

**H SMAI REGION EUROPE'S
POSITION PAPER**



Bridging the Hearts of Hospitality

**Tackling the talent crisis through
collaboration: focus on interns**

H SMAI REGION EUROPE

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A message from the team

“
Bridging the gap between students and professionals will pave the way for the hospitality sector's long-term success.
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Attracting and retaining skilled talent is the biggest challenge facing the hospitality sector today, threatening its future growth and prosperity and putting businesses at risk of falling behind their competitors, as evidence discussed at last year's HSMAI Europe's Curate revealed. To help tackle the issue, HSMAI Europe's Student Council has identified a clear need to bridge the gap between students and professionals, promoting dialogue and communication to foster a greater sense of belonging. To bolster these efforts, the HSMAI Europe People & Culture Advisory Board is providing guidance and support to help hospitality businesses overcome talent retention challenges.

The purpose of this position paper is to address the talent retention in the industry by bridging the perspectives of students and employers. The aim of the HSMAI Europe Student Council is to provide guidance for building a stronger, more resilient industry to meet future challenges. With the support of the HSMAI Europe Student Council and HSMAI Europe People & Culture Advisory Board, we can create positive change in talent retention.

Solutions to address understaffing and misconceptions

There are two major challenges currently facing the hospitality industry: understaffing and a misperception of the industry's culture and cause. Understaffing puts a strain on existing employees, resulting in a negative work environment, while the misperception of the industry's culture and cause is deterring potential candidates from pursuing a career in hospitality.

In this position paper we explore solutions that address these issues and provide a sit-step guide plan to help hospitality businesses overcome talent retention challenges.

Hotel Management School Maastricht **ZU YD**

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Breda University
 OF APPLIED SCIENCES

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An Employer's Perspective



THE RULES OF ENGAGEMENT

With the hospitality industry facing a talent retention gap it is difficult for employers to find qualified candidates for open positions. In this section we explore the talent attraction gaps in hotels from an employer's perspective and highlight how a shift in engagement levels can effectively rectify the issue.

Reducing turnover and retaining top talent

The hospitality industry has a higher staff turnover rate than any other sector globally, making it difficult to fill open positions. According to the Bureau of Labor Statistics, **the industry's average annual turnover rate is 74.6%, higher** than the average for all industries. To attract and retain top talent, employers must offer competitive compensation packages, opportunities for growth and development, and a positive work environment.

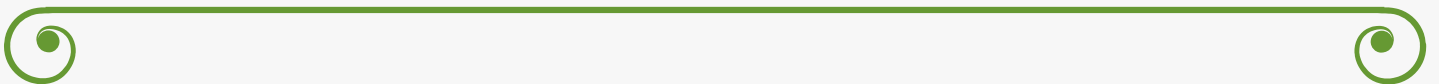
Engage to succeed

Effective employee engagement underpins a hotel's success. Evidence suggests that **companies with high levels of employee engagement are 21% more profitable** than those with low levels of engagement. In 2020, employee engagement in the hospitality sector was higher than in previous years due to employer focus on wellbeing and safety in the wake of the pandemic. There is an opportunity to build on the momentum of this positive shift in engagement.

Addressing Talent Retention Gaps

To close the talent attraction gap employers must identify effective employee engagement and wellbeing strategies. This can be achieved by offering competitive salaries and benefits packages, creating opportunities for growth and development, and promoting a positive work culture. Employers can also leverage technology and social media to reach a wider pool of potential candidates and streamline the hiring process.

In conclusion, by prioritising employee wellbeing, employers can reduce staff turnover and the need to frequently fill open positions. Attracting and retaining top talent in this way significantly improves hotel efficiencies and performance. When adopted industry wide, this strategy builds resilience, equipping the sector to meet the challenges of the future.



Hospitality from the heart

Hospitality is not just an industry, it's a way of life, embraced by those with a passion for surprising and delighting guests, creating unforgettable memories and delivering exceptional service. This industry provides endless opportunities for growth, skills development, to work in different parts of the world, and to meet interesting people from all walks of life. From hotels to restaurants, to bars, the goal is the same; to create memorable experiences and deliver quality service to customers that will compel customers to return again and again. As students of hospitality, we believe it is one of the most exciting and rewarding industries in which to work.

Hitting the Student Sweet Spot. What they Want, Need and How to Engage Them

To attract students to the hospitality industry it is important to understand their motivations and needs. They are enticed by an industry that is people-centric, offers opportunities to work overseas, and provides corporate-level roles and career progression. However, students' expectations of their first internship often differ to the reality. Only 30.99% of students find their first internship in the hospitality industry motivating enough to remain in the sector, and research reveals it is guidance and knowledge from industry professionals that they are seeking as a deal clincher. During an internship, 57.4% of students ask for more growth and networking opportunities and 56.32% want more coaching from senior professionals. Therefore, companies must offer meaningful internships with built-in feedback mechanisms to ensure continuous growth and development.

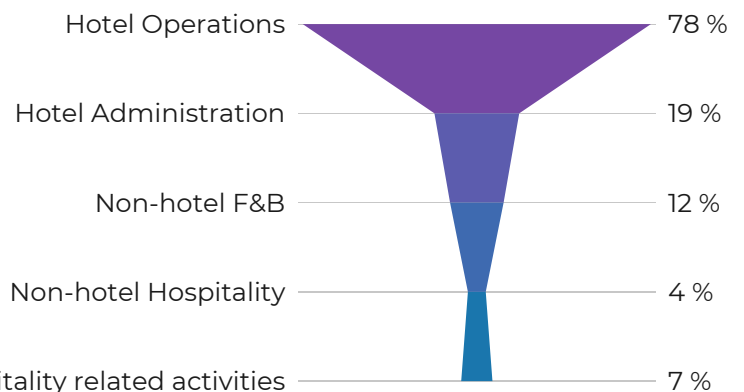
Other non-hospitality related activities



Aspirations After Graduation

After graduation, only 14.7% of all students pursue a career in hotel operations. Many students lose motivation due to factors such as stressful experiences, low salaries, bad working hours, and a lack of motivational leadership during their internships. The remaining 85.3% of students either decide not to be employed in a hotel at all or pursue a career in hotel administration, exploring corporate/brand-level opportunities. To address this issue, industry players must create better employment opportunities and growth prospects within hotel operational departments. Offering career progression, engaging and inspiring working environments, and access to learning and development must also be integrated to align the expectations of companies and employees.

Hospitality students' 1st internship sectors



If you put your people first they will take care of the bottom line and guest satisfaction. Always put your people first.

BRIDGING VISIONS BREAKING DOWN BARRIERS

Why young talent becomes dissatisfied and disenchanted

The hospitality industry faces a significant challenge in retaining talent, particularly in operational roles. One major reason for this is the demanding nature of the job, which can lead to burnout and high turnover rates. Low wages, limited opportunities for career advancement, and a poor work-life balance are also cited as reasons for dissatisfaction and by those leaving the sector.

Create an effective, consistent and collaborative company culture

Company culture plays a crucial role in attracting and retaining top talent in the hospitality industry. A positive work environment that promotes teamwork, communication, and employee wellbeing can make a significant difference in retaining employees. On the other hand, a toxic work environment can lead to a negative perception of the company and therefore high staff turnover rates. Investing in training and development programmes not only helps employees excel in their careers, but contributes to the overall success of the company.



BRIDGING VISIONS BREAKING DOWN BARRIERS

Prioritise training and provide development opportunities

Another significant barrier to retaining talent in the hospitality industry is the lack of training and development opportunities. If they feel like they have hit a ceiling in terms of their career development, they are more likely to seek opportunities elsewhere.



Invest in technology to improve efficiencies and open-up new roles

Technology is also playing an increasingly important role in retaining talent in the hospitality industry. Many companies are adopting new technologies to streamline operations, increase efficiency, and improve the guest experience. Implementing technology not only makes life easier for the talent but provides opportunities for career growth and development in technology-related roles.



In conclusion, the hospitality industry faces several barriers to retaining top talent and addressing these challenges requires a comprehensive approach, encompassing strategies to prevent burnout and achieve a work-life balance, promoting a positive company culture, investing in training and development, and adopting new technologies to improve efficiencies, the guest experience and career opportunities.

When tackled together the industry can create a more attractive and supportive work environment for its employees to build resilience and safeguard its future success.

A SIX-STEP GUIDE TO RETAIN INTERNS

MANAGE EXPECTATIONS

Expectations should be effectively managed from day one, taking into consideration their needs and goals and balancing them with what you can provide. Before the internship starts ensure interns understand the role requirements, the expectations of their supervisors, and the company culture. It is important for interns to know what is expected of them in order to succeed and make the most of the opportunity.

1

ENGAGE AND MENTOR INTERNS TO MOTIVATE

Engaging and mentoring interns is important for their motivation, retention and success. Interns should be given meaningful work assignments and be included in team activities. Mentors should be assigned to help interns navigate the company and provide guidance throughout the internship. Regular check-ins should be conducted to ensure interns are progressing and feel supported.

2

OFFER GROWTH AND NETWORKING OPPORTUNITIES FOR TALENT RETENTION

In order to retain top talent, companies should offer opportunities for professional growth and networking. This includes providing training and development programmes and exposure to different company departments. Interns should be invited to networking events to help them build relationships within the company and the industry.

3

A SIX-STEP GUIDE TO RETAIN NEW TALENT

4 IMMERSE INTERNS IN AN INSPIRING WORKING ENVIRONMENT FOR CAREER PROGRESSION

Companies should provide an inspiring working environment to encourage interns to consider a future career with the company. This includes creating a positive workplace culture, offering opportunities for collaboration and innovation, and recognising the contributions of interns.

5 FACILITATE NETWORKING OPPORTUNITIES TO HELP INTERNS SECURE THEIR FIRST INDUSTRY JOB

Companies should facilitate networking opportunities for interns to help them secure their first industry role after graduation. This includes introducing them to industry professionals, providing job search resources, and offering referrals to other companies if there is no suitable role within their organisation.

6 LOBBY FOR GOVERNMENT SUPPORT IN TALENT ATTRACTION AND RETENTION

With the hospitality industry a major economic driver, companies should lobby for government support. This includes advocating for policies that encourage education and training, as well as promoting the benefits of working in the industry. Companies should also work closely with government agencies to highlight career opportunities and offer incentives to attract and retain talent.

Let's build bridges, together!

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About HSMAI Europe

HSMAI – Hospitality Sales and Marketing Association International – is a global organization founded in the US in 1927. HSMAI Region Europe is the European arm of the organisation. HSMAI Europe aims to be a key influencer, pioneer and the go-to industry resource for professional development, commercial strategies and sustainability in the hospitality, travel and tourism industry.

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