

YouthBuild USA

Hospitality and Culinary

Industry Spotlight

This project has been funded, either wholly or in part, with Federal funds from the Department of Labor, Employment & Training Administration under Contract Number DOL-ETA-16-C-0025. The contents of this publication do not necessarily reflect the views or policies of the Department of Labor, nor does mention of trade names, commercial products, or organizations imply endorsement of same by the U.S. Government.

June 2021

Overview

This industry spotlight provides an introductory overview of the **hospitality** and culinary industry. It intends to support programs with understanding the industry, career pathways, and occupations and help YouthBuild participants determine whether the industry aligns with their interests and career goals.

About the Hospitality and Culinary Industry

Key Definitions



<u>Industry</u>: broad groups of businesses or organizations with similar activities, products, or services



<u>Career Pathways:</u> combine highquality education and training to prepare individuals for work



Occupation: a set of activities or tasks that pays employees to perform

The hospitality and culinary industry relates to the management, marketing, and operations of restaurants and other food services, lodging, attractions, recreation events, and travel-related services.

Many cities and tourist destinations rely on the industry to attract visitors and residents to live, work, and explore. Employers in this industry need professionals who can plan trips, make travel reservations, operate hotels and tourist attractions, interact with customers, and manage restaurant operations.

In 2020, the hospitality and culinary industry experienced significant job losses due to the COVID-19 pandemic. Despite this, the industry remains crucial to local economies and creates millions of jobs. The return of jobs is essential in getting the country's economy back on track. It remains unknown when the labor market will fully recover, although there are varied projections. As the industry continues to rebuild, employers in the hospitality and culinary industry will benefit from training and reskilling talent in food safety and preparation, management, and leadership.

Quick Facts



Over 85,000 hotels and 1 million restaurants in the U.S.



Over 13 million people employed in the U.S.



9 in 10 restaurant managers started in entry-level roles

Source: IBISWorld and National Restaurant Association

Hospitality and Culinary Classification and Subsectors

The U.S. Bureau of Labor Statistics (BLS) and the North American Industry Classification System (NAICS) classifies hospitality and culinary as a larger **sector** under <u>Leisure and Hospitality</u>. The larger sector consists of **subsectors**, or **career clusters**, including <u>Arts</u>, <u>Entertainment</u>, and <u>Recreation</u> and <u>Accommodation and Food Services</u>.

Arts, Entertainment, and Recreation

The arts, entertainment, and recreation subsector include industries in the performing arts, spectator sports, museums, historical sites, amusement, and gambling. Establishments in this sector operate facilities or provide services to meet the leisure interests of customers.

Accommodation and Food Services

The accommodations and food services subsectors employ the most people in the leisure and hospitality sector. Establishments in this subsector include hotels, motels, and restaurants.

Sector: a broad term to describe the large segments of the economy Subsectors: part of a larger sector Career Clusters: occupations in the same field of work that require similar skills



Hospitality and Culinary Industry Career Facts

The hospitality and culinary industry can be rewarding for workers interested in lively, fast-paced environments. Since the industry focuses on customer satisfaction, many jobs require interacting with new people every day. However, there are also behind-the-scenes jobs that include food preparation, or marketing, accounting, and sales oversight. Learn more in the following sections about whether a career pathway in the hospitality and culinary industry is the right pathway for your program and participants.

YouthBuild Program Tip Find Your Local Living Wage

What is considered a good salary in one region may not be in another. To determine a viable, living wage in a specific region, use the MIT living wage calculator.

Opportunities for Pay Progression

While many entry-level jobs in hospitality and culinary offer lower wages, there are opportunities for pay progression. Workers in entry-level roles are typically paid an hourly wage in addition to tips. Wages and salary correspond with skill, credential attainment, and experience. For example, an entry-level worker may start restaurant work as a dishwasher or table busser and eventually move into cooking or even management.

Image 1.0 reflects what career progression in the food service industry could potentially look like for an individual.

Entry-level wages for jobs in accommodations range from \$25,490 to \$32,380. Examples of entry-level jobs include Front Desk Clerk, Concierge, and Housekeeper. Every accommodation establishment needs management roles to oversee business operations, including food services, events, human resources, and finances. Image 1.1 are examples of management roles and salaries in hospitality.

Transfererable Skills cooking, food preparation, food safety, organization, communication skills Advanced Station Chef (\$53,380) Line Cooks Waiter/Waitress (\$23,740) Advanced Restaurant

Transfererable Skills

communication, guest services, scheduling, budgeting, operations, problem solving

Image 1.0: Career Progression Example in the Food Service by Annual Median Wage (2020)

Source: O*NET OnLine

Image 1.1: Accommodation Management Jobs and Annual Median Salary (2020)

\$51,560 \$56,670 \$56,590

Event Manager Hotel Manager Manager

Source: O*NET OnLine

Manager

(\$52,477)

Ample Entry Points to Gain Transferrable Skills

The hospitality and culinary industry offers many entry-level opportunities that can lead to higher level positions. According to the National Restaurant Association, 1 in 3 Americans got their first job experience in a restaurant. The minimal entry-level education requirements make it an accessible industry for young people to start their first job. Most food preparation and serving jobs do not require formal educational credentials. Education attainment for management roles varies from a high school

YouthBuild Program Tip *Identify Advancement Paths*

Since there are many entry points, programs can work with employers to identify positions, certifications, and competencies that can lead to career progression. Refer to the section below on how to evaluate and assess viable occupations for young people.

diploma or equivalent combined with extensive work experience or a postsecondary degree.

YouthBuild Program TipDetermine State Regulations

To find more information on state and county requirements, visit the ServSafe Regulatory Map for the following information:

- Certification expiration
- Certification requirements
- Training approved options (online or in person)

Contact your <u>local public</u> <u>health department</u> for more information on requirements.

Training and Credential Options for Career Progression

Credentials combined with training can help an applicant stand out. Industry associations such as the National Restaurant Association offer industry-recognized certifications in the food service industry. Certifications indicate the mastery of skills that result from a final assessment. Individuals often must meet ongoing requirements to maintain current certification. Every state has regulatory requirements that require continuous training and certification to ensure the proper handling of food. ServSafe training and certification is recognized by more federal, state, and local jurisdictions than any other food safety certification. In addition to certification, some states require state specific training or have specific licensing requirements, which may require additional fees.

Food Service Industry Recognized Credentials				
Certification	Skill Mastery	Core Components		
ServSafe Food Handler Certificate	Verifies basic food safety knowledge and is for individuals in food handler employee-level positions.	ANSI ASTM 2659 accredited Food Handler course and 40-question exam		
ServeSafe Manager	Verifies that a manager or person-in-charge has sufficient food safety knowledge to protect the public from foodborne illness.	90-question, multiple- choice exam		

In the hospitality and accommodation industry, training and education paths vary. Some applicants have a bachelor's degree in hospitality or hotel management, an associate's degree or a certificate in hotel management, or a high school diploma combined with several years of experience working in a hotel.

Registered Apprenticeship Programs (RAP) can be an effective approach to gaining the credentials, competencies, and experience needed for a career in hospitality. A RAP is a training model that combines on-the-job work experience, classroom learning, mentorship, and credential attainment. According to the <u>U.S. Department of Labor (DOL)</u>, there were 2,037 registered apprentices in the hospitality industry, more than tripling over the last seven years. High-demand hospitality and culinary apprenticeships include baker, cook, hotel manager, and restaurant manager. Visit www.apprenticeship.gov for more information.

National Career and Occupation Outlook

Food Service Occupations

Prior to 2020, employment in food preparation and serving related occupations was projected to grow 7 percent from 2019 to 2029, faster than the average for all occupations, and gain about 1 million jobs. Although the industry experienced drastic layoffs in 2020, it continues to slowly gain jobs back. Consumer behavior such as travel, food delivery, remote work, and automation will impact the job recovery of the industry.

YouthBuild Program Tip Using Labor Market Information

National career and occupation projections can help YouthBuild programs understand labor demands and trends. On a local level, labor market information may vary. Programs are encouraged to converse with employers regarding local job openings and skills needed to fill those jobs.

Industry Trends

As a result of the COVID-19 pandemic, various trends in the industry have emerged and should be monitored. The following trends have the potential to create new industry needs, opportunities, and challenges.

- Automation of entry-level roles
- Business closures
- Food delivery
- Establishment health safety
- Remote work

Accommodation Occupations

Prior to 2020, hotels provided more than 1 in 25 American jobs—more than 8.3 million in total. According to The American Hotel and Lodging Association, hotel employment will take a few years to reach pre-2020 employment levels. They predict the industry will not fully recover until 2023. In the United States, travel and tourism is the first, second, or third largest employer in 30 of the 50 states. Consumer behavior such as business travel, remote work, and new technology will impact the job recovery of the industry.

YouthBuild Program Tip

Skills Adjacency and Lifeboat Jobs

The hospitality and culinary industry is characterized by seasonality and consumer behavior. Because of this, occupations in hospitality and culinary can be especially vulnerable during economic downturns. In 2020, this sector lost the most jobs out of any other sector due to the COVID-19 pandemic. When specific industries experience significant job losses, DOL YouthBuild grantees can support youth by identifying skills gained through work experiences and other forms of job training that can be carried over to a new industry or job in high demand. Skills that can apply to a new industry or career are called adjacent skills, also referred to as transferable skills. Burning Glass Technologies refers to jobs for those who have lost work and require little or no retraining as "lifeboat jobs." While this may be a temporary solution, it will support youth in developing new skills and may lead to new interests.

Hospitality and Culinary Career Pathways

Within the hospitality and culinary industry, three common career pathways offer various occupations.



Table 1 includes occupations organized by each of the three common career pathways in the hospitality and culinary industry. While national labor market information can provide insight into general industry trends and occupations in demand, DOL YouthBuild grantees are encouraged to consult with local employers and workforce development stakeholders to identify how to meet local economies and regional business needs. For local labor market data and information, visit the Department of Labor's state labor market projection website at projectionscentral.org or contact your local Workforce Development Boards.

Table 1: Hospitality and Culinary Occupations by Career Pathways					
Food and Beverage Services					
Occupation	2020 Median Salary	Typical Entry-Level Education			
*Waiters and Waitresses	\$23,740	No formal educational credential			
*Baristas	\$23,860	No formal educational credential			
*Host and Hostesses	\$23,880	No formal educational credential or high school diploma			
*Food Preparation Workers	\$26,070	May require a high school diploma or GED certificate.			
*Cooks, Restaurant	\$27,250	High school diploma or equivalent			
*Bakers	\$29,400	High school diploma or equivalent			
*First-Line Supervisors of Food Preparation and Serving Workers	\$34,570	High school diploma or equivalent			
*Chefs and Head Cooks	\$53,380	High school diploma or equivalent			
Travel and Tourism					
Occupation	2020 Median Salary	Typical Entry-Level Education			
*Travel Guides	\$29,460	Most require a bachelor's degree, but some do not			
Travel Agents	\$42,350	Vocational schools or an associate's degree			
*Meeting, Convention, and Event Planners	\$51,560	Most require a four-year bachelor's degree, but some do not			
Accommodations					
Occupation	2020 Median Salary	Typical Entry-Level Education			
*Baggage Porters and Bellhops	\$27,050	High school diploma or equivalent			

*Concierges	\$32,380	High school diploma or equivalent
*Housekeeping Cleaners	\$26,220	High school diploma or equivalent
*First-Line Supervisors of Housekeeping and Janitorial Workers	\$42,040	High school diploma or equivalent
Hotel, Motel, Resort Desk Clerks	\$25,490	High school diploma or equivalent
Lodging Managers	\$56,670	Varies

O*NET U.S. Department of Labor's Occupational Information Network, categorizes the occupations with an asterisk next to them as Bright Outlook, meaning they are anticipated to grow more quickly than others on a national level. These were identified as high-growth occupations prior to 2020 job losses. The job market is expected to recover, although it may take a few years. Wages listed are as of May 2020. For the most current wage information, visit O*NET.

YouthBuild Program Tip

How to Evaluate Viable Occupations Based on Regional Needs

To determine the occupations that are most viable in the culinary and hospitality industry, YouthBuild programs can utilize and consider the following criteria:

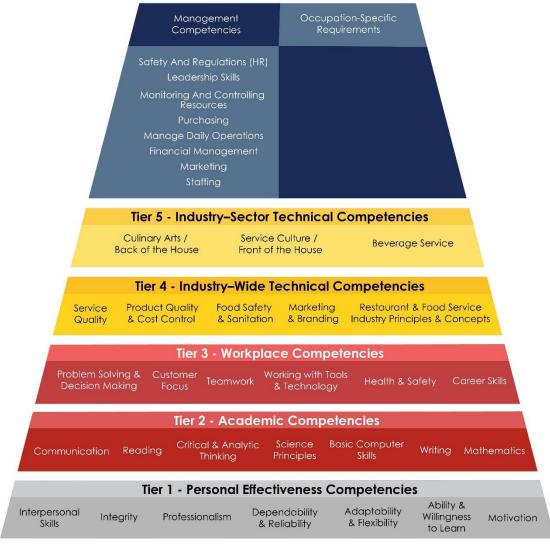
- Competitive and Family-Sustaining Wages: Does the occupation offer competitive, family-sustaining wages?
- Occupation Growth: Is there local demand for these roles? Is there enough supply to meet demand?
- Accessibility: Are there accessible entry-level points? Is the employer willing to create more accessible entry-level points?

Industry Skill Needs and Competencies

CareerOneStop, in partnership with the Department of Labor, offers the Food and Beverage Service Competency Model and the Hospitality, Tourism, and Events

Competency Model that employers in the hospitality and culinary industry developed. This model identifies a multi-tier set of building blocks defining the competencies needed for success, starting with Personal Effectiveness Competencies and building up to Management Competencies and Occupation-Specific Requirements. A detailed description of all the specific skills that comprise each tier of competencies can be accessed in the competency models.

Food and Beverage Service Competency Model



Source: Competency Model Clearinghouse, CareerOneStop

YouthBuild Program Tip

Building Competency Models

DOL YouthBuild grantees' program model is designed to address the first three tiers of the competency model. In the upper tiers of the competency model, it is essential to work with industry partners to customize a Construction Plus (C+) pathway that meets the local needs of employers.

Conclusion

The hospitality and culinary industry will continue to rebuild and remain an integral part of the economy and every community across the nation. YouthBuild programs can use Industry Spotlights to gain a basic understanding of the hospitality and culinary industry and continue to monitor local labor market information and work alongside employers to design C+ pathways. YouthBuild participants interested in further developing their customer service skills, communication, organizational, and management skills should consider exploring a career in the hospitality and culinary industry.