

Beyond the Front Desk of the Hospitality Industry

Lots of individuals entering the workforce, many of them young people, secure their first job in the accommodation and food services (A&FS) sector, also known as hospitality services. This wide-ranging industry is comprised of establishments providing customers with lodging and/or preparing meals, snacks and beverages for immediate consumption, and runs the gamut from five-star hotels to fast-food restaurants. As one industry giant reminds us in frequent commercials, experience in these first jobs builds foundational skills needed for later success, including responsibility, dependability, communication, working in teams and many others. Often viewed as stepping-stone employment due to low industry wages, the accommodation and food services sector, nevertheless, offers employment in selected occupations at wages that match or exceed the state median wage (the wage at which 50 percent of all workers earn less and 50 percent earn the same or more).

When we consider the occupational make-up of the accommodation and food services industry, the image that typically comes to mind is the person working behind the front desk or front counter in a hotel or fast-food restaurant. While there are unquestionably a lot of industry employees working in those jobs, A&FS also employs a variety of occupations embedded in almost all industries—such as accountants, financial managers and human resources professionals—plus some higher-paying jobs that are peculiar to this industry.

Before exploring those occupations, let's take a look at A&FS wages. One measure of industry wages comes from the Department of Workforce

Development's Quarterly Census of Employment and Wages (QCEW) database, which tracks employment and payroll provided each quarter by virtually all Indiana employers. Using these data, one can calculate average wages by industry, bearing in mind that QCEW employment makes no distinction between full- and part-time employees.

For an industry sector which depends heavily on part-time employees, the calculated wages paint a rather gloomy picture when compared to industries with lower part-time participation. For 2006, annual average earnings for accommodation and food services workers in Indiana were \$12,114, only one-third of the annual average wages (\$36,551) across all industries.

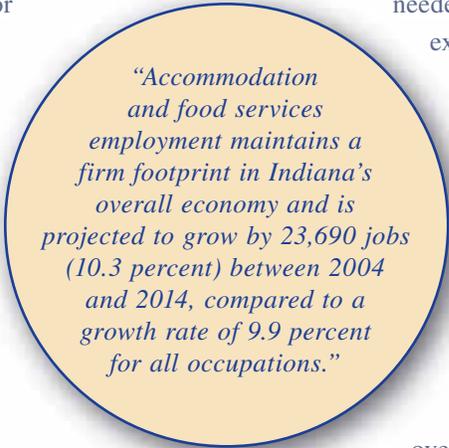
If, however, we examine the estimated wages from Occupational Employment Statistics¹ we see that estimated annual salaries based on hourly wage averages for food prep and related occupations were \$16,950 and the average for hotel, motel and resort desk clerks was \$17,050. Both are about 48 percent of the all-occupation, all-industry average of \$35,190. The hourly wages for these two sample occupations are still impacted by the high turnover and the large number of entry-level workers, but the survey's hourly-based rate does a better job of reflecting actual wages (including tips) for this industry sector than the quarterly averages from the QCEW program.

Accommodation and food services employment maintains a firm footprint in Indiana's overall economy and is projected to grow by 23,690 jobs (10.3 percent) between 2004 and 2014, compared to a growth rate of 9.9 percent for all occupations (according to the Indiana 2004–2014 Occupational Projections). This growth places the industry third in line behind health care and social services and educational services in terms of the number of new workers needed (these estimates do not include replacements for workers who

leave or retire, but only workers needed due to industry expansion). Average industry employment for the A&FS sector in 2006 was 237,664, with 2006 being the third consecutive year with annual average growth of at least 3,500 jobs. In line with that overall growth, each of

the occupations in **Table 1** is expected to have a minimum of 200 total openings within the A&FS sector, a 2004–2014 growth rate of at least 9 percent, and pay at least the state median wage of \$28,500 per year.

Occupations requiring work experience and/or on-the-job-training may become part of a career ladder for motivated workers within the industry. Depending on the employer's commitment to hiring from within, such positions may be posted for internal competition prior to, or instead of, external recruitment. The skills needed to succeed in these occupations are the skills developed and honed over time, starting from that first job. The Southwest Indiana Tech Prep



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Consortium² surveyed employers a decade ago to identify qualities that define a “good” (i.e., promotable) employee, including:

- Coming to work every day and on time
- Making smart decisions
- Following directions
- Concentrating on the work and caring about the quality of the work
- Reading, writing and calculating well
- Recognizing problems and finding solutions
- Finishing a job as scheduled without sacrificing quality
- Honesty and dependability
- Taking the lead and working hard
- Communicating with other people, especially customers
- Dressing properly and practicing good grooming
- Being cooperative
- Bringing a positive attitude to the task at hand

Other desirable qualities in employees included a willingness to learn and accepting additional responsibilities over time. Many of these employee attributes are considered “soft skills” and recent skills projections by the Indiana Business Research Center suggests that such “soft skills” will be in great demand across occupations in the coming decade.³

A focus on skills, both in terms of their transferability across occupations and their use in identifying occupational clusters, has been a strong emphasis of the Department of Workforce Development over the past two years. The Indiana Career Guide (www.in.gov/dwd/careerguides/index.html) presents four skill pathways

TABLE 1: FAST GROWING OCCUPATIONS IN THE HOSPITALITY INDUSTRY WITH ABOVE AVERAGE WAGES*

Training/Experience Needed	Occupation
Short Term On-the-Job Training	Payroll and Timekeeping Clerks
	Sales and Related Workers, All Other
Moderate Term On-the-Job Training	Executive Secretaries/Administrative Assistants
	Sales Representatives, Wholesale and Manufacturing (Excluding Technical)
Long Term On-the-Job Training	Maintenance and Repair Workers, General
Work Experience	First Line Supervisors—Housekeeping and Janitorial
	First Line Supervisors—Landscaping and Lawn Services
	Lodging Managers
	Food Service Managers
	First Line Supervisors—Mechanics, Installers
Post Secondary Vocational Training	Chefs and Head Cooks
Bachelor's Degree	Employment, Recruitment and Placement Specialists
	Public Relations Specialists
	Training and Development Specialists
	Dietitians and Nutritionists
	Market Research Analysts
	Accountants and Auditors
Bachelor's Degree Plus Work Experience	Financial Managers
Bachelor's Degree or Higher Plus Work Experience	Sales Managers

*Occupations with projected growth of at least 9 percent and above the state median wage are included
Source: Indiana Department of Workforce Development

based on different clusters of skills, as well as information on building career ladders that move employees from entry-level to better-paying jobs as skills and training grow over time. The degree or level of the skills varies considerably across occupations, and successful employees will be those whose competency levels rise due to conscious effort and application on their part.

Regardless of the industry sector, opportunities for advancement and growth exist for motivated employees willing to develop skills and acquire appropriate training and experience. Accommodation and food services is no exception, including in its ranks many well-paying occupations outside the primary, stereotypical focus of the industry on food prep, reservations and housekeeping. For the emerging

workforce, first jobs in the A&FS industry sector can provide a solid foundation and development of a skill pathway that leads to higher wages and increased income.

Notes

1. The Occupational Employment Statistics program is a survey-based Bureau of Labor Statistics federal/state cooperative program that produces annual estimates of employment and wages by occupation at the state and metropolitan statistical area level. Wages referenced in this article are from the May 2006 estimates.
2. The Indiana Tech Prep Consortium is no longer active; its executive director was Dr. Mimi Nicholson.
3. Michael Thompson, “The Demand for Soft Skills: Key Skills for Indiana’s Growing Occupations through 2014,” *InContext*, September 2007: 8(9). Available at www.incontext.indiana.edu/2007/september/1.html

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