questions around the current workforce landscape and job type and skills deficits.

- Analysis of the **Employer Perspectives Survey**. We explored mostly issues around provision of Hospitality and Tourism training with this dataset.

- Analysis of the **Annual Survey of Hours and Earnings**. This was used to help understand the low pay environment of the Hospitality and Tourism sector.

- Designing and running an **online survey of Hospitality and Tourism employees and employers.** The purpose of this was to get both an employee perspective on some of the skills issues, as well as obtaining insight into future skills needs from employers.

- Developing **in-depth case studies** with key stakeholders. These were used to fill any outstanding research gaps and obtain a cross-sector perspective on some of the key issues.

- A **comprehensive literature review.** This was primarily used to inform our understanding of barriers to skills development.

Benefits and limitations of approach

The various analytical elements of this research set out above have different strengths and weaknesses. In particular, as much of the research draws on survey data analysis, the robustness of any findings based on these will depend on both: (i) the quality and robustness of the underlying survey designs (e.g. whether they are well-framed and unbiased); and (ii) the sampling methods used in those surveys (e.g. how representative they are). In this regard we should note that, amongst other evidence sources, our work included a small-scale online survey commissioned *specifically for the purpose of this research project.* A key benefit of this is that it allowed us to collect new primary evidence, targeted at the key issues of interest to DCMS. However, the survey was not based on a representative sample, which may limit the statistical robustness of the results (for details, please see the accompanying Annex).

Similarly, we note that there is no robust source for churn data; and hence it is not possible to establish whether – or to what extent – this contributes to job vacancy rates.

Key findings and recommendations

Workforce features

- **Around 8% of the UK workforce is employed in the Hospitality and Tourism sector.** Of this, 86% of the Hospitality and Tourism workforce is employed in a restaurant, pub or hotel related business.
- **45% of the Hospitality and Tourism workforce is employed in roles where staff behaviours (rather than high technical competence) make the crucial difference to a great customer experience.** These roles include bar staff, waiters and waitresses, and kitchen porters. This is relatively high compared to other all UK industries; and Hospitality and Tourism has 32 percentage points more 'elementary' roles than average, as defined by the ONS.

Job types and skills deficits

- Compared to all other UK industries, **the Hospitality and Tourism sector has a high number of job vacancies, as a proportion of total jobs** (6%, compared to 4% across all UK industries).
- Throughout the report, the **'external skills deficit'** is measured by the **skills shortage vacancy density. This is the proportion of vacancies that are skills shortage vacancies (i.e. hard to fill because employers cannot find the skills).**
  - **Hospitality and Tourism has a <u>lower</u> external skills deficit** (17% vs 23%) than all other sectors. Nonetheless, within Hospitality and Tourism, there are certain job types, such as for example skilled trades (e.g. chefs), where the proportion of vacancies that are hard to fill because the skills are hard to find is above the sector average (17%) at 39%.
  - Moreover, there is detailed information on the geographical features of the workforce and any skills deficits – and there may be local workforce and skills strategies that drive important positive performances. The analysis should therefore help DCMS and its stakeholders to prioritise where to work with local leaders to understand the key success drivers; or to target additional support if the gaps are wider than the national average.
- Throughout the report, the **'internal skills deficit'** is measured by the **skills gap density. This is the proportion of current staff that is not proficient at their role.**
  - **Hospitality and Tourism has a <u>higher</u> internal skills deficit** compared to the UK average (7% vs. 4). Nonetheless, within Hospitality and Tourism there are certain job types, such as for example sales and customer services staff and staff in elementary roles, where the proportion of current staff that are not fully proficient at their role is above the sector average (7%) at 8%. In terms of **internal and external skills deficits, Hospitality and Tourism employers' biggest challenges are operational, and management and leadership skills**.
  - Furthermore, similar detailed information on the geographical features f the workforce and any internal skills deficits is available, allowing for similar analysis.

Training provision

- **70% of Hospitality and Tourism businesses offer training**, which is in line with the overall average for all industries in the UK. The most common type of training provided is health and safety or first aid training, followed by job specific training. Over half of Hospitality and Tourism establishments that offer any training (55%) do so online, which is above the UK average of establishments providing training (50%).
- **85% of Hospitality and Tourism employers that provided external training used private providers**, which is in line with the overall UK average.

Skills development barriers

- The main barrier to skills development identified is that **training may not be sufficiently targeted**, both in terms of topics covered, as well as locations where it is offered – creating specific regional issues.
- Hospitality and Tourism employees are most likely to get promoted if they: (i) have good **communication skills**; (ii) are able to **develop themselves**; and (iii) have high level **management behaviours**.
- The research also found that the best ways to attract and retain employees is: (i) to develop a **positive and supportive workplace**; (ii) have a **well-defined career progression plan from the start of employment**; and (iii) **increase accessibility.**
- In terms of skills required in the next 5-10 years, both employers and stakeholders considered the following are important: (i) **digital skills**; (ii) **social and emotional skills**; and (iii) **foreign language skills**.

Recommendations

- **Explore further whether there are <u>supply-side</u> barriers that are preventing training providers from offering flexible training 'on-site'.** This could potentially further **increase overall training provision** and provide an even more skilled workforce, which in turn could provide employees with more **opportunities for career development**.
- **Explore further whether there are <u>demand-side</u> barriers that are preventing Hospitality and Tourism employers and employees from offering / taking-up external training.**
- **Explore whether a change in the terminology around certain workforce features could have a positive impact on the sector's perceptions more widely.** For example, and as mentioned above, almost half of the Hospitality and Tourism workforce's jobs are classified by the ONS as 'elementary roles'; yet, although they may not require high level skills, they require many other skills / behaviours not classified by the ONS accordingly.
- Following from the recommendation above, **further research could be undertaken / a different methodology could be developed to measure the skills / behaviours that are needed in the Hospitality and Tourism sector**, as these are not always easily quantifiable.

1.3 Structure of the report

The remainder of this report is structured as follows:

- **Chapter 2** sets out the features of the Hospitality and Tourism workforce.
- **Chapter 3** provides an overview in relation to job types and skills deficits, as well as what skills are currently hard to find in the labour market, lacking amongst education leavers and need improving in the current workforce.
- **Chapter 4** sets out the extent to which training is provided in the Hospitality and Tourism sector by employers, as well as how and by whom this is provided.
- **Chapter 5** explores the drivers and barriers of skills development in the Hospitality and Tourism sector, drawing on multiple sources of evidence.
- **Chapter 6** provides recommendations.
- **The Annex to this report** contains copies of the online survey and additional results referred to in the main body of the report. It also contains a more detailed review of the literature referred to in the main body, as well as more detailed regional, temporal and segmental analyses of key results set out in the subsequent chapters.

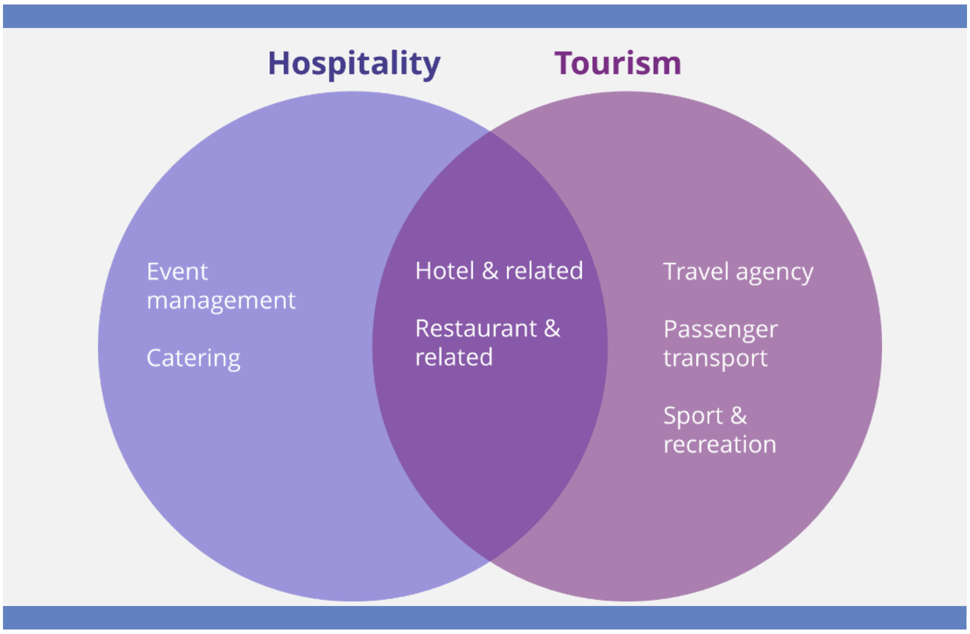
2. Workforce features

This chapter sets out the current Hospitality and Tourism workforce features. In particular, the number of people working in the Hospitality and Tourism sector and in what roles.

2.1 What are the Hospitality and Tourism sector segments?

For the purpose of this research, there are seven Hospitality and Tourism sub-segments, as illustrated in the following figure. These are based on a review of the existing literature and the ONS SIC2007 codes, as well as discussions with DCMS.

Figure 1: Hospitality and Tourism segments



Source: Economic Insight.

2.2 How many people work in Hospitality and Tourism?

The Hospitality and Tourism workforce is an important part of the UK economy. It provides employment for all different types of people. In particular, women, younger workers, as well as part-time workers.[2] The following sections establish, in turn, that:

- around one in every twelve people in the UK's labour force work in the Hospitality and Tourism sector; and
- 86% of the Hospitality and Tourism workforce is employed in a '*restaurant & pub*' or '*hotel*' related business.

What proportion of the UK labour force work in Hospitality and Tourism?

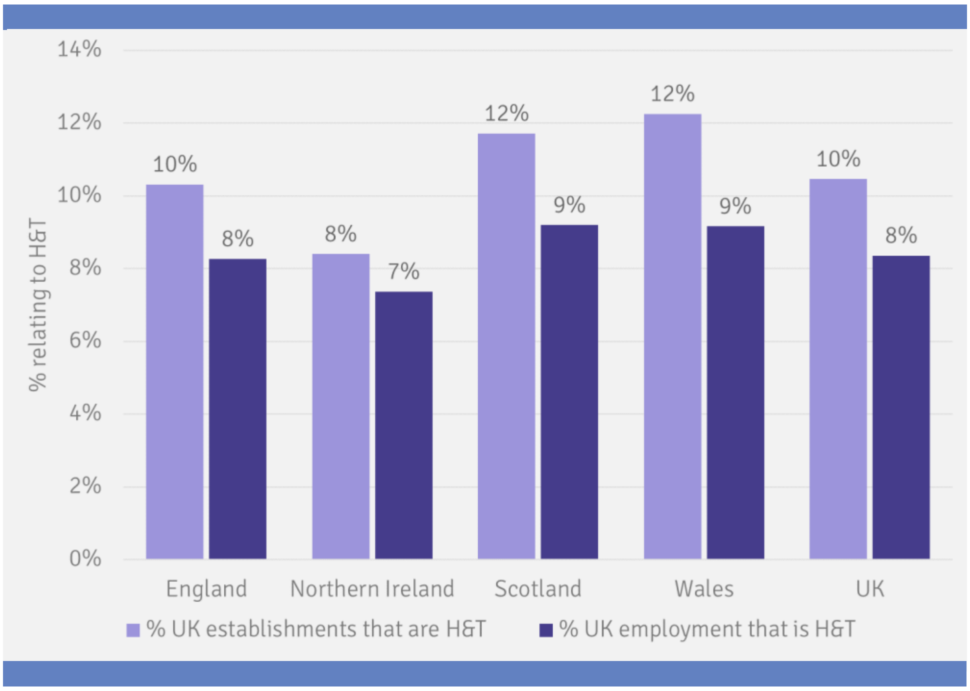
AROUND 1 IN EVERY 12 PEOPLE OF THE LABOUR FORCE IN THE UK WORK IN THE HOSPITALITY AND TOURISM SECTOR.

The Hospitality and Tourism workforce makes up:

- **8.4%** in terms of share of total **UK employment**.
- **10.4%** in terms of share of total **UK establishments**.

There is some regional variation in terms of these proportions, as illustrated in the following figure. For example, the proportion of people working in the Hospitality and Tourism sector as a proportion of all workers is higher in Scotland (9.2%) and Wales (9.2%), compared to the UK average (8.4%). These differences are not statistically significant.

Figure 2: Proportion of UK establishments / workforce that are Hospitality and Tourism, by region, 2017



Source: Economic Insight analysis of ESS 2017.

Unweighted base sizes: All establishments (England=71,527; Northern Ireland=3,973; Scotland=6,017; Wales=5,913; and UK=87,430).

These overall proportions have remained relatively stable over the years – although the proportion of employment accounted for by Hospitality and Tourism has increased slightly over time (see next table).

[2] *Eurostat (2015), 'Tourism industries – employment.'*

Table 1: Proportion of UK establishments / workforce that are Hospitality and Tourism over time

	2011	2013	2015	2017
Unweighted base	*86,522*	*91,279*	*91,210*	*87,430*
% UK establishments that are Hospitality and Tourism	10.5%	10.7%	10.8%	10.5%
% UK employment that is Hospitality and Tourism	7.6%	7.9%	8.2%	8.4%

Source: Economic Insight analysis of ESS 2011, 2013, 2015, 2017.

Has the proportion of the UK labour force that work in Hospitality and Tourism changed over time?

ESS analysis implies that between 2011 and 2017 the Hospitality and Tourism sector grew by **17.2%** in terms of workforce. This growth is not statistically significant.[3]

The following table illustrates the year-on-year growth of the Hospitality and Tourism sector in terms of employment compared to all UK industries. As can be seen, UK Hospitality and Tourism has grown at a faster rate compared to all UK industries.

COMPARED TO ALL UK INDUSTRIES, EMPLOYMENT IN HOSPITALITY AND TOURISM INCREASED ALMOST THREE TIMES AS MUCH.

Table 2: % change in workforce over time – all Hospitality and Tourism segments, UK

	2013	2015	2017	2011-2017
Employment growth (UK Hospitality and Tourism)	3.0%	6.9%	6.5%	**17.2%**
Employment growth (UK all industries)	-0.1%	3.0%	4.0%	**6.9%**

Source: Economic Insight analysis of ESS 2011, 2013, 2015, 2017.

Unweighted base sizes: All establishments from Hospitality and Tourism sector in the UK (2011=9,865; 2013=10,449; 2015=10,476; and 2017=9,503); all establishments from all industries in the UK (2011=86,522; 2013=91,279; 2015=91,210; and 2017=87,430).

Yorkshire and the Humber experienced the highest growth in terms of employment (24% between 2011 and 2017), whereas the North East experienced the lowest (7% between 2011 and 2017). The segment driving this growth was '*restaurants & pubs*' and related businesses, which grew by 28% in terms of employment between 2011 and 2017. More detailed regional analysis is provided in the Annex.

What proportion of the Hospitality and Tourism workforce work in each segment?

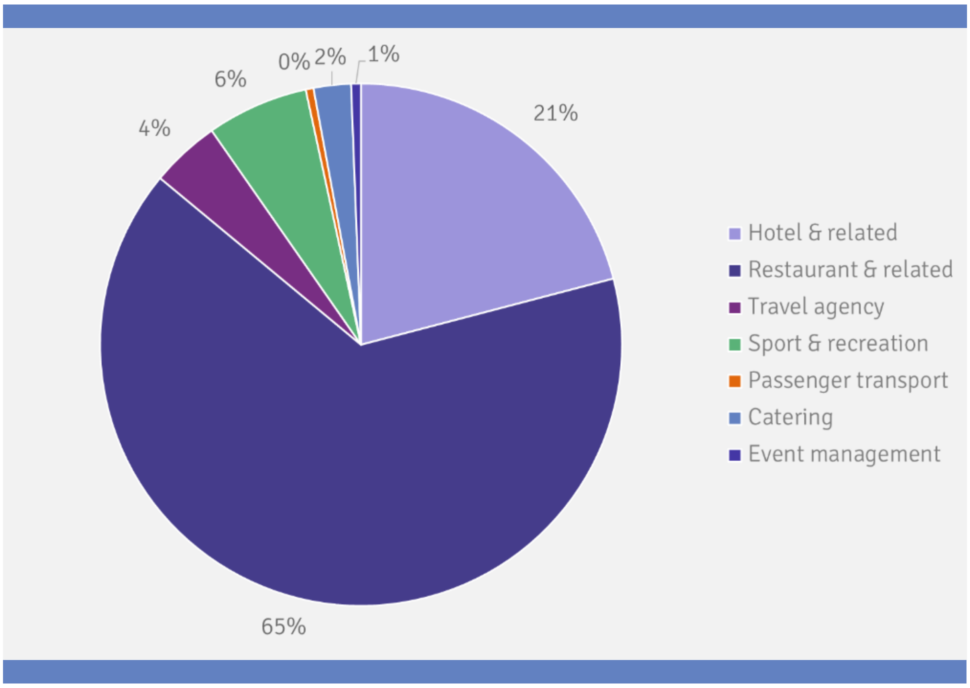
The Hospitality and Tourism workforce is made up of multiple sub-segments, which are defined in more detail in the Annex for the purposes of this study.

The following figure shows that *'restaurants & pubs'* and *'hotel'* related businesses are the two largest segments of the Hospitality and Tourism sector, accounting for over

[3] *The only statistically significant change between 2011 and 2017 is the growth in the 'restaurant' and related businesses segment (0.9% [1.6%; 0.2%]).*

86% of the workforce. As such, any changes in these two segments will inevitably have a large effect on the Hospitality and Tourism workforce overall.

Figure 3: Proportion of UK Hospitality and Tourism workforce that works in each segment, 2017



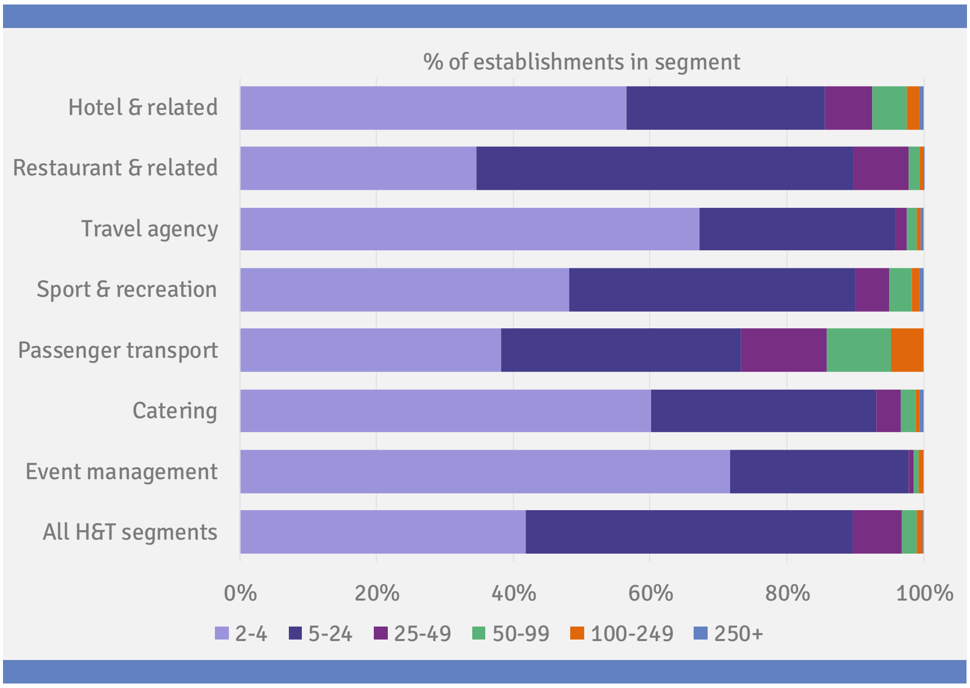
Source: Economic Insight analysis of ESS 2017.

Unweighted base size: All establishments from Hospitality and Tourism sector in the UK (2017=9,503).

In what type of establishment do they work?

The subsequent figure illustrates the size of the establishments in each Hospitality and Tourism segment in 2017. As can be seen, most Hospitality and Tourism establishments are small- or medium-sized businesses, with around 9 in every 10 (90%) Hospitality and Tourism establishments employing less than 25 people.

Figure 4: Proportion of UK Hospitality and Tourism establishment by size and segment, 2017



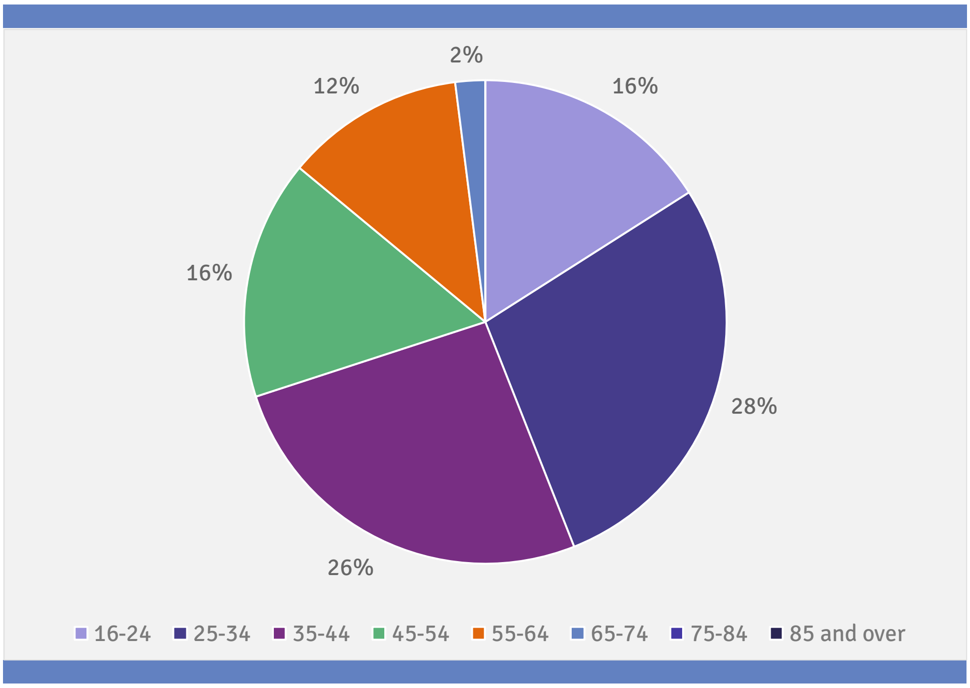
Source: Economic Insight analysis of ESS 2017.

Unweighted base size: All establishments in the UK in 2017 ('Hotel & related'=1,454; 'Restaurant & related'=6,844; 'Travel agency'=351; 'Sport & recreation'=596; 'Passenger transport'=39; 'Catering'=155; 'Event management'=64).

What does the Hospitality and Tourism labour force look like?

The following figure shows that there is a spread across the ages of Hospitality and Tourism employees who responded to the online survey commissioned as part of this research programme. It should be noted that this is not representative of the Hospitality and Tourism industry more broadly, and details on this are provided in the Annex. However, it should be noted that almost half (44%) of the respondents are younger than 35.

Figure 5: Age of Hospitality and Tourism employees, 2019

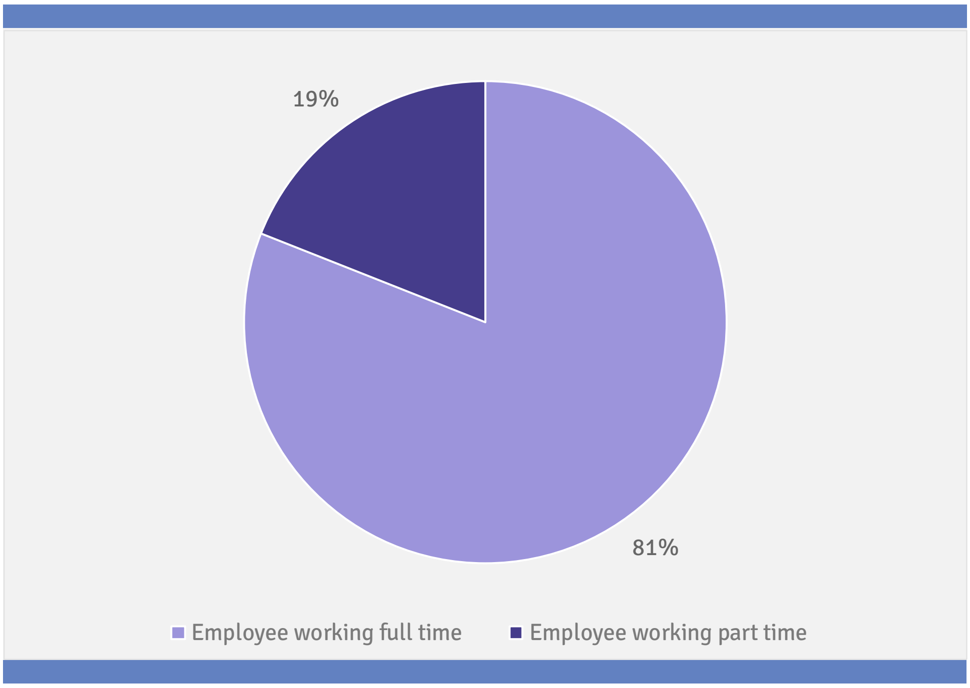


Source: Economic Insight online survey.

Base size: 268.

Similarly, the following figure shows the proportion of respondents to the online survey commissioned as part of this research programme that are working full- or part-time. Again, the same caveats as mentioned previously hold.

Figure 6: Working status of Hospitality and Tourism employees, 2019



Source: Economic Insight online survey.

Base size: 268.

Nonetheless, it should be noted that almost 1 in 5 employees from the online survey that work in the Hospitality and Tourism industry do so part time.

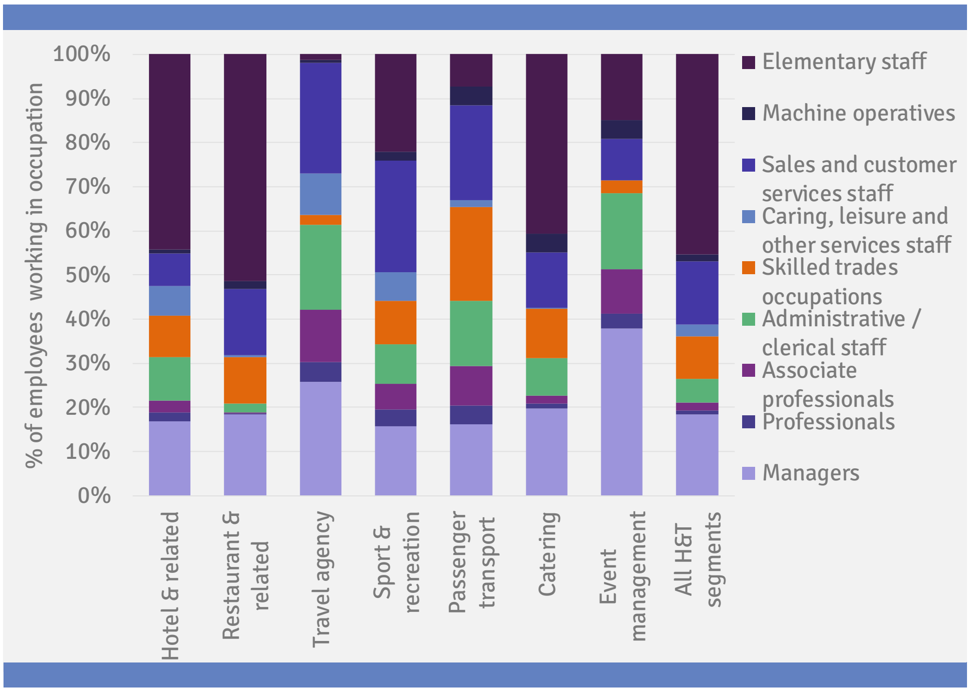
2.3 What are the Hospitality and Tourism job types **by segment**?

As set out previously, the largest Hospitality and Tourism segments are: *'restaurants & pubs'*; and *'hotel'* and related businesses; followed by: *'sport & recreation'*; *'travel agency'*; *'catering'*; *'event management'*; and *'passenger transport'* businesses.

The following figure illustrates the distribution of job types across the different Hospitality and Tourism segments. This shows that 45% of Hospitality and Tourism job types are **roles where staff behaviours make the crucial difference to a great customer experience** – defined by the ONS as **'elementary' roles.** These include, for example, kitchen and catering assistants; waiters and waitresses; bar staff; and leisure and theme park attendants. This is then followed by employees in **managerial roles** (18%), as well as those in **sales and customer service roles** (14%) and **skilled trades occupations** (10%), such as, bakers and flour confectioners; chefs; and cooks.

ALMOST HALF (45%) OF ALL THE STAFF IN THE UK HOSPITALITY AND TOURISM SECTOR WORKS IN ROLES WHERE STAFF BEHAVIOURS MAKE THE CRUCIAL DIFFERENCE TO A GREAT CUSTOMER EXPERIENCE.

Figure 7: Distribution of Hospitality and Tourism job types 2017 – as defined by ONS, UK



Source: Economic Insight analysis of ESS 2017.

Unweighted base size: UK Hospitality and Tourism sector establishments in 2017 ('Hotel & related'=1,454; 'Restaurant & related'=6,844; 'Travel agency'=351; 'Sport & recreation'=596; 'Passenger transport'=39; 'Catering'=155; 'Event management'=64; 'All H&T segments'=9,503).

- Compared to the Hospitality and Tourism sector average distribution of job types, the '*travel agency*'; '*passenger transport*'; '*event management*' and '*sport & recreation*' segments employ fewer staff in **elementary roles** than the '*restaurants & pubs*' and '*hotel*' and related businesses segment.
- '*Event management*' and '*travel agency*' employ more staff in **managerial**; **administrative / clerical** and **associate professional** roles, compared to the Hospitality and Tourism sector as whole.

COMPARED TO ALL UK INDUSTRIES, UK HOSPITALITY AND TOURISM EMPLOYS FEWER STAFF IN PROFESSIONAL ROLES.

How does the Hospitality and Tourism sector job type distribution compare to the UK overall?

Compared to the job types across the UK economy, the Hospitality and Tourism sector employs significantly more staff in elementary roles and less staff in professional roles, as illustrated in the following table. These differences in distribution of job types are statistically significant.

Table 3: Difference between UK Hospitality and Tourism and UK all industries staff in role, 2017

Roles as defined by the ONS	UK Hospitality and Tourism (%)	UK all industries (%)	UK Hospitality and Tourism – UK all industries (ppts)
Managers	18%	17%	2 ppts
Professionals	1%	13%	-11 ppts
Associate professionals	2%	7%	-5 ppts
Administrative/clerical staff	5%	13%	-8 ppts
Skilled trades occupations	10%	7%	3 ppts
Caring, leisure and other services staff	2%	9%	-7 ppts
Sales and customer services staff	14%	13%	1 ppts
Machine operatives	2%	8%	-6 ppts
Elementary staff	45%	14%	32 ppts

Source: Economic Insight analysis of ESS 2017.

Unweighted base size: see Annex chapter 8, tables 60 and 61 for base sizes.

There is little regional variation in terms of the job type mix, with the two extremes being London and the North West. In London, 40% of Hospitality and Tourism staff work in roles where staff behaviours make the crucial difference to a great customer experience (defined by the ONS as 'elementary' roles), whereas in the North West this proportion is 50%. For a more detailed analysis of regional variation please refer to the Annex to this report.

2.4 What are the motivations to join and perceptions around joining the Hospitality and Tourism workforce?

38% OF HOSPITALITY AND TOURISM EMPLOYEES JOINED THE SECTOR BECAUSE IT FITS THEIR LIFESTYLE.

The online employee survey asked workers within the Hospitality and Tourism sector as to what motivated them to pursue a job in Hospitality and Tourism. The following table illustrates that across all Hospitality and Tourism segments, because '*it fit respondents' lifestyle'* was the most frequently cited reason (38%), followed by '*personal interest'* (34%). It should be noted that the sample population of the online survey is not representative of the Hospitality and Tourism sector more broadly, and so its results should be interpreted with caution.

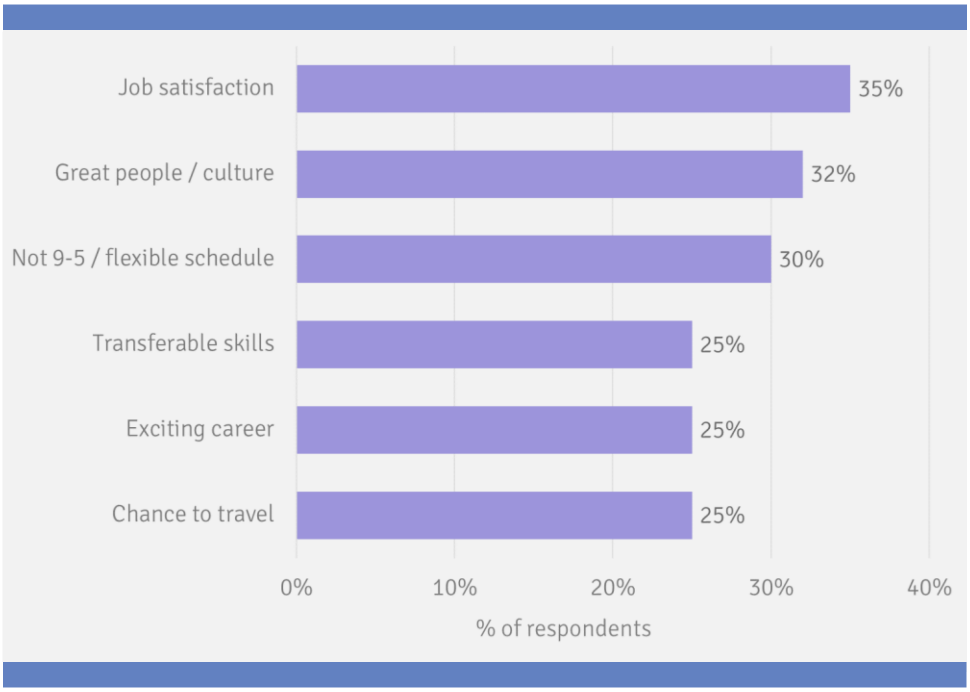
Table 4: Reasons for choosing job type, UK, 2019

	UK Hospitality and Tourism
Base	*268*
It fits my lifestyle	38%
Personal interest	34%
Well matched to my skills / qualifications	33%
Financial rewards / pay	24%
Work experience	21%
Saw it as the right career choice	21%
Wanted a career change	21%
Suggested by family / friends / teacher	11%
Seems like an easy job	10%

Source: Economic Insight online survey.

The most common perceptions around the Hospitality and Tourism sector before starting to work in the current role are that there is high '*job satisfaction*' (cited by 35% of employees), followed by '*great people / culture* '(32%). Other reasons are illustrated in the next figure.

Figure 8: Top 5 perceptions around the Hospitality and Tourism sector, employees, all Hospitality and Tourism segments, UK, 2019



Source: Economic Insight online survey.

Unweighted base size: All UK Hospitality and Tourism employee respondents=268.

When asked how accurate these perceptions were, 87% of respondents thought that the perception around '*job satisfaction'* was accurate, whereas 91% of respondents considered '*great culture / people'* to be accurate.

2.5 What are the levels of low pay?

UK HOSPITALITY AND TOURISM AVERAGE GROSS WEEKLY WAGES ARE CA. 25% BELOW THE UK AVERAGE.

The following figure shows the calculated UK Hospitality and Tourism average wage at the 2- and 4-digit SIC code levels, compared to the average UK and UK retail gross weekly wage for a full-time job. As can be seen, wages are trending up over time – but UK Hospitality and Tourism wages are roughly 25% below the UK's average and 5% below UK retail average gross weekly wages.

Figure 9: UK Hospitality and Tourism and all industries average weekly wages (full-time), 2011 – 2017.

Source: Economic Insight analysis of ONS ASHE.

Unweighted base size: See ONS ASHE tables.

Whilst Hospitality and Tourism wages are below the UK average, as observed above, they are growing. Accordingly, the table below summarises the annual growth rates in wages.

HOSPITALITY AND TOURISM AVERAGE GROSS WEEKLY WAGES GREW AT A FASTER RATE THAN THE OVERALL UK ECONOMY AND FOLLOWED A SIMILAR TREND TO RETAIL WAGES.

Table 5: Year-on-year growth of gross weekly full-time wages, 2011-2017, UK

	2012	2013	2014	2015	2016	2017	2011-2017
UK Hospitality and Tourism (2-digit SIC)	1.8%	3.7%	-1.2%	3.5%	3.9%	4.8%	17.5%
UK Hospitality and Tourism (4-digit SIC)	1.6%	3.7%	-1.7%	3.5%	0.3%	7.0%	15.1%
UK retail	2.9%	4.0%	-0.6%	3.5%	3.5%	1.9%	16.1%
UK all industries	0.8%	2.0%	0.1%	1.0%	2.9%	2.5%	9.7%

Source: Economic Insight analysis of ONS ASHE 2011-2017.

Unweighted base size: See ONS ASHE tables.

What are the levels of pay <u>by location</u>?

There are regional differences in average Hospitality and Tourism sector pay. In the North East, Hospitality and Tourism average wages are 42% below the UK Hospitality and Tourism average wages. In contrast, Hospitality and Tourism wages in London are 19% above the overall UK sector average. To a large extent this will reflect 'general' differences in labour market conditions from region-to-region, rather than Hospitality and Tourism specific ones.

In addition, differences may also reflect differences relating to the composition of the 'segments' within Hospitality and Tourism and the extent to which these vary by region. For example, '*hotels & related'* and '*restaurants & related'* salaries are generally lower compared to the Hospitality and Tourism average. Consequently, regions with a higher proportion of firms / employees in these segments might be expected to have lower overall average Hospitality and Tourism wages. The following table summarises the difference between average wages for each Hospitality and Tourism segment, relative to the overall UK average Hospitality and Tourism wages.

COMPARED TO THE AVERAGE UK HOSPITALITY AND TOURISM SALARY, STAFF IN THE HOTEL & RELATED AND RESTAURANT & RELATED SEGMENTS ARE PAID CA. 20% LESS.

Table 6: Difference between 2-digit SIC UK segment average weekly full-time wage and UK Hospitality and Tourism average weekly full-time wage, 2017

Segment	2017
Hotel & related	-18%
Restaurant & related	-21%
Travel agency	13%
Sport & recreation	29%
Passenger transport	51%
Event management	23%

Source: Economic Insight analysis of ONS ASHE.

Unweighted base size: see ONS ASHE tables.

As set out above, low pay is more pronounced in different Hospitality and Tourism segments for which a higher proportion of staff are employed in labour-intensive roles. When looking at regional pay by occupation, the following regions come across as generally paying below the UK average gross weekly wage: East Midlands, North East, West Midlands, and Yorkshire and the Humber; as well as Scotland and Wales to a degree. More details on regional pay disparities by role can be found in the Annex.

Finally, a study published by John Lewis Partnerships[4] (2014) finds that key characteristics shared by employees on low pay are that they are older, female, or outside of London. It also finds that frictions between promotions and reduced flexibility may 'trap' some in lower positions (and consequently lower pay). The report suggests that entry level jobs in retail care and hospitality should have career pathways which clearly identify small steps that can be taken to increase pay. Additionally, part-time workers should have similar, but separate pathways, too.

The next chapter explores job types and skills deficits amongst the workforce set out in this chapter.

[4] *John Lewis Partnerships (2014), 'Pay progression: Understanding the barriers for the lowest paid.'*

3. Job and skills deficits

This chapter illustrates what skills are important in the sector, as well as the job and skills deficits within the Hospitality and Tourism sector. In particular, the number of vacancies across the sector, as well as the internal and external skills deficits and what skills are difficult to find.

3.1 What are most important skills to undertake these job types?

The online survey undertaken as part of this research project asked Hospitality and Tourism employees which '*technical and practical'*; and which '*soft and people'* skills they considered necessary to fulfil their roles.

The most frequently cited 'technical' skills necessary to undertake their roles were:

- *'strong industry knowledge'* (33% of Hospitality and Tourism employees);
- *'computer literacy / basic IT skills'* (30%); and
- *'solving complex problems requiring a solution specific to the situation'* (29%).

The most frequently 'soft and people' skills respondents considered to be the most important to fulfil their roles were:

- '*team working and working with people*' (53%);
- '*customer handling skills*' (49%); and
- '*flexibility'* (40%).

This demonstrates the importance of human interaction and general people skills required for roles in Hospitality and Tourism.

3.2 What are the job deficits by segment and location?

In order to develop more targeted employee competence development, geographical location of vacancies is a useful way to consider where more people are needed – either because churn is high, or growth has created additional job opportunities. One way of measuring this is to examine the **vacancy density**. That is, **the number of vacancies divided by the number of staff currently employed.** The higher the proportion of vacancies out of current staff, the more acute the labour shortages.

The Hospitality and Tourism sector has a vacancy density above the UK economy, as illustrated in the following table.

THE HOSPITALITY AND TOURISM SECTOR HAS A HIGHER VACANCY DENSITY THAN THE UK OVERALL.

Table 7: UK vacancy density (vacancies / staff) over time

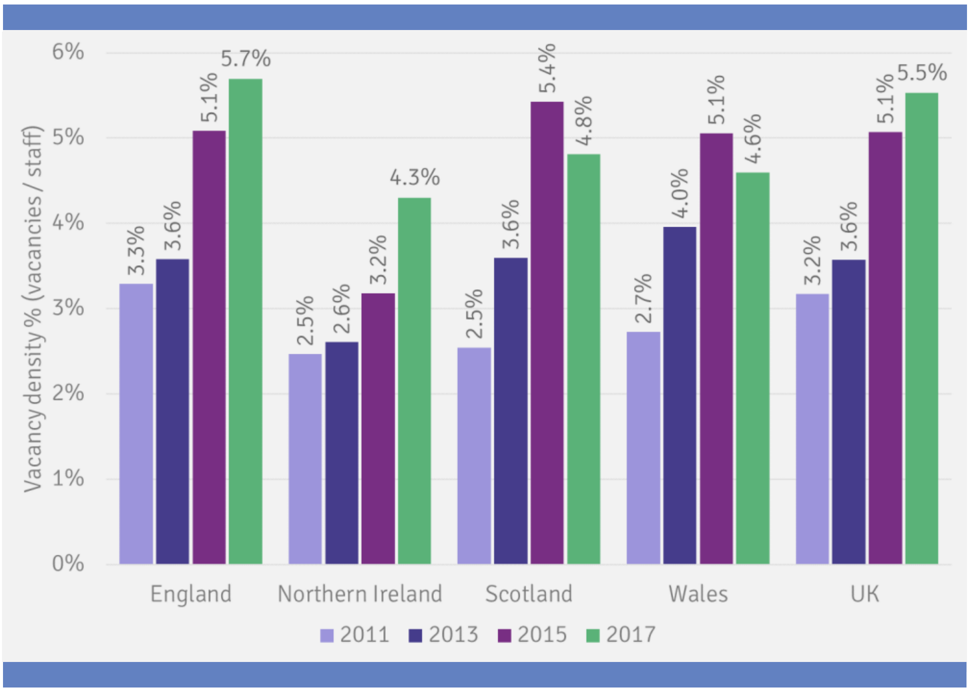
	2011	2013	2015	2017
UK Hospitality and Tourism vacancy density	3.2%	3.6%	5.1%	5.5%
UK all industries vacancy density	2.2%	2.4%	3.3%	3.5%

Source: Economic Insight analysis of ESS 2011, 2013, 2015, 2017.

Unweighted base sizes: UK Hospitality and Tourism establishments (2011=9,865; 2013=10,449, 2015=10,476; and 2017=9,503); UK establishments (2011=86,522; 2013=91,279; 2015=91,210; and 2017=87,430).

There is some regional and temporal variation in the Hospitality and Tourism vacancy density. For example, across two out of four UK nations, the Hospitality and Tourism vacancy density has increased from 2015 compared to 2017, as illustrated in the following figure. However, none of these changes is statistically significant.

Figure 10: Hospitality and Tourism vacancy density over time, UK nations

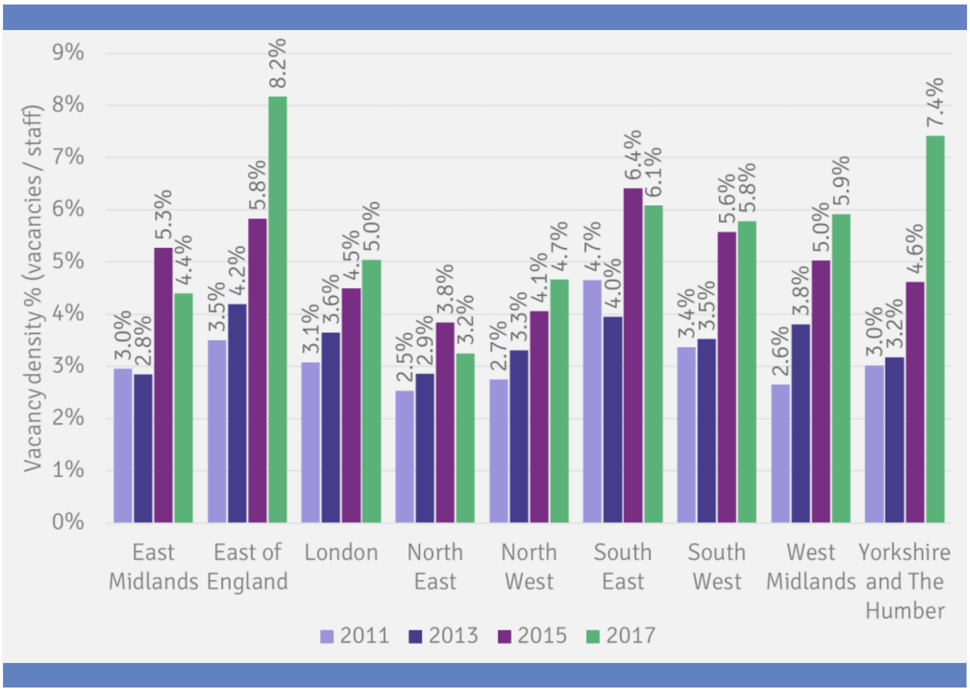


Source: Economic Insight analysis of ESS 2011, 2013, 2015, and 2017.

Unweighted base sizes: see Annex chapter 8, table 62 for base sizes.

When looking at the English regions, there is some variation in terms of which ones have higher / lower vacancy densities, as well as how they have evolved over time. Only the sharp increase in Yorkshire and the Humber from 4.6% in 2015 to 7.4% in 2017 is statistically significant. This is illustrated in the following figure.

Figure 11: Hospitality and Tourism vacancy density over time, England



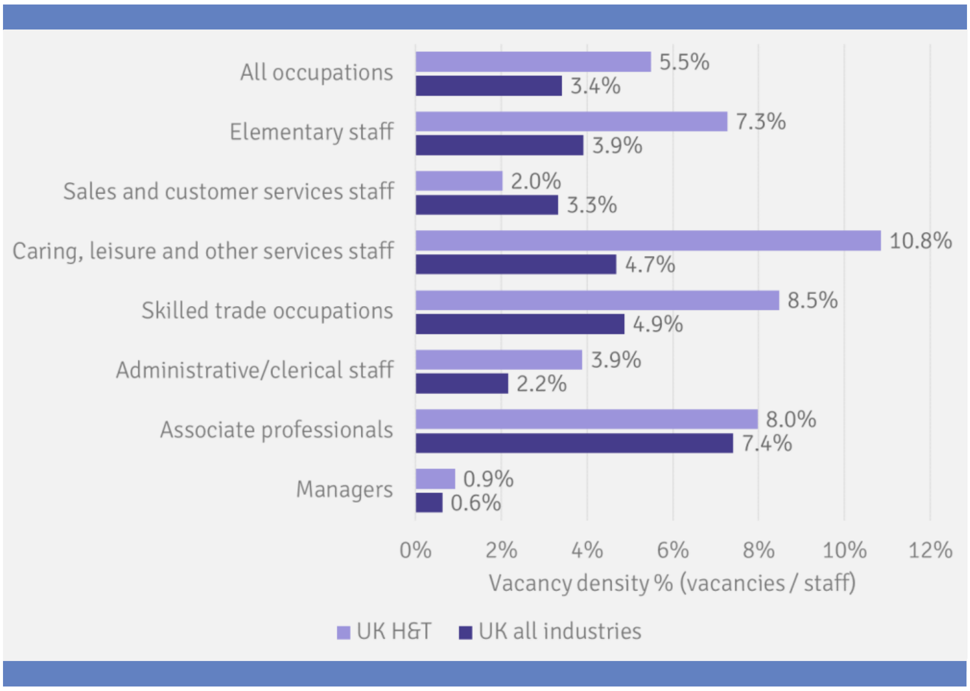
Source: Economic Insight analysis of ESS 2011, 2013, 2015, and 2017.

Unweighted base sizes: see Annex chapter 8, table 62 for base sizes.

What are the quantities of job deficits by segment?

The following table shows the UK vacancy density for each occupation for the Hospitality and Tourism sector and all industries.

Figure 12: UK vacancy density (vacancies / staff) by segment, UK, 2017



Source: Economic Insight analysis of ESS 2017.

Unweighted base sizes: see Annex chapter 8, tables 64 and 66 for base sizes.

FINDINGS FROM THE ESS ON LOW VACANCY DENSITIES FOR MANAGERIAL ROLES CHIME WELL WITH FINDINGS FROM THE IN-DEPTH INTERVIEWS, WHERE RECRUITMENT WAS SAID TO BE MORE DIFFICULT FOR LABOUR-INTENSIVE ROLES, COMPARED TO MANAGERIAL ONES.

As can be seen, there is a relatively low vacancy density for managerial positions for both the Hospitality and Tourism sector, as well as all industries, whereas it is higher for more labour-intensive roles. This chimes with findings from the in-depth interviews, in particular that recruitment for managerial roles is not an issue, compared to recruitment for more *'hands-on',* labour-intensive jobs.

What are the quantities of job deficits by location?

More detailed analysis of the ESS data in the Annex illustrates that recruitment issues are not so much driven by different locations, but rather by the different job types. For example, across all regions there is a relatively low vacancy density for managerial roles, indicating that there are some recruitment issues, but these are not significant. On the other hand, when looking at skilled trades occupations, there is a higher vacancy density across the regions, too. Some regions have slightly higher vacancy densities, but overall it appears to be more a job type effect, rather than a regional effect.

Box 1: Job deficits

The in-depth interviews also touched upon whether there were job types / regions that Hospitality and Tourism sector members found difficult to recruit for.

- Generally, stakeholders from various segments agreed that labour-intensive roles were the most difficult to recruit for. In particular:
  - In the sport & recreation segment, there were considered to be distinct role types, one more difficult to recruit for, whereas the other slightly easier / even being oversubscribed. For example, in the museums sub-sector it was considered that there was a steady stream of applications for curatorial roles, whereas it was more difficult to recruit front-of-house staff with the right skill-set.
  - In the restaurant & related segment, one respondent considered that it was more difficult to recruit for labour-intensive roles, compared to managerial roles. This chimes with the above.
- Interviewees also considered that rather than having one region that was difficult to recruit for, it was more dependent on how affluent the different areas are, and that it was more difficult to recruit for labour-intensive positions in more affluent areas.

Source: Economic Insight in-depth interviews.

3.3 What are the quantities of skills deficits by segment and location?

Skills deficits – that is, where demand for certain skills is not matched with supply – can be both external and internal:

- **external skills deficits,** refer to where employers may struggle to fill vacancies due to a lack of skills, qualifications or experience from applicants (which the ESS collectively identifies as '*skills shortage vacancies*');
- **internal skills deficits,** refer to where employers may also experience skills gaps in their existing workforce, which arise when employees lack proficiency to fulfil their roles. Such *skills gaps*, where persistent, may hinder an employer's ability to operate to their full potential in terms of productivity and profitability.

The following analysis sets out whether there are any **external or internal skills deficits** and whether this varies by segment and location. Overall, the research found that compared to all UK industries, the Hospitality and Tourism sector has:

- a **lower external skills deficit**, measured by the *skills shortage vacancy density*[5] (SSV); whereas it has
- a **higher internal skills deficit** measured by *the skills gap density*[6].

This is illustrated in the following table.

Table 8: UK Hospitality and Tourism and UK all industries SSV density and skills gap density, UK, 2017

	UK Hospitality and Tourism	UK all industries
SSV density	17.3%	22.5%
Skills gap density	6.6%	4.4%

Source: Economic Insight analysis ESS 2017.

Unweighted base sizes: UK Hospitality and Tourism establishments 2017 (vacancies=3,647; employment=9,503); UK establishments 2017 (vacancies=25,114; employment=87,430).

What are the quantities of skills deficits by segment?

External skills deficits by segment

As set out above, where employers struggle to fill vacancies, this may be due to a lack of skills, qualifications or experience from applicants. The **SSV density** can be used as a measure of quantity of external skills deficits. This density is simply the **proportion of vacancies that are SSVs.** Again, as per above, the higher this density, the more acute the **external** skills challenge.

The Hospitality and Tourism sector has an SSV density **below** the UK economy, as illustrated in the following table.

THE EXTERNAL SKILLS CHALLENGE FOR THE HOSPITALITY AND TOURISM SECTOR IS LOWER COMPARED TO ALL UK INDUSTRIES.

Table 9: UK SSV density (SSVs / vacancies) over time

	2011	2013	2015	2017
UK Hospitality and Tourism SSV density	14.1%	18.7%	18.5%	17.3%
UK all industries SSV density	15.6%	22.3%	22.6%	22.5%

Source: Economic Insight analysis of ESS 2011, 2013, 2015, 2017.

Unweighted base sizes: see Annex chapter 8, tables 67 and 70 for base sizes.

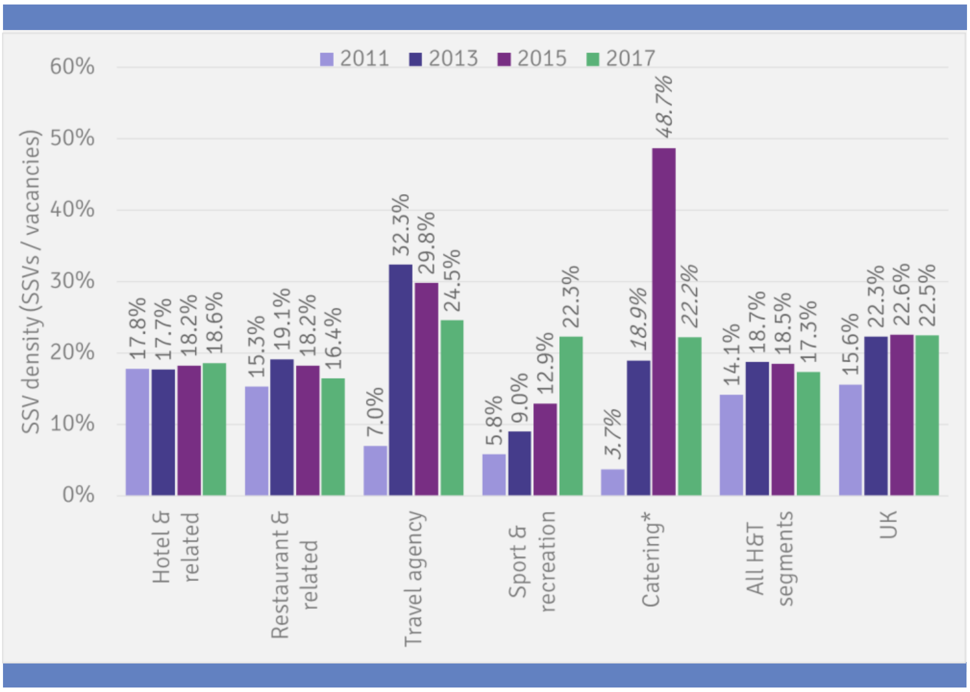
The following figure illustrates the UK SSV density over time for the different segments that make up the Hospitality and Tourism sector, as well as the UK as whole, for comparison.

As can be seen, the UK SSV density in the '*hotel*' and '*restaurants & pubs*' and related segments follows the overall Hospitality and Tourism and UK trend of a decreasing

5 *This is the proportion of vacancies that are skills shortage vacancies.*
6 *This is the proportion of all staff that is not fully proficient at their role.*

SSV density. For the other segments, the SSV density over time has been more volatile.[7]

Figure 13: UK SSV density over time for different segments, UK



Source: Economic Insight analysis of ESS 2011, 2013, 2015, and 2017.

Unweighted base sizes: see Annex chapter 8, table 68 for base sizes.

These differences by segment chime with the different requirements for these different segments. For example, '*hotel*', '*restaurants & pubs*' and '*catering*' and related segments all had a high proportion of elementary and skilled trades staff, whereas the other segments had a higher proportion of managerial / professional roles.

Internal skills deficits by segment

As set out above, alongside skill shortages that may be experienced when recruiting, employers may also experience skills gaps **in their existing workforce**.

This **internal** skills challenge arises when employees lack proficiency to fulfil their role. Such skills gaps, where persistent, may hinder an employer's ability to function to their full potential in terms of productivity and profitability. The following analysis sets out whether there are any **skills deficits in the current workforce** and whether this varies by segment and location.

Although most skills gaps are transient, e.g. because people are new to the role, where there is significant employee churn and one has to deal consistently with new employees, the internal skills deficit may plateau.

A measure of the extent of the internal skills deficit is the **skills gap density**. That is, the **proportion of current employees that are not fully proficient**. As previously, the higher the density, the more acute the **internal** skills challenge.

The Hospitality and Tourism sector has a higher density of skills gaps compared to the UK economy, as illustrated in the following table.

[7] *Please note that the 'passenger transport' and 'event management' segments have been omitted from the figure below due to too low base numbers, and that the figures for 'catering' should be interpreted with caution.*

THE HOSPITALITY AND TOURISM SECTOR HAS A HIGHER INTERNAL SKILLS CHALLENGE COMPARED TO ALL UK INDUSTRIES.

Table 10: Proportion of workforce that is not proficient over time, UK

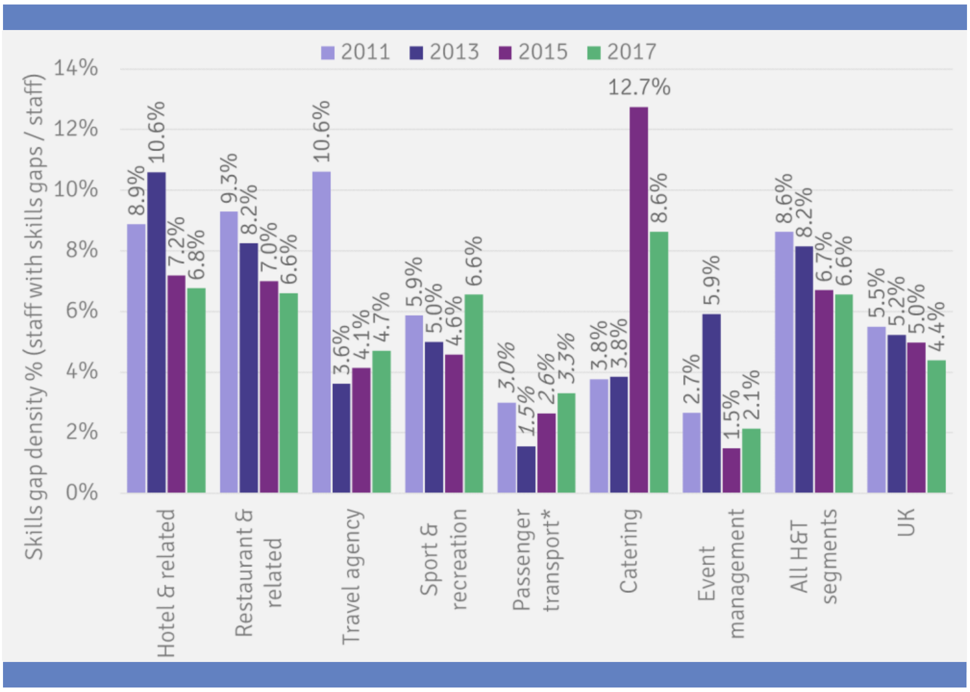
	2011	2013	2015	2017
UK Hospitality and Tourism skills gap density	8.6%	8.2%	6.7%	6.6%
UK all industries skills gap density	5.5%	5.2%	5.0%	4.4%

Source: Economic Insight analysis of ESS 2011, 2013, 2015, 2017.

Unweighted base sizes: see Annex chapter 8, tables 72 and 76 for base sizes.

The following figure illustrates the skills gap density over time for the different segments that make up the Hospitality and Tourism sector, as well as the UK as a whole for comparison. As can be seen, the skills gap density in the '*hotel'* and '*restaurants & pubs'* and related sectors follows the overall Hospitality and Tourism and UK trend of decreasing skills gap density. For the other segments, the skills gap density over time increased from 2015 to 2017.

Figure 14: UK skills gap density over time for different segments, UK



Source: Economic Insight analysis of ESS 2011, 2013, 2015, and 2017.

Unweighted base sizes: see Annex chapter 8, table 73 for base sizes.

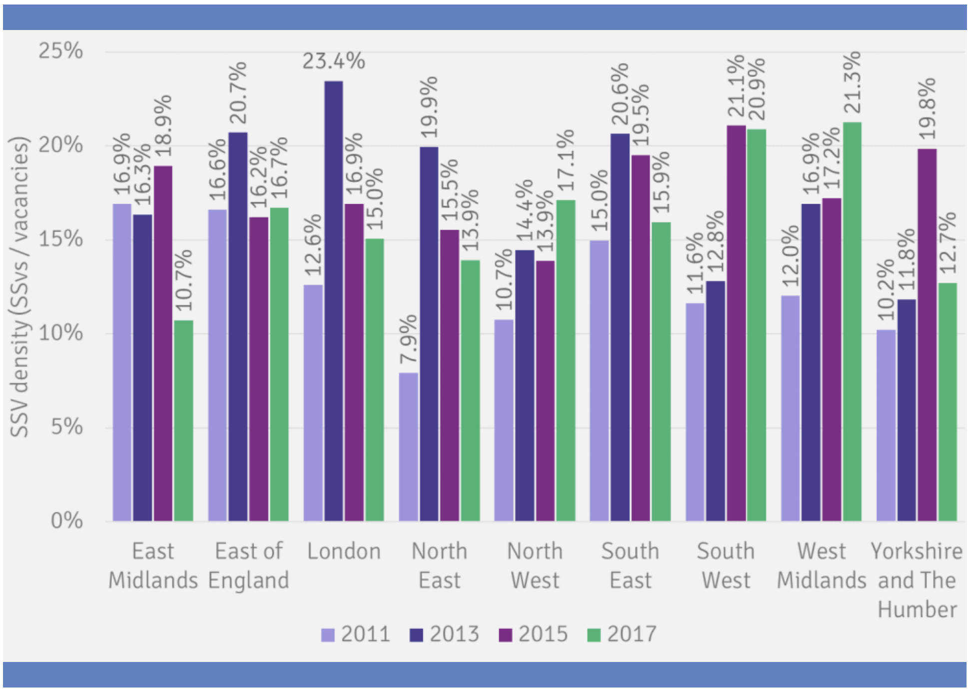
What are the quantities of skills deficits by location?

External skills deficits by location

There is some regional and temporal variation in the Hospitality and Tourism skills deficits.

When looking at the English regions, there is some variation in terms of which regions have higher / lower SSV densities, as well as how they have evolved over time. This is illustrated in the following figure.

Figure 15: Hospitality and Tourism SSV density over time, England



Source: Economic Insight analysis of ESS 2011, 2013, 2015, and 2017.

Unweighted base sizes: see chapter 8, table 67 for base sizes.

The SSV density increased in the North West from 13.9% in 2015 to 17.1% in 2017, as well as increasing in the West Midlands from 17.2% in 2015 to 21.3% in 2017.

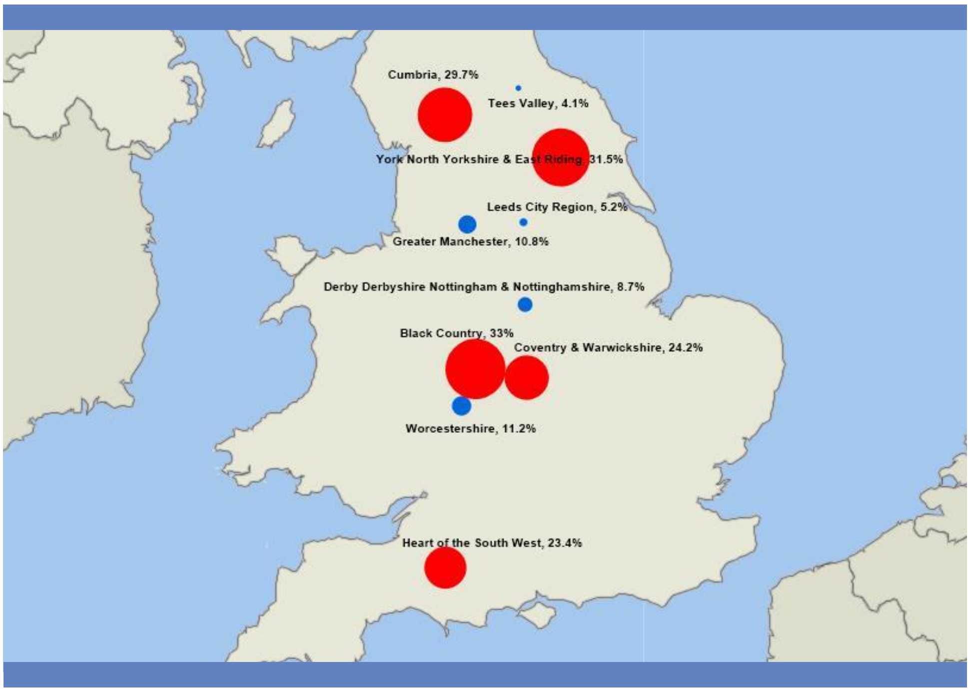
The SSV density decreased significantly in the East Midlands from 18.9% in 2015 to 10.7% in 2017, and in Yorkshire and the Humber from 19.8% in 2015 to 12.7% in 2017.

The ESS data allows to further analyse SSV densities at a more granular local level. For example, although Yorkshire and the Humber had a lower than average Hospitality and Tourism SSV density, there was some local variation in the LEPs in the area, as illustrated in the following figure.

THE MAP ON THE RIGHT SHOWS THE 5 LEPs WITH THE HIGHEST HOSPITALITY AND TOURISM SSV DENSITIES (RED DOTS), AS WELL AS THE 5 LEPs WITH THE LOWEST HOSPITALITY AND TOURISM SSV DENSITIES (BLUE DOTS).

WITHIN THE SAME REGION (E.G. WEST MIDLANDS) THERE CAN BE BOTH HIGH (E.G. BLACK COUNTRY) AND LOW HOSPITALITY AND TOURISM SSV DENSITY LEPs (E.G. WORCESTERSHIRE).

Figure 16: LEPs in England with the highest and lowest densities of Hospitality and Tourism SSVs, 2017[8]



Source: Economic Insight analysis of ESS 2017.

Unweighted base sizes: see chapter 8, table 75 for base sizes.

As can be seen, the following LEPs have high Hospitality and Tourism SSV densities:

- Black Country (33.0%); York, North Yorkshire & East Riding (31.5%) and Cumbria (29.7%).

LEPs with relatively low Hospitality and Tourism SSV densities include:

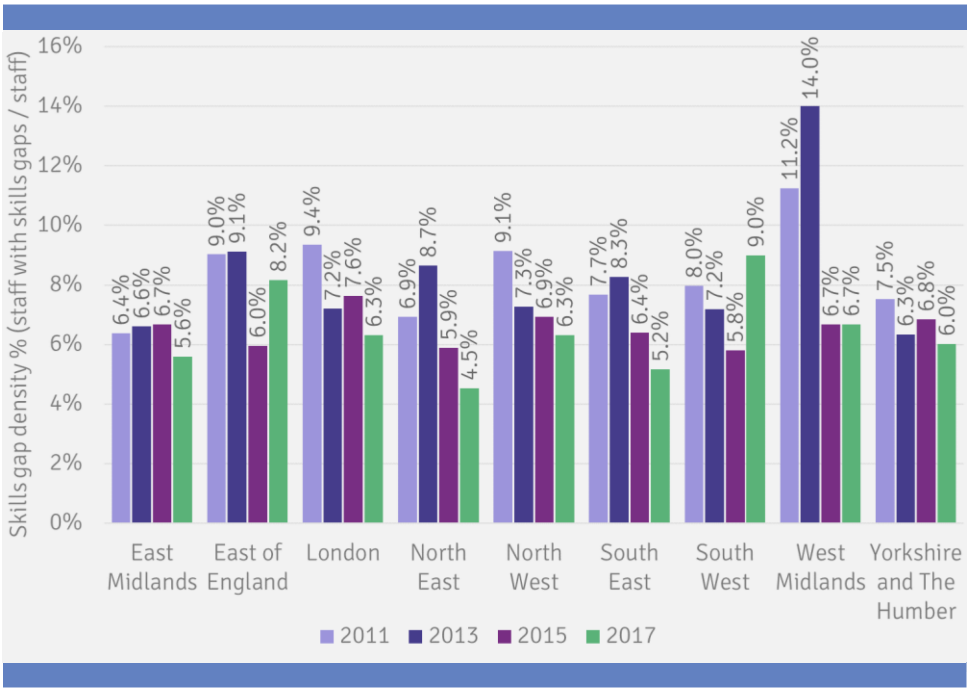
- Tees Valley (4.1%); Leeds City Region (5.2%); and Derby, Derbyshire, Nottingham & Nottinghamshire (8.7%).

Internal skills deficits by location

When looking at the England regions, there is some variation in terms of which regions have higher / lower skills gap densities, as well as how they have evolved over time. This is illustrated in the following figure.

[8] *Note that LEPs with a base size of fewer than 100 establishments have been excluded from Figure 18.*

Figure 17: Hospitality and Tourism skills gap density over time, England



Source: Economic Insight analysis of ESS 2011, 2013, 2015, and 2017.

Unweighted base sizes: see chapter 8, table 72 for base sizes.

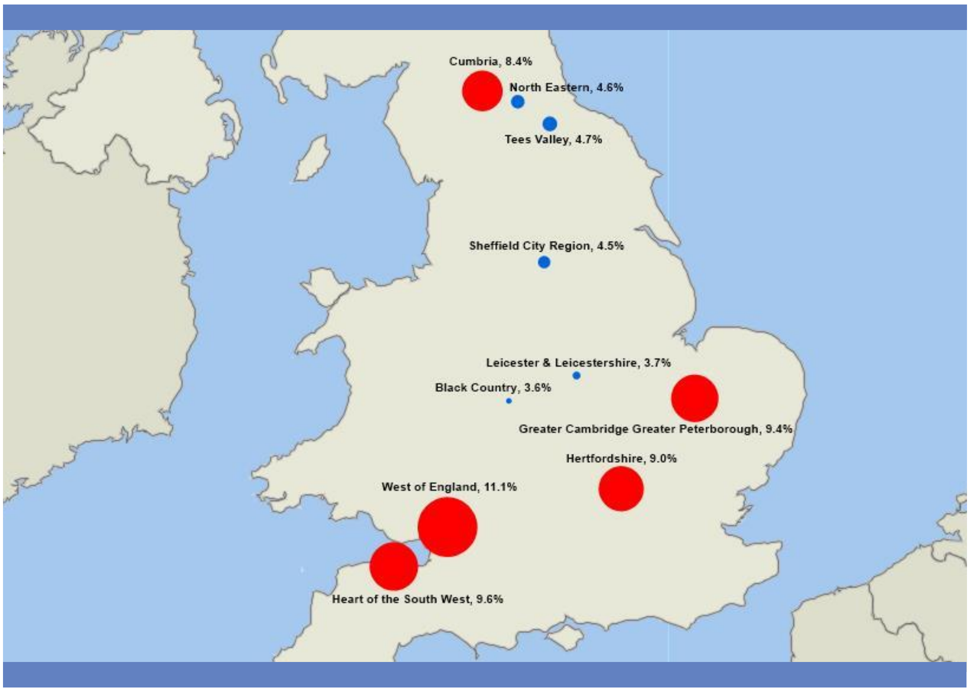
The West Midlands achieved the largest decrease in Hospitality and Tourism skills gap density from 14.0% in 2013 to 6.7% in 2015. On the other hand, the East of England's Hospitality and Tourism skills gap density increased from 6.0% in 2015 to 8.2% in 2017, as did the South West's Hospitality and Tourism skills gap density from 5.8% in 2015 to 9.0% in 2017. These changes are in line with the overall UK economy for the East of England and the South West, however they go in the opposite direction for the West Midlands.

The UK Government announced, in its White Paper *'Industrial Strategy: Building a Britain fit for the future'*[9], the introduction of local Skills Advisory Panels to analyse supply and demand for skills at a local level and work with local industry to ensure that skills provision is optimally linked with where it is needed. ESS 2017 allows analysis of skills issues at a local level and the following figure shows the LEPs in England with the highest and lowest proportion of the workforce who lack full proficiency in their role.

[9] *HM Government (2017), 'Industrial Strategy: Building a Britain fit for the future.'*

THE MAP ON THE RIGHT SHOWS THE 5 LEPs WITH THE HIGHEST HOSPITALITY AND TOURISM SKILLS GAPS DENSITIES (RED DOTS), AS WELL AS THE 5 LEPs WITH THE LOWEST HOSPITALITY AND TOURISM SKILLS GAPS DENSITIES (BLUE DOTS).

Figure 18: LEPs in England with the highest and lowest densities of Hospitality and Tourism skills gaps, 2017[10]



Source: Economic Insight analysis of ESS 2017.

Unweighted base sizes: chapter 8, table 75 for base sizes.

As can be seen, the following LEPs have relatively high skills gap densities in the Hospitality and Tourism sector:

- West of England (11%); Heart of South West (10%) and Greater Cambridgeshire and Hertfordshire (9% respectively). These also generally have higher than average skills gaps densities for all industries.

LEPs with relatively low skills gap densities include:

- Black Country and Leicester and Leicestershire (4%) – again, these are similar to the overall UK LEPs with lower skills densities than average.

For a more detailed regional analysis, please refer to the Annex.

What are the quantities of skills deficits by job type?

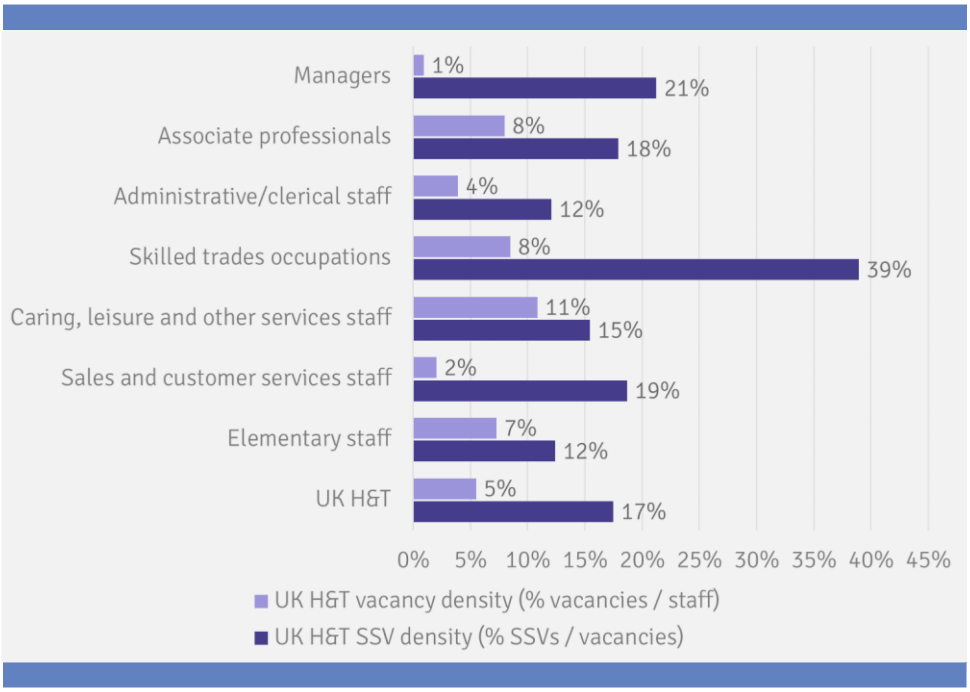
External skills deficits by job type

The following figure illustrates both the vacancy density and the SSV density by the different job types of Hospitality and Tourism workforce.

10 Note that LEPs with a base size of fewer than 100 establishments have been excluded from Figure 18.

THE EXTERNAL SKILLS CHALLENGE IS HIGHER FOR SKILLED TRADES OCCUPATIONS (39%) AND MANAGERIAL ROLES (21%) COMPARED TO THE HOSPITALITY AND TOURISM SECTOR AVERAGE.

Figure 19: UK Hospitality and Tourism vacancy and SSVs density for different job types - 2017, UK



Source: Economic Insight analysis of ESS 2017.

Unweighted base sizes: see Annex chapter 8, tables 66 and 69 for base sizes.

As can be seen, job types with higher than the average Hospitality and Tourism **labour shortages** are:

- *caring leisure, and other services staff* (11% vacancy density);
- *skilled trades occupations* (8% vacancy density); and
- *elementary staff* (7% vacancy density).

Occupations which, further to labour shortages, also have **skills shortages** include:

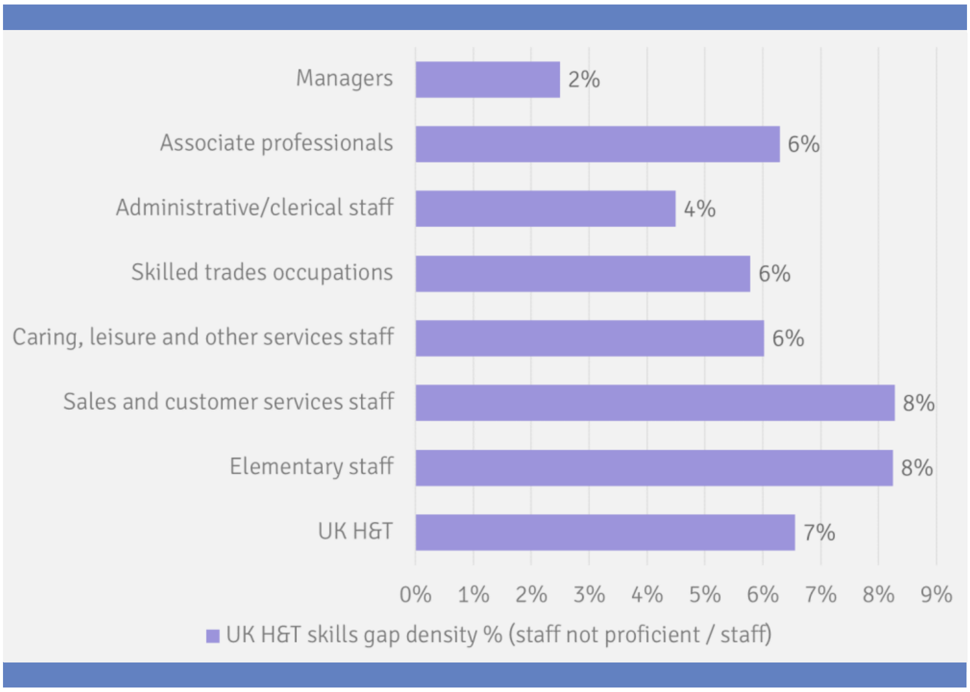
- *skilled trades occupations*, where 39% of vacancies are SSVs;
- *managers*, where 21% of vacancies are SSVs;
- *sales and customer services staff*, where 19% of vacancies are SSVs; and
- *associate professionals*, where 18% of vacancies are SSVs.

Internal skills deficits by job type

The following figure shows the Hospitality and Tourism skills gap density for each occupation.

THE INTERNAL SKILLS CHALLENGE IS HIGHER FOR SALES AND CUSTOMER SERVICES, AND ELEMENTARY ROLES (BOTH 8%) COMPARED TO THE HOSPITALITY AND TOURISM SECTOR AVERAGE.

Figure 20: UK Hospitality and Tourism skills gap density for different job types - 2017, UK



Source: Economic Insight analysis of ESS 2017.

Unweighted base sizes: see Annex chapter 8, table 74 for base sizes.

Occupations which further to external skills shortages also have internal skills shortages include:

- *sales and customer services staff*, where 8% of staff are not fully proficient; and
- *elementary staff*, where 8% of staff are not fully proficient.

The following table illustrates the Hospitality and Tourism skills gap density by region. As can be seen, skills gap densities are highest for sales and customer services staff, as well as those in elementary roles. This further highlights the potentially difficult to train skills that are required for those roles, which are very customer facing, and need to ensure the customer receives the right '*experience*'.

Table 11: UK Hospitality and Tourism skills gap density (staff not proficient / staff), by region and occupation, 2017

	Managers	Associate professionals	Administrative / clerical staff	Skilled trades occupations	Caring, leisure and other services staff	Sales and customer services staff	Elementary staff	All occupations
East Midlands	1.8%	**	4.3%	5.8%	5.5%	8.6%	6.4%	5.6%
East of England	3.0%	*12.2%*	5.0%	8.0%	7.8%	8.8%	10.7%	8.2%
London	2.0%	10.0%	2.9%	4.2%	2.6%	11.0%	7.4%	6.3%
North East	3.1%	**	5.2%	4.1%	2.5%	3.2%	5.7%	4.5%
North West	3.1%	*8.8%*	3.0%	5.8%	8.2%	6.9%	7.4%	6.3%
South East	2.1%	0.4%	1.7%	5.5%	3.9%	7.2%	6.6%	5.2%
South West	3.7%	*3.4%*	6.2%	7.3%	9.5%	9.6%	11.9%	9.0%
West Midlands	2.1%	*3.1%*	11.2%	9.6%	4.4%	7.9%	7.4%	6.7%
Yorkshire and The Humber	1.8%	*4.4%*	5.1%	5.6%	9.9%	6.4%	7.6%	6.0%
England	2.5%	6.8%	4.3%	5.9%	6.1%	8.5%	8.0%	6.5%
Northern Ireland	2.1%	**	2.4%	6.3%	**	9.3%	10.6%	7.7%
Scotland	2.6%	4.0%	7.0%	5.1%	5.8%	5.8%	9.3%	6.6%
Wales	2.8%	**	3.2%	4.4%	*5.4%*	8.3%	9.6%	7.0%
UK	2.5%	6.3%	4.5%	5.8%	6.0%	8.3%	8.2%	6.6%

Source: Economic Insight analysis of ESS 2017.

Unweighted base sizes: see Annex chapter 8, table 53 for base sizes.

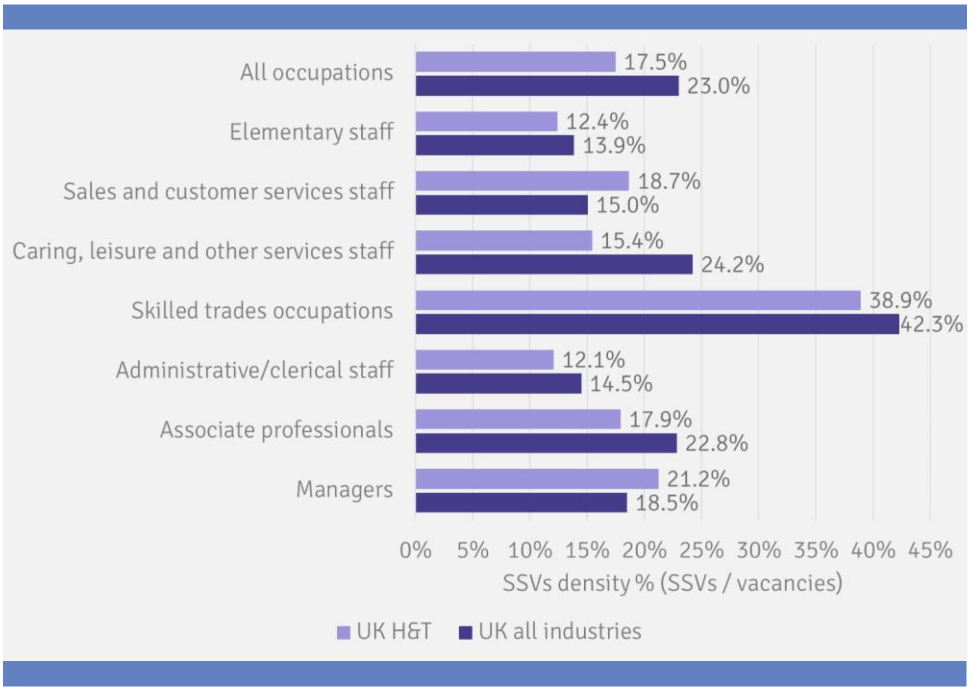
What are the differences between skills deficits in UK Hospitality and Tourism and UK all industries?

External skills deficits differences

The following figure illustrates both the Hospitality and Tourism SSV density by job type, as well as the UK all industries SSV density.

THE EXTERNAL SKILLS CHALLENGE IS LOWER FOR ELEMENTARY AND CARING, LEISURE AND OTHER SEVICES OCCUPATIONS COMPARED TO THE HOSPITALITY AND TOURISM SECTOR AVERAGE.

Figure 21: UK SSV density % (SSVs / vacancies) comparison between UK Hospitality and Tourism and UK all industries, by job type, UK, 2017



Source: Economic Insight analysis of ESS 2017.

Unweighted base sizes: see Annex chapter 8, tables 69 and 71 for base sizes.

As can be seen, the Hospitality and Tourism sector has a 5.5 percentage points lower SSV density than all UK industries, and job types that have particularly lower SSV densities than all UK industries are:

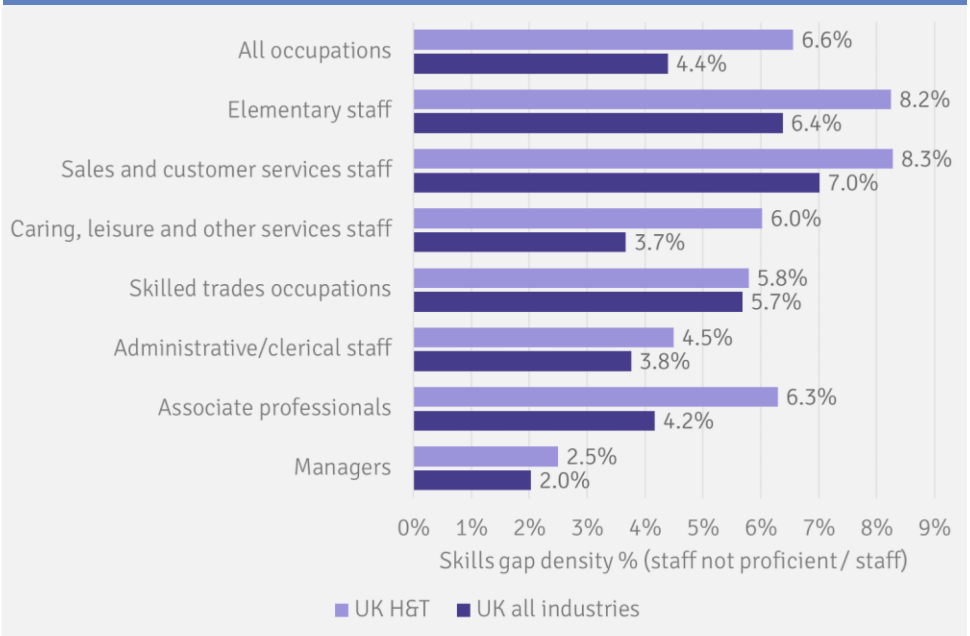
- caring, leisure and other services staff (15.4% vs. 24.2%); and
- associate professionals (17.9% vs. 22.8%).

Internal skills deficits differences

The following figure illustrates both the Hospitality and Tourism skills gap density by job type, as well as the UK all industries skills gap density.

THE INTERNAL SKILLS CHALLENGE IS HIGHER FOR ELEMENTARY AND SALES AND CUSTOMER SERVICES OCCUPATIONS COMPARED TO THE HOSPITALITY AND TOURISM SECTOR AVERAGE.

Figure 22: UK skills gap density % (staff not proficient / staff) comparison between UK Hospitality and Tourism and UK all industries, by job type, UK, 2017



Source: Economic Insight analysis of ESS 2017.

Unweighted base sizes: see Annex chapter 8, tables 74 and 76 for base sizes.

As can be seen, the Hospitality and Tourism sector has a 2.2 percentage points higher skills gap density than all UK industries, and job types that have a particularly high skills gap densities compared to all industries tend to be customer facing roles, such as:

- caring, leisure and other services staff (6.0% vs. 3.7%);
- associate professionals (6.3% vs. 4.2%); and
- elementary staff (8.2% vs. 6.4%).

3.4 What are the skills required by segment and location?

The previous section set out that **17% of Hospitality and Tourism vacancies are hard to fill due to skills lacking amongst applicants**. It also found that **7% of the current Hospitality and Tourism workforce is not fully proficient at their job.**

The main skills employers determined were hard to find to fill skills shortage vacancies were:

- **Operational skills.** The most common 'technical and practical' skills that Hospitality and Tourism employers found hard to find were operational skills, such as for example the '*specialist skills or knowledge needed to perform the role*' (61%), or the '*knowledge of products and services offered by the organisation*' (48%) and '*knowledge of how the organisation works*' (43%).

- **Management and leadership skills.** Compared to all UK industries, Hospitality and Tourism employers cited management and leadership skills (e.g. '*managing or motivating other staff*' (50% vs. 35%); '*persuading or influencing others*' (40% vs. 32%); and '*setting objectives for others / planning resources*' (35% vs. 25%)) as more difficult to find 'people and personal' skills.

The main skills employers considered needed improving were in line with those that they found hard to find to fill skills shortage vacancies (as illustrated in the Annex).

It should be noted that in relation to people and personal skills that need improving, Hospitality and Tourism establishments with skills gaps consider that **self-management skills** (such as for example the *ability to manage own time and prioritise own tasks*; as well as *managing own / others' feelings*) need improving more often than those in retail or other UK industries (67% of establishments with any skills gap, compared to 60% and 62% respectively).

Hospitality and Tourism establishments with any skills gaps cited **sales and customer skills** (e.g. *customer handling* and *sales skills*) as needing improvement more often than UK retail and all industry establishments. This could be an indication that these skills are difficult to find / train.

Compared to other UK sectors, the Hospitality and Tourism sector does not have significantly more gaps in **management and leadership skills** (e.g. *managing or motivating other staff*; *persuading or influencing others*; and *setting objectives for others / planning resources*).

Table 12: Soft skills that need improving (% of establishments with any skills gaps that find skill needs improving) - 2017, UK

	UK Hospitality and Tourism	UK retail	UK all industries
Unweighted base: establishments with skills gap	*2,672*	*2,283*	*18,021*
Ability to manage own time and prioritise own tasks	67%	60%	62%
Customer handling skills	62%	55%	46%
Team working	53%	46%	46%
Managing their own feelings, or handling the feelings of others	47%	42%	40%
Sales skills	47%	51%	32%
Managing or motivating other staff	43%	40%	36%
Persuading or influencing others	38%	38%	35%
Instructing, teaching or training people	33%	28%	28%
Setting objectives for others and planning human, financial and other resources	29%	28%	27%
Making speeches or presentations	17%	15%	18%
None of the above	10%	13%	15%
Don't know	1%	1%	1%

Source: Economic Insight analysis of ESS 2017.

More details on the skills and attributes that employers have found lacking can be found in the Annex to this report, as well as information on what skills employers have found lacking in education leavers.

The following chapter explores training provision in the Hospitality and Tourism sector.

4. Training provision

This chapter sets out findings in relation to training provision in the Hospitality and Tourism sector. Specifically, what training is provided and by whom.

4.1 What training is provided to the UK Hospitality and Tourism workforce?

This chapter explores first what training is provided to the Hospitality and Tourism workforce in terms of:

- **internal** or **external training**: e.g. who is providing the training, staff within the organisation or external staff / organisation; and
- **types of training provided**: e.g. what type of courses are provided to employees.

Secondly, it establishes where external training providers have been used, which ones were drawn upon.

Internal or external training

The EPS categorises employer training activity as either:

- **internal** training (e.g. training delivered directly by the organisations through its own staff); or
- **external** training (e.g. delivered through external organisations, such as commercial training providers, colleges, universities and other not-for-profit providers).[11]

This allows for exploration of the extent to which employers rely on public and private training provision.[12] Whether the training provided meets employers' needs is explored in the subsequent chapter.

The following figure illustrates the proportion of establishments that funded or arranged training for staff over the past twelve months, both for the UK Hospitality and Tourism sector, as well as the UK overall in 2014 and 2016.

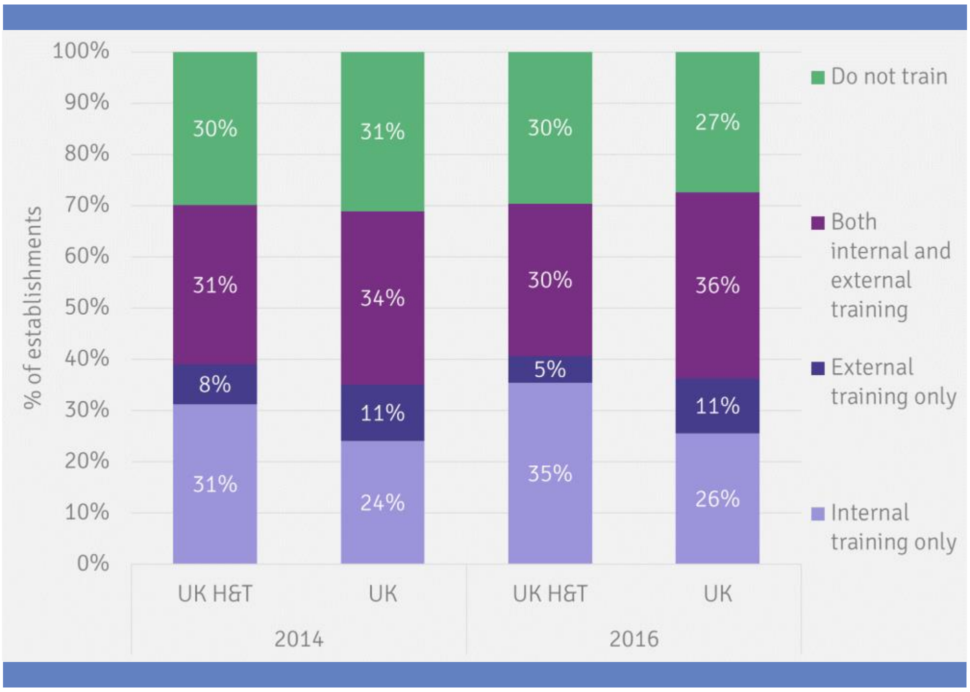
---

[11] *The ESS surveys measure training activity among staff using definitions of "on- and off-the-job training"; due to the difference in definitions figures for training should not be compared across the surveys.*

[12] *For consistency with the EPS reporting method, "private" is used to refer to commercial and not-for-profit training providers, as well as regulatory bodies, suppliers and customers. "Public" refers to training provided by FE or HE institutions.*

THE PROPORTION OF HOSPITALITY AND TOURISM ESTABLISHMENTS OFFERING TRAINING TO THEIR EMPLOYEES IS IN LINE WITH ALL UK INDUSTRIES.

Figure 23: Proportion of establishments that funded or arranged training for staff over the past twelve months – 2014 – 2016, UK



Source: Economic Insight analysis of EPS 2014, 2016.

Unweighted base size: UK Hospitality and Tourism establishments (2014=1,913; 2016=1,975); UK establishments (2014=18,059; 2016=18,028).

As can be seen, 30% of establishments do not provide any training to their employees (be this in the Hospitality and Tourism sector or all industries generally). Hospitality and Tourism establishments are more likely to provide internal training only (in 2014 31% of Hospitality and Tourism establishments provided internal training only and in 2016 this was 35%) compared to the UK average (in 2014 24% of all UK establishments provided internal training, only rising to 26% in 2016).

In comparison to overall UK employers providing any training, Hospitality and Tourism employers in London appear to provide more training compared to the UK (5 percentage points more), whereas Hospitality and Tourism establishments in the North East and East Midlands provide less training compared to all industries (e.g. 8 and 7 percentage points less, respectively). This is illustrated in the following table.

Table 13: Difference between Hospitality and Tourism and all industry establishments offering any training, 2017

	Proportion of Hospitality and Tourism establishments offering any training less proportion of all establishments offering any training
East Midlands	-7 ppts
East of England	-3 ppts
London	5 ppts
North East	-8 ppts
North West	0 ppts
South East	2 ppts
South West	-2 ppts
West Midlands	-5 ppts
Yorkshire and The Humber	-4 ppts
England	-1 ppts
Northern Ireland	-2 ppts
Scotland	-5 ppts
Wales	-1 ppts
UK	-1 ppts

Source: Economic Insight analysis of ESS 2017.

Unweighted base sizes: see Annex chapter 8, tables 78 and 80,

Online training

Compared to all UK sectors, a higher proportion of Hospitality and Tourism establishments that provide training do so online (55% vs. 51%), as illustrated in the following table.

Table 14: Proportion of establishments that offer training offering online / e-learning and other self-learning – 2017, UK

	UK Hospitality and Tourism	UK all industries
Unweighted base: establishments offering any training	*7,321*	*67,950*
Online training or e-learning	55%	51%
Other self-learning where the employee does the learning at a time of their own choosing	42%	42%
None of these	34%	37%
Don't know	1%	1%

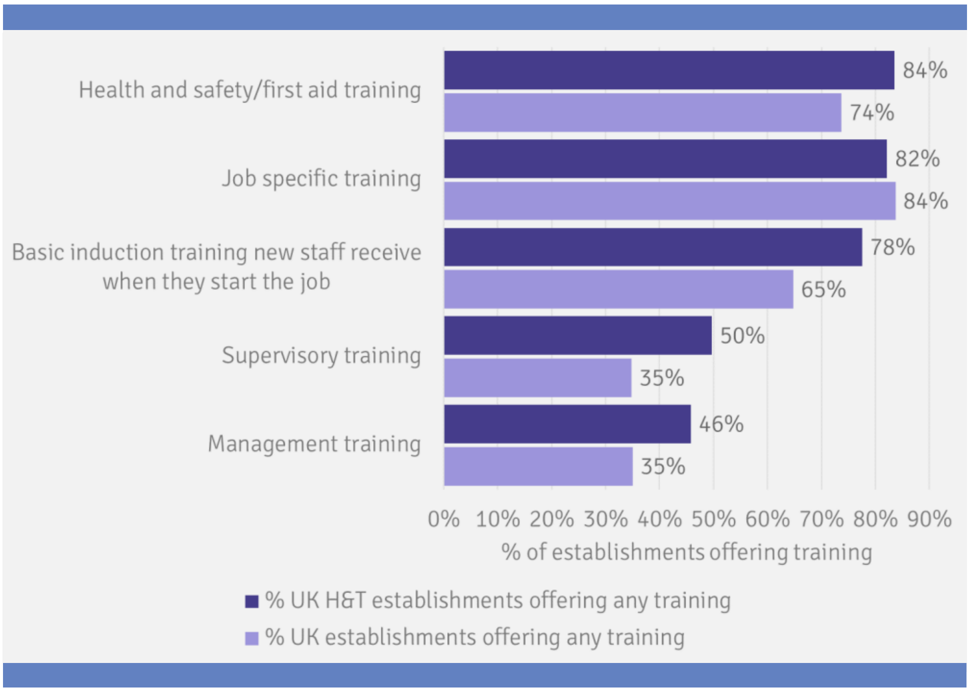
Source: Economic Insight analysis of ESS 2017.

This could potentially indicate that Hospitality and Tourism employers have more advanced digital skills than other UK industries, especially where it comes to training provision online.

What are the types of training offered by Hospitality and Tourism employers?

In 2017, the most common type of training provided by Hospitality and Tourism employers was **health and safety or first aid training** (84%), followed **by job specific training** (82%). The top 5 most common types of training provided by Hospitality and Tourism employers, and the respective figures for UK employers generally are provided in the next figure.

Figure 24: Top 5 types of training provided by employers that train - 2017, UK



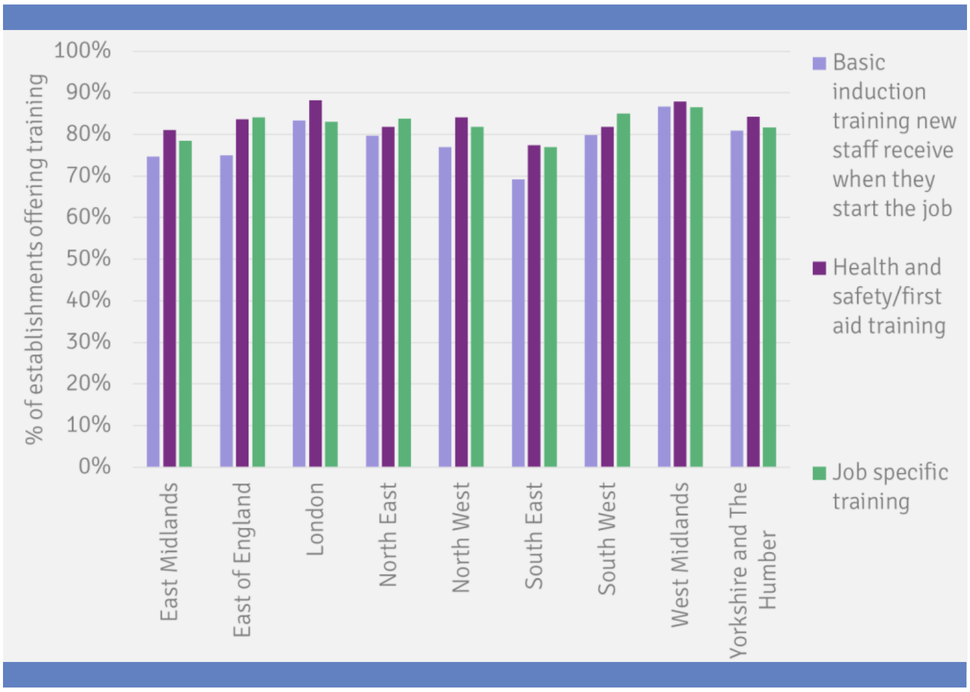
Source: Economic Insight analysis of ESS 2017.

Unweighted base size: UK Hospitality and Tourism establishments that provide any training (2017=7,321); UK establishments that provide any training (2017=67,950).

This illustrates both the importance of health and safety for particular segments in the sector (for example food safety etc.); as well as the very job specific skills.

In terms of regional variation of training provision, there appears to be limited variation, with Hospitality and Tourism establishments in the South East generally providing less of the main types of training than the other regions in England. This is illustrated in the following figure.

Figure 25: Types of training provided by employers that train - 2017, England regions



Source: Economic Insight analysis of ESS 2017.

Unweighted base size: See Annex chapter 8.

4.2 Who is providing the training?

As demonstrated above, 35% of employers provided external training of some sort in 2016. The EPS identifies a number of sources of external training providers and classifies them into public and private training providers[13].

Use of public and private training providers

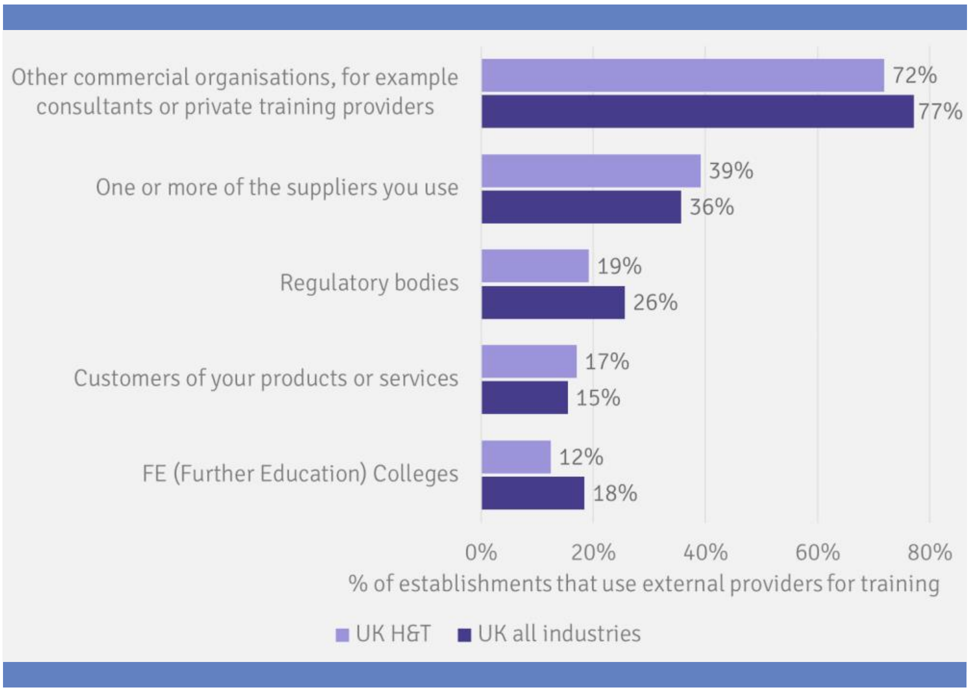
OVER FOUR FIFTHS OF HOSPITALITY AND TOURISM EMPLOYERS THAT PROVIDED EXTERNAL TRAINING USED PRIVATE PROVIDERS.

85% of Hospitality and Tourism establishments that provided external training to their staff over the past twelve months provided it privately. This is slightly above the UK average of 80% of establishments providing any private training.

In terms of training providers used by employers, the following illustrates that the most commonly used external training providers were commercial training organisations (including consultants and private training providers); suppliers and regulatory bodies.

[13] *Public training providers include Further Education Colleges and universities. Private training providers include other commercial organisations, for example consultants or private training providers; regulatory bodies; customers of the establishment's products or services; one or more of the suppliers the establishment uses; and other non-profit making organisations, for example employer associations, voluntary organisations.*

Figure 26: Top 5 external training providers used as a % of establishments that used external providers - 2016, UK



Source: Economic Insight analysis of EPS 2016.

Unweighted base size: UK Hospitality and Tourism establishments that use external training providers (2016=963); UK establishments that use external training providers (2016=10,657).

More details around training provision and training providers can be found in the Annex to this report.

The next chapter explores skills development barriers.

5. Skills development barriers

This chapter sets out findings regarding skills development barriers in the Hospitality and Tourism sector. Specifically, what the drivers and barriers of skills development are, as well as what the career opportunities are and factors that help attract and retain skilled workers.

5.1 What are the drivers of employee skills development in the Hospitality and Tourism sector?

The online survey undertaken as part of this research project explores the motivation of Hospitality and Tourism employees as to why they have or have not pursued any training. 65% of Hospitality and Tourism employees had undertaken training provided by their employer and 9% had undertaken an apprenticeship at their current employer. 25% undertook training funded by themselves and only 15% did not undertake any training at all.

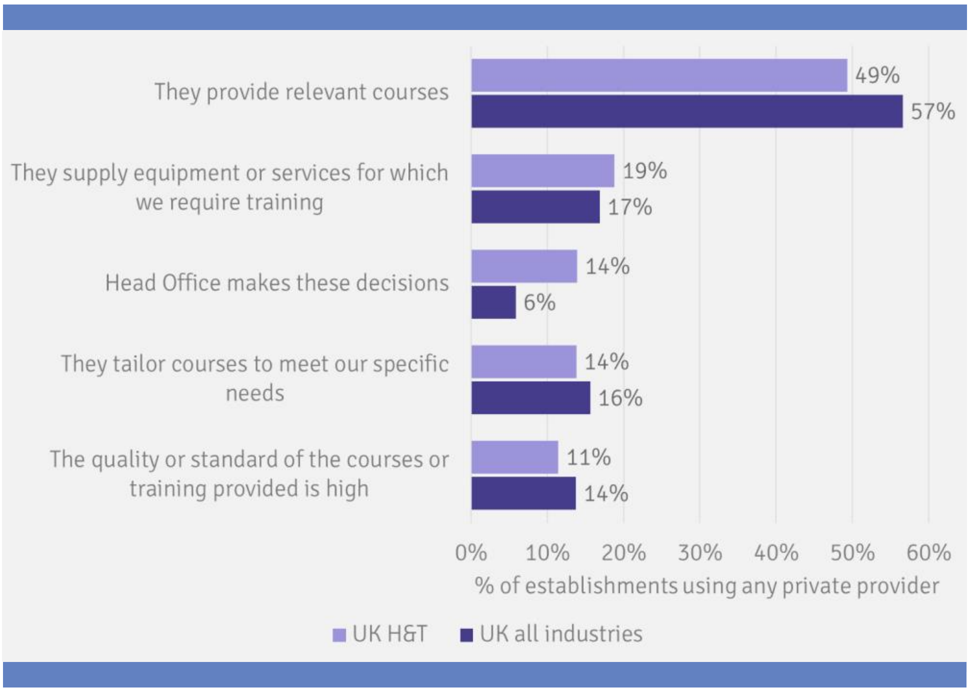
Reasons most commonly cited for undertaking training provided by their employer included that it helped employees '*improve their skills*' (61%). This was also the most commonly cited reason when asked about the reason for undertaking training outside of their workplace (51%). This was closely followed by the reason that *'it helped me acquire new skills'* (48%).

5.2 What are the barriers to employee skills development in the Hospitality and Tourism sector?

Reasons for and against private providers (as indicated by employers)

The following figures shows the 'top 5' reasons employers cite as to why they use private training providers. This shows that the most important reason given is that '*they provide relevant courses'* (49%). The pattern of responses for employers in the Hospitality and Tourism sector is very similar to those for the UK (all industries) average. One notable difference is that in Hospitality and Tourism, employers cite *'they supply equipment or services for which we require training'* more often, relative to the UK overall.

Figure 27: Top 5 reasons for using private providers % of establishments that used any private provider - 2016, UK



Source: Economic Insight analysis of EPS 2016.

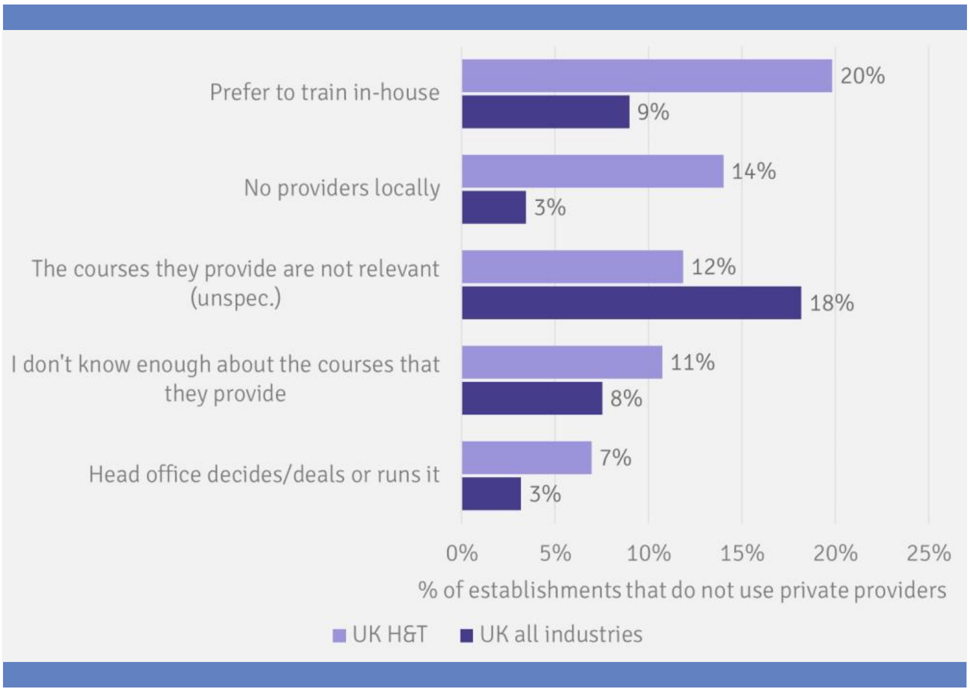
Unweighted base size: UK Hospitality and Tourism establishments that use any private training providers (2016=868); UK establishments that use any private training providers (2016=9,972).

The next figure shows the top 5 reasons given by employers for **not** using private training provision – and thus may be somewhat more informative of 'barriers'. The data shows that *'prefer to train in house'* is the most commonly cited reason within Hospitality and Tourism. This is followed by *'no providers locally'.* Interestingly, the differences compared to the UK average responses are pronounced. Specifically:

- Whilst *'prefer to train in house'* is cited by 20% of respondents within Hospitality and Tourism, the UK average for all industries is just 9%. On one hand, this is not surprising, as many Hospitality and Tourism roles are 'vocational', where training and development would naturally occur 'on-the-job'. To some extent, this would also seem to limit the scope for private, external, training provision of any kind. On the other hand, it may also be consistent with private training providers **not being sufficiently flexible / having the capacity or capability to deliver training effectively 'on site'.**

- *'No providers locally'* is cited by 14% of respondents within Hospitality and Tourism, but by only 3% of respondents for the UK overall. This difference **seems to suggest that a 'lack of supply' is an issue** – and therefore, a potential barrier. This may also be related to the above point – i.e. whilst the need to train 'on site' may to some extent inherently limit private external training provision – there may also be a lack of provision of training sufficiently flexible to accommodate 'on site' learning.

Figure 28: Top 5 reasons for **not** using private providers % of establishments that did not use any private providers - 2016, UK



Source: Economic Insight analysis of EPS 2016.

Unweighted base size: UK Hospitality and Tourism establishments that do not use any private training providers (2016=1,107); UK establishments that do not use any private training providers (2016=8,056).

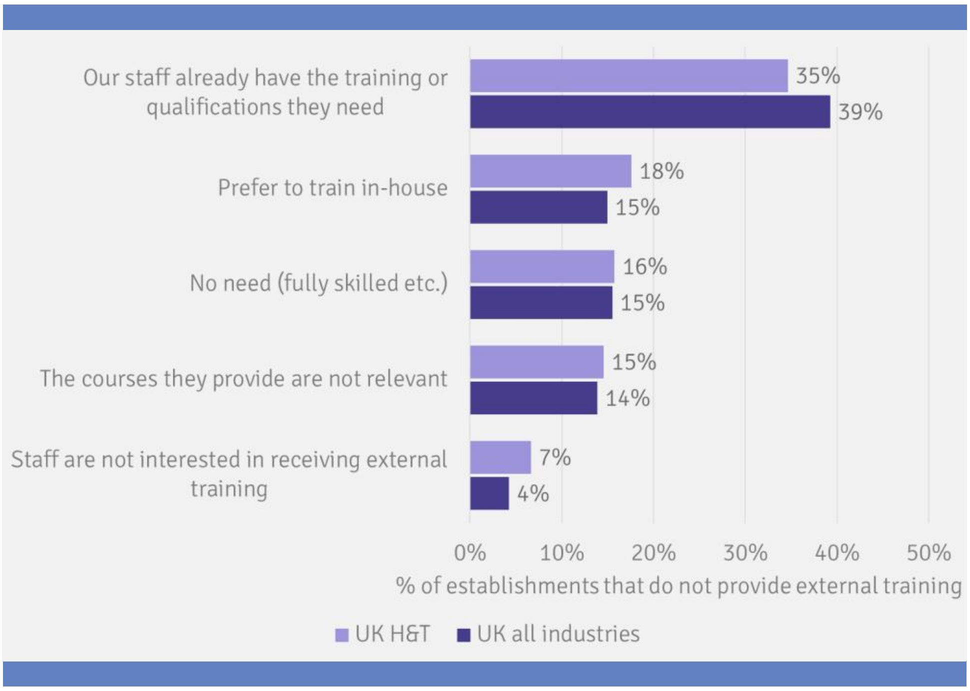
What are the reasons for not using external training providers?

The EPS provides some additional useful information relevant to this question. The following figures shows the top 5 reasons cited by employers for **not** using external training providers. Here, the top reason given is that *'staff already have the training or qualifications they need'* (35%). This is followed by *'prefer to train in house'* (18%). The responses are broadly similar to the overall UK all industry average. However, they are consistent with there being both potentially demand and supply side factors that are relevant to the scope of this research:

- Firstly, **on the demand side**, employer responses suggest that in Hospitality and Tourism staff already having the skills and qualifications required is a driving factor of not using external training. Consequently, **a lower use of external training in Hospitality and Tourism may not be a 'problem', but may simply reflect genuine demand differences**, which in turn reflect the differences in job types set out earlier in this report. However, even here caution must be exercised, as the responses reflect the *'perceptions'* of employers. That is to say, there may be instances in which external training may be the most effective solution – but the perception from employers is that this is not the case. To the extent that this is true, the Hospitality and Tourism sector may not be maximising the potential for employee training and development.

- Secondly, **on the supply side**, the fact that 15% of respondents cite the fact that the courses are not relevant (14% for the UK overall) **may suggest that there is some unmet demand for external training in Hospitality and Tourism.** The fact that 18% of respondents cited '*prefer to train in house'* (compared to 15% for the UK overall) could be viewed as either a supply or demand side issue. That is to say, from a demand perspective, it could be part of the explanation as to "why" less external training is demanded in Hospitality and Tourism. From a supply perspective, the preference to train in house may reflect an inability for external trainers to adequately provide training 'on site', as previously noted.

Figure 29: Top 5 reasons for **not** using external training providers, % of establishments that do not provide external training - 2016, UK



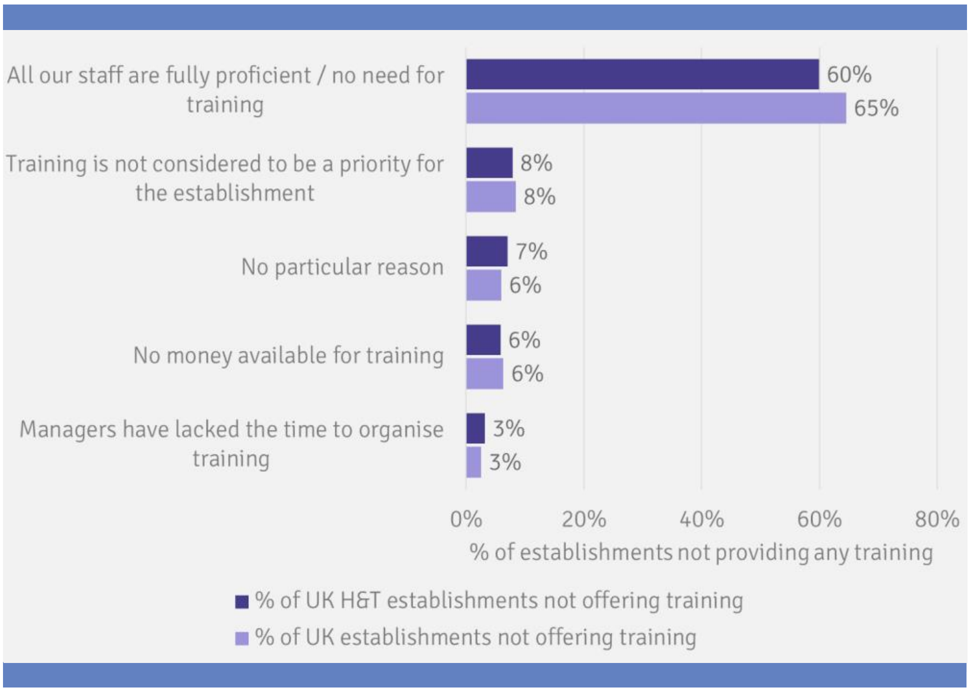
Source: Economic Insight analysis of EPS 2016.

Unweighted base size: UK Hospitality and Tourism establishments that do not provide external training (2016=1,032); UK establishments that do not provide external training (2016=7,374).

What are the reasons for not providing any training?

ESS data shows that 35% of Hospitality and Tourism employers chose not to provide any training or development for their staff in the last twelve months, which is very similar to the overall proportion of UK employers choosing not to provide any training and development (34%). As above, it is helpful to explore the reasons for this. Accordingly, the following figure illustrates top 5 reasons for UK employers not providing any training to their staff. The main reason both for Hospitality and Tourism and UK overall employers is that staff are fully proficient and therefore do not require any further training (60% and 65% respectively).

Figure 30: Top 5 reasons for **not providing any** training - 2017, UK



Source: Economic Insight analysis of ESS 2017.

Unweighted base size: UK Hospitality and Tourism establishments that do not provide any training (2017=2,182); UK establishments that do not provide any training (2017=19,480).

What are the reasons for not undertaking any training?

The online survey undertaken as part of this research project hones in on the main reasons as to why Hospitality and Tourism employees do not undertake any training. The most commonly cited reason for not undertaking any training was that '*it had not been offered'* (35%), followed by '*my role does not require further training'* (25%).

This potentially indicates an information problem, in that staff do not know what training is available / provided, and hence do not undertake any training; as well as believing that their roles do not require further training, which is detrimental from a career progression point of view, as continuing professional development is key to a positive workplace.

When probed around what was holding skills development of employees back, the most frequently cited reasons were that employees '*have other priorities currently*' (18%), but also not knowing what is available to help develop their skills (12%) and simply '*not getting round to it*' (12%).

5.3 What are the employee career development opportunities?

There is limited quantitative evidence available to inform this issue. However, the literature identifies the following factors as being key determinants of career development opportunities:

- **Communication skills.** Whilst many Hospitality and Tourism roles are vocational and require specific skill sets developed 'on-the-job' (e.g. front-of-house staff), a common skill that arises across most segments and job types is '*communication skills*'. This logically arises because, in most Hospitality and Tourism professions, it is clear that to advance beyond a certain point (i.e. beyond the 'narrow' vocational element) being able to communicate effectively is essential. This seems to be the key requirement that 'unlocks' management type roles within the sector.

- **Self-development.** Because many Hospitality and Tourism roles are within small (if not micro) organisations, workers may not benefit from larger / organised development and training programmes. As such, 'development' is likely to be dependent in part on the initiative of the workers themselves. This point was made by Chung-Herrera et al. (2003) who developed a competency model for hospitality leaders. Here, the authors specifically identify 'self-development' as being key to career progression. Within this, attributes identified include: ethics and integrity, time management, flexibility and adaptability.[14]

- **Self-management.** Linked to the above, the small size of firms involved in Hospitality and Tourism will also mean that workers may have less structured management support. As such, progression will be a function of their ability to 'self-manage'. That is to say, their ability to: (i) identify goals and objectives; (ii) develop plans to meet those objectives; and (iii) manage their time effectively to implement those plans in practice.

5.4 What factors help attract and retain skilled workers?

In terms of helping to attract and retain skilled workers, the literature – and the in-depth interviews – identify the following themes as most relevant:

- **A positive culture in which workers feel valued and appreciated.** A factor repeatedly raised in relation to churn and retention is that workers can feel undervalued – and that their skills and contribution are not adequately appreciated. Whilst this is in part, no doubt, linked to pay – the evidence also suggests it is a function of: (i) training; (ii) development opportunities (as discussed above); and (iii) a general culture / perception of roles being of 'low value'.

- **Clear career progression opportunities.** In many cases, a lack of transparent opportunities for individuals to progress acts as an impediment to retention in particular. This may reflect both a 'real' absence of opportunity, but also, a 'perceived' absence, if employers inadequately explain future choices to their staff.

- **Addressing potential labour market inefficiencies / failures.** Whilst the evidence is not definitive, as noted above, there is a range of research to suggest there may be various market inefficiencies and failures, which could mean that the 'wage rate' is below the 'efficient' level. If this is the case, then, by definition, addressing these issues should in turn boost the attractiveness of Hospitality and Tourism jobs to workers – and would also increase retention.

- **Disability inclusiveness.** The nature of certain Hospitality and Tourism job types and roles may create challenges with regard to 'disability inclusiveness' (e.g. some roles may be inherently more active and / or may require flexible working patterns in terms of hours worked and location). However, evidence shows that disability inclusiveness can positively affect both attractiveness and retention.[15]

---

[14] *Beth G.Chung-Herrera; Cathy A.Enz; Melenie J.Lankau. (2003), '<u>Grooming future hospitality leaders: A competencies model</u>.' The Cornell Hotel and Restaurant Administration Quarterly.*

[15] *For example, see Valentini Kalargyrou (2014) '<u>Disability Inclusion Initiatives in the Hospitality Industry: An Exploratory Study of Industry Leaders.</u>' Journal of Human Resources in Hospitality & Tourism.*

Most obviously, a lack of such inclusion may result in individuals with disabilities themselves being less attracted to the sector. However, more broadly, a lack of inclusiveness may also deter people more generally and may contribute to wider negative cultural perceptions, such as those described above.

5.5 Are there new skills and attributes needed by the workforce in the next 5-10 years?

There is limited quantitative evidence available to inform this issue. However, the literature review, online survey and in-depth stakeholder interviews have garnered some evidence in relation to what the key skills and attributes needed in the future are. There was consensus that the following would be most sought after in the next 5-10 years:

- digital skills;
- social and emotional skills; and
- foreign language skills.

One key challenge that was further mentioned by a number of stakeholders and employers was that Hospitality and Tourism is not seen as career choice. This forecloses an untapped supply of workers, who may have the right skills, but have not considered this sector as a career choice. This points to a further **information asymmetry problem between employers and (potential) employees**, in that potentially several people in the labour market do not have information about job types and career progression in the sector.

The online survey undertaken as part of this project asked employers about the key technical and soft skills that they envisaged would be needed by the workforce in the next 5-10 years. Employers most frequently mentioned:

'Inevitably digital skills will increase with younger workers.'

'I don't think automation will particularly affect the running of the business.'

- **Digital skills**. Employers were of the view that digital skills and IT skills would become more important. In particular, that a greater use of technology in the work place would require greater skills in that area. As part of this it was also mentioned that training on digital and technological areas would have to increase further.
- **Social and emotional skills.** Employers mentioned a need for more skills in interaction with customers, ability to think on feet and be flexible and ready for change. Some were also concerned that "*as digital takes a more central role in people's lives, **the interpersonal skills set we used to take for granted are suffering**".* Some employers also considered that emotional skills, such as self-awareness and stress-tolerance would become more important in the next 5-10 years. Other skills and attributes mentioned in this context were '*managing mental health*', '*managing feelings*' and '*gender identification*'.
- **Foreign languages**. Consistent with the analysis above, the need to find staff with foreign language skills was stressed multiple times. Moreover, employers were anxious that they will struggle to find staff with those skills, mostly due to EU Exit.
- **People don't consider Hospitality and Tourism a career**. This has been mentioned by some respondents, and it chimes with some concerns voiced that the education system does not appear to support the industry, making recruitment of young talent more cumbersome.

Box 2: Workforce challenges and opportunities over the next 5 – 10 years

Stakeholders generally found it quite difficult to predict future skills requirements over such a long timescale. However, key themes that were raised included:

- **Ageing population and generation Z**. Several stakeholders mentioned that an ageing population, resulting in people having more diverse careers throughout their different life stages, could be both an opportunity and a threat. For Hospitality and Tourism in particular, as interviewees considered it was often perceived as '*a job before a real job*', this helped explain why there was such a high proportion of young people employed in the sector, but it also indicated the potential 'untapped' supply of older workers. Further to the ageing population, another aspect the industry needs to take into consideration are the different demands from younger generations in terms of how to attract them to roles in Hospitality and Tourism. It was mentioned that a lot of characteristics of work in Hospitality and Tourism fit quite well with the general outlook of that demographic, e.g. producing something immediate, gaining recognition, not 9-5, etc. However, a lot of aspects of work in the sector were also potentially less appealing to that demographic.
- **Digital skills**. Stakeholders mentioned these types of skills would become more important at all levels. Although they would become more important, interviewees struggled to conceive of a scenario where jobs would be replaced by automation in the 'core' Hospitality and Tourism segments, such as '*hotels & related*', and '*restaurants & related*'. For example, as mentioned above, technology may be able to aid efficiency, but it will not replace human beings providing the 'experience'. Segments where these were considered to potentially have a greater impact, with the advent of artificial intelligence (AI) and autonomous vehicles, were travel agency and passenger transport. For example, where the use of AI could help integrate booking and travel systems, and where autonomous vehicles could replace some jobs in the '*passenger transport*' segment.
- **Social skills**. As customer experiences are becoming more and more important, it is necessary to attract talent with the right skills, for instance being friendly and relatable.
- **Foreign language skills**. A number of stakeholders expressed worry around being able to source staff with the right language skills, given EU Exit. This therefore also becomes a skill that businesses are almost certain they will need over the near and longer-term future.
- **Management skills.** Some stakeholders mentioned that management skills were a key area of weakness in the UK. For instance, as mentioned previously, it is not uncommon across the Hospitality and Tourism sector to move up the career ladder and end up in a managerial role, without prior management experience. Some initiatives and training programmes are already seeking to alleviate these issues. For example, New Anglia LEP funded an Emerging Leaders programme, which provided management training for businesses in the region. 25% of participants came from the visitor economy.

Source: Economic Insight in-depth interviews.

6. Recommendations

This section sets out our recommendations, as well as recommendations for further research, based on the evidence gaps identified in the existing research.

6.1 Recommendations

- **Explore further whether there are supply-side barriers that are preventing training providers from offering flexible training 'on-site'.** This could potentially further **increase overall training provision** and provide an even more skilled workforce, which in turn could provide employees with more **opportunities for career development**. Key **potential barriers to explore** could include:
  - **Regulatory or policy barriers.** In principle, regulations and policies can pose barriers for providers wanting to supply certain training, by imposing **'impediments'** that suppliers **either cannot overcome, or can overcome, but only at a 'cost'.** These could be, for example, compliance costs, in terms of having to comply with certain regulations to be able to provide training; policy costs, in terms of having to devise and implement certain policies that satisfy the entity who has set the policy; as well as other regulatory costs, such as, for example, regular reporting costs on whether certain outcomes have been achieved by the supplier, or having to obtain certain accreditations etc. All of these costs, depending on how likely they are to arise for training providers in the Hospitality and Tourism sector, may **prevent or deter** more suppliers from providing training (i.e. if the costs exceed the benefit of providing the training), and hence could be generating an 'under-supply' of training below the optimal level, where these costs would not accrue.
  - **Information asymmetries.** Another factor that may be hindering training providers from providing training 'on-site' are information asymmetries in the insurance market. **Here, it seems likely that the provision of 'on-site' training by external providers may require a range of insurance cover (the specific scope of which might vary across the various segments of Hospitality and Tourism).** However, where a training provider needs to seek cover for the training activities provided, it might be that the insurer does not have full information about the risks of providing the training at the customer's site, and so the insurance provider may ask for a higher risk

premium **than is 'efficient',** or not provide insurance cover at all. As such, either the non-provision, or the **(inefficiently)** high costs of insurance may be deterring more training providers from entering and / or expanding in the market.

- **Explore further whether there are demand-side barriers that are preventing Hospitality and Tourism employers and employees from offering / taking-up external training.** These could arise for the following reasons:
  - **A lack of knowledge about external training.** Due to the number of potential different training courses available, as well as different types of training provided, the lack of knowledge around what is available could be limiting uptake. Awareness of training possibilities is the first step before being able to assess whether they are useful, and finally whether it is worth acting on them and following through with the training.
  - **A misperception around the quality and / or usefulness of external training available**. Following from the above, where employers / employees do not have full information about training on offer, they may create misperceptions around both the quality and / or usefulness of external training. For example, both employers and employees may suffer from the "status quo bias", whereby they prefer the current state of affairs to any other different state of the world (e.g. with more training) purely because they are used to it, and any change is perceived as negative.

- **Explore whether a change in the terminology around certain workforce features could have a positive impact on the sector's perceptions more widely.** For example, as mentioned above, almost half of the Hospitality and Tourism workforce's jobs are classified by the ONS as 'elementary roles'; yet, although they may not require high level skills, they require many other skills / behaviours not classified by the ONS accordingly.

- Following from the recommendation above, further research could be undertaken / a different methodology could be developed to measure the skills / behaviours that are needed in the Hospitality and Tourism sector, as these are not always easily quantifiable. This could include for example:
  - Creating a similar Skills Online Vacancy Analysis Tool for Europe (Skills OVATE), created as part of a Cedefop project.[16] This Tool uses online job advertisement data to create a detailed picture of vacancies, as well as skills required and is presented in an interactive way.
  - Using **online job advertisement portals** and analysing data from there as to what skills / behaviours are most saliently requested in the advertisements – and whether this then chimes with the reality of the job. For example, this could include both a quantitative element in analysing the online job portal information, as well as a qualitative element, by having representative from the roles determine whether indeed those are the skills of most relevance for the job, as well as how these could be measured.

[16] *Cefeop (2019), 'Skills in online job vacancies'.*

WE MAKE ECONOMICS RELEVANT

Economic Insight Limited

125 Old Broad Street
London
EC2N 1AR
0207 100 3746
www.economic-insight.com