A workforce to be reckoned with: The emerging pivotal Generation Z hospitality workforce

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ABSTRACT

Despite the "perfect storm" of older employees leaving the workforce and younger hospitality employees entering the hospitality industry, there has not been a single study in the hospitality literature investigating Generation Z's attitudes towards working in the hospitality industry. Understanding this future hospitality workforce is pivotal as empirical studies of past generations (Baby-boomers, Generation X and Generation Y) have reported high turnover patterns among the hospitality workforce to be a major human resource problem in this dynamic industry. This research evaluated the usefulness of the Theory of Planned Behaviour (TPB) as the theoretical framework to distill and unpack Generation Z's perceptions (n = 71) about working in the hospitality industry. Results suggest Generation Z viewed overall positive attitudes about the hospitality industry such as exciting, a people's industry with travel opportunities along with certain challenges such as dealing with people, long/odd hours and potential workplace health and safety issues.

1. Introduction

The tourism and hospitality industry is a key driver of the global economy creating 109 million jobs and contributing $2.3 trillion (World Travel and Tourism Council, 2017). This equates to 10.2% of the world's GDP and sees 1 in 10 jobs being tourism and hospitality related (World Travel and Tourism Council, 2017). In Australia, the hotel industry is worth $14 billion annually employing 380,000 employees across 6807 hotels in Australia (Australia Hotel Association, 2015). The Australian Tourism Labour Force Report forecasts demand for hospitality workers to grow by 123,000 (including 60,000 skilled workers) by 2020 (Deloitte, 2015). This strong predicted growth opens up numerous hospitality career opportunities highlighting the crucial need for qualified and well-trained hospitality graduates who will be of value to the coming development of the hospitality industry. Despite the prevalent and prominent issue of high workforce turnover in the hospitality industry, several researchers (Richardson, 2009) have reported that hotel managers are still not doing enough to keep hospitality graduates motivated to remain in the industry such as a lack of career planning and progression opportunities, and often see them as cheap labour where the hospitality sector is one of the lowest paid industry (Jose and Hipolito, 2016). Given the seasonal nature of the hospitality industry, most companies operate on a small skeleton permanent workforce and employ additional casual staff during peak periods (Zopiatis et al., 2014), which makes it difficult to have job security resulting in high turnover of employees leaving the hospitality industry (Chalkiti and Sigala, 2010). As more hospitality graduates enter the hospitality workforce, HR managers have realigned their understanding of employee expectations as an important element of job embededness rather than job turnover intentions (Robinson et al., 2014). However, attracting prospective employees in hospitality has been problematic in Australia. The Australia Department of Employment Survey reported 43% of hospitality employers found recruitment difficulties in trying to fill vacancies in their hospitality companies with a 28% recruitment rate (28 vacancies per 100 staff) (Australia Department of Employment, 2014).

This perennial workforce issue in hospitality and tourism has received very little attention as compared to other hospitality and tourism areas. In a meta-analysis on 2868 hospitality and tourism journal articles in the top 12 hospitality and tourism journals, only 2% were categorized as human resource management related (Ballantyne et al., 2009). The paucity of workforce related articles in hospitality was highlighted by Baum et al. (2016) where only 27% (458 of 1700 articles) were workforce related. Unpacking their meta-analysis further, Baum et al. (2016) identified 40 articles that were personal characteristics/attributes/traits related workforce studies such as Generation Y research. The under-represented area of demographic characteristics has been a common recurring theme in the hospitality workforce

literature (Lucas and Jeffries, 1991; Baum, 2010; Solnet et al., 2012; Baum et al., 2016). It is paramount to note demographic and generation changes confront and will continue to confront the hospitality workforce. Researchers have called this the "perfect storm" (Solnet et al., 2016) where over time, older employees leave and younger hospitality employees enter the hospitality industry. This will see some key dynamics in the hospitality industry structure such as a younger workforce who is willing to accommodate the demands of a 24/7, 365 days service to hotel guests (Scholarios and Taylor, 2014). Younger employees will hold higher positions in the hotel industry, while older employees work in more front line positions, which presents advantages and challenges for hotel managers (Solnet et al., 2012). This is an accurate reflection in Australia where 43% of the hospitality workforce is aged between 15 and 24 and 20% of the hospitality workforce is aged between 45 and 64 (Australia Department of Employment, 2014).

Although there has been a plethora of studies examining attitudinal factors and hospitality as a career choice among Baby Boomers (1945–1964) (Paxon, 2009), Generation X (1965–1979) (Zemke et al., 2000), and Generation Y(1980–1998) (Cennamo and Gardner, 2008), no studies investigated the career perceptions of Generation Z (1995–2009) (Randstad, 2017) in the hospitality industry. Second, majority of the hospitality workforce fall into the Generation Z age bracket of (15–24 years of age) (Australia Department of Employment, 2014). Third, most of these motivational studies investigated motivations without the use of any theoretical research frameworks. Therefore, the objective of this study is to investigate the emerging pivotal workforce of Generation Z's attitudes towards working in the hospitality industry, reference groups that influence their hospitality career decision, and their perceived difficulties towards working in the hospitality industry.

2. Literature review

2.1. Generation Z

One of the most distinctive identity in generational theory and research is through its years of birth (Mannheim, 1952; Strauss et al., 1991); for example, Baby-boomers (1946–1964) (Paxon, 2009), Generation X (1965–1979) (Zemke et al., 2000), and Generation Y (1980–1998) (Cennamo and Gardner, 2008). Generation theory assumes that we can generalize cohort differences to the mean cohort level of each generation for a better understanding of the profile and characteristics of prototypical individuals (Twenge et al., 2010). For example, Generation Y are ambitious, crave prestige and status in their jobs, impatient and expect immediate rewards in promotion and pay (Gursoy et al., 2008; Nitya and Anand, 2016). Other researchers have also found Generation Y to be more inclined to work in a green and sustainable hotel environment (Goh et al., 2017a,b). On the other hand, Baby-boomers place less emphasis on social work values and do not necessarily see the importance of a fun workplace (Ng et al., 2010).

In most research on generational studies, researchers have often relied on birth date ranges to define a generation accompanied with a range of demographic characteristics to describe a particular generation (Cogin, 2012). Although empirical separations of different generations are often done on the premise of age groups, age effects may not be mutually exclusive and similar traits may occur towards the end of a generation cohort and start of a new generation cohort (Parry and Urwin, 2011). Individuals born a year on the other side of the generational divide would not be expected to display entirely different characteristics from a person born a year before (Meeks et al., 2013). For example, those Generation X born in 1979 could display certain similar characteristics of those born in 1980 Generation Y. This explains why past studies have reported different cohort generation brackets with a difference in couple of years and a vague debate regarding the age bracket of Generation Z. This brings us to the definition of Generation Z where most refer to being born between 1995 and 2009. For

example, one of the multinational companies, Randstad Holding, which specializes in Human Resource Consulting worth $19.2b in annual revenue across 39 countries, defined Generation Z as individuals born between 1995 and 2009 (Randstad, 2017) whom are at the stage of completing their higher education and entering the workplace. This is one of the most reliable definitions of Generation Z, and is the cohort bracket adopted in this current research study. According to Deloitte (2017), generation Z will make up over 20% of the workforce in the next four years, representing a considerable portion of the labour market. The entry of this generation to the workforce is accompanied by the retirement of Baby Boomers, possibly resulting in a huge shift in work culture and environment (Solnet et al., 2016). The environment and values that surround each generation during the growing period shapes the consuming behaviour and basic social values of individuals from that particular generation. Unlike other generations, Generation Z has not lived in a world without Internet. This group of individuals is dependent on and familiar with the use of technology as they have been exposed to the Internet since birth (Ozkan and Solmaz, 2015). Past researchers have studied the characteristics of this generation to better understand their needs, wants and expectations. Ozkan and Solmaz (2015) found this generation to portray self-confidence, embrace team spirit, require assurance for their future, seek happiness at the workplace and desire independence over authority. Schawbel (2016) stated that (1) while this generation is fond of corporate offices, they embrace flexibility at work, (2) they favor face to face communication in comparison to technology but want companies to adapt social media, (3) they intend to work in more than one country throughout their career and (4) they prefer regular feedback over annual performance reviews. Deloitte (2017) also found that generation Z is ready to work hard but expect to move up quickly in their career. They appreciate honesty and integrity demonstrated by supervisors but may lack specific skills required at the workplace.

2.2. Motivational factors to join the hospitality industry

Hospitality institutions have an obligation to address the industry workforce gap through the delivery of curriculum and training critical for preparing students to progress into their hospitality career (Raybould and Wilkins, 2006). To maximise employability, graduate attributes must be current and desired by the hospitality industry (Su and Feng, 2008). Numerous researchers have studied the attitudes of hospitality students towards pursuing a hospitality-related career (Chan et al., 2002; Richardson, 2009; Solnet et al., 2012; Hertzman et al., 2015). Majority of past studies focused on the attitudes of 'Generation Y', who have mostly graduated from their undergraduate or postgraduate program and moved on to employment. Other studies such as Hertzman et al. (2015) explored the characteristics of Millennials hospitality management students. However, there is a lack of research aimed towards Generation Z, the generation that will feed into the hospitality workforce in the near future. According to Davidson et al. (2011), the generational change in the hospitality workforce implies different work attitudes that will affect Human Resource Management in the hospitality industry. For example, Generation X are more concerned about the social climate, whereas Generational Y are more motivated by career development and job content (Lub et al., 2016) This echoes the statement by Gursoy et al. (2008) about the different characteristics, skill sets, and values portrayed by each generation. Oliver (2006) compared the work expectations of Generation Y with the generations before and found an increase in expectations in regards to pay, work conditions, promotion and career advancement.

Hospitality careers have always been labeled as low-paying, seasonal, repetitive, stressful, odd working hours as well as being physically and emotionally demanding (Richardson, 2009; Solnet et al., 2012; Barron et al., 2014; Gan, 2016; Mooney, 2016; Nyanjom and Wilkins, 2016; Robinson et al., 2016), which could be possible factors deterring graduates from applying for a job in the industry. For