



Employee Engagement Services In Hospitality

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 **Growth**
PARTNERS

Make employees' lives easier, happier and healthier so businesses can *thrive*

With the vacancies the industry is experiencing at the moment for a variety of reasons, it puts importance on making sure employees are happy, motivated and retained. Based on online interviews conducted in February 2023 with 500 hospitality employees across all sub-sectors of the industry, this report looks at how businesses can make themselves an attractive place to work through engaging their employees, ultimately driving recruitment, loyalty, retention as well as productivity.

” It's more important than ever for businesses to get the most value for money from every service they outsource. The more insight we have into what really helps attract and retain great staff, the better we are able to help businesses through these tough times.

Scott Read, CEO of Employee Services at Growth Partners



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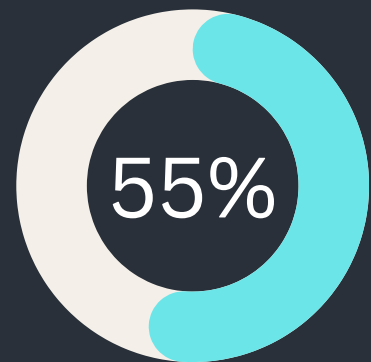
Key take-outs

10

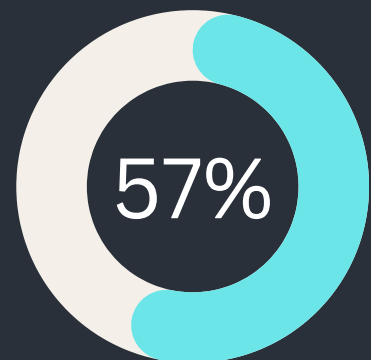
Summary

What are employee engagement services?

Benefits? Employee Assistance Program? Wellbeing? Guidance and easy access to pension? It's all of them. Employee engagement services are everything your employer does or provides to help make your life easier, happier and healthier. Just over half of hospitality employees recalled being offered these services in role, but when presented with specific services, almost all of them had experienced the services in some guise. There is also a feeling amongst employees that many of these services are 'big business' specific, with 57% only expecting these services in hospitality businesses with 50+ venues. Regardless of whether the uncertainty around this area is driven by the terminology or the expectation of which types of businesses would offer it, there is room to change the perception around it. This report and the research behind it showcases the importance of this area and the opportunity it provides to improve recruitment, retention and overall productivity.



Recall being offered employee engagement services



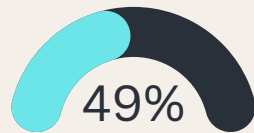
Say they would only expect employee engagement services in large hospitality businesses

The top employment engagement services currently being utilised within

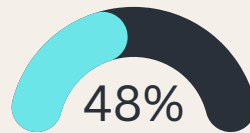
hospitality



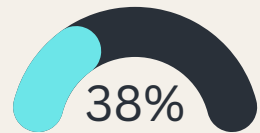
Health & Lifestyle



Gym Discounts

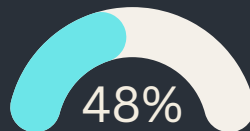


Healthy Eating Programmes

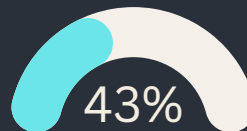


Flexible Shifts

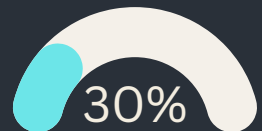
Financial



Online Access to Pay Documents



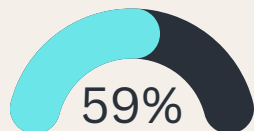
Recieve Pay Earlier than Pay Day



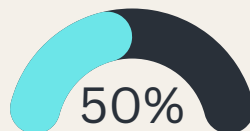
Online Pay Support



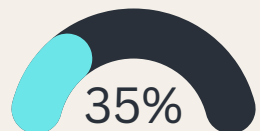
Development



Online Training Tools



F2F Training Courses



Apprenticeship Schemes

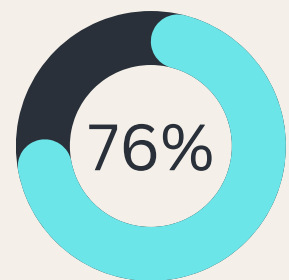
Why now?

149,000

hospitality vacancies in the UK at the end of 2022

Happy employees, leads to great service, happy customers and greater spend be that through spend per head or frequency of visit. Therefore, any method that helps to keep employees happy should alert the attention of hospitality businesses. 3 in 4 hospitality employees said they were happier in their role because of employee engagement services. Furthermore, 6 in 10 of those who hadn't been offered them said it would make them happier. When you partner this with the truth that those in a hospitality role are happier than those that left it in the last year, the link between employee engagement services and retention becomes clear.

And why is this important now more than ever? Over the last few years the exodus of people from the sector to other industries, such as warehouses, delivery and supermarkets has been well documented. According to ONS there were 149,000 vacancies in the accommodation and food service sector at the end of 2022, highlighting why the sector needs to be thinking about how it can become more attractive as an employer.



Of hospitality employees said they were happier in their role because of employee engagement services offered.

Case study



Claire Clarke
People Director, Flat Iron

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Employee engagement is about perks, benefits, and wellness, but it's also the environment they work in, the learning and development that we do, its how we treat them, even from the interview process, recruitment, induction, right through the employee journey even when they decide to leave. If you have an engaged employee along that journey, everything else falls in place.

We are expecting our employees to download an app on personal phones, unless they are head office. If I think about Flat Iron, you download one app for rotas and payslips, they might have a Wagestream app, a Yapster app and an app for e-learning. When it's someone's personal phone, and we are asking people to interact by those means, it just gets a bit sticky. It's app fatigue. The perfect solution would be you join, here is your company app, it's going to give you engagement, comms, rotas, pay, it's a single sign on.

What do employees want?



F2F Training Courses



48%

Online Pay Documents



45%

Gym Discounts



40%

It'll come as no surprise that not all employee engagement services are considered equal! One theme that comes through when employees were asked what services are most important is flexibility. A common observation mentioned about working within the hospitality sector is the unsociable hours, therefore a requirement for flexibility around shifts is not surprising. However, this desire for flexibility is seen through other important services, such as flexibility around pay, or with annual leave, be that being able to trade in unused annual leave or being offered more than statutory amounts. As we have seen in consumer research, almost every year there is an increase in the desire to look after ourselves and our health, both physical and mentally. Hospitality employees follows this macro trend, with gym discounts and healthy eating programmes very common, but also held in high significance. Furthermore, another consumer trend driven by the economic climate is that as a nation we are going out less and eating out less to try and save money. Therefore, particularly at the moment, any form of discounts, be that on partner restaurants or retail, will be greatly appreciated as we strip back on larger spend such as holidays, but look to enjoy more modest treats.

The benefits for recruitment



149,000 vacancies is a lot, but it's certainly high on the agenda of trade bodies, government and businesses to reduce that number. Hospitality Rising is leading the way in driving people back into the industry but all businesses can make themselves a more attractive place to work, and market more effectively. A restaurant needs to make potential customers aware of the food they offer, the price, offers, or the general experience they will have to market themselves to customers. As an employer looking to attract staff, the sentiment is no different, but the type of information employees are after is vastly different. The majority of those who work within the sector agree that a business that offers employee engagement services are more attractive places to work, but they need to be told about it.



95% of employees want to know about employee engagement services prior to accepting the role

Top methods of researching employers



95% of employees want to be made aware of any employee engagement services prior to making the decision to join the company, presumably as it may influence their decision. This is slightly higher than when they are made aware of the services. Furthermore, the channels in which employees research jobs is broad and therefore what the employer offers should be made available on job boards, their own website and LinkedIn, and recruiters should be able to talk about them as well.

Case study



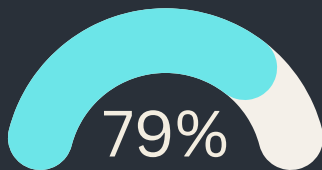
Anne-Marie Sarantis
Head of People, Gusto

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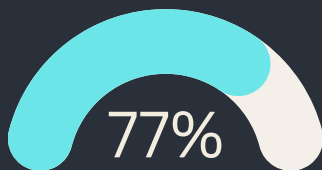
Employee engagement doesn't mean perks or benefits to me. It means the connection people have to the place they work. Everything has changed since covid and there has been a shift towards better engagement and usage of benefits– it's all important, but equally many employees don't even use it when we give it to them. So it's important that these services can be easily accessed and that we, as a business, signpost them sufficiently to our employees.

You can't not have employment engagement services, in this day and age. They are costly, but we need to show why people should consider us over other casual dining businesses.

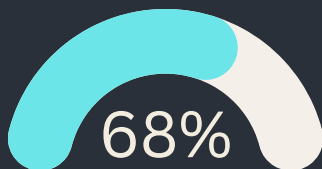
Reducing the *clicks*



Would use more if they were made aware of the benefits that were available



Would use more if it was all in one place (e.g. an app)



Would use more if it was easier to access

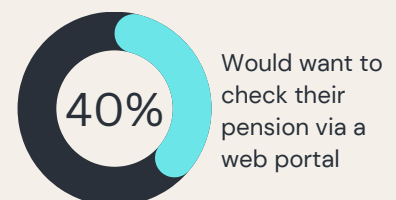
To ensure employees receive and feel the benefits of employee engagement services, there is one thing in offering them, but you must also encourage the uptake of them. Employers need to make sure they both make employees aware of them and make them easier to access. This can be done through limiting the amount of touch points or passwords needed to access them. How many clicks does it take to find information or activate a particular benefit? The majority will have experienced it when we get too many emails and you end up doing a mass clear out, or have too many apps eating away at the battery charge and memory of our phones. To ensure successful cut through to employees, and to make them aware of the services available to them, we need to reduce the the pain points. Rather than send an email for each service or have four different logins for gym discounts, pay, holiday, pension services, we need to make sure this process is succinct and efficient. Half of hospitality employees currently receive information about services via email but only a third said this is their preferred method. The ideal way to do this is of course dependent on the specific workforce and their preferences, but making it easy and all in one place, be that via an app or website/portal, should be the priority to ensure engagement services are a frictionless benefit to employees.

Employee *pensions*

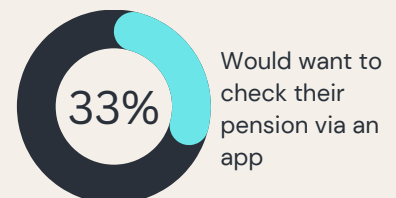


56% of hospitality employees (or past employees) were aware of and used the pension provided by their hospitality employer

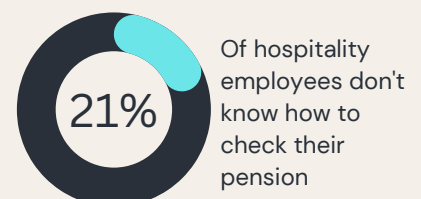
Younger, back-of-house and employees of single site venues are less likely to be aware of paying into a pension. This strongly indicates that there is a lack of awareness and education around pensions and what employees are entitled too, particularly amongst those new to working life and smaller businesses. Are people consciously making decisions about their short term financial wellbeing vs their long term financial wellbeing? On the other side, those who use the pension from their hospitality employer tend to be fairly engaged with 8 in 10 knowing how to check it. It is not a choice to be enrolled in a pension, but rather a choice to not be, and the government has recently backed reducing the age and wage employees are to be opted in. However, the fact that the degree of awareness and knowledge differs by type of employer, role within the business and age, implies this is an area that employees need support. Businesses should consider aligning it to other employee engagement services so they are all in one place.



Would want to check their pension via a web portal



Would want to check their pension via an app

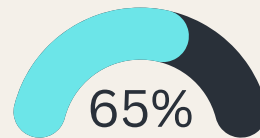


Of hospitality employees don't know how to check their pension

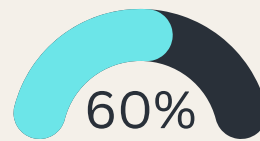
Loyalty and retention



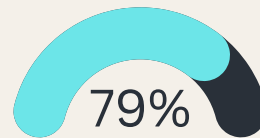
It is not possible to completely stop people leaving a business, or an industry for that matter. However, using the analogy of a leaky bucket, we need to make sure there is more water coming in than is leaking out to reduce the 149,000 vacancies within hospitality. We have addressed how employee engagement services can increase the flow of employees in to the sector, through making it more attractive and flexible for recruitment purposes.



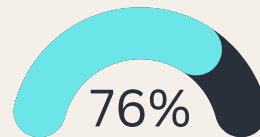
Say employee engagement services makes them happier at work



Of those who don't have employee engagement services said it would make them happier in their role



Say employee engagement services meant they have stayed in a hospitality role longer



Say companies that offer employment engagement services are more attractive to work at

But we can also use these services to drive loyalty and retention. It's not surprising to know that those within hospitality are happier in their role than those that left, and we know that these services can drive happiness. However, 8 in 10 employees also feel that at least to some extent employee engagement services make them stay in a role longer than they would have done if there were none, with 20% saying this is the case to a great extent. To some this may be obvious, conscious support from these services that is acknowledged. For example a gym discount, paying off a cycle to work scheme or dental plan may contribute to staying in a role longer. For others, however, it could be more subliminal or subconscious, such as development through training or rewards for great work making the employee feel valued and appreciated. 18-35-year-olds see the correlation between employee engagement and length of service as particularly important, the principal age group of the hospitality workforce.



Case study



Nick White
CEO, Bistrot Pierre

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Employee engagement means connecting with your team in a meaningful way to build a stronger relationship with them. One of the biggest thing we do as a senior team is being proactive in visiting restaurants and talking directly, face to face, with team members – at least once a month. The other big thing is using Workplace to talk in a two-way communication with employees. It's a great way for everyone, at every level, to connect with each other. We can share stories, experiences, pictures and ideas. We used it a lot in the pandemic to bring people together and have continued it to this day.

It's critically important to retain your teams and it's paramount to our business now. It's got to be more than just getting a paycheck. It's always been important, but now even more so. Some businesses are really good at it and always have been, but many have had to really up their game.

Key take-outs



1

Employee engagement services make a business a more attractive place to work and there is an expectation for businesses to offer services which look after employees' physical and mental wellbeing as well as their financial wellbeing.

2

Employers need to do a better job of communicating employee engagement services not just when advertising a role, but to current employees too.

3

Employees would use employee engagement services more if they were easier to access, most employees have them but find them difficult to understand and access.

4

Health and wellbeing benefits have the power to encourage employees to switch jobs with 83% of people saying the offer of a specific health and wellbeing benefit contributed to them deciding to switch jobs.

5

Online access to pay slips, receiving pay earlier than pay day and an online chat to sort out issues with pay are the most sought after financial benefits employees are looking for.



Summary statement

Unsurprisingly, there is a demand for certain employee engagement services and even an expectation from employees. And the availability of such services increases the extent to which they are likely to remain in a role. There is a clear theme that many employees are unsure just how many benefits are available to them and how they access them – whether this alone could make them choose to leave a job is debatable but it could be a key contributing factor. It is apparent most employers aim to do the right thing by their employees, offering a range of employee engagement services but with so many services, the task of communicating them and measuring their usage can be easily forgotten. The report highlights just how key it is for businesses to provide easy access employee engagement services that are delivered as part of a well-balanced employee engagement strategy. Employee benefits have the most value in an environment where employee engagement is prioritised – and when employees are aware of all the support available to them they are more actively engaged and likely to remain loyal for longer.



About *us*



We're on a mission to make employers' and employees' lives easier, happier and healthier.

We provide an end-to-end service for payroll, pensions and employee engagement – giving your employees access to their pay, pension and employee benefits all in one place. We also take on the liability for compliance with all HMRC and Pensions Regulator requirements and provide you with your own dedicated employee engagement manager.

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