

# State of the Workforce Survey 2023 Results

State of the Workforce 2023 from People 1st international examines the changing skills and labour market across the visitor economy sector. The first in a [series of themed reports](#), it looks at the effect that the market conditions have had upon recruitment and retention.

## 1: Recruitment and Retention

### Workforce challenges

Employers continue to face a persistent challenge when it comes to recruitment and retention. Skills shortages are by far the greatest concern, with employers finding it difficult to recruit people with the required skills and retain valued employees.

The top five challenges facing employers are:



**Recruiting  
appropriately  
skilled staff**



**Keeping up  
with  
technological  
advances**



**Attracting a  
diverse  
workforce**



**Developing a  
workforce  
equipped to meet  
environmental  
sustainability  
demands**



**Retaining  
valued staff**

As the sector continues in its recovery from the impact of the pandemic, labour shortages alongside supply chain issues and surging inflation have created a series of new disruptions for businesses. Employers highlight that the legacy of Brexit and the pandemic which caused a high number of staff to leave the industry is being compounded by political instability and the cost-of-living crisis, impacting on long term planning for businesses, resulting in a 'complex picture'. Collectively this has meant the sector has seen a loss of critical skills, with shortages most notable for chefs, front of house roles and managers. This has had a significant impact on businesses, limiting their ability to operate at full capacity, maximise revenues and open new ventures.

# Skills shortages - hard to fill vacancies

**84%**

of employers stated they had difficulty filling vacancies in the last 12 months



A general misconception of the available career opportunities and skills requirements across the sector amongst job seekers and those who influence them is a significant factor. In a competitive labour market, pay relative to other sectors and perceptions of the sector make it a less appealing prospect. Employers are also having to compete cross-sector for certain skills profiles. The transferability of skills has led to increased mobility between sectors, especially for digital skills.

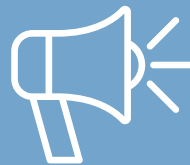
The top 10 hard to fill vacancies across the visitor economy sector are:



**Customer service staff**



**Managers**



**Marketing**



**Administrators**



**Business Development / sales**



**Chefs**



**Receptionists**



**Bar staff**



**Travel Agents**



**Housekeepers/  
Porters**

## Retention of staff

**84%**  
of employers are experiencing  
challenges in retaining staff in  
the last 12 months



Retention of staff is proving hugely problematic with many businesses highlighting that losing people in the first six months is common. Some employers quote experiencing estimated annual turnovers as high as **75%**. Expectations mismatched with the realities of work, lack of clear progression, working patterns, inflexibility and less competitive salaries are all contributors.

Managers have been promoted because of their technical skills, without receiving the management and leadership development. This impact of the 'accidental manager' has led to managers not having the skills needed to manage, motivate and retain staff effectively.

*"People are being promoted to retain them without upskilling. Others are being upskilled before the business is ready to fill positions. Both setting people up to fail. I worry we frequently devalue our industry by doing this." - Visitor economy employer*

## Equality and diversity

Just under half of employers report that they fully or partially assess staff demographic data to check if it represents the wider population



# People 1st International response

The visitor economy sector has faced a tough few years with Brexit and the pandemic having led to staff shortages and a loss of key skills across the industry. Despite these hurdles, businesses have persevered in their recovery to bounce back. In a people-oriented sector, where employees play a critical role in delivering exceptional service and experiences, people are critical to success. By implementing effective recruitment and retention strategies, employers can put their people first and reap the rewards by attracting the best talent, higher retention rates and improved productivity.

A focus on retaining staff and offering the best quality employment experience can help reduce churn and address the recruitment challenge through greater investment in employee engagement, training and development.

Addressing the impact of the 'accidental manager' with no formal management and leadership training is imperative in addressing this challenge. A [recent study](#) by the Chartered Management Institute demonstrated the significance of the problem with 'accidental managers' contributing to almost one in three workers quitting. Providing training that gives individuals the skills needed to effectively recruit, retain and motivate employees and ensuring that promotions are not just based on technical competence but also take into account behaviours and other key leadership traits is crucial to improve retention and productivity.

## Effective approaches being adopted by employers include:

### Widening the talent pool and attracting a diverse workforce



Changing advertising style to match what prospective colleagues are looking for, digital advertisements focusing on the realities of the job. Offering more job experience as part of recruitment.



Looking at what benefits can be provided to attract different demographics such as examining work/life balance preferences (i.e. non-standard hours and how childcare responsibilities influence desired working schedules/flexibility) and advertising to professionals in other sectors that offer similar opportunities.



Offering reskilling programmes to target women returners and older workers.



Using internships, graduate positions and apprenticeships.



Leaning on charity sector to reach into disengaged communities.

## Rewards, perks & incentives



- Competitive salary and regularly reviewing rates of pay
- Bonus schemes
- Incentive payments
- Generous holiday entitlement
- Attractive pension
- Healthcare
- Employee assistance programme



- Discounts programme
- Rewards for completion of years of service
- Regular well-being team events/lunches/socials
- Recognition in internal and external comms
- Employee of the month with financial reward
- Social and community engagement

## Improving the employee experience



Presenting career pathways, learning and development opportunities and long term development plans to new colleagues as part of induction.



'Touchpoint calls' with staff in their first 6 months to resolve issues and improve retention. Calls from senior management on progress.



Making colleagues feel valued through welcome gifts and inclusion in higher-level meetings with senior decision makers. Helping them to feel part of something bigger.



Good work-life balance



Flexible working opportunities (clearly communicated)



Regular employee engagement surveys that also look at generational differences

### Clearer career pathways and development opportunities



Career pathways maps that showcase opportunities for skills development and career advancement.



Showcasing lateral moves as well as promotional and show case studies where people have moved across the business, improving opportunities for 'Squiggly careers'.



Investment in training & development



1-to-1 coaching



Qualifications and apprenticeships



Conferences and networking opportunities



Supplier familiarisation trips

### Find out more

Access further reports in our State of the Workforce 2023 series where we delve into the challenges and opportunities facing employers in terms of skills gaps and approaches to training and development. [View more here.](#)

To discuss any of the challenges, approaches and potential solutions, contact [info@people1st.co.uk](mailto:info@people1st.co.uk).

*We would like to thank the following organisations for their support in disseminating the skills survey and encouraging their employer networks to take part:*

*ABTA, ABTA Lifeline, Aviation Industry Skills Board, British Independent Retailers Association, Business Travel Association, HATS Network, Hospitality Action, Institute of Hospitality, Retail Trust, The University Caterers Organisation as well as regional tourism associations and People 1st International accredited colleges.*