

Getting Retention Right: Insights to Navigating Hospitality's Top Talent Challenge

An exclusive survey of the experiences of people at the heart of hospitality, why engagement and satisfaction are improving, and how better recruitment, progression, values and technology can cut shortages and churn.

91%



Of leaders are
concerned about
staff shortages



42%

Of employees
are considering
leaving the industry





Executive summary

Hospitality has made a solid recovery from the turmoil of COVID-19, but soaring costs and labour shortages threaten to stall the recovery. One in nine hospitality roles is currently vacant, and nine in ten business leaders are concerned about staff shortages. Half of staff say shortages are a challenge in their workplace.

More positively, three-quarters of staff say they are satisfied with their job—a year-on-year increase of 13 percentage points. However, while two thirds of employees think hospitality is a good place to build a career, more than two in five are still considering a change of career path. More work is clearly needed to keep everyone in hospitality motivated and content to stay in their role.

Employers are aware that they need to provide better career progression paths, flexibility, benefits and wellbeing support. Technology can substantially improve staff engagement and motivation, but only a fifth think staff technology is advanced, so more investment is needed.

The key takeaway: Hospitality is getting better at staff engagement, and employees are becoming more satisfied with their jobs. But by further improving their support, businesses can achieve even better retention and higher sales.

About our research

This report is based on a 'Working in Hospitality' survey conducted by Harri and CGA. It drew responses from more than 500 current employees in hospitality or employees with significant and recent experience within the sector. The survey captured a wide range of roles from front- to back-of-house across multiple sectors, including restaurants, pubs, bars, hotels and catering.

To complement this picture of employment in hospitality, the research also included in-depth interviews with hospitality leaders from businesses of varying sizes in the restaurant, pub and bar sectors. Harri and CGA would like to thank these leaders for their time and expertise: Jade Berry, Head of People, Pho; Dawn Browne, People

and Talent Director, Fuller, Smith & Turner; Gemma Eley, People Director, Hawksmoor; Clint Ghent, Operations Director, NQ64; James Grist, Head of Talent, D&D London; James Hampton, Head of People and Culture, St Austell Brewery; and Jamie Smith, People and Talent Director, Revolution Bars.

The report's market overview includes data from CGA by NIQ's suite of market and consumer research sources, including the monthly Coffey CGA Business Tracker and Hospitality at Home Tracker, quarterly Business Confidence Survey and regular Consumer Pulse surveys. To learn more about all the research and CGA's other services, please visit www.cgastrategy.com.

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The state of play in hospitality

TOP TAKEAWAY: Hospitality has recovered well since COVID, and despite rising costs and staff shortages, there is a lot to look forward to

Brexit, COVID, inflation, and the cost of living crisis have combined to make trading conditions tough in hospitality in recent years—but CGA by NIQ's market data reveals grounds to be optimistic about the future of our dynamic industry.

COVID decimated sales in 2020 and 2021, but businesses have built back steadily. CGA's sales data has shown steady growth in both out-of-home and delivery sales for Britain's restaurants, pubs and bars. The latest UKHospitality Quarterly Sales Tracker shows turnover was up by 7% in the last year to £137bn. However, it remains almost 20% behind the level of 2019 after adjustments for the high levels of inflation since then.

Despite these challenges, the optimism of business leaders and investors is rising. CGA's Business Confidence Survey shows 62% of industry leaders now feel optimistic about prospects for their business over the next 12 months. Consumer confidence remains cautious after months of rising bills, but two in five (40%) consumers are still going out to eat and drink at least weekly.

Hospitality businesses continue to face some major headwinds—especially around costs and labour. The Business Confidence Survey identifies relentless inflation in food, drink and energy costs as widespread concerns. On top of that, one in nine (11%) hospitality roles are currently vacant and open for applications—much higher than before COVID. The resulting competition for staff, coupled with increases in National Living Wage levels, has driven up pay costs for most employers.

With labour issues persisting, effective employee engagement is more important than ever. CGA's research consistently emphasises how good customer service and guest satisfaction are tightly linked to spending and loyalty. Consumers who told a recent CGA survey were that they were very satisfied with the level of service they have received on recent visits spend an average of £77 per month on eating and drinking out—£5 more than the average UK consumer. In short: the better that recruitment and retention become, the higher the sales a business generates

Hospitality in 2023: Some key numbers

62% 
Of industry leaders feel optimistic about prospects for their business over the next 12 months

91% 
Of leaders are concerned about staff shortages

11% 
Of hospitality roles are currently vacant

£137bn 
Total sector sales in the 12 months to June 2023, according to the UKHospitality Tracker

40% 
Of consumers currently go out to eat and drink at least weekly—five percentage points more than the pre-COVID levels of July 2019

What teams *really* think about their working lives

Key insights from our exclusive survey of workplace experiences

Here are the top findings in six key areas of employees' engagement with hospitality: job-hunting, challenges, values, wellbeing, satisfaction, and career-building.

1. Employees on... Finding jobs

TOP TAKEAWAY: Most hospitality professionals hunt for new roles very regularly and via a wide variety of channels

Our survey highlights the relatively fast turnover of staff in hospitality. More than half (54%) of respondents say they search for new roles either monthly (11%), every two to three months (10%), every three to six months (14%) or every six months to a year (19%). Those working within the hotels and Quick Service Restaurant sectors are slightly more likely than average to be searching on this regular basis.

These shortages are a severe issue, because they directly impact guests' experiences. CGA's research shows a quarter (25%) of consumers think a lack of appropriate staffing levels would put them off visiting a venue.

It's also important to remember that job hunters are not just looking for work in hospitality. More than a quarter (26%) of employees say they consider other industries as well when they hunt for jobs. But at a time when 11% of all roles are vacant, the hospitality industry simply can't afford to lose their talent to other sectors.

21% Of survey respondents look for new roles at least once a quarter

To get ahead in the race for staff, employers first need to understand where to reach the best candidates. Those channels are now overwhelmingly digital, with 56% and 38% of survey respondents using websites and online job boards, respectively. Among the major online platforms, Indeed is by some distance the most common starting place for work. With more than a quarter (28%) using social media to find work—a number that is even higher among those in the 18 to 34 age group—LinkedIn is another popular source of discovery, especially for restaurants.

Hospitality's more traditional recruitment channels remain important too—like in-venue advertisements, which are used by nearly a quarter (23%) of hospitality staff. Recommendations from friends and family (32%) and networking (26%) are other popular sources, which highlights the value of building positive word of mouth about working environments. With more people (40%)



36% Of 18 to 34-year-olds start their job hunts with recommendations from family and friends

looking for all hospitality roles rather than specific job titles (31%), it's also important for employers to emphasise the flexibility of workplaces and the opportunity to switch between roles or find stimulating opportunities for multi-skilled staff. This is something that many of the people emerging onto the jobs market are seeking, and operators—especially hotels—are beginning to respond.

These findings highlight the wide variety of routes into hospitality now. For operators, the challenge is to be visible and active in all the different channels and optimise their engagement to set themselves apart from the competition.



2. Employees on... Bugbears and barriers

TOP TAKEAWAY: Half of employees say staff shortages are a challenge to their work, but recruitment problems may be starting to ease

Although job satisfaction is generally high, some employees are frustrated about issues in their workplace. By far the biggest of these is a lack of staff, which exactly half (50%) cite as a challenge—a number that rises to 55% of people working in restaurants. This reflects the ongoing difficulties that employers face in recruiting enough people to keep operations running smoothly, though it also represents a drop of eight percentage points from last year's survey.

Employees' top ten challenges in hospitality



- 2 Pay does not match the job (32%)
- 3 Little benefits (29%)
- 4 Time off is limited (24%)
- 5 No say on rota / shifts (23%)
- 5 Too many unsociable working hours (23%)
- 7 Poor management (23%)
- 8 Limited time to be with family / friends (21%)
- 9 Limited career progression offered (20%)
- 9 Limited professional growth or skill development (20%)

Interestingly, it is substantially below the 91% of business leaders who told CGA's Business Confidence Survey that they were concerned about staff shortages. This suggests that while insufficient labour affects everyone in hospitality, employers are generally more concerned about it than their team members. It may be because they observe the correlation between shortages and important metrics like guest satisfaction and turnover.

There is a limited amount that hospitality can do to fix staff shortages or to address other common challenges like unsociable hours. But as this table shows, there are other areas where improvements could be made. For example, over a fifth of employees say a lack of benefits, input on rota and shifts, training, and progression are challenges. By taking steps to address these, employers may make themselves a more attractive workplace for existing and potential staff. This year's survey shows teams' frustrations in many key areas have fallen slightly—which suggests some employers are already acting on the challenges that their teams face.

Technology can help to solve many of these engagement issues, and our survey shows a strong demand for using it for tasks like accessing payslips and trading shifts with colleagues. However, the use of digital solutions remains uneven across hospitality. Only around a fifth (20%) of employees think the technology available to them, like digital clocking-in and out, is very advanced, while another 46% say it's somewhat advanced.

That leaves a third (34%) who think the staff technology in their business is somewhat or very unadvanced, or who don't see any tech at all—and that number is even higher at 40% in the tech-savvy 18 to 34-year-old age group. Awareness of digital capabilities is low—for example, fewer than a third are aware that their employer offers a people or payroll platform (32%), shift management system (29%) or attendance monitoring (22%)—so more work is needed to improve the scope, visibility, and accessibility of tech in hospitality.

50%

Of employees say staff shortages are a challenge in their hospitality role

22%

Of 35 to 54-year-olds say inflexibility in hours is a challenge in their role

3. Employees on... The value of values

TOP TAKEAWAY: Brand attributes like honesty, equality and respect have become an integral part of job-hunting

For a growing number of hospitality professionals, choices about where to work go far beyond factors like pay, benefits, workplace conditions, and prospects. Values and ethics are a big concern for younger adults in particular, and their importance is set to grow further.

Our survey asked employees about the values they look for when searching for new jobs. Topping the list is 'honesty', with related attributes like 'trustworthiness' and 'transparency' common as well. This points to the need for employers to be open in everything they do, and to the high risk of losing staff if they lose trust.

Employees also want their businesses to be inclusive. 'Equality' and 'Mutual respect' are the second and third most-wanted values, so businesses that demonstrate their duty of care are less likely to suffer HR problems than those who exclude employees in any way. Ratings for both these

41% 
Of 18 to 34 year-olds look for equality in a company when job-hunting

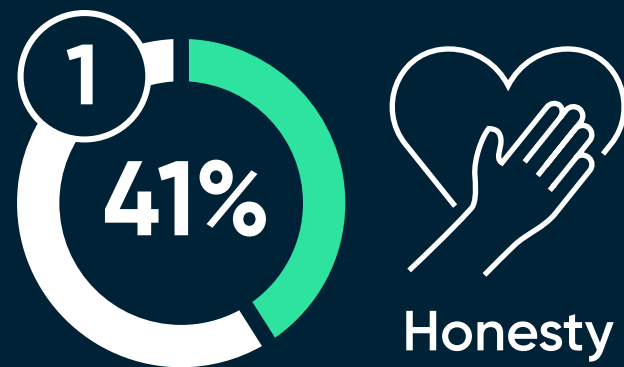


attributes are especially high in the 18 to 34 age group, but lower among those aged 55+. This important difference indicates that recruitment strategies need to be tailored, with much greater emphasis on values for millennials and Generation Z.

Of course other basic employment factors, like 'Knowledge' and 'Organisation', remain important too. But it is striking to see how important these 'soft' employment skills have become in hospitality, and using them to attract value-conscious workers is going to be a priority for HR teams in the years ahead. Increasingly, if people don't like the values they see in their employers, they will too

41% 
Of hospitality professionals look for honesty in a prospective employer

Which of these qualities do you look for when searching for a job?



- 2 Equality (35%)
- 3 Mutual respect (34%)
- 4 Trustworthiness (33%)
- 5 Knowledge (32%)
- 6 Organisation (31%)
- 7= Transparency (27%)
- 7= Helpfulness (27%)
- 9= Social skills (26%)
- 9= Enthusiasm (26%)



4. Employees on... Why wellbeing matters

TOP TAKEAWAY: Mental health support is improving fast, and nearly a third of staff say their employer now helps them with better work-life balance

Wellbeing has become an even more important concern for hospitality professionals since COVID, and our survey shows employers have been making good progress in promoting it.

Nearly a quarter (24%) of respondents say their employer now monitors wellbeing in their teams—a substantial increase from 15% in last year's survey, though there is still some way to go before the practice is as widespread as people would like. The proportion supporting a better work-life balance has risen even faster, from 19% in 2022 to 30% now. Only 22% say they get no wellbeing-related support at all—sharply down from 38% one year ago, though the number is noticeably higher in the bar (29%) and QSR sectors (37%).

30% 
Of employees say their employer now supports a better work-life balance

37% 
Of people working in the QSR sector say they get no wellbeing-related support

Employers are embracing a wide range of wellbeing-related initiatives, like opportunities to socialise with colleagues (20%), helpful information (18%), support sessions (15%), more one-to-ones with managers (15%), and group support sessions (13%). Again, all these numbers have increased over the last 12 months.

COVID appears to have marked a turning point in the way employers look after their teams. The range and quality of help with wellbeing has improved dramatically since pandemic-related stresses first emerged, and a good package of support is now a must-have rather than nice-to-have for many job-hunters. Nevertheless, there is always room for improvement, and businesses that can find more ways to promote employees' experiences will have an advantage in the competitive field of recruitment.

5. Employees on... Job satisfaction

TOP TAKEAWAY: 74% of staff are satisfied with their job—but more work still needs to be done to persuade people to stay in hospitality

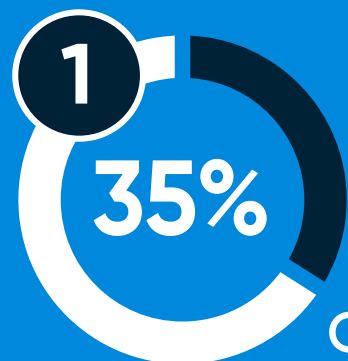
Job satisfaction levels in hospitality are encouragingly high. Nearly three-quarters (74%) of employees say they are either very or somewhat satisfied with their current role—an impressive increase of 13 percentage points from our 2022 survey. Nearly as many people (70%) are satisfied with hospitality roles in general, and only 14% are either somewhat or extremely dissatisfied with their work. Satisfaction levels are notably higher among older workers and in the restaurant sector than they are among younger adults and other segments like QSR.

This is a very positive sign that hospitality businesses have stepped up their efforts to improve employees' experiences.

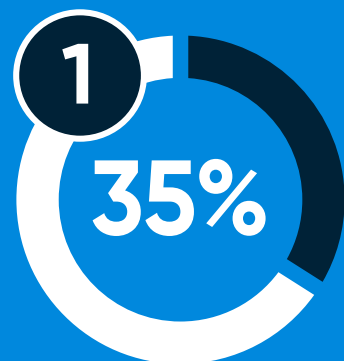
It may also reflect the widespread increases in pay over the last 12 months and an easing of some of the challenges that employees faced during COVID and its immediate aftermath.

With so many employees still considering a change of career path, strong engagement is required to improve retention levels. All operators need to be proactive and recognise that while satisfaction levels are currently rising, the tide can quickly change without vigilant monitoring of team sentiment.

Which of these words describes how you feel about your job?



Comfortable



Satisfied

- 3 Happy (34%)
- 4 Challenged (27%)
- 5 Stressed (25%)
- 5 Motivated (25%)
- 7 Proud (22%)
- 8 Overwhelmed (18%)
- 9 Unsatisfied (17%)
- 10 Anxious (14%)

74% 

Of employees feel satisfied in their current roles—13 percentage points up from last year's report

31% 

Of people working in restaurants say they feel challenged in their job



6. Employees on...Climbing the ladder

TOP TAKEAWAY: 67% of employees think hospitality is a good place to build a career, and many people are staying for now—but 42% are still considering a change of career path

Hospitality has always found it difficult to establish a reputation as a place to build a stimulating and rewarding career. Despite the superb opportunities it offers—especially to those without formal qualifications—it continues to be seen as a transient sector for working, and a stopgap until other opportunities arise.

campaigns to highlight the benefits of working in the industry—which is particularly important for the 36% of hospitality professionals who told our survey who say they 'fell into' hospitality as a career path. Keeping hold of people in this group who find that they love the industry is pivotal to the creation of the leaders of the future.

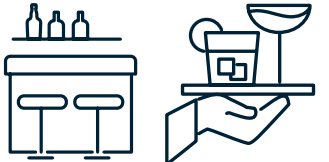
67% 

Of employees say hospitality offers a good and worthwhile career

But is this starting to change? Two thirds (67%) of our respondents agree that hospitality offers a good and worthwhile career. More than a quarter (27%) say they have actively chosen hospitality as their career path—four percentage points more than was the case at last year's survey. Older employees and restaurant workers are both more likely than average to have chosen hospitality as a career path.

These improvements follow concerted efforts by businesses to communicate the value of a career in hospitality. They may also be the result of cross-sector

Despite progress, there is more work to be done to encourage people to stay on hospitality career paths. More than two in five (42%) of survey respondents say they are likely to consider a change of career path—and while this number has dropped year-on-year, it remains significantly more than the number who say they are unlikely to do so (27%). But if businesses can continue to engage current and potential employees about the key benefits of a career in hospitality, we can be optimistic that the industry might finally shake off its image as a stopgap workplace.

62% 

Of people working in bars say they are likely to consider a change in career path

Talking about the generations

Our survey reveals some fascinating variations in views on hospitality among different age groups. There are some particularly striking contrasts between those from Generation Z who are entering hospitality for the first time and older adults who, in some cases, have been working there for several decades.

For example, 78% of 35 to 54-year-olds say they are satisfied with their current role, compared to only 68% of those in the 18-to-34 age bracket. 59% of these younger adults agree that hospitality offers a good and worthwhile career—far fewer than the 77% of employees aged 55+. This may be a result of the ‘mom and dad test’, whereby some parents view hospitality as the wrong career choice for their children.

Younger adults are also much more likely than average to be frustrated by poor management, a lack of training, and insufficient career progression. It suggests that this group is more demanding than previous generations of hospitality employees and that employers may have to work harder to motivate and retain them. By contrast, older adults are more likely to have proactively chosen hospitality as a career path and less likely to be seeking a new career. They are less likely than average to be interested in company values or wellbeing support.

There are more important differences in approaches to technology. Overall, only a fifth (20%) of staff say the technology available to them is very advanced—and the number rises to 23% among 18 to 34-year-olds but drops to just 14% of those aged 55+.

What’s clear from all this is that there is no one-size-fits-all approach to employee engagement and technology. Different demographics have some very different priorities and needs, and strategies need to be tailored accordingly. Without that, businesses may risk alienating younger or older team members—or both.



68% 

Of 18 to 34-year-olds are satisfied with their current role—compared to 78% of those aged 35 to 54

70%  

Of those aged 18 to 34-year-olds like staff tech is very advanced 55+ think staff tech is advanced—compared to 60% of 18 to 34 year-olds



Views from the top

Seven hospitality people experts on employee engagement

Our report has set out the honest views of team members across hospitality. But what do their employers think about the big issues in recruitment, retention, and engagement? Experienced leaders gave Harri and CGA the inside track on the big HR-related challenges of 2023 and how technology can help solve them. Here's what they had to say.

1. Leaders on... Hospitality's image

TOP TAKEAWAY: Employers know that hospitality can be a great place to work—but the challenge is to persuade employees to see it too

As we see from our employee survey, hospitality continues to suffer from a reputation problem. Despite efforts to improve its image over the years, negative perceptions persist of it as a temporary place of work or an industry that people fall into. These views can be reinforced by parents, teachers, career advisors. But as leaders know, this reputation is far from the truth. In reality, hospitality is a great sector to build a lively and rewarding career and take on major responsibilities from a young age.

Restaurant, pub and bar operators have been working hard to fix their communication issues—not just within individual companies but through cross-sector projects. And with our survey showing that employee satisfaction levels are rising and 67% agreeing that hospitality offers a good and worthwhile career, this hard work may be starting to pay off. While some people still arrive in hospitality with negative views, in many cases, they soon start to change their perceptions.



"Hospitality is a really fun place to work. There aren't many sectors where you can run a multimillion-pound business at 20 years old... in hospitality, you can do that. Lots of people arrive in a part-time or top-up job... but they fall in love with what hospitality is, and they stay."

Dawn Browne, Fuller, Smith & Turner

"The work we've been doing with schools shows hospitality seems to be perceived as a lower-grade career. We've got work to do to change that perception, and we need to engage with parents and teachers to make those changes."

James Hampton, St Austell Brewery

"Hospitality hasn't been pushed out as a career of choice—which is a bad perception because the career opportunities are insane."

James Grist, D&D London

"People need more storytelling. We need to champion our industry and replay the success stories—like those who have gone from glass collector to managing director. We need to show that not only is there a career and real money in it, but you can have much more fun than in your traditional nine-to-five office job."

Jamie Smith, Revolution Bars

2. Leaders on... Recruitment

TOP TAKEAWAY: Good digital engagement—especially on social media—is the key to successful recruitment

With vacancy rates still high, hospitality leaders know they are in a tough competition for talented staff. As our employee survey shows, that battle is now largely fought online, which means businesses have to get their strategies for job boards and websites right.

Hospitality leaders also tell us that social media is an increasingly important recruitment channel. Many are starting to scout for potential employees via LinkedIn, especially in manager or other senior roles. As more hospitality professionals establish a presence here—and on other platforms popular with young adults like Instagram and TikTok—social media recruitment is fast becoming the norm.

All this online engagement highlights the need for investment in digital-based recruitment and social media platforms to secure access to the deepest and best pool of talent. It's also vital to establish a positive online reputation to boost word-of-mouth, which leaders know is one of the most effective and cheapest ways to attract people.



"We obviously put adverts out on various jobs boards, but we tend to find that most of our hires come from proactive reach-outs... We're seeing more and more people in hospitality using LinkedIn, so it's much easier to tap into those talent pools."

Gemma Eley, Hawksmoor

"A lot of our recruitment is through word-of-mouth and local hospitality networks... we've also done a bit of advertising on Instagram."

Clint Ghent, NQ64

"Word-of-mouth is really important. We need our advocates—we want the people who work for us and used to work for us to tell other people about us [as a career option]."

Jamie Smith, Revolution Bars





3. Leaders on... Tech and the employee experience

TOP TAKEAWAY: Employers see technology's potential to improve people's working lives, but integration remains an issue

Technology has a big role to play at every step of recruitment, including advertising, applicant tracking, and screening. But there are even more touchpoints where digital solutions can improve team members' experiences. As our employee survey shows, it can make numerous tasks like onboarding, training, payroll, communications, clocking in and out and shift management much easier and faster. Technology can also help gather and organise information for leavers like exit interview data. Used well, tech can play a key role and streamline every stage of a person's journey into, through and out of a workplace.

However, leaders know that technology isn't always used to its full potential. Cost is one barrier, but implementation and integration are also holding some businesses back. Employers that can select the right solution and seamlessly link all the different aspects of staff engagement will likely have a substantial head start in recruitment and retention.



"Integration [of technology] is the biggest challenge. We have an ecosystem of tech, but getting it to work with each other is the biggest problem."

James Hampton, St Austell Brewery

"We partner with Harri on our applicant tracking system, and it's great. It smooths the process and allows candidates to apply simply... it also helps us to screen our applicants and save our managers time."

Dawn Browne, Fuller, Smith & Turner

"Using Harri from end-to-end will mean we can do all of our onboarding through one system, which is great because at the moment it takes us a long time. Streamlining the procedure for managers will make their lives easier."

Jade Berry, Pho

4. Leaders on... Team challenges and support

TOP TAKEAWAY: Employers have made substantial improvements in staff support, but there's room for improvement in career progression

Our employee survey highlights the challenges and frustrations of hospitality teams, like pay, staff shortages, and a lack of flexibility. With job satisfaction leaping by 13 percentage points year-on-year, it confirms that operators have been working hard to address these and other frustrations. Pay increases, better training, and greater support for wellbeing have all helped to improve working lives and reduce the likelihood of staff leaving for a rival company or another industry—even if they have fallen into hospitality as a career. We have also seen more support for people who want to switch between roles, and for talented staff who are eager to progress their careers faster.

Attractive benefits—like providing free private healthcare in response to people's comments that they could not afford things like dental treatment and prescriptions—have been another creative way to reward and retain team members. Some businesses are also starting to offer four-day working weeks to provide staff with more flexibility and freedom.

Employers know that solutions like these give them a much better chance of keeping hold of more staff for longer. However, there is still a clear need to respond to the 42% of employees who say they are likely to consider a change of career path. While this number has fallen year-on-year, it remains higher than employers would like and emphasises the importance of heading off challenges as quickly as possible.



"We provide structured development, often linked to a nationally recognised qualification, that allows you to join us as a kitchen porter and move your way through all the cheffing roles, or to join as a member of the bar team and move through to supervisor, assistant manager and into general manager."

Dawn Browne, Fuller, Smith & Turner

"We find it hard to find good assistant managers in London externally, so we try to grow our own, and we have lots of managers and head chefs who have started as waiters or kitchen porters and moved their way up."

Jade Berry, Pho

"We're a really people-focused business... we invest heavily in ways for our managers to best look after and support people... It's about trying to build relationships so they know their manager is there for them through the tough times."

Gemma Eley, Hawksmoor

"We've started to address work-life balance and hourly pay and benefits, because we need to be competitive with other industries... If an employee wants, we can condense their shifts into four days so they have three days off together."

James Grist, D&D London

"We need to make people aware that we care that they have good working conditions and the tools to do the job. It's the basics: we just want people to like working with us."

Clint Ghent, NQ64

"We have a two-way communication platform rather than just pushing things out... And there's lots of social learning."

James Hampton, St Austell Brewery



5. Leaders on... AI and the digital future

TOP TAKEAWAY: Hospitality businesses are exploring the potential of Artificial Intelligence to improve labour efficiencies and engagement

The impact of Artificial Intelligence has been a big subject of debate in every industry in 2023, and hospitality is no exception. With the technology still in its infancy, leaders are in a learning phase about its use, but they are curious about its potential benefits and challenges. There is particular interest in services like ChatGPT that can help to generate content like job ads and social media posts, and in how AI can improve employee engagement solutions. But it is also clear that AI, robotics, and other new technologies will not replace human interaction. Finding the right balance of digital solutions and face-to-face experiences will be a top operational priority in the years ahead.



"We're curious about AI and how it might add value to the business. But we recognise that we don't really know enough about it yet, so there's a piece of discovery work going on to learn more."

Dawn Browne, Fuller, Smith & Turner

"There's been talk when AI started being introduced that it was going to leave people without a job... but I think the reality is that customers still want a real person."

Jade Berry, Pho



"I don't think AI or robots are going to be serving customers or cooking meals anytime soon, so those kinds of roles are relatively secure. But can AI make us more efficient? Without a doubt. We all need to keep pace with it so we're not left behind."

Gemma Eley, Hawksmoor

"AI can be a brilliant tool for getting more data about our teams. We can potentially harness it to join the dots between performance and individuals and characteristics... and reward people individually and better."

Clint Ghent, NQ64

"There are things that AI can help us with... but to actually put them into practice requires a human element."

James Grist, D&D London

"I can't envisage a space where AI or some system can deliver true hospitality in the way that we see it."

Jamie Smith, Revolution Bars



Employers v employees: Three differences in sentiment

Our survey and interviews reveal the issues on which employers and employees are in agreement—but also some points of difference where more alignment is needed. Here are three.

1. Hospitality's reputation

Employers know that hospitality is a great place to work, but not all employees agree yet—especially those in younger age groups. As projects to improve hospitality's reputation continue, this will hopefully start to change.

2. Career progression

Generation Z is also more demanding about career progression than some employers realise. While businesses have made some good efforts to set out career paths, many younger employees still want to be able to climb the ladder faster.

3. Technology

There is another disconnect in the use of technology. Employers have substantially improved their digital engagement with staff and consumers, especially since COVID, but many professionals—especially younger ones—think it could be used more widely to improve their working lives. Some employers are still learning about the ways tools like AI might help them, and further innovation in the sector is inevitable.

Top takeaways

Our report shows hospitality has taken some great strides forward in employee engagement. But more work remains to be done, and every business can always find ways to improve – its recruitment and retention. Here are seven top takeaways for good practice inspired by Harri and CGA's survey and interviews.

1. Understand employees' experiences to improve word-of-mouth

Measuring employee sentiment to understand and improve their experiences helps retain them for longer and builds positive word of mouth—which can make or break an employer's brand. It's critical to create and maintain a positive work culture with consistent employee check-ins from onboarding onwards. Workforce management software can automate employee communication, maintain consistency and track employee sentiment so you can get ahead of turnover risk.

2. Build effective review frameworks

Creating consistent and repeatable frameworks for performance reviews helps employers understand what each team member values and respond with appropriate improvements. A tech-enabled review framework creates a structured, accurate, and timeline-driven process that streamlines and elevates the review experience for managers and employees alike. It can also reduce bias caused by reviewer preference and ensure that rewards and recognition are based on performance, not preference.

3. Provide flexibility

Promising flexibility on shifts isn't always easy. But with so many employees citing anti-social hours, limited time off and a lack of say on rotas as key challenges, businesses that help employees establish a positive work-life balance are likely to achieve better retention. Technology can help employers access this flexibility and provide their employees with a regular schedule that they can commit to. It can also allow staff to swap existing shifts and pick up open ones. Hospitality is a unique industry outside the 'norms' of traditional work, and by emphasising flexibility, employers can help people fit work into their lives—not fit lives into their work.



4. Focus on values

Ethics are an increasingly important issue for hospitality workers—especially those from Generation Z. Communicating attributes like honesty, equality, respect, and trust creates positive impressions among current and prospective employees. Values should be part of an employer's brand, hiring processes, onboarding materials, and ongoing communications.

5. Emphasise career progression

To promote hospitality, operators need to show that it's a place to build a rewarding career and earn good money. Mapping out career paths during recruitment, highlighting progression opportunities at performance reviews, and offering the flexibility to change directions and try new roles can all help workers see a positive future in the business. Leveraging an HR system to identify the skills make-up of your current workforce and how employees' skill sets are a match for new roles can help you to continue to hire and promote from within. Crucially, this can provide motivation and satisfaction for the large proportion of employees who are considering a change of career path.

6. Employ technology to make employee tasks easier

While the use of technology in team engagement is increasing, around a third of employees don't think it's advanced or don't see it at all. There are many areas in which digital solutions can make life easier, including paycheck access, shift management, and digital clocking in and out. This can also remove administrative burdens from managers.

7. Identify where AI can help your workforce

Artificial Intelligence has exciting potential to increase efficiencies and reduce repetitive tasks in hospitality. People teams will need to make sure their businesses make the most of these opportunities without compromising the personal interactions that guests want.



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