

HAMILTON COUNTY HOSPITALITY EMPLOYMENT BY THE NUMBERS

In 2019 Hotels (Hotels, except Casinos, and Motels) employed 1,084 individuals throughout Hamilton County, with fewer properties active. At the end of 2021 that number was 759 putting them 5% lower than even 2015 employment despite significant increase of 1,803 hotel rooms coming online from 2015-2021. Traditionally, that many new rooms would have required at least 180 new employees to provide adequate service. That makes the realized net hotel jobs between 2015 and 2021 approximately 500 employees.

DESCRIPTION	EMPLOYED IN INDUSTRY (2019)	EMPLOYED IN INDUSTRY (2020)	EMPLOYED IN INDUSTRY (2021)	CHANGE (2019-2021)	% CHANGE (2019-2021)	% OF TOTAL JOBS IN INDUSTRY (2020)
Maids & Housekeeping Cleaners	275	187	197	-78	-28%	24.6%
Hotel, Motel, & Resort Desk Clerks	158	106	112	-46	-29%	14.0%
Waiters & Waitresses	78	50	54	-24	-31%	6.6%
Maintenance & Repair Workers, General	65	49	52	-13	-20%	6.5%
Cooks, Restaurant	43	29	31	-12	-28%	3.8%

Twenty-one occupations in the local sector have seen double digit employment decrease since 2019. Two select occupations (house-keeping, front desk) occupy the lion's share of this employment change. From 2019-2021 local Hotels lost 28% of their housekeeping staff and 29% of their front desk workers. Occupations like Waiters and Waitresses, Maintenance & Repair, and Cooks were the next largest in total employment change, but collectively represent less than half of the loss for the first two occupations.

In this report, we will focus on those top two primary occupations of housekeeping and front desk. We'll analyze where they are now, what they're being paid, what might bring them back, and where potential new talent may be found.

HOUSEKEEPING: KEEPING IT CLEAN

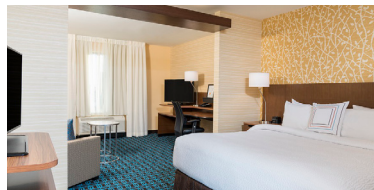
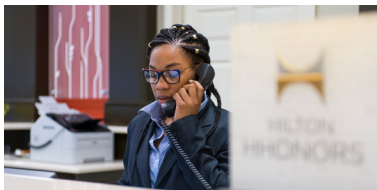
Our partners with Hamilton County Tourism (HCT) frequently hear the struggles from their hotel partners regarding retention and hiring for housekeeping staff and the drain that has on their ability to maintain productivity and deliver consistent service. Within this two-year period these workers have moved on in significant numbers from the industry.

Key data points to examine when looking at the Housekeeping profession throughout Hamilton County:

- 2021 total county housekeeping employment = 1,620 positions - 187 of these were in hotels
- 2019 pre-pandemic hotel employment for Housekeeping staff = 275 positions
- While hotels saw 78 individuals (28%) depart from 2019-21, the profession as a whole within the county saw a nine-individual increase in total employment during this same time.
- Private households are by far the largest employer of housekeeping staff, with 745 jobs in 2021, a 97 person (14%) increase since 2019
- Medical cleaning is not a true competitor, only employing 2.4% of local talent with a 5-position gain since 2019
- Janitorial services do represent 7.2% of employment but have also seen a 3 position decrease in employment since 2019
- In 2021, there was an average of 101 hires/month in this profession in Hamilton County, with 1,033 total hires and 1,135 separations
- Of these 1,620 total housekeeping employment positions in 2021, only 252 net employees came from outside of the county to meet local needs

The pandemic drove much of this change (as with most things). As more individuals worked at home and spent additional time there (in many cases with children), the demand for cleaning services in the home proportionately increased. This is especially true as employment outside of front-line workers in the county stayed consistent or even grew during the period and the average household income can support this service. Home cleaning positions possess steady paychecks, consistent hours and potential gratuity pay. Home cleaning service providers rarely recruit through traditional job postings. Of the top 20 companies hiring for this profession, only 3 hired home cleaning services, with 27 total open positions.

When examining hires and separations for the profession in 2019 prior to the pandemic, housekeeping workers were mobile and transitioned between employers at a higher pace than many other comparable industries. The positive news for industries looking to employ housekeeping professionals is that workers seem to find meaning in the tasks they perform, and rarely, if ever, transition out to another occupation. This means this talent pool has been largely insulated from the regional boom in logistics, technology, construction, and health care employment. When compared to other hospitality occupations, housekeeping professionals also do not transition to the retail or warehouse distribution space (a frequent move for other professions in the sector).



Victory On the Margins

Clearly, private households are the primary competitor for the talent hotels need locally. The good news is that the industry just needs to succeed at the margins to attract a workforce that is already prone to mobility.

To reach pre-pandemic (2019) housekeeping employment, hotels need to attract 88 additional professional and retain current levels of staffing. Overall, this means that (assuming talent mobility remains constant) hotels need to convince only 8.5% more housekeeping professionals that changed jobs in 2021 in Hamilton County to satisfy their needs.



Comparing the Industries

A cursory examination of home cleaning companies in the region show the following:

RESIDENTIAL HOUSEKEEPING	HOTEL HOUSEKEEPING
\$14-\$24/hour, weekly pay at \$700-\$800, or \$480 per week plus gratuity	\$12.50-\$16/hour Higher pay for weekend work
Opportunity for bonus pay	
No nights or weekends required	Must work weekends and lack of clarity or flexibility about schedules
Paid time off (PTO)	Paid time off (PTO)
(some) Transportation provided (but valid license required)	
Full time or part time positions	Full time or part time positions
Available medical, dental, vision, life, 401k match	Limited benefits
National holidays off	Often must work holidays

By examining migratory patterns for professionals and the language used to inform them it is easy to see that consistent schedule and pay are a top priority for individuals in this profession. It is also important to emphasize that the housekeeping profession in Hamilton County has a higher level of projected employment growth through 2028 than the entire hotel industry. These means that competition for these professionals is going to continue to increase over the next half decade.

Word of Mouth

More individuals in this profession are hired than jobs are posted. This means many candidates find out about positions through word of mouth. Engaging some existing employees actively in hiring initiatives can be helpful. Establishing internal listening groups to learn what they would like to be better can also be a good way to get them to tell you what it would take for them to refer this job to a friend. Socio-economic status is the most common social denominator among friend groups, and as such individuals are most likely to associate with individuals well-suited for positions like their own. If they are not currently referring candidates to your open positions, there is a reason behind that.

Non-Traditional Hiring - Disability Employment

Disability employment through evidence-based models like vocational rehabilitation possess significant recruitment and retention potential for well-aligned occupations. Vocational Rehabilitation is an individualized employment program. Participants may receive diagnosis, an individualized rehabilitation program, counseling and guidance, training, job placement, and services to support job retention. 71% of Individuals placed through Voc Rehab providers in Indiana are retained at the same positions two years later, far outpacing general population retention rates for many industries throughout the state.

THE GREET: SAY HELLO TO MY FRIEND

Capable front-desk and guest services staff are a cornerstone of quality hospitality enterprises. 29% (46 employees) of them have left the industry locally since 2019. Since 2015 employment has decreased by 7%, an even larger (percentage-based) pandemic impact than housekeeping. Compared to housekeeping this population possesses more complex and nuanced career paths, but also more significant opportunity for diverse and dynamic career promotion and candidate engagement.

Job Posting Analysis

Competition for these positions is fierce. Only 50% of 378 unique job postings were filled in 2021, and posting frequency is double the national average for a community the size of Hamilton County. While most workers (net of 20) live within the county the educational demographics being pulled from (high school diploma, some college-no degree) have more than a 2:1 jobs to population ratio for local positions. This means these employees have options.

Median reported earnings are just shy of \$12/hour, while the average hourly wage in job postings is \$13.97. The Median posted wage in Hamilton County for a person with zero years of experience and a high school diploma is \$14.98 (and in October 2021 reached a high of \$16.55). Customer Service Representatives and Retail Salespersons were the two positions with highest frequency for this demographic and are also frequent previous and future workplaces for hotel clerks.

When looking at job postings for this profession locally, there is a frequent misalignment of skills with the available talent pool. Auditing, for example, appears in 38% of job postings as a necessary skill, and Accounting in 19%. It is also important to consider skills sets for recruitment populations vs potential wages. Postings collectively within the county that have Auditing as a skill pay a median \$20.58/hour and most do not require a college degree.

Even skills language like, Resolving Guest Concerns, needs to be examined when recruiting for positions that do not absolutely require prior experience, as it only align with 3% of job seeker profiles. Job boards are so data driven that this misalignment can prevent good candidates from ever seeing a position. [Note: many positions also seem to require culinary/restaurant skills like Baking, Restaurant Experience etc. - is this truly needed?]

Benefits

In a cursory search of local opportunities, the benefits packages are adequate. It would be recommended to dive deeper into these and compare take-home pay costs with competitors. It also would be recommended to see what percentage of potential applicant pools qualify for Medicaid or other forms of social assistance that render said benefit inadequate.

Unfortunately, as a stand-alone, the listed wages and benefits for these posted positions are below entry level positions at Amazon, Costco, Walmart etc... and as such by themselves do not possess the ability to attract someone to a position.

Establish and Vocalize 2-3 Year Retention Priorities - Career Path

This needs to be a position people are planned to move through on a frequent (2-3 year) pace. The most frequent next step for individuals moving out of this role nationally is First-Line Supervisors of Office and Administrative Support Workers. These personnel work at insurance agencies, mortgage companies and anywhere where supervision of customer service professionals is a key component of operations. Locally these roles pay \$29.10/hour. Many external next step occupations fall in the \$20-\$30/hour range, a strong next step measure for the quality of a position.

When advertising Clerk positions to potential talent this potential for both internal and external economic mobility needs to be promoted and encouraged. It also establishes timelines for more consistent position openings that can be planned for in HR conversations.

The skills developed in this position possess universal value for individuals who are looking to develop soft-skills. High schools students, college interns, and other workers should have positions promoted to them with their career-at-large in mind, not exclusively hospitality careers.

Recruitment Pipelines

Retail salespersons are by far the best recruitment population for these positions with over 3,000 local individuals employed in the profession at under \$14/hour (Note: 5,000 total individuals with similar experience to job posting backgrounds locally). This is also a population with large out-migration and looking for new opportunities. Sales and Customer Service are prevalent skills in many seeker profiles. Coordinated campaigns that subliminally advertise benefits of hospitality compared to retail would produce solid candidate ROI. On average 366 individuals are hired monthly into this profession through 2021, so victory at the margins would (similar to housekeeping) be adequate to meet local employment needs).

Non-traditional talent also provides a potential talent pool that should be explored. Non-violent re-entry pipelines in particular, can provide a small number (-12-20) high quality candidates per year for positions like these that have opportunities for training and skills development.

CONCLUSION

The struggle of local hoteliers for labor is a very real concern for the local economy. For every five rooms added since 2015, local industry has lost one employee. The good news is there are very real steps that can be taken to create victory at the margins and identify qualified talent, improve retention strategies, and support non-traditional employment populations throughout the County.

This industry, if utilized effectively as a "best first step" for many diverse, in-demand career paths could become an economic engine for the County unlike any other.

Primary Data Source: EMSI-Burning Glass 2021

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