

Training for Hospitality

Hotels and restaurants face big labor problems: high turnover, poor attitudes, and low skill levels. What's the answer? These three model programs tackle the problems with a partnership approach to training.

The hybrid industry known as "travel," "tourism," and "hospitality" is a major part of the increasingly service-focused U.S. economy. Hotels, resorts, and restaurants represent tremendous revenue potential and employment opportunity for people with a broad spectrum of skills.

Collectively, domestic and international travel within and to the United States helps boost the country's gross national product. Data indicate that in 1989 the United States earned about \$43 billion (excluding transportation expenses) from sales of beds and dining services to about 38 million international visitors. The same year, a strong penchant by Americans for traveling internally accounted for more than \$300 billion.

The industry is also a huge source of jobs. In 1989 alone, about 14 million people in the United States earned at least part of their incomes in hospitality-related enterprises. Through most of the 1980s, the industry was indeed a goose laying golden eggs for the U.S. economy.

But in the free-spending, high-demand 1980s, many companies allowed performance standards to fall to precarious levels. Top managers settled for warm bodies in jobs for which the employees were untrained and consequently unsuited: servers who were unfamiliar with the menu,

**By Francine A. Herman
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clerks who resented being questioned about billed charges, and so-called sommeliers who could more readily differentiate between Coke and Pepsi than the wines they purveyed.

Establishments congratulated themselves on merely having enough staff to stay open for business; training of those who delivered the service was a secondary consideration. Thousands of hospitality service positions went unfilled.

In the 1990s, the party may be over. *The Wall Street Journal* observes that now, as the recession continues, "the travel boom of the 1980s has suddenly ended."

Operators are selling properties, slowing construction, laying off employees, and facing the reality of competing on quality instead of making money through tax breaks and escalating real estate values.

A qualified workforce

Although we may expect fewer jobs in total, *American Demographics* projects that 90 percent of the new jobs to be created in the United States through 1995 will be in service industries. The hospitality industry is particularly labor-intensive, a characteristic that is only mildly affected by technology.

Cost-consciousness has both moderated travelers' spending and raised their expectations for quality of products and services. But competing on quality requires a staff that is capable of delivering consistent, good service—making beds, parking cars, serv-

ing meals, fixing room temperature controls, boning chickens, planning meetings, and generally responding to guests' needs—promptly, intelligently, courteously, and enthusiastically.

The key, of course, is qualified labor. As Cornell University's Vernon Briggs reminds us, "The post-industrial society of the United States is facing the prospect of serious shortages of qualified labor. It does not have a shortage of potential workers. No technologically advanced industrial nation that has 27 million illiterate adults and another 20 to 40 million adults who are marginally literate need have any shortage of unskilled workers in the foreseeable future."

"The U.S. workforce needs to get back on the learning curve," says Anthony Carnevale in "America and the New Economy," which appeared in *Training & Development Journal* in November 1990. "Study after study shows American workers fall short in many critical areas, and that they face enormous learning requirements in the near future." (Carnevale's article summarizes his book of the same title.)

To realize the economic potential of the hospitality industry, all participants must have capable employees. As Marion Burros wrote in the *New York Times* on November 23, 1990, "Providing moderately priced food is not a license to hire an untrained staff and inflict them on paying customers."

But recent reports indicate that more and more workers—especially the best and the brightest of the pool—are unlikely to consider hospitality work. It appears that hospitality remains a devalued occupation, perceived by many as servility, not service.

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According to *Newsweek*, two million young people have sampled entry-level hospitality occupations sometime during their high-school years as a means of earning pocket money. Almost all of them found the work tiring, tiresome, unchallenging, and demeaning, said the article, "Work and What It's Worth." The article, by Annetta Miller, appeared in the summer/fall 1990 special edition on The New Teens.

The poor image is not confined to hourly workers: a February 1990 article in *Lodging Hospitality* noted with undisguised anger that, within the past decade, an alarming number of hotel school graduates eschew the field after a few short years of middle-management experience "because the work [is] too hard, the hours too long, the pay too little. . . ."

A staggering turnover figure for the industry seems to underscore that something is amiss. U.S. business, in general, has a turnover rate of about 24 percent per year, but the hospitality industry shows a rate of 105 percent for hourly employees and 46 percent for salaried employees.

Who needs training?

Training is the critical factor. Training employees up and down the line—with special attention to hourly employees—will enable the industry to recruit and retain workers, to keep well-run operations afloat, and to realize its economic potential even in hard times.

But the task of recruiting, training, and retraining qualified workers for hospitality jobs is formidable for any company, let alone a single entrepreneur, to undertake in isolation. A more effective way to accomplish such training involves the use of training partnerships.

Of course, everyone is for training: it's the apple pie and flag of the business world. Indeed, U.S. businesses spend \$30 billion a year on training, according to ASTD research. The critical question is this: How and on whom are training dollars spent?

Little research has been done on training in the hospitality industry, but the answer appears to be that most of the training that does occur is for managers.

"Because training and education in this sector have so far failed to match the demand for qualified labor, two

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convergent trends are observed," says the International Labor Organization's (ILO) Hotel, Tourism, and Catering Committee. "While management and supervisory levels are becoming increasingly higher qualified, thanks to more intensive and sophisticated education programs, a certain de-skilling is occurring owing to the use of more unskilled laborers in the lower employment levels."

ASTD research on U.S. companies in all industries confirms that trend. "About one in every five college grads gets some training from an employer, but only one in 13 employees without college gets trained," says ASTD Chief Economist Carnevale.

Consistently excellent training

In most cases, the hospitality industry needs to develop its own training themes and agendas.

Instead, it has traditionally followed formulas—devised first by the military and later by "scientific management"—reflecting management's traditional assumption that hourly jobs demand few skills, require only repetitive tasks, and involve little interaction with other employees.

Such an approach has long been under fire in the manufacturing sector; in the field of hospitality, it is highly destructive of the ambience that is an integral part of the delivery of service. Furthermore, most training for hourly workers is on the job. It

is accomplished under the guidance of the person about to be replaced or a co-worker who is already overburdened by the shorthandedness and wants the newcomer "on the floor" as soon as possible.

Typically, too, training is the last thing to be implemented and the first thing to be cut when budgets are tightened.

In the uncertain economy of the 1990s, hospitality's ability to continue laying golden eggs will depend increasingly on hoteliers' and restaurateurs' ability to deliver consistently excellent service. It will require a conscientious commitment to provide training to all employees, part-timers and full, on a regular, yearly schedule.

Such training will have to be administered according to standards worked out by the industry (probably through its various associations) and, where appropriate, in consultation with labor unions.

Consortium and partnership solutions

For 10 years, the hospitality industry has acted out a "bigger-is-better," "anything-you-can-do-I-can-do-more-lavishly" scenario. Can it change quickly to more of a "we're-all-in-this-together" cooperative one? We think it can, and we have already seen evidence that such a shift can work.

We now present three models that demonstrate successful consortium and partnership approaches.

The Stratford Chef's School

Canada's Stratford is located in the Province of Ontario and is home to the prestigious Shakespeare Festival. This town of 27,000 is host to nearly 500,000 visitors each year, managing to house, feed, and entertain them with panache from April to November.

For many years, Canada has actively encouraged apprenticeships in any and all of its "regulated occupations," which include the hospitality trades. The apprenticeship investment is made wherever and whenever a local employment problem can be solved. It actually entails a three-way partnership:

- The Canadian federal government pays for the training.

- The provincial government of Ontario administers the program through the Ministry of Skills Development's

Apprenticeship Branch.

■ The employer pays wages to the apprentices while they are learning.

In 1980, three Stratford entrepreneurs—Eleanor Kane of the Old Prune, Jim Morris of Rundles, and Joe Mandel of The Church—faced a common problem: how to retain a highly trained and competent staff when operating a seasonal business. All of their businesses were roaring successes “in season.” Together, they sought a way to keep their key staff people working and their premises occupied when the Shakespeare theater closed for the winter.

At the same time, John Evans, then-director of the local office of Canadian Employment, was processing multiple requests from foreigners to emigrate to Canada to fill seasonal hospitality jobs. Why, Evans wondered, was it necessary to import qualified cooks to work in Stratford’s best kitchens, when Canadians could be trained in those same kitchens that otherwise would close for several months?

A common problem shared by three members of the private sector—and the government’s recognition of its responsibility to its own citizens—led to the creation in 1982 of the Stratford Chef’s School. A private educational institution, the school is now a full-fledged participant in an apprenticeship program of the province.

Kane and Morris direct the enterprise, which now offers two separate programs: the “enriched” and the “general,” both of which consist of 16-week classroom sessions from November through February, with students working in closely supervised on-the-job training situations during the rest of the year. Both programs include practical instruction in the cuisines of classical and modern France, China, Japan, and Italy; kitchen management; wine application; and front-of-the-house operations, including body movement for servers.

The general program is highly structured and prepares its students for various “back-of-the-house” positions. The enriched program is for highly motivated students with strong academic backgrounds and includes additional, theoretical courses in such subjects as historical and modern gastronomy, food styling, wine appreciation, nutrition, communications, and public relations. Graduates of the enriched program can expect to be

“Apprenticeships emphasize learning from the job as well as learning for the job”

chefs, sous-chefs, managers, and restaurant owners.

All students receive not only the 450 training hours required for licensing by the Ontario government, but 150 or so additional hours to acquire the special skills required of haute cuisine specialists. Funds to cover the cost of the extra hours are raised privately by the school administration.

The head chefs of the Rundles and Old Prune restaurants conduct the classes in the restaurants’ kitchens; the chefs return to their regular jobs when the school term is over.

The SCS is not a “walk through” certification program. Admission is based on an assessment of a candidate’s career goals, education, personal achievements, physical capabilities, communication skills, and perceived degree of maturity. Work experience in hospitality is usually an asset, but it is not essential.

Kane and Morris say they are looking for “compulsiveness” in prospective students—people who know what they want, who don’t know when to stop, who are happy on a journey toward long-term goals, who don’t need daily satisfaction, and who have realistic expectations. Competition for entry is keen: in 1988, 200 applicants vied for 30 openings, a ratio of about five to one.

Are there problems? Of course. The first class began and finished in its entirety, but since then, the drop-out rate has been about two-thirds—

mainly because of job offers from the in- and out-of-town restaurants at which the students do their practicums. But it also appears that many students’ expectations are incompatible with SCS’s high standards and demanding curriculum. Morris and Kane willingly admit that they are exacting in their demands; they expect and encourage the fortitude, discipline, and creativity required of successful participants in the industry.

The record of success of SCS graduates supports the school’s unwillingness to compromise its high standards. Graduates have already made names for themselves and their school in cities from New York to San Francisco; most, however, are clustered in the area around the west end of Lake Ontario, to Toronto, known as the Golden Horseshoe. And with most graduates staying in the province, an original mission of the school—to provide a trained, capable, seasonal staff in answer to a local employment problem—is fulfilled.

According to the Canadian Restaurant and Foodservices Association, one in three meals in Canada today is eaten away from home. Food service is a \$22-billion-a-year industry that employs almost 600,000 people at 72,000 locations across the country. For the next 10 years, industry projections indicate that more than 150,000 new jobs in Canadian hospitality will be ripe for the picking.

The Stratford Chef’s School is one small step toward fulfilling those needs. Its prospectus refers to the curriculum as learning a “liberal art” rather than a “trade.” It is, by definition, an apprenticeship program, based on the sound premise that the best way to learn a skill is to work in a professional atmosphere under the tutelage of those who have mastered that skill.

As Robert Cook and K. Lynn Cairns of the International Industrial Research Association note, “Apprenticeship emphasizes learning from the job as well as learning for the job. The instruction and on-the-job training are related experiences; apprentices learn the theory and practice of their work simultaneously. . . . Apprentices are also trained in all aspects of their craft, making them more flexible in terms of work assignment. Perhaps the most important skill [apprentices] possess is the capacity for continuous learning.”

The Stratford Chef's School has a relatively short track record at this juncture, but it seems to have selected the right ingredients for success.

The islands of Hawaii

Hawaii is no stranger to labor shortages.

In the early 1800s, after creating a lucrative market for sandalwood, the timber owners could not find the hands to wrench the wood from the slopes of the mountains. The industry was abandoned.

In the late 1800s, when its sugarcane industry threatened to founder, again because of labor shortages, Hawaii imported workers from Japan, China, and the Philippines.

Now, in the late 20th century, as Hawaii tries to meet the insistent demand for workers for the flourishing "visitor industry," one hears again, "Where have all the workers gone?"

This time around, neither abandonment nor importation of labor appears to be a serious consideration. Instead, the state Department of Labor and Industrial Relations (DLIR) is exploring other avenues.

It began by creating a Tourism Training Council. The council comprises 14 members representing a cross-section of the hospitality industry, including labor, management, education, employment, and training programs. The council is administratively attached to the DLIR, but receives staff services from the state Commission on Employment and Human Resources (COEHR).

Some people may bristle at the thought of such heavy government involvement. But 58 percent (a conservative estimate), or nearly three of every five service workers in the state, are involved in some aspect of hospitality. Moreover, one nonhotel job is generated by each hotel job. With figures like those, the government believes that such intrusion is both necessary and welcome.

The council's specific missions:

- to develop and improve the quality of the visitor industry workforce
- to encourage opportunities for upgrading and career development for present and future employees in the industry.

In 1987, the Hawaii State Senate's Resolution (S.R. No. 84) encouraged, among other things, "education and training programs . . . in closer alignment with employer needs in order to

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provide for continued career advancement . . . in Hawaii's visitor industry."

According to a council report, "All parts of the world beckon the potential visitor." The report lists different factors that influence people's choices of vacation spots, including "beautiful climate and scenery," as well as safety, availability of services, "the degree, quality, and kind of government support to the industry. . . and the history of visitor satisfaction."

The report goes on to issue a warning: "If Hawaii's tourism workers do not provide better service than is provided in locations of comparable beauty. . . Hawaii will lose its business to those other locations."

Richard T. Hashimoto, vice-president of Sheraton, Hawaii, has expressed similar concerns. At a conference that brought together industry, unions, educational leaders, and government representatives in the mid-1980s, Hashimoto recommended the following:

- greater coordination and planning between government and developers or operators to ensure the availability of trained personnel
- incentives to encourage training as a necessary ingredient for long-term success (though he was careful to specify that he would discourage a mandatory certification program)
- a role for statewide community colleges, business schools, and four-year training programs in identifying and communicating career ladders, and in providing more in-service courses to

meet the professional requirements of those interested in upward mobility

- the design and establishment of retraining programs to address the needs of workers dislocated from other jobs—in recognition of massive sugar and pineapple plantation layoffs since 1960.

To solidify its support, the state legislature funded the training council's efforts with \$156,000 in fiscal year 1988–89 and \$250,000 in 1989–90. The training council allocated a mere 2.5 percent for administrative costs and apportioned the rest between the University of Hawaii's acclaimed Tourism Industry Management (TIM) Program and the state's community college system.

The university's TIM program developed a pilot series of professional seminars covering three areas:

- training for "managers who train," designed to help managers organize, execute, and evaluate their training programs

- managing cultural diversity and addressing issues related to supervising Hawaii's multicultural workforce and tourists from both East and West

- counseling skills, in recognition of the increasing family and social pressures on many employees and the need for assistance programs to support and retain those people in the workforce.

The seminars were offered on three of the islands, at various times in order to make it possible to gauge attendance patterns. They will soon be expanded to other islands.

The community college system offers courses in food service, general facilities and ground maintenance, Hawaiian cultural interpretation, the Japanese language and culture, motivation, recertification for executive housekeepers, computer-assisted instruction to support tutorial training at large hotel worksites, and English as a second language.

In addition, three multiyear apprenticeship programs are available to current hourly workers, free of charge, through the Hawaii Hotel and Restaurant Industry Employment and Training Trust (HARIETT):

- building maintenance for would-be carpenters, electrical technicians, and plumbers (four years)
- a program for aspiring cooks and executive chefs (three years)
- a program for pastry cook appren-

ices (also three years).

Admission to each program requires a high-school diploma, a satisfactory score on an entrance examination, and the recommendation of the apprentice's supervisor. Funding is exclusively by employers who have signed a union contract and the union/management nonprofit training fund.

Unlike in their mainland counterparts, union influence in Hawaii's hospitality trades is moderate to heavy and carries a strong element of competition. Oahu is organized by the Hotel and Restaurant Workers (HRE) and the outer islands by the International Longshoreman (ILWU). The two organizations are criticized for having spent much time, energy, and money fighting each other, sometimes at the cost of neglecting their constituencies. But both have supported hospitality development and training, and both play an important role in the planning process.

In addition, some developers seeking state approval of development plans are required to show environmental impact statements with supporting information on the availability

of a trained, appropriate labor supply. Thus, we are seeing the forces of government, private industry, labor, education, and investment coalesce to create a solution that until now was critically absent in Hawaii's industrial history.

New York City

During the course of contract negotiations in 1968, representatives of management (the Hotel Association of New York City) and labor (the Hotel and Motel Trades Union Council) agreed to an innovative plan for upgrading hourly employees. The plan created a series of industry-specific training programs within a "school."

The training initiative was funded by assessing employers \$1 per month per full- or part-time employee (\$1.50 as of 1981). Courses offered run the gamut of skills required in a hotel: accounting, housekeeping, front-office, engineering, cooking, carpentry, painting, and others.

The school is structured so that an independent administrator runs it with the help of a board of directors chosen by the association and the

council. Managers or people they designate teach the courses, except for courses in English as a second language (ESL) and telephone switchboard skills. ESL courses are taught by certified professionals who are appointed by the city's Board of Education and paid by the fund. Switchboard skills are taught by appointees of the various phone systems, also paid by the fund.

Perhaps nothing is more important to the program than the requirement that eighth-grade English be a prerequisite for any upgrading course. The requirement is mutually beneficial to employers and employees. For many immigrants, the U.S. hospitality industry is the most accessible door into the job market. The emphasis on language reflects the large numbers of non-native workers who are employed by the industry.

At this writing, as always, the ESL courses are completely filled, with 500 or so hourly employees enrolled. Other courses also attract full enrollment, demonstrating employees' desire to improve their credentials for upward mobility.

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Management and labor have differed in their interpretation of the loose contract language that created the benefit.

The Hotel Association's original and continuing intent is that the determining factor for participation in an upgrading course should be the employer's approval, on a property-by-property basis. So if a hotel projects that it will need an engineer or a

cook or a carpenter within the foreseeable future, management could approve the enrollment of one or several hourly employees in the upgrading course, fully aware that the hotel will have an obligation to give appropriate placement to employees who have successfully completed the training.

The association acknowledges any employee's right to take a course without employer approval. But it insists

that such individual initiative does not obligate the employer to do anything more than note the accomplishment in the employee's file.

On the other hand, the Trades Union Council argues that once an employee successfully completes training—even when taken without employer approval—the employee has earned the right to be given a job in the newly acquired specialty by his or her employing property. Despite the merit of a "use it or lose it" philosophy of newly learned skills, such an arrangement could wreak havoc (and generate numerous grievances) in any organization.

The creation of a registry of workers who have successfully completed upgrading courses would seem a logical next step. Such a system is not without precedent in the industry (for example, there is one for banquet servers). And it would not be difficult to establish, since each property is now notified of the names of its own employees who have successfully completed courses.

This private training model has established an impressive, nearly quarter-century-long track record of increasing employees' English language fluency and improving necessary operational skills. Not surprisingly, operating expenses of the school have mounted; inflation has taken its toll on the agreed-to contribution rate. There is likely to be an attempt to increase funding in the next contract negotiation.

Shared solutions to common problems

Corporations and individual entrepreneurs—large employers and small ones—can all learn from these models, in which private and public sectors have worked together to find mutually beneficial solutions to shared problems. The self-interests of individual businesses in the hospitality industry can be served through cooperation.

Government has a role to play, whether by actually setting up and funding regional schools or, more passively, by granting economic incentives for the private sector to do so.

Management, workers, private investors, labor unions, and government—together and separately—have much to gain by addressing the training issue. And they have much to lose by ignoring it. We hope they will choose the former option. ■

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