Staffing issues

Introduction

Given that for most managers managing people forms the major part of their job role, the main aim of this chapter is to provide an outline of staffing issues that managers should be aware of. The employment of staff in the UK is highly regulated by both the UK and EU legislature and as with any text covering such issues changes occur frequently. Generally, managers of staff in the normal course of employment will be mostly concerned with issues of staff recruitment, motivation, development, productivity, deployment and retention with hopefully only occasional minor disciplinary matters. It is, however, inevitable those managers will get involved in more serious disciplinary or grievance procedures and although this text does provide some outline of these it would be prudent to seek professional advice before dealing with more serious issues. The hospitality industry is one of a number that attract large numbers of part-time, seasonal and casual employees particularly at lower grades and this tends to exacerbate the high level of staff turnover. This can add pressure to management in terms of recruitment and training, maintaining produce and service quality standards, and keeping employment costs at an acceptable level.

Chapter objectives

After working through this chapter you should be able to:

- Have a broad appreciation of hospitality employment statistics.
- Understand the process of staff recruitment.
- Be able to calculate staff turnover.
- Link staff motivation, training and retention to company success.
- Understand the process of supervision and communication.

STRUCTURE OF UK LABOUR

Changes taking place in the size and structure of the UK labour pool are considerable with 60% of the adult population, some 29 million, now in employment and by 2009 it is estimated that a third of these will be over fifty-five years of age. In addition, the UK economy has seen a steady move away from traditional manufacturing industries towards those of the service sector with hotel and catering seeing an increase over the past five years of 1.4%. The UK eating out market continues to grow with forecasted turnover expected to be in excess of £28 billion by 2007. One of the major difficulties faced by service industries in general and the hospitality industry in particular is the recruitment, training and retention of staff. Many of the job roles in hospitality are customer facing where the service element forms a major aspect of customer satisfaction or dissatisfaction and it therefore has the potential to be a stressful experience. With the continued drive by hospitality companies to gain strong brand recognition together with a memorable meal experience through excellent service delivery rather than an average one the importance of good staff recruitment and training together with a strategy for improving staff retention becomes very important.

RECRUITMENT

Employment statistics

The latest information available is from 2005 at which time the Labour Force Survey showed that tourism and hospitality employed 1.88 million people, which represents a reduction of 4%, 84,000 on 2004. Of that figure 1.64 million are employed in the hospitality industry and 77% of these are employed in restaurants, pubs and clubs, hotels, bars and food service management. The remaining 23%, 380,000 are employed where hospitality is not the primary purpose, for example hospitals and school catering.

In 2005, the number of female workers represented 59% of the total workforce, ten years earlier this figure stood at 70%.

	Males	Females
Hotels	97,600	140,800
Restaurants	255,300	258,400
Pubs, bars and nightclubs	141,200	192,700
Food and service management	56,600	121,800
Gambling	33,600	44,000
Travel and tourist services	30,900	79,400
Visitor attractions	5,300	3,300
Holiday parks and self-catering	14,300	30,600
Hospitality services	93,500	286,500
Total	**728,300**	**1,157,500**

Source: ONS Labour Force Survey BHA Trends and Statistics, 2006

Table 9.1
Numbers employed in the tourism and hospitality industry by gender, 2005

Occupations	2001	2005
Hotel and accommodation managers	51,099	50,700
Restaurant and catering managers	141,164	160,600
Conference and exhibition managers	11,646	12,600
Publicans and managers of licensed premises	51,255	60,300
Travel agency managers	10,693	7,700
Chefs, cooks	261,467	256,700
Travel agency staff	58,060	48,400
Travel and tour guides	16,945	21,100
Hotel porters	14,502	11,900
Kitchen and catering assistants	416,136	397,100
Waiting staff	221,017	231,800
Bar staff	277,859	284,200

Source: ONS Labour Force Survey BHA Trends and Statistics, 2006

Table 9.2
Total employed in core occupations, 2001 and 2005

Table 9.1 represents that the significant areas where female employees dominate males are in the hotel, food and service management, travel and tourist services, and hospitality sectors. The total employed in core occupations are identified in (Table 9.2).

Table 9.3 represents total employed by sector and age. This would indicate that the industry is predominantly a younger person's industry with 44% below the age of 30, a further 38% under 50 and 16% aged between 50 and 64. The remaining 2% is over 65.

	16–19	20–29	30–49	50–64	Over 65	Total
Hotels	41,800	73,000	82,600	36,000	5,000	238,400
Restaurants	133,800	137,200	180,400	57,300	5,100	513,800
Pub, bars and nightclubs	82,900	128,500	86,000	32,800	3,700	333,900
Food and service management	8,300	30,100	93,300	43,100	3,400	178,200
Gambling	7,000	20,700	33,100	15,600	1,300	77,700
Travel and tourist services	6,200	39,100	45,200	17,700	2,200	110,400
Visitor attractions	1,500	2,700	2,700	1,000	700	8,600
Holiday parks and self-catering	3,700	3,900	16,100	17,600	3,600	44,900
Hospitality services	51,200	62,200	167,100	87,800	11,600	379,900
Total	**336,400**	**497,400**	**706,500**	**308,900**	**36,600**	**1,885,800**

Source: ONS Labour Force Survey BHA Trends and Statistics, 2006

Table 9.3
Total employed by sector and age, 2005

Recruitment criteria

Recruiting staff for successful customer service is the first practical stage in the development of a workforce. We have already discussed in previous chapters the importance of developing the objectives of the marketing policy, the catering policy, and the financial policy, menu design, operational style, etc. and all these will impact on the staff recruitment policy, but essentially the delivery of all the above policies will rely substantially on those front line operatives that deliver the service. From the marketing policy decisions will have been taken concerning how the organizations image will be portrayed to its' target customers. The catering policy will have identified operational aspects, for example how food will be served to customers, the best service style suited to meeting the desired image. The financial policy will in part concern itself with issues of profitability and cost control and it is here where there is often a dichotomy of views, are staff a valued asset or an unavoidable cost? Formally, of course staff are recorded in the business accounts as a cost but it is how they are regarded operationally that can cause difficulties for management. It is popular at the present time to view staff as assets and they are often referred to as the 'internal customer'. Authors such as Heskett, Sasser and Schlesinger have developed a model of this, 'the service profit chain', which suggests that if an organization treats its' staff well they will treat the organizations customers well, the customers will respond to this and remain loyal to the organization and the organization will reap higher or more sustained profit levels. It is important therefore that staff should be properly selected, kept motivated, actively integrated into the organizations culture and empowered (Figure 9.1).

Employee satisfaction	Added value to product/service	Customer satisfaction	Customer loyalty	Profit and growth
From: Good recruitment and high quality support and training	From: Satisfied loyal and productive staff	Because: Happy with product or service	Because: Customers are satisfied with product or service	Due to: Happy customers retention and loyalty

Figure 9.1 Service profit chain adapted from *The Service Profit Chain* (*Source*: Heskett et al., 1997, p. 19)

Methods of recruitment

Selective recruitment remains one of the most difficult areas with recruitment managers getting it wrong almost as often as they get it right. However, there are some practical ways that can help to achieve a greater success rate.

1. Review recruitment practices on a regular basis both those that have been successful and those less so. It provides useful data on how current practices could be improved.
2. Ensure that all candidates go through a process that allows you to properly evaluate both their current skills and also their future potential. For example, in the case of a chef some food preparation and cookery skills could demonstrate current ability with perhaps a short psychometric test to determine future potential.
3. Give candidates the opportunity to tell you what they know about your organization and on the basis of this what they might bring to it.
4. Have a well thought out job description together with a well-defined personal attributes specification. List these under the headings of 'essential' or 'desirable'.
5. Where appropriate the impact on or of any co-workers should be considered and you may choose to include one co-worker in the interview panel.

The rewards for getting this process right are considerable and include increased productivity, higher morale amongst the workforce, a good level of commitment, less time wasted on dealing with disputes which will lead to better use of management time and improved profitability.

STAFF TURNOVER

The hospitality industry operates in an environment of high staff turnover, particularly amongst low skilled employees and this not only generates huge costs but also creates challenges in

finding the right calibre of staff on a continuous basis. Hoteliers are very aware of the demands that this puts on both their managers and on the bottom line and a recent article in the *Caterer and Hotelkeeper* shows how one manager is trying to redress the trend. 'Andrew Silver, Managing Director of Golden Tulip UK, highlights ways to overcome the damaging effects of high staff turnover and low morale' (Silver, 2007).

Recent research undertaken by David Battersby, Managing Director of the consultancy Hospitality and Leisure Manpower (HaLM), for the British Hospitality Association (BHA) reveals the very high cost of staff turnover within the hospitality sector. Based on this research, he has made a conservative estimate that staff turnover stands at about 30% overall, but is noticeably much higher in some areas such as the licensed trade where 100% or even 200% is not unusual. The most conservative estimate of the cost of recruitment for each person is in the region of £500. This figure includes the cost of advertising, interviewing candidates; reviewing CV's checking references, etc. It does not take into account any cost of lost business, training of new recruits or agency fees.

Given the fact that that the hospitality industry in the UK employs around two million people, and that the turnover figure is 30% per annum (some 600,000 people), it quickly becomes clear that the annual cost to the industry amounts to £300,000,000. It is an astonishing figure and is only supportable because the cost is defrayed over so many businesses and because those running hospitality businesses have become reconciled to high staff turnover, and resignedly accept recruitment as part of the 'fixed costs' of running the business. A high staff turnover can have a detrimental effect on any business and where possible an exit interview should be undertaken with all leavers in order to identify the cause. It is inevitable that some staff turnover will be linked to promotions, better salary; move in location or a change of career but some may be avoidable in the short to medium term bringing more stability to the organizations labour force (see Figures 9.2 and 9.3).

Recruitment costs

Recruitment costs can be considerable, advertising expenses or agency fees, time taken to short list potential candidates, collecting references and setting up interview panels are the most obvious and easily quantifiable. Costs that are less obvious are overtime rates paid to other staff covering the vacancy, the natural start up time and 'paperwork' associated with a new employee, induction, uniform, medical check and the time taken to make new acquaintances. Training is also a cost but apart from an initial operational training course, training costs should be part of an operation budget and therefore may not necessarily fall entirely on the recruitment budget. It is with these costs in mind that strategy and spending on staff retention as opposed to staff replacement should be in the forefront of managements

1. Statistics show that, by asking employees to complete a staff opinion survey, they feel more engaged with their business and believe that their views will be listened to and used constructively to their benefit.
2. Some of these benefits could be increased holiday time or birthdays off. Also, an active and effective staff suggestion scheme definitely helps employees feel that their opinions and suggestions are valid.
3. Everyone has different motivations, and our role as managers is to understand them and act accordingly. Retention is greatly helped when your team understands their role clearly and how it affects the performance of the business.
4. One of the greatest motivators is feedback. Giving feedback helps people understand when they are doing a good job and when they fall short of required standards. It helps them to improve their performance and, let's face it, most people come to work wanting to do a good job and derive great satisfaction when they are empowered to do just that.
5. Giving praise and recognition for achievements is vital, while at the same time implementing a performance management programme for when things don't go so well.
6. What matters most is that people enjoy what they do and feel they are making a difference. Businesses that are committed to treating their whole team with openness and honesty, and assuring them that they will be treated with respect, will be rewarded with low staff turnover and a motivated willing team.

Figure 9.2
Strategies to reduce staff turnover (*Source*: Adapted from Silver, 2007, p. 18)

More than three-quarters of senior managers believe that an annual quota for *staff dismissals* would boost their company's performance, according to a survey by management consultancy Hudson. Almost half agreed that shedding up to 5% of *staff* was positively healthy. Hudson described this as a 'taboo area of debate for British business'. But there's no suggestion that the law should sanction an annual cull of underperforming *staff* with no questions asked and immunity from tribunal claims. Such a brutal regime would not be politically acceptable and clearly breach European law. So employers tempted to implement headcount-reduction quotas must follow meticulous performance-management procedures to avoid unfair *dismissal* claims and charges of discrimination on grounds of sex, race, disability, age and so on. A proposal to dismiss a set proportion of the workforce might also trigger a legal duty to consult employee representatives. Legal constraints aside, a majority of respondents cited 'introducing a culture of fear' as a deterrent to a *dismissal* quota. And 72% admitted there would be less need torelease *staff* if their recruitment process were tighter – suggesting attention should focus on the start of the employment relationship rather than its termination.

Figure 9.3
A draconian view of enhanced staff turnover (*Source*: Burd and Davies, 2007)

mind particularly in industry sectors that have higher than average staff turnover, for example the licensed trade. In order to accurately determine future recruitment costs and to fully understand the scale of the problem it is first necessary to calculate staff turnover for the particular organization in question. There is a relatively simple formula to decide this as follows and an opportunity to explore this further in the short case study at the end of this chapter.

In the simple version of measuring staff turnover percentage per annum count the number of staff that have left during the preceding year, divide it into the total number of staff employed during that period and multiply by 100. For example if 10 staff have left, perhaps including several from one vacancy during the

year, and you employ and average of 40 persons then your staff turnover is 10 divided by 40×100 which equals 25%. However, this simple version does not take into account part-time or seasonal workers that are very common in the hospitality industry. In order to gain a better indication of full-time equivalent staff turnover the following approach should be taken.

- The Dog and Penguin Public house employ the following staff.
- Twelve part-time working six hours per week for fifty-two weeks per year.
- Six full-time working forty-two hours per week for fifty-two weeks per year.
- Four seasonal staff working forty-two hours per week for ten weeks of the year.

Stage 1: Hours worked

	Number of staff	Hours per week	Weeks per year	Total
Part-time	12	6	35	2,100
Full-time	6	42	52	13,104
Seasonal full-time	4	42	10	1,680
Seasonal part-time	1	18	2	36
Total hours worked				**16,920**

Stage 2: Total days worked

Assuming an average working day has eight hours divide total hours by eight $16,920/8 = 2,115$ days.

Stage 3: Full-time equivalent

The standard number of days worked in one year 235, therefore $2,115/235 = 9$ full-time equivalent staff.

Stage 4: Leavers

Leavers exclude seasonal staff that leave at the end of their contract.

During the year, four part-time and two full-time staff left

$$4 \times 6 \times 35 = 840$$
$$2 \times 42 \times 52 = 4,368 + 840 = 5,208$$

5,208 hours divided by 8 hours per day $= 651$ days, therefore $651/235 = 2.77$ full-time equivalent staff.

A simple calculation of staff turnover would indicate 6 staff left out of a total of 23 therefore 6 divided by 23 equals a staff turnover rate of 26%. More detailed analysis taking account of part-time staff would identify a staff turnover of almost 31% $(2.77 \div 9 \times 100 = 30.78\%)$

STAFF TRAINING

Induction

The staff induction process provides new employees with an overview of the organization. It should contain a session on general issues of health and safety and include specialized health and safety training where demands of the job role require it, for example, when using machinery or equipment or where work involves lifting, etc. Fire escape routes and evacuation procedures together with details of fire assembly points should be clearly identified. Employees should be introduced to their supervisor, work colleagues and staff where appropriate. It is normal at this time to provide staff handbooks uniforms if required and any further information that a new employee may require in the first few weeks of their employment until they settle in.

Staff training

In larger organizations a specialized training department will provide most of the staff training in-house, particularly areas of customer care and customer service. Where these are not provided in-house the training department will facilitate the training provision via specialist agencies particularly where these receive external accreditation for example 'Investors in People'. In smaller organizations, and sometimes in larger ones too training may take the form of 'on the job' where a more senior member of staff provides training instruction and continues to reinforce the training under supervision during the normal working day. Some staff training needs may have been identified at interview, during periodic appraisal, observed/suggested by supervisor, required by an outside body or requested by the employee. The organization will through its' various policies have established standards and procedures for the operation of its' business. Meeting these operational or administrative goals will require staff to be trained to an appropriate level by establishing a set of training objectives. For example, currently, in the UK it is not unusual for companies, particularly in the hotel sector where typically they will have a large proportion of overseas staff, to provide English language classes so that front line staff can communicate effectively with customers. Where an organization is large enough to offer this type of training it facilitates the recruitment process by enabling recruiters a wider choice of prospective employees.

Activity 1

Write a short training plan to enable new service staff to answer the telephone and take an accurate message/booking for your establishment. Include in the plan the information that you need to acquire and a set text for answering an enquiry.

LEGAL FRAMEWORK

Employment in the UK is governed by a wide legislative framework and would require a number of books in order to cover all of these. For the purposes of this chapter the Employment Act 2002 makes provision for statutory rights to paternity and adoption leave and pay and to amend the law relating to statutory maternity leave and pay. It also amends the Employment Tribunals Act 1996 to provide statutory procedures in relation to employment disputes and amend the law in of particulars of employment, compromise agreements and questionnaires on equal pay. It also makes provision in regard to trade union learning representatives, amends Section 110 of the Employment Rights Act 1996; to make provision about fixed-term work, flexible working, maternity allowance, work-focused interviews for partners of benefit claimants and to make provision about the use of information for, or relating to, employment and training and the Employment Relations Act 2004, which is mainly concerned with collective labour law and trade union rights are those that identify the legislative framework that managers generally come across.

Staff discipline and dismissal

As the previous paragraph shows, employment law is very complex and changes to employment regulations occur frequently particularly dismissal procedures. Employers are still free to dismiss employees at any time but unless the dismissal is considered fair the employer may face a case of unfair dismissal bought by the employee through an employment tribunal. In most companies a detailed procedure for disciplinary issues is written and this forms part of the employee's contract of employment (see Figures 9.4 and 9.5).

The contract of employment forms the legal framework on which the employment is based and should as a minimum contain details of the employment as shown in Figure 9.4. Following one year's service an employee can make a claim to an employment tribunal for unfair dismissal provided it is made within three months of the dismissal. If an employee can prove that the employer has pressured them to resign they have the same right to unfair or constructive dismissal.

In the event of the employee winning the case, the tribunal can choose one of the following remedies:

1. Re-instatement which means getting back the old job on the old terms and conditions.
2. Re-engagement which would mean a different job with the same employer.
3. Compensation where the amount can be anything from a relatively small sum to an unlimited amount if the dismissal was due to some form of discrimination.

All employees must receive a written statement of their particulars of employment within eight weeks of commencing employment.

The Statutory Minimum Employment Contract is compliant with both the Employment Rights Act 1996 and Employment Act 2002, and contains the following clauses as per the requirements of Section One of the former Act:
1. Name, address, job title
2. Date of employment and continuous employment
3. Duration of employment
4. Place of work and mobility
5. Hours of work
6. Remuneration
7. Overseas employment
8. Holidays
9. Sick pay
10. Pension
11. Collective agreement
12. Grievance procedure
13. Disciplinary procedure
14. Governing law

Figure 9.4
Basic contract of employment

1. The person does not have the capability or qualification for the job (this requires the employer to go through consultation and/or disciplinary processes).
2. The employee behaves in an inappropriate manner (the company/firm's policies should refer to what would be unreasonable behaviour and the business must go through disciplinary procedures).
3. Redundancy, providing there is a genuine business case for making position(s) redundant with no suitable alternative work, there has been adequate consultation and there is no discrimination in who is selected.
4. The dismissal is the effect of a legal process such as a driver who loses his right to drive (however, the employer is expected to explore other possibilities such as looking for alternative work before dismissing the employee).
5. Some other substantial reason.

Figure 9.5
Reasons for a fair dismissal would include the following matters (*Source*: http://www. winters.co.uk/factsheets/ dismissal_procedures.html)

If it can be demonstrated that the dismissal was due to any of the following it will be considered as unfair regardless of the length of service:

1. Discrimination for sex, race, age or disability.
2. Pregnancy, childbirth or maternity leave.
3. Refusing to opt out of the Working Time Regulations.
4. Disclosing certain kinds of wrong doing in the workplace.

It is important that managers are fully aware of the contents and processes of any disciplinary procedures set down by the company and that these processes are followed exactly in order to avoid needless staff disciplinary problems or expensive litigation.

STAFF SCHEDULING

Staff rota

Creating a staff rota is the process of matching staff availability to the work demands of the organization. In its simplest form it will set out which staff will be on duty for any particular shift, start and end times for each shift and day of the week. If staffing includes occasional weekend working or working during public holidays then advance warning should be given so that staff has an opportunity to plan. The unpredictability of the volume of business or sales instability is typical of most catering establishments. There is often a change in the volume of business from day to day, and in many establishments from hour to hour. This not only causes basic problems with regard to the quantities of commodities to be purchased and prepared but also as to the staffing required.

Rota to meet business demand

Accurately meeting the right level of staffing during the peeks and troughs in demand usually associated with a food and beverage service is extremely important. Too many staff will create needless expense and may affect the level of staff morale if they feel under-utilized and get bored. Too few staff will result in poor customer service and increased customer complaints leading to low staff morale as they face complaining customers and struggle to do their work properly. This in turn will inevitably lead to reduced profits. Data produced electronically via an electronic point of sale (EPOS) system can provide managers with a pattern of sales throughout each daily service period. Data can be collected showing patterns for weeks, months and even years if this is beneficial. By careful analysis these trends in trading patterns can be compared against other data that may have had an extraordinary influence on trading, for example exceptional weather conditions, public holidays, local or national events in addition to restaurant trading data, for example number of no shows or turn downs, number of bookings compared to chance or walk-in trade. A brief description of this terminology is as follows:

1. No shows are customers who have booked a table but fail to turn up or cancel.
2. Turn downs are booking that are refused due to capacity having been met. This situation should ideally be due to restaurant bookings/customers having reached capacity as opposed to refusing customers because of production or staffing problems.
3. Chance or walk-in customers are those that have not booked. It is important to be aware of this particularly if there are strong variations.

From a review of this data trading patterns can be established and a staff rota drawn up and whilst on some occasions there may be a certain element of guesswork, it is calculated and informed guesswork.

Activity 2

You are the manager of a fast-food restaurant in a town centre location open from 0900 to 2300 hours, seven days a week and every day of the year except Christmas day. Contribution margins on fast-food items are small and profitability relies on volume and efficiency of service. What data would you need to collect in order to write an efficient staff rota?

Specialized staff scheduling

Specialized staff scheduling applies to food and beverage operations that have relatively little variation in demand because they operate within a controlled system. For example, serving customers at a banquet where the service standard requires one server per table of ten customers, one wine server per three tables, etc. Specialized staff scheduling may also apply in the case where food and beverage service is ancillary to the main service provision, for example stewards on an aircraft whilst they serve your meals are mainly there for your safety and if the aircraft is flying below capacity the number of stewards remains unchanged the same applies to nurses serving meals in a hospital. Current trends in working practices, for example working straight shifts as opposed to split shifts by changing patterns of food production allow better utilization of staff. Cook-chill as opposed to cook-serve is a prime example of an approach to staffing that minimizes staff costs and optimizes food production. In this case modern technology has bought down the cost of establishing a cook-chill system. Once established the system can be accurately staffed during the normal working day, is therefore more appealing to staff and this can be reflected in the rates of pay offered.

Tables 9.4 and 9.5 elucidate typical capacity scheduling at McDonald's Restaurants using sales data from their EPOS system. Distribution of sales throughout the week and distribution of sales throughout the day at a typical branch of McDonald's inform management of staffing levels required.

This is a key information for service resources planning particularly for a high volume low margin operations where labour cost and efficiency have a dramatic effect on profitability.

Distribution of sales throughout the week	
Sunday	14
Monday	12.3
Tuesday	12.4
Wednesday	13.2
Thursday	14.8
Friday	16.3
Saturday	16.8
Total	**100%**

Table 9.4
Capacity scheduling at
McDonalds Restaurants

Distribution of sales throughout the day	
8.00 AM	3.4
9.00 AM	4.1
10.00 AM	4.0
11.00 AM	3.9
12.00 PM	7.5
1.00 PM	14.9
2.00 PM	9.01
3.00 PM	5.0
4.00 PM	3.5
5.00 PM	5.5
6.00 PM	9.1
7.00 PM	8.4
5.00 PM	5.5
8.00 PM	5.6
9.00 PM	5.3
10.00 PM	4.6
11.00 PM	3.4
12.00 PM	2.5
Total	**100%**

Table 9.5
Sales distribution at McDonalds
Restaurants

SUPERVISION AND COMMUNICATION

How we communicate

There are a number of myths concerning how we communicate
these are some of them. We communicate only when we want
to, words mean the same to both the speaker and the listener
we communicate chiefly with words. Non-verbal communica-
tion equals silent communication, what we say is what you will
receive and there is no such thing as too much information. In
order to dismiss these myths we need to clarify what constitutes
communication.

1. Most communication, about 70% is non-verbal and is con-
   cerned with gestures. Laughter, tears, shrugs, raised arms,
   raised eyebrows, arms folded and understanding this body
   language are both intuitive and learned.
2. The second commonest form of communication about 20%
   concerns vocal communication. Pitch and level of voice, from
   monotone to highly excited, from screaming and shouting to
   a raised voice and finally to whispers.
3. Lastly, about 10% of our communication is concerned with
   the words we use.

In an organization it is often necessary to communicate with
other people at different levels of the hierarchy so for example, a
restaurant supervisor may need to communicate with their man-
ager (upward communication) or with one of the service staff
(downward communication) or with another supervisor coming

on the following shift (lateral communication). The subject may be the same in all three cases but the communication may be different. In this situation what is most probable is that the words used will be more or less the same, the tone of voice may or may not be different, but the body language is the most likely area to be different. This is because in the hierarchical structure position assumes an importance that is reflected through the body language used and this is the area of communication within an organization that is best learnt at an early stage because understanding body language provides early and in most cases reliable feedback to your communication.

Barriers to communication

Developing effective communication skills often requires more effort being put into receiving information than to giving it. Having said that, developing a speaking style that effectively communicates is important and concerns the speed at which you talk, the tone of your voice and the style of your body language. Verbal communication needs to be succinct so that the listener does not turn off before you have completed the communication. This tie's in with one of the common myths mentioned earlier, that of information overload. We are used to computers providing endless reports with every minute detail examined inside out and upside down, however with a computer you can save the data and absorb it at a more reasonable pace at a later time. With verbal communication this is not possible, unless you record it when it then becomes a message rather than a communication in the true sense. The span of concentration varies in different people but all will eventually switch off when their information threshold is reached. For communication to be effective it needs to be received and understood by the listener and is essentially a two-way process. Listening is a skill that needs to be developed so that listening becomes active listening. In communication situations with active listeners each will send and receive information with signs of acknowledgement, for example the active listener may repeat part of what has been said as a way of confirming that they have heard what has been said correctly. There will also be visual signs in the form of body language that will show that the listener both understands and is interested in the communication or not as the case may be. In the work environment many communications take a written form, for example standard operating procedures, instructions for cashing up tills or the staff rota. In these particular communication situations, a response to the originator is not normally required or available and the communication must therefore be clear and unambiguous. If the written communication is a letter of complaint from a customer then this almost certainly will require a response and if the complaint is badly phrased or indeed the response is badly phrased it may not adequately address the problem (Table 9.6).

Other forms of written communication may involve feedback to staff as part of a periodic review process and again it is important

Communication	Essentials
Speaking (vocal)	Volume, pitch, tone, pace
Listening	Focus, eyes, posture, gestures, body movement
Non-verbal	Facial, eyes, posture, gestures, body movement
Writing	Active short sentences, inverted pyramid

Table 9.6
Essentials of effective communication

Figure 9.6
Inverted pyramid of background information
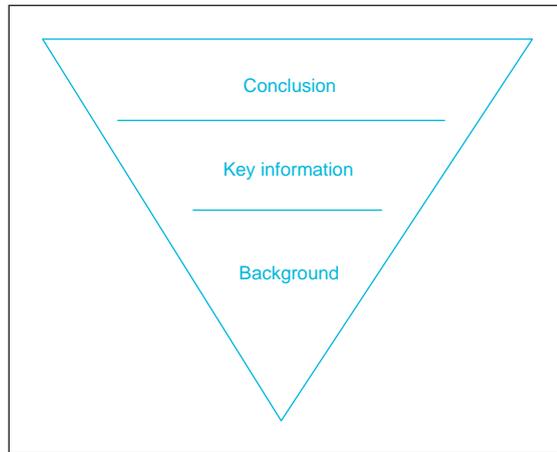
that the right form of words are used because different people will read the communication differently, for example 'above average' to the writer may mean 'quite good' whereas the recipient may read it as being 'barely acceptable'.

The inverted pyramid suggests a format for written communication where background information is limited to the essentials that need to be known in order to put the communication in context and comes last in the communication. Second comes the more detailed key information that supports the point/s being made/argued, perhaps in the form of a tabulated list. Most importantly the communication conclusion leads with a succinct summary of all salient points that need to be considered so that the recipient has an overview and understanding of what the communication is about and can decide immediately on its importance and what time to devote to reading it (Figure 9.6).

1. Communication and supervisory channels
2. Supervision and communication structure
3. Levels of supervision and empowerment
4. Measuring effective communication.

Supervision and the communication process

The supervision of others is the first step on the management ladder and utilizes the following processes; planning, organizing, coordinating, staffing, directing, controlling and evaluating. In the hospitality industry and probably in many others the supervisory structure normally starts at the technical skill stage where, for example, the headwaiter will train and supervise a station waiter. As the headwaiters skills develop he may be promoted to assistant restaurant manager where technical skills are still required but more emphasis is placed on man management skills. Eventually if he is successful in this role he may be promoted to restaurant manager and perhaps food and beverage manager at which stage his technical skill will move even further into the background as man management skills take more time and conceptual skills start to develop. If and when there is further promotion to hotel manager then although other skills will not totally disappear most of the effort will be focused on conceptual management decision-making. So why do many supervisors fail fairly early in the career, well for many it is the inability to relate to the employees. Some authors of hospitality books have liked the hospitality industry to a theatrical performance and restaurant service is very often like that where staff are expected to put on a show no matter how tired they may feel or how busy or understaffed the restaurant may be. Under these types of condition it is essential that supervisors can at the very least empathize with their staff. An ill-considered comment or gesture taken out of context creates an incident out of all proportion to the situation it was intended to deal with.

Group activity 1

Role-play: One person should be a member of service staff the other the supervisor. The supervisor is required to reprimand the staff member for being late for shift for a second occasion. The supervisor is looking for a correction in the person's behaviour, not to dismiss them or particularly upset them but just to correct the situation before it becomes more difficult. The staff member feels they need to defend their behaviour. Before starting the role-play you should think what each person wants to get from the meeting, write it down and reveal whether you succeeded at the end.

The second major cause for complaint concerns character and or personality shortcomings. In what is sometimes a very demanding, busy and yet exciting environment, supervisory staff are required to maintain control, not only of any operational situation but maintain control of both their own and their staffs emotions, perhaps deal with distraught staff or angry staff and of course the occasional demanding or dissatisfied customer. Lastly failure to supervise may be the result of an inherent inability to perform management tasks.

Understanding motivation

Through the process of correct recruitment and continued self-development through training, staff are inherently self-motivating. It is therefore management's responsibility to maintain this motivation by monitoring and facilitating in five key areas:

1. Achievement should be recognized and opportunities to achieve should be available by setting realistic targets and goals that can be attained.
2. Recognition for effort and results can be very motivational and encourage further effort.
3. Job interest is an important motivator and management should be aware that any proposed changes in a job specification may effect this.
4. Responsibility enables staff to show their dependability and gives them the opportunity to show their potential to undertake a more senior role.
5. Advancement, most people look to advance within an organization, renews job interest and allows the attainment of the more tangible aspects of career development.

Group activity 2

Hotel service staff have become very de-motivated since the introduction of annualized hours (a system of working long hours during busy periods with extended days off during quiet periods to balance average hours worked over the year so that they aggregate to the hours shown in their contract of employment). Consider both the potential difficulties and benefits for both the staff and the employer of adopting an annualized hours contract and then discuss how the issue of de-motivation may be addressed.

Summary

- Issues to do with staffing are likely to be the most difficult issues that any manager has to deal with. People are naturally demanding, complex, have their own agendas and are sometimes very emotional.
- Problems associated with staff turnover can affect other employees and have the potential to drive profitability down.
- Employment statistics can provide a good benchmark from which it is possible to measure other establishment's performance, for without measurement there can be no management.
- Key elements are recruitment, setting recruitment criteria and understanding some of the methods together with their associated costs.

- Maximizing profitability by accurately forecasting demand and associated levels of staffing with the need for proper staff induction and training.
- Supervision and management can be problematic; some of the pitfalls are being unprepared, ill informed and poor communicators.
- Staff motivation and retention should be a manager's first staff management priority.

Further study options

As this chapter has demonstrated there are a number of specific areas to do with staffing issues that are worthy of further study. Looking at the statistics we can see that staff recruitment, staff retention, staff training and staff development are all key issues. Recruitment consultants seem to be at the sharp end of the staff recruitment business, it is a highly competitive industry and is best suited to those with a ruthless and highly tenacious attitude, and it can be very stressful. 'Human Resource Management' (HRM) is the term most companies use to describe their overall personnel activities and there are many texts available on this subject. For those thinking of a career in HRM the likely route would be to study for membership of the Chartered Institute of Personnel and Development (CIPD). Staff retention, training and development are usually in-house activities although there are specialist companies that will provide special training. Generally, any manager of staff is likely to have some involvement with one if not all of these areas and there are a number of texts designed to help managers manage staff. These include books on organizational behaviour, HRM, staff motivation and managing change.

Study exercise

The Rat and Toad is a large public house situated on the outskirts of a busy market town in the Home Counties. Revenues are down on the previous year despite longer trading hours and overall profitability has reduced even more dramatically. The pub manager believes that the decline is the result of excessive staff turnover, which has slowly worsened since the brewery failed to increase basic pay rates or to address issues of late night working since new licensing allowed the pub to trade later into the night. The manager had previously worked in a hotel bar which had also had staff turnover problems estimated at 25% per year but this had not unduly affect the hotel bar revenue or profits. The Rat and Toad have a total

annual workforce of 22 people. They work as follows, twelve part-time staff working an average of twelve hours per week, six full-time staff working forty hours per week and have four seasonal staff working forty hours per week for ten weeks in the year. During the past year ten staff have left, eight part-time and two full-time.

Using the information and formula in this chapter:

1. Calculate the average staff turnover.
2. Estimate the cost of recruitment.
3. Discuss the issues concerning less obvious costs identified.
4. Make a case to bring about change.

Review questions

1. Given the current structure of the UK employment pool what proportion of employees will be aged fifty-five by 2009?
2. How does the 'service profit chain' link satisfied employees with profit growth?
3. What strategies might you consider using to reduce staff turnover?
4. Why is it important for managers to calculate staff turnover?
5. What drives up costs in staff recruitment?
6. What forms the legal framework on which an employment is based?
7. What action can employees take if they believe they have been unfairly dismissed?
8. What are the minimum requirements that a contract of employment should specify?
9. What are the main barriers to effective communication?
10. What does an annualized hour's contract entail?

Further reading

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