

FutureNow Perth Hotels Workforce Project

Pilot Study

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Executive Summary

Perth has undergone a significant transformation through the construction of new hotels and hospitality services over the past five years. Approximately 2,500 new or refurbished rooms have opened in Perth, and new accommodation 'typologies' have emerged. Another 1,400 rooms across five new hotels are currently under construction, expected to open by the end of 2020, and 440 rooms are under State Government contract to be developed on Crown land. This means that a total of almost 4,800 rooms will have been added between 2012 and 2020.¹

The sophistication of these new hotels and serviced apartments has revitalised Perth's image. Perth has been described as "*Australia's rising star, thanks to a boom of hip restaurants and lodgings*"², and has been home to Australia and New Zealand's best hotel three years in a row.³

This transformation has in turn delivered Perth a newfound ability to welcome significantly more visitors, which is central to the State Government's Two-Year Tourism Action Plan 2018-2020. Perth now presents a greater choice of more affordable accommodation for the 11 million overnight visitors that travel within Western Australia every year.⁴ For hotel workers, this has led to more job opportunities overall, as well as greater diversity in roles. This is due to the variety of new accommodation types offering specialised, premium accommodation services, as well as restaurant, bar, spa, function and retail services.

The diversity of accommodation types and associated job roles has translated into varying labour requirements across the sector. Shortages and skills gaps do exist across the sector, but manifest sporadically between hotels, and between certain occupations. The occupations facing the greatest challenges include Chefs, Mid-level Managers, and Senior Executives or General Managers. The factors contributing to shortages are reported to be enduring community perceptions about working in hospitality, misconceptions about career prospects available in the sector, and attitudes towards entry level work.

Recruitment is intrinsically based on applicant attitude. The challenge that hotel operators face is to balance the demand for professional, motivated workers with the supply of available workers. Hotel representatives interviewed in this project acknowledge that frontline hospitality work in a hotel is not overly technical, and that the more procedural aspects can be imparted through on-the-job instruction.

Therefore, the sector's approach to training and education varies between hotel operators. Formal, vocational training is generally only accessed for apprentice chefs. Most hospitality positions do not require qualifications and most workers progress through the hierarchy of a hotel by gaining appropriate experience and workplace training. The exceptions are positions such as Engineers, Accountants and Financial Controllers who undertake training separately to the hospitality industry and may enter higher level positions from other industries.

The hotel sector generally is very receptive to employing overseas workers with practical and technical skills. Overall, the sector is in favour of employing a blend of overseas and local workers that can participate in information and multicultural values sharing.

The labour force has been impacted through the simultaneous occurrence of significant hotel construction transpiring during a period of suppressed economic activity. Many hotels have been focused on sustaining business operations. In some cases, this is at the expense of maintaining training and staff retention programs, and as a result, staffing structures in some hotels have changed or declined. Overall, however, an increased skilled labour force will be needed to meet the needs arising from the volume of accommodation providers operating in Perth and the sector's continued economic contribution to Western Australia's economy.⁵

Introduction

The Perth Hotels Workforce Project has explored the connection between the increase in new accommodation options and possible labour supply issues in Perth hotels. This has included an examination of the hospitality industry's requirements for a professional workforce relative to the supply of appropriately skilled workers, as well as understanding attitudes to existing training and employment pathways.

The aim of this paper is to identify the issues to be considered in ensuring a healthy pipeline of adequately skilled workers into the industry.

It is noted that this is a preliminary study which has the potential to flow into further research.

Project findings

1. Labour market requirements

This section discusses the external conditions that affect the business operations of Perth's hotels, and in turn, the requirement for workers.

The increase in new hotel stock has contributed to the transformation of Perth and naturally an overall rise in the requirement for workers. However, the sector has been impacted by a combination of factors, most notably Western Australia's suppressed economic conditions over the past five years, during which time most of the new hotel stock became operational.

1.1. "Microclimates" of Perth hotel performance

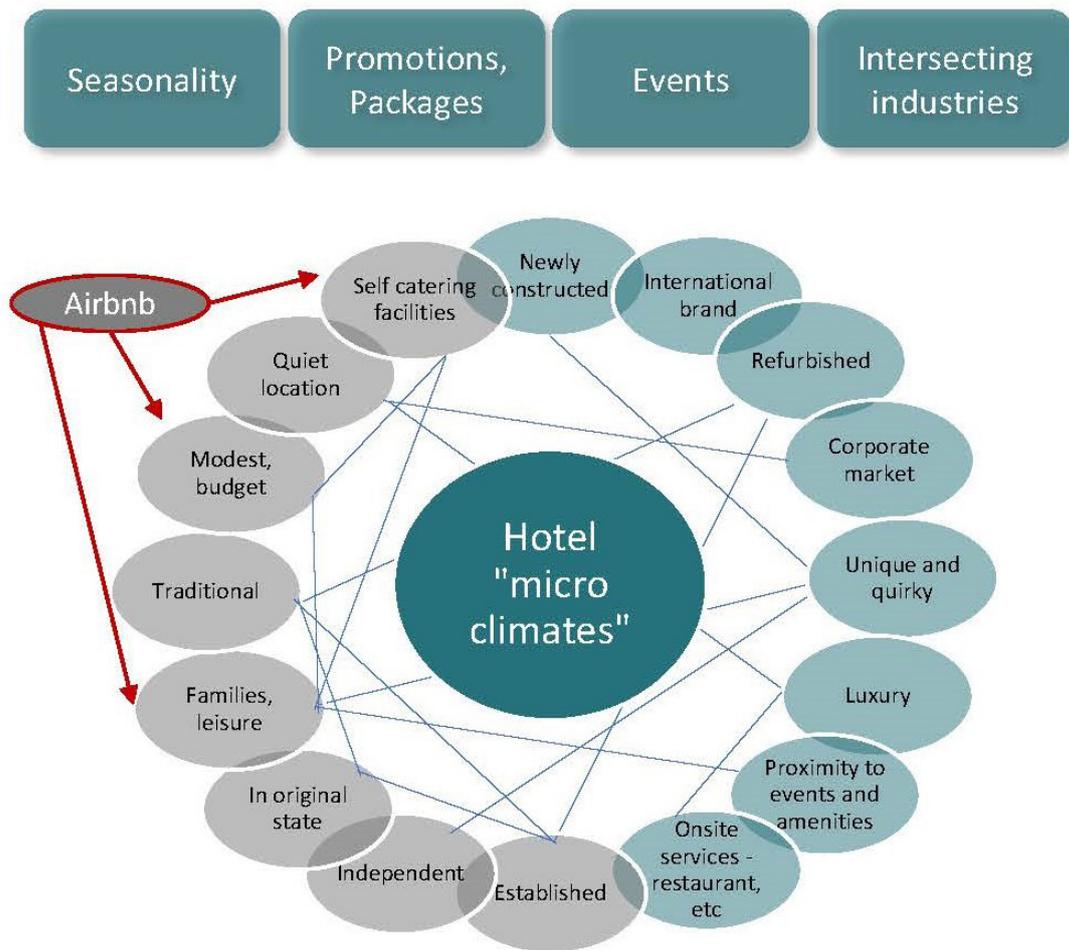
While the current operating environment for commercial accommodation in Perth is characterised by an oversupply of rooms, and slightly lowered occupancy rates have been recorded, this project has found that pockets of the sector are reported to have performed well relative to others over the past year.

Some respondents used the term "microclimates" during this project to describe how certain pockets of hotels perform relative to others. In turn, this can be used as a measure of perceived attractiveness as a place to work.

Overall, it was reported that the new or refurbished hotels are generally enjoying healthier occupancy rates, and increased interest in people wishing to work there. This can potentially be attributed to novelty, the proximity to attractions, events and other hospitality venues, as well as strong brand awareness associated with an international marque.

Figure 1: Analysis of factors which influence workforce requirements

Influencing factors on staffing requirements



The diagram above depicts the factors that characterise hotel microclimates. These generally comprise of varying clusters of microclimates, examples of which are shown via connecting lines. Microclimates generally exist on spectrums, where hotels may sit anywhere between the opposite characteristics. For example, a hotel does not remain new for long and may sit anywhere between being considered new or established.

Hotels operate within varying microclimates that fluctuate depending on the guest’s requirements and reason for travel. For example, a family-friendly hotel is often in the mid-range or budget category, offers self-catering facilities, is close to other attractions, and is contemporary. However, a family-friendly hotel may operate in the premium, luxury level, in a quiet location.

Hotel characteristics, therefore, are a factor in worker attraction initiatives. Certain workers are suited to certain hotel typologies. Some workers seek job roles providing high levels of service, whilst others prefer more relaxed working environments. The challenge for recruiters is to source the most suitable workers, with appropriate expectations and willingness to do the job.*

* Note: Misaligned expectations from a job can be demonstrated by an example where a hotel receptionist resigned from a mid-level hotel to take on a position in a new 5-star hotel. The demands of the role, including high grooming standards, standing for the entire shift, and providing highly personalised service to discerning guests, were too great. The worker preferred the relative informality of the mid-range hotel understood its expectations, and returned to their role in the previous hotel.

At an overall level, hotels operate and compete with each other at various levels and at different times due to factors including seasonality, events (such as conferences, festivals, sporting events), fluctuations in WA's major industries which may affect the State's economy, demand from the corporate travel market, or promotional offers and travel packages. In turn, these factors inform the requirement for staffing.

1.1.1 Airbnb as an influencing factor on staffing requirements

A factor that some respondents reported as having an influence on their business is that of Airbnb. For some hotels, especially within the budget and mid-range levels and those that offer self-catering facilities, bookings may be more likely to be lost to Airbnb venues. As a result, these hotels are less busy, occupancy rates decline, and the requirement for a full complement of frontline staff is reduced. The effect on jobs has been indirect. Hoteliers are altering workers' rosters, with some hotels decreasing their workers' hours. However, it should be noted that most respondents to this project indicated that discrete jobs have not been cut as a direct result of Airbnb.

Conversely, some of the hotels surveyed indicated that Airbnb does not fall within their competitive set. These hotels consider those that book Airbnbs in Perth to be unlikely to book a room in their hotel and thus are not part of their target market. Airbnb's presence in Perth therefore has not had a marked effect on the occupancy rate of all hotels and in turn, had a minimal effect on staff rostering in some properties.

1.2. Influence of occupancy on labour requirements

Occupancy rates are commonly used by the accommodation sector as a performance indicator and can therefore be used as one of the factors that determine staffing requirements.

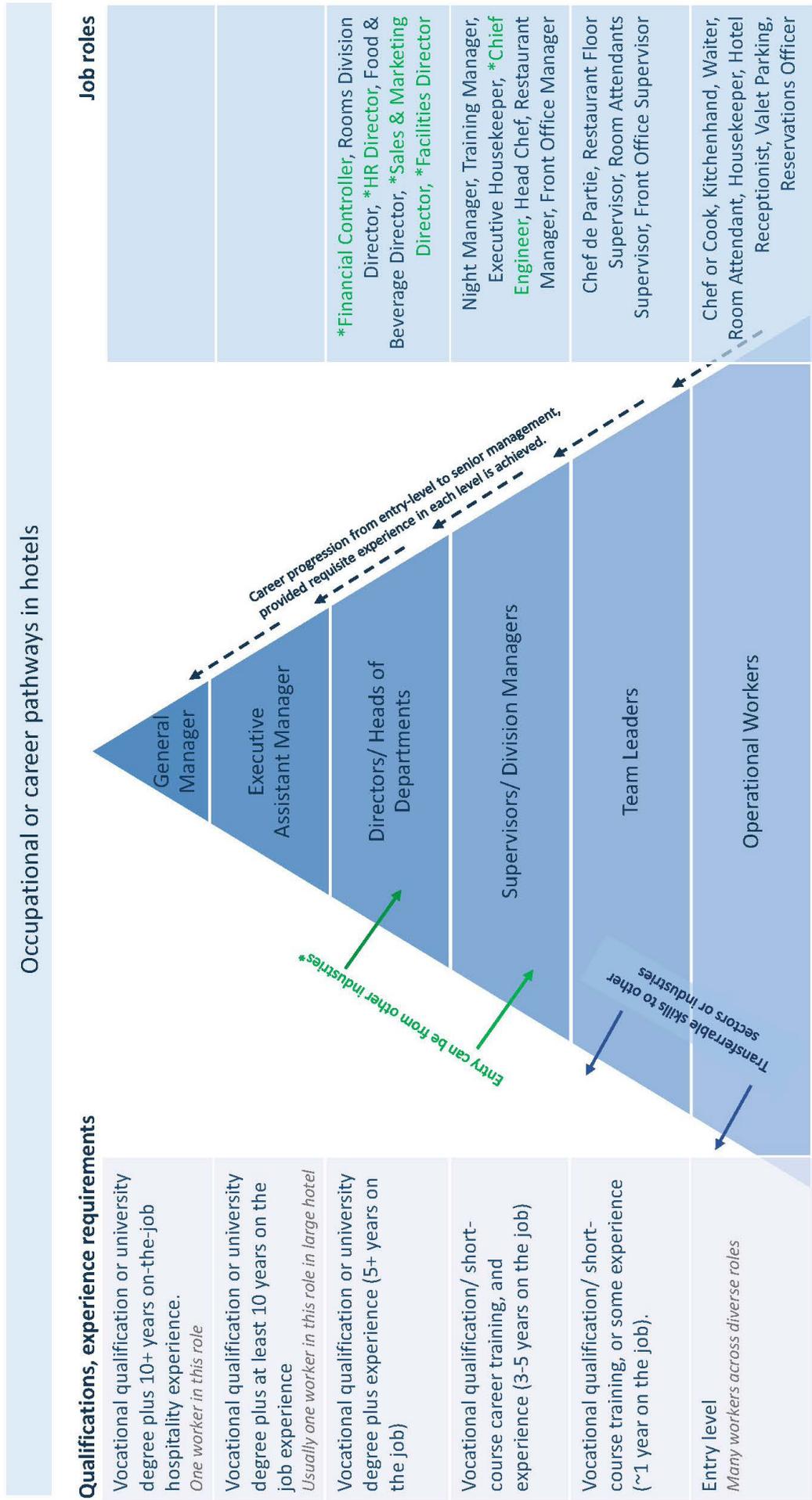
Worker requirements are generally based on service levels and scale of ancillary onsite amenities (e.g. restaurant, bar, spa, retail outlet, etc). The more luxurious the hotel, the higher the level of personalised service, and greater numbers of workers across the property in distinct roles. Hotels interviewed in this project range from several staff per room to one staff member per three or four rooms. The average across all the hotels interviewed is one person employed for each hotel room (i.e. an average 1:1 staff-to-room ratio).

Irrespective of occupancy rates, the operation of a hotel can comprise of approximately 35 distinct job roles, ranging from entry-level operational roles such as receptionists, waiters, bar workers, parking valets, concierges, housekeepers, and cleaners to chefs, supervisors, accountants, revenue analysts, marketers, social media experts, division managers, and hotel general managers.

By volume, a hotel's workforce tapers from numerous workers required in entry-level, operational roles through supervisory levels and division managers to directors and senior management. As indicated in the diagram overleaf, large hotels typically operate under one General Manager, possibly an Assistant General Manager and approximately five or six directors (which are responsible for finance, food and beverage, sales and marketing, human resources, rooms division, and facilities or maintenance), who require formal qualifications plus extensive experience.

Ideally, hotel workers commence their career in entry-level roles and progress through the hierarchy of job roles and responsibilities gaining appropriate experience and relevant associated training along the way. Skills learnt in entry-level and supervisory levels are highly transportable and can be transferred to jobs in other sectors of the hospitality industry or even other industries. On the other hand, job roles in hotels such as engineering, maintenance, accounting, finance, marketing, sales and human resources can be entered from other industry sectors. Many of these roles are, however, not overtly related to hotels, which can make recruitment challenging, especially for maintenance and engineering roles.

Figure 2: Careers and job role hierarchy within hotels



While the breadth of roles within a hotel, particularly at the lower, operational levels, remains unaffected by occupancy rates, changes in this measure have resulted in some effects on labour requirements. Due to economic conditions, hotels have been focused on maintaining occupancy rates and to achieve this, are attracting guests by offering lower daily rates, increasing marketing, or participating in promotional or package deals. This is placing pressure on workforce development as hotels are consequently adjusting internal processes such as rostering, training and staff development.

While hotels typically operate on a 'lean' staffing structure, the current operating conditions have further constrained staffing in certain hotels. Duties and responsibilities have expanded, and the workload is being shared across fewer workers. At the same time, senior workers are increasingly performing duties they would ordinarily oversee. The impact on senior managers in some hotels is significant. Due to the focus on occupancy, some respondents reported that redundancies of permanent staff at the Division Manager level are taking place in their hotel (e.g. HR Manager, Marketing Manager, Revenue Manager, etc). Frontline workers, which are often employed as casuals, are experiencing a reduction in shifts. This, coupled with labour shortages in certain pockets of the sector mean that senior managers are being stretched thin, having to absorb more duties into their role.

2. Labour and skills supply

One of the most significant workforce issues facing Perth's hotels is the recruitment of quality employees.

Some respondents report that the new hotels and food and beverage venues have had an impact on staff retention in established hotels due to the increase in new job offers. However, reports of staff movement to newer hotels have been less than predicted, and recruitment is the primary challenge for employers.

Experience in the hospitality industry is paramount and sometimes favoured above holding a qualification. Respondents indicated that promoting from within is common practice and preferred for several reasons. Onboarding new staff members into the organisation is intensive and costly, whereas promoting an existing worker that is already familiar with the property benefits both the business and worker. It is more cost effective for the business and provides the worker with additional benefits through increased responsibility, remuneration, and ability to develop their career.

However, it is reported that there is a general lack of suitably skilled and dedicated candidates applying to job advertisements to many hospitality positions, but most pronounced at the supervisory level. Many candidates are unsuitable as they either hold hospitality qualifications but have little or no experience at the supervisory level or have supervisory experience, but it is not within a hospitality context and they lack an underpinning customer service aptitude.

Respondents in this project noted that an attitudinal change in the workforce is evident, which is possibly as a result of the workforce expanding across multiple generations.* Recruitment is therefore impacted by an overall contraction in the volume of appropriately skilled workers, combined with a growing number of junior workers who are reported to hold different values to their supervisors. These include a perceived alternative work ethic once in the role, a different level of interest in the sector, and their degree of willingness to start their career in an entry-level position. This is seen to be obstructing an adequate supply of workers able to progress into senior positions in the sector.

There is recognition that younger workers are interested in learning. However, several respondents indicated that younger workers often hold the expectation they can fast-track their career without gaining necessary experience, especially if the worker has completed a higher-level hospitality qualification or degree. This inhibits the ability for hotels to promote frontline workers to supervisory positions by opposing the sector's central position that essential experience is gained only through practice and perseverance performed over an appropriate amount of time.

* Note: Issues related to multi-generational workforces are reflective of many industries

Anecdotal reports suggested that mature workers are valued for their experience and dedication to the business, although some respondents indicated that older workers can be inflexible in their approach to new technology, innovations in work practices and collaborating with younger workers. This cohort therefore presents an issue related to succession planning because many of these workers have been in the sector for long periods, which can also be viewed as impeding staff development in some hotels.

This finding suggests the need for a communication strategy that will convey the availability of a long-term, multi-faceted career that is a result of gaining appropriate experience, complemented by training and education.

3. Occupational factors

The research indicates that within the broad range of roles in the hotel workforce, the occupations facing the highest recruitment stress are mid-level managers/ supervisors, division managers and general managers, and chefs.

3.1. Mid-level managers

The supervisor or mid-level manager is a critical role within an accommodation provider. It is a dual role where these workers are responsible for; supervising and leading workers in operational roles, managing conflict, determining work requirements or allocating duties to staff, while still performing work that is related to frontline guest services. It requires a balance of leadership, a high level of customer service skills, and adherence to the hotel's commercial objectives.

However, due to an overall skills gap that lies in supervising others, this position presents the hotel sector with one of its greatest workforce challenges.

Although supplying supervisory roles via internal promotions is preferred, an inherent lack of workers' experience in supervising others can present significant difficulties for the hotel. The nature of their work means that operational workers may not be exposed to leadership opportunities and are often unprepared for the increase in responsibilities and the considerable jump from operational to supervisory duties.

Issues related to inadequate supervisory skills within an accommodation provider are heightened in smaller operations, often in regional areas, where the operational workforce is smaller, and the manager's or duty manager's supervision and coordination responsibilities extend across multiple organisational departments.

3.2. Executive Director and General Manager positions

With the increase in international hotels in Perth, and the raised level of sophistication in Western Australian hospitality sectors, the requirement has grown for highly skilled managers with international-level expertise.

Given the sophisticated nature of executive level roles within a hotel, extensive industry experience incorporating hospitality operations, high-level business acumen and specialised managerial skills, is vitally important. Experience in the industry is complemented by Higher Education or Vocational training, such as an Advanced Diploma of Hospitality Management. Anecdotal feedback suggests that many of Perth's senior hotel managers have worked within the same hotel brand for many years, with many starting in entry-level guest relations roles.

While there is no evidence of specific skills gaps amongst directors or general managers, management or executive positions in Perth's hotels are impacted by the minimal supply of workers progressing through the hierarchy of middle and upper levels into senior positions. Supply is affected by a lack of a pipeline of workers gaining thorough and appropriate industry experience, and undertaking relevant training associated with the various operational tiers in accommodation, before developing management skills.

It is reported that senior positions, particularly within large hotels and those part of international chains, are infrequently advertised online. Recruitment, especially for multinational hotel brands, is conducted internally,

via international or interstate transfers from other properties across a hotel's brand partners. On some occasions, recruitment is conducted via 'head hunting' at a national or international level.

Furthermore, given the level of industry experience that general managers possess, many General Managers serve long tenures. This reduces the pool of available candidates with commensurate skills and experience, affects succession planning, and thus heightens the challenge in terms of recruitment for this level of worker.

3.3. Chefs

Recruitment of Chefs is time consuming and costly. The Chef is one of the only operational positions within a hotel that requires a qualification. It is also one of few occupations where recruitment competes with other sectors of Western Australia's hospitality industry, such as restaurants and cafes, health care, aged care and resources sector. Competition has amplified due to the proliferation of unique food and beverage (F&B) venues (e.g. restaurants attached to microbreweries or distilleries) in Western Australia, and workplaces on mine sites, hospitals and other care facilities provide perceived lucrative alternatives to working in cafes or restaurants. This increase in competition for Chefs contributes to movement between venues and sometimes between sectors of the hospitality industry, which may interrupt individual career and skills development.

Finding a chef with the skills, experience and attitude to match the specialised needs of the property can be challenging. The individuality of a hotel's food and beverage offering can vary substantially from other establishments. Recruitment of a chef will be dependent on the cuisine (style of cooking usually associated with a specific culture or place), complexity of the menu, and service level, ranging from premium fine dining to informal or casual food options. Accordingly, a chef's skill base and experience must closely replicate the style of the hotel's particular food and beverage offering.

Advertisements for chef positions can attract over 100 applications, but usually less than 5 per cent of applicants are suitably qualified or possess relevant experience. It was reported that chefs with extensive experience outside of a hotel are unlikely to be equipped to work within the kitchen of a hotel's restaurant and are often not shortlisted.* Hotels are increasingly turning away from advertising chef positions online. Instead, hotels rely on word-of-mouth, direct 'head hunting' approaches, or migration channels, although access to skilled overseas workers has been impacted by legislative and procedural changes to visa streams available to the wider hospitality sector.

4. Hotel careers: community perceptions

Barriers to workforce development in hotels remain due to enduring, stereotyped perceptions that hospitality does not offer long-term, professional careers. This report observes that there is a general lack of awareness of the benefits that come from working in hotels, or of the wealth of pathways for young workers to grow a career. It is apparent that discounts are the most well-known benefit offered to hotel workers. Training opportunities and career development, as well as positive working environments – as evidenced through Hilton regularly being included as one of Australia's *50 Best Places to work*⁶ – remain largely unacknowledged.

The pathways beyond frontline roles lead to a breadth of professional roles with associated earning potential and responsibility. However, the awareness of these potential career and learning pathways are not widely understood amongst the public, particularly amongst parents of secondary students considering a career in hospitality.

Anecdotal evidence shows that people typically make their decision to pursue a hospitality career around the age of 14 or 15 years. However, there is a lack of available career information for this cohort, which may be a major contributing factor in parents dissuading their child from considering a life-long career in the sector.

Note: : It is also reported that many chef candidates do not arrive for the interview and the one or two candidates that progress, often do not pass the skills test

With respect to career promotion, hotels generally participate in career days at Registered Training Providers. The limitation of these initiatives lies in the fact they are targeted at students having already made their career choice and are already undertaking study or training related to hospitality. A small proportion of hotels offer school students work experience or engage with not-for-profit organisations that support disadvantaged students to access career information. It is however apparent that provision of career information about hotels is minimal across the secondary school system in Western Australia, particularly in lower secondary years.

Furthermore, while most hotels have careers pages on their websites, which often provide rich information about the working environment, job roles, the benefits, the team environment, training or development opportunities and career development programs, the links to these pages are often subtle and require a degree of navigation to locate. Also, these pages are individual to each hotel or in some cases, hotel chain. This requires dedicated visits to separate websites as well as extensive searching to find job postings relevant to Perth or Western Australia, which may suggest that potential candidates could be lost to other properties or industry sectors.

Many hotel groups now comprise of multiple sites in Perth (for example; Marriott, Hilton, IHG, Accor and TFE Hotels). Public perception of career prospects may be improved through increased knowledge of benefits presented by affiliate hotels operating within a chain, such as providing workers with enhanced support structures, including access to proven training programs, exposure to well-established HR and operational practices, and capacity to move between sites to broaden their experience.

This feedback confirms the opportunity for industry-led sector wide promotion of hospitality as a career of choice with emphasis on the varied, long-term, professional and lucrative career prospects with skills that can be used on a global scale to Year 8 and Year 9 students, as well as their parents.

5. Labour supply mechanisms

The Hospitality Industry has traditionally viewed skilled migration as a suitable supply channel into all occupations. These workers are valued for their level of professionalism, willingness to perform hospitality duties, work ethic, and their understanding that the industry provides professional career pathways.

The availability of skilled overseas workers has been significantly impacted by reforms to international skilled visa eligibility conditions that came into effect in 2018.⁷ Respondents report that the complexity and expense in applying to sponsor a candidate that meets the increased skill requirements can be difficult. As a result, businesses are increasingly reconsidering their capacity to recruit skilled workers from overseas.

The hotels interviewed in this project report that despite Chef being included as an occupation for skilled migration on the Medium to Long-term Strategic Skills List, it is an expensive and time-consuming undertaking to recruit a chef from overseas. It can take months for visa approval and during that time, in the midst of a lack of local talent, hotels are forced to operate with either fewer chefs working more shifts across the hotel's various food and beverage outlets, or with workers that are not committed and do not possess the specialised skills appropriate to the venue.

In respect of senior executives and General Managers, many hotels have traditionally transferred the General Manager from sister properties within the hotel's brand stable, often from overseas. While several visa streams are available to nominating Hotel or Motel Managers, the change from the Temporary Work (Skilled) visa (subclass 457) to the Temporary Skill Shortage visa (subclass 482) has reduced the time available to stay in Australia to two years with no access to permanent residency, which is a deterrent for many applicants.

For the role of Hotel Service Manager specifically, the Regional Sponsored Migration Scheme (visa subclass 187) is the only visa stream available. Workers must be nominated by an approved Australian employer for a job outside of Perth, be under 45 years of age, and meet skills, qualifications and English language requirements.⁸ Consequently, hotels employ experienced hospitality working holidaymakers while acknowledging that the visa restricts the worker to six months' tenure.

6. Education and training requirements

6.1. Formal qualifications

It is accepted that hotels must continually focus on training – not only to maintain staff performance, but to also provide team members with opportunities that enable career progression and staff satisfaction. Many respondents indicated a large emphasis is placed on training, to the extent that some referred to their hotels as training hotels or training grounds for the sector.

However, as referred to earlier in this report, experience in the hospitality industry is very important and sometimes favoured over a qualification, with internal promotions being common practice, and recruitment firmly based on the applicant's attitude. Many respondents indicated that the current national training curriculum does not suit their needs, as qualifications are deemed to be overly long and many units unnecessary.

The Chef apprenticeship uses the Certificate III in Commercial Cookery. Apart from this, minimal use of the formal Vocational Training system occurs and use of the Certificate III in Hospitality or Certificate IV in Hospitality is relatively low. Traineeships specifically, using the Certificate III in Hospitality or Certificate IV in Hospitality within the hotel sector are very limited. This could potentially be due to a lack of a dedicated qualification for accommodation, a lack of awareness of accommodation-specific units available within the current hospitality qualifications, or the perception that the accommodation-specific elective units of competency are unnecessary and irrelevant for a worker to learn in a formal training setting.

As shown in the following table, Accommodation Services is one of four traineeships linked to the Certificate III in Hospitality, but in comparison to other traineeship pathways, it appears underutilised.

Table 1. Traineeship commencements in the Certificate III in Hospitality by traineeship name⁹

Traineeship	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019 (to 31 Mar)
Hospitality - Accommodation Services (Level 3)	6	15	196	210	188	70	6	58	20	-
Hospitality - Food and Beverage (Level 3)	88	96	216	301	170	298	143	16	9	14
Hospitality - Gaming (Level 3)	-	-	6	7	162	251	110	5	55	1
Hospitality Operations (Level 3)	717	577	1,048	975	1,133	1,034	1,406	1,235	1,111	204
Certificate III in Hospitality Total	811	688	1,466	1,493	1,653	1,653	1,665	1,314	1,195	219

The following table demonstrates the core and some elective units of competency that are included in the makeup of the Certificate III in Hospitality and Certificate IV in Hospitality. As can be seen in the lower part of the table, many Accommodation units are targeted at cleaning, which are considered appropriate to be effectively and quickly imparted on the job. Duties in housekeeping, porter, valet, night audit and hotel reception are addressed in one or two units each.¹⁰

Table 2. Units of Competency addressing Accommodation Services - Front Office, Housekeeping and Porting¹¹

Certificate III in Hospitality Core Units		Certificate IV in Hospitality Core Units	
BSBWOR203	Work effectively with others		
		BSBDIV501	Manage diversity in the workplace
SITHIND002	Source and use information on the hospitality industry		
SITHIND004	Work effectively in hospitality service	SITHIND004	Work effectively in hospitality service
SITXCCS006	Provide service to customers		
		SITXCCS007	Enhance customer service experiences
SITXCOM002	Show social and cultural sensitivity		
		SITXCOM005	Manage conflict
		SITXFIN003	Manage finances within a budget
SITXHRM001	Coach others in job skills	SITXHRM001	Coach others in job skills
		SITXHRM003	Lead and manage people
		SITXMG001	Monitor work operations
SITXWHS001	Participate in safe work practices		
		SITXWHS003	Implement and monitor work health and safety practices
Certificate III in Hospitality Elective Units Accommodation Services - Front Office, Housekeeping and Porting		Certificate IV in Hospitality Elective Units Accommodation Services - Front Office, Housekeeping and Porting	
CPPCLO2001A	Maintain hard floor surfaces	CPPCLO2001A	Maintain hard floor surfaces
CPPCLO2004A	Maintain carpeted floors	CPPCLO2004A	Maintain carpeted floors
CPPCLO2009A	Clean glass surfaces	CPPCLO2009A	Clean glass surfaces
CPPCLO2010A	Clean ceiling surfaces and fittings	CPPCLO2010A	Clean ceiling surfaces and fittings
CPPCLO2017A	Clean wet areas	CPPCLO2017A	Clean wet areas
CPPCLO2019A	Sort and remove waste and recyclable materials	CPPCLO2019A	Sort and remove waste and recyclable materials
CPPCLO2035A	Maintain cleaning storage areas	CPPCLO2035A	Maintain cleaning storage areas
CPPCLO3013A	Clean window coverings	CPPCLO3013A	Clean window coverings
CPPCLO3016A	Wash furniture and fittings	CPPCLO3016A	Wash furniture and fittings
SITHACS001	Clean premises and equipment	SITHACS001	Clean premises and equipment
SITHACS002	Provide housekeeping services to guests	SITHACS002	Provide housekeeping services to guests
SITHACS003	Prepare rooms for guests	SITHACS003	Prepare rooms for guests
SITHACS004	Launder linen and guest clothes	SITHACS004	Launder linen and guest clothes
SITHACS005	Provide porter services	SITHACS005	Provide porter services
SITHACS006	Provide valet services	SITHACS006	Provide valet services
SITHACS007	Conduct night audit	SITHACS007	Conduct night audit
SITHACS008	Provide accommodation reception services	SITHACS008	Provide accommodation reception services
		SITTTSL002	Access and interpret product information
		SITTTSL005	Sell tourism products and services
		SITTTSL006	Prepare quotations
SITTTSL007	Process reservations	SITTTSL007	Process reservations
SITTTSL010	Use a computerised reservations or operations system	SITTTSL010	Use a computerised reservations or operations system

Minimal formal training is accessed to address upskilling in supervisory skills, irrespective of the delivery method (i.e. whether it is institutional or through a traineeship). Most respondents reported that formal training to support existing workers to develop their supervisory skills is expensive and overly complex due to the inclusion in the Certificate IV of Hospitality of several units deemed to be irrelevant to the job description.

Despite not being widely used, particularly for operational roles, it is acknowledged that post-school education has an important role to play in preparing the future hotel workforce. Respondents recognise that both Vocational Training Providers and Universities deliver quality training or education but indicated that a stronger alliance could exist between the two sectors. Respondents indicated that vocational training is practical but does not emphasise the theoretical skills that enable strategic thinking and decision making. Conversely, university degree courses offer predominantly knowledge-based skills, which help to develop critical thinking skills, but not practical problem-solving skills.

6.2. Leadership Development

As indicated, many hotel respondents described their properties as ‘incubators’ of talent and skills development, and with the level of value placed on gaining on-the-job experience, hotels in Perth participate in various activities to attract prospective workers and retain existing workers.

As indicated earlier, an attraction initiative that is widely used is that of offering working experience. Although university student internships are frequently arranged in tourism or destination marketing organisations, a small number of hotels are regular participants in programs such as Work-integrated Learning (WIL) partnerships with ECU, Curtin and Murdoch Universities. The intention is to employ graduates familiar with the property and demonstrated willingness to continue employment. The scale of this practice could be increased across the industry in venues ranging from small independent hotels to major international chains.

In general, people are employed for their attitude, and retention activities involve training that is provided on-the-job. Training, however, is influenced considerably by available resources, the hotel’s time-specific needs and thus varies significantly from hotel to hotel. Individual properties often arrange short-course, customised professional development training through independent organisations, for example, a three-day course on leadership. The challenge with this strategy is that the return on investment in short-term training is questioned by some respondents. It is not easily accessible in Perth, can be expensive, and does not guarantee employee productivity or loyalty. The potential opportunity exists for more flexible, short-course training that addresses specific needs and can be delivered when required and offers a balance of theory and practical skills.

Some hotels, many of which are part of international groups, implement hotel-branded internal leadership training programs and offer structured career plans. As widely reported by both the hotel and other organisations affiliated with the hospitality and tourism industry, hotels are regarded as being very good at providing these in-service branded programmes that are directed at supporting workers through their career. However, there is low awareness of these programmes amongst the public and prospective job seekers.

Recommendations

Skilled migration

- Respondents suggested that any review of migration pathways that might enable greater access to skilled workers would be supported by the sector.

Training Curriculum

- There is opportunity to address training delivery through a pending review of the Nationally Accredited Hospitality qualifications to include more relevant accommodation units and offer a dedicated accommodation stream.
- The sector is supportive of increased access to short-course just in time training in Perth that addresses specific needs (such as leadership).
- Work Integrated Learning programs with ECU, Murdoch and Curtin Universities could be amplified to include participation across all types of hotels, ranging from small independent hotels to major international chains.

Career promotion

- An industry led communication strategy is suggested to promote careers in this sector as long-term, well-paid and interesting. The communication could focus on the value of gaining appropriate experience at each job level, which can be complemented by training and education.
- Career advice in the hotel sector should begin by targetting Year 8 and 9 secondary students, and their parents and other influencing parties.

Leadership

- Development of the sector's younger demographic and future leaders could be supported and nurtured through potential initiatives such as an industry-wide Program involving cross-sector participation from a wide range of hotels, or a mentoring program.

Appendix

1. Consultation findings: SWOT analysis

Strengths of Perth's hotel sector

- International brands
- Job creation
- Improved workforce professionalism
- Contribution to Perth's transformation
- Greater choice for visitors
- More affordable product

Weaknesses of Perth's hotel sector

- Labour shortages, particularly chefs
- Skill shortages in mid-level, supervisory roles
- Lack of suitable applicants
- Redundancies leading to smaller teams and expanded responsibilities
- Younger workers' perceived lack of commitment
- Minimal use of formal training system

Opportunities for Perth's hotel sector

- Growth in visitors from new aviation routes linking Perth to new markets
- Provision of flexible, shorter training options to address specific skills needs
- Promote availability of long-term, professional careers
- Internal hotel graduate and leadership programs
- New accommodation options are a major element of Tourism WA's Two-Year Tourism Action Plan 2018-2020 to increase visitors to WA

Threats to Perth's hotel sector

- Economic conditions further subduing visitor growth
- Formal training is seen as expensive and overly complex
- Lack of a stand-alone qualification dedicated to providing training in accommodation services
- Competition from sharing platforms, e.g. Airbnb
- Negative perceptions of hospitality careers discouraging young workers from the sector
- Complexity and expense involved in accessing migration streams for skilled workers

2. Methodology

The methodology for this project involved semi-structured interviews with a range of people in the hospitality industry. Primary stakeholders included Human Resources or Talent and Culture Managers within hotels. Secondary stakeholders or service providers to the hotel sector included training and higher education providers, hospitality recruitment organisations, migration agents and peak industry bodies.

3. Respondent list

In total 27 interviews were completed between March and July 2019, including:

- hotel-based respondents representing 30 hotels across Perth city (21 hotels), the greater Perth metropolitan area (two hotels) and regional WA (7 hotels)
- training and education providers
- other organisations associated with the hotel sector, including peak industry associations, State Government, migration agents, and recruitment agents.

Respondent List	
Contact	Organisation
Andrew Slomp	Quality Resort Sorrento Beach
Anne McLean	Parmelia Hilton Perth Double Tree by Hilton Northbridge
Atin Aggarwal	Comfort Hotel Perth City
Bradley Woods and Elizabeth McLean	Australian Hotels Association
Campbell Fletcher	Tourism Western Australia
Christof Pforr and Michael Volgger	Curtin University
Dean Thomas	Empyrean Education Institute
Diane Lee	Murdoch University
Edmund Goh	Edith Cowen University
Eva Godwin	AIWT
Evan Hall and Alana Hammond	Tourism Council WA
Iain McDougall	Hospitality Group Training
Jai Bartlett	Frasers Suites Perth
Jai McNaughton	Mercure Perth ibis Perth The Sebel East Perth The Sebel Mandurah ibis Styles Geraldton ibis Styles Kalgoorlie ibis Styles Karratha ibis Styles Port Hedland ibis Styles Kununurra Mercure Broome
John Parker	The Westin Perth Aloft Hotel Perth
Kate Brough	InterContinental Perth City Centre Holiday Inn Perth Crowne Plaza Perth
Kate Sinfield	The Murray Hotel
Katherina Moeller-Lima	Hyatt Regency Perth
Lea Pedelty	Four Points by Sheraton
Martin Smith	Frontline Hospitality
Matthew Burke	STR
Matthew Richardson	Rendezvous Scarborough Rendezvous Hotel Perth Scarborough, Adina Apartment Hotel Perth, Rendezvous Hotel Perth Central Travelodge Hotel Perth Adina Apartment Hotel Perth Barrack Plaza
Michelle Angel	Novotel Perth Langley
Patrick O'Brien	North Metropolitan TAFE
Peter MacDonald	Tubal
Sheila Woods	Interstaff
Stephanie Alexander	COMO The Treasury Hotel

Some Background data

- Since 2012, 19 new hotels with more than 2,000 rooms have opened in Perth. An additional 452 renovated rooms re-entered the market in this period.
- By the end of 2020, another 1,423 rooms across five new hotels are expected to open.¹²
- Service levels and the provision of associated onsite services (e.g. restaurant, bar, spa, retail, etc) prescribe Perth hotels' staffing requirements, in terms of:
 - the number of different job roles – a large city hotel can comprise of approximately 35 distinct job roles, which can range from maintenance and engineering workers, housekeepers and concierges to chefs, receptionists, events or banqueting attendants, marketing officers or social media managers, executive directors and general manager
 - the ratio of staff to rooms – can range from properties that employ small teams comprising a minimal back-of-house team and guest servicing workers that service several rooms, to properties that have a greater number of workers with each distinct job role, performing highly personalised duties and therefore a much larger workforce overall for relatively fewer rooms.
- Most of the new hotel stock in Perth is at the 4- and 5-star level with restaurants, bars, and other services, thousands of extra hotel jobs would have been created in Perth during this time.

References

1. Tourism Council WA; Perth Hotel Development Report 2019; based on data from the Australian Bureau of Statistics, City of Perth, Tourism WA, media, press releases, industry analysts, individuals, owners, operators and developers; as at April 2019
2. Conde Nast Traveler: 2017 Readers' Choice Awards
3. Conde Nast Traveler, Top Hotels in Australia and New Zealand: Readers' Choice Awards 2018
4. Tourism Western Australia, Overview of Visitation to Western Australia - Year Ending March 2019
5. Tourism WA; Economic Contribution of Tourism to Western Australia 2017-18; Prepared by Tourism Western Australia based on Tourism Research Australia's State Tourism Satellite Accounts 2017-18; August 2019
6. Great Place to Work® Institute Inc., 50 Best Places to Work 2019 Edition, Australia, Over 1,000 employees
7. The Temporary Skills Shortage (TSS) visa program replaced the 457-visa subclass. The TSS visa program enforces stricter conditions for gaining working visas in Australia compared to the previous 457 work visa.
8. Australian Government; Department of Home Affairs; Immigration and citizenship; <https://immi.homeaffairs.gov.au/visas/getting-a-visa/visa-listing/regional-sponsor-migration-scheme-187>
9. Department of Training and Workforce Development; Traineeship commencements in the Certificate III in Hospitality by traineeship name; as at 28 June 2019
10. The packaging Rules for Certificate III in Hospitality state that 15 units must be completed, comprising of 7 core units and 8 elective units. At least five, but up to seven elective units must be from the group of electives in which Accommodation units are included, along with Client and Customer Service, and Sales; Commercial Cookery and Catering, and Kitchen Operations; Computer Operations and ICT Management; Finance; Food and Beverage; Food Safety; Gaming; and Working in industry.
Packaging Rules for Certificate IV in Hospitality state that 21 units must be completed, comprising of 9 core units and 12 elective units. At least 7 and up to 11 of the elective units must be from the group in which Accommodation units are included, along with Client and Customer Service; Communication and Teamwork; Computer Operations and ICT Management; E-Business; Environmental Sustainability; Events; Finance; First Aid; Food and Beverage; Food Safety; Gaming; Human Resource Management; Inventory; Kitchen Operations; Languages other than English; Marketing and Public Relations; Security; Work Health and Safety; Working in Industry.
11. training.gov.au; Training Package Details; SIT - Tourism, Travel and Hospitality Training Package (Release 1.2), accessed August 2019
12. Tourism Council WA; Perth Hotel Development Report 2019; based on data from the Australian Bureau of Statistics, City of Perth, Tourism WA, media, press releases, industry analysts, individuals, owners, operators and developers; as at April 2019