Employing Student Workers in the Hotel Industry on a Part-Time Basis

Shu-Hwa Hsiao  
*Minghsin University of Science and Technology, shuhwa.hsiao@strath.ac.uk*

Tom Baum  
*University of Strathclyde, Glasgow, t.g.baum@strath.ac.uk*

Chih-Ching Teng  
*FuJen Catholic University, chihchingteng@yahoo.com.tw*
EMPLYING STUDENT WORKERS IN THE HOTEL INDUSTRY ON A PART-TIME BASIS

Shu-Hwa Hsiao
Department of Hotel Management
Minghsin University of Science and Technology, Taiwan

Tom Baum
Department of Hospitality and Tourism Management
University of Strathclyde, Glasgow, U.K.

and

Chih-Ching Teng
Department of Restaurant, Hotel & Institutional Management
Fu-Jen Catholic University, Taiwan

ABSTRACT
Using student workers can be seen as a flexible option for many organizations. Drawing data from interviews with hotel managers, this study aims to explore flexible options as a response to labour shortages in the Taiwan hotel industry, specifically to explore the potential of employing full time college/university students as part time workers in the hotel industry and to provide insights into hotel managers’ perceptions in employing full time college/university students to work on a part time basis. The findings suggest that student labour is considered an effective and a flexible human resource to meet employers’ needs in solving the labour shortage problem in the hotel industry.

Key Words: flexible labour, hotel industry, part time workers, student labour

INTRODUCTION
Long trading hours is a key characteristic of industries such as retailing, hotels and catering. These industries are labour-intensive and highly variable in terms of the demand cycle within which they operate (Curtis and Lucas, 2001; Johnson and Lucas, 2002). Because of the characteristics of these industries, the manpower required fluctuates on a seasonal basis. In Taiwan, the high season is usually during special days, such as so called good days, huang dao ji ri (Chinese slang: refers to an auspicious day; a propitious date; a lucky day), wei ya (Chinese dialect: the 16th day of the 12th month in the lunar calendar when every business owner entertains all employees at a dinner party), etc. Chinese people believe that holding an event on a good day will bring people happiness, luck and fortune. Therefore, many events such as spring wine parties (wei ya) and weddings will be held at the same time. Hotels need a large number of employees, especially drawn from part-time and casual labour.

Over the past two decades, the hospitality and tourism industries in Taiwan have grown dramatically and the demand for human resources has been increasing. Finding ways of easing labour shortages have become a serious challenge. Many solutions such as employing older workers, employing student workers, and importing foreign labour, have been implemented in order to ease labour shortage problems in the hospitality industry. As a strategic response to labour shortages in the hospitality industry, some organisations are taking a fresh look at the potential of older workers (Magd, 2003). Alternatively, Lucas and Ralston (1996:21) conclude that “employers’ employment of student labour could be a combination of strategic choice and pragmatic response”. Baum (2006:47) points out that “the nature of demand in the tourism industry is such that part time options have long been recognized as an important strategy to meet labour requirement at peak times”. Students are considered to be more flexible than other sectors of the part time and casual labour market (Lucas and Ralston, 1996). Employers’ demand for part time labour corresponds with students’ needs to seek part time employment (Taylor, Smith and Cooper, 1999).

Oi and Morrison (2005) note that most studies of term-time working among university students has been undertaken in western universities, and it is rare for studies to have been conducted in East Asia. In this study of student labour in Taiwan, flexibility and flexible labour provide the theoretical context. The objective is to explore
flexible options as a response to labour shortages in the Taiwan hotel industry, specifically to explore the potential of employing full time college/university students as part time workers and to provide insights into hotel managers’ perceptions in employing full time college/university students to work on a part time basis, with respect to their advantages, disadvantages, and preferences. Therefore, the following research questions are addressed:

Key Research Question:
To what extent does student part-time work represent a form of workplace flexibility?

Sub-questions:
1. What are the advantages of employing full time college/university students as perceived by Taiwan hotel managers?
2. What are the disadvantages of employing full time college/university students as perceived by Taiwan hotel managers?
3. What are the preferences of employing full time college/university students among Taiwan hotel managers?

LITERATURE REVIEW

2.1 Flexible labour

Occupational Outlook Quarterly (2000:31) reports on “Future work in the 21st century”. This report indicates that three issues define the 21st century workplace: “the work being done, the effects of technology and globalization, and the implications of workplace change”. As to workplace change, it reveals that employers not only demand skills, but also a flexible workforce. Nontraditional work arrangements help employers meet a variety of staffing needs and help workers meet personal, professional, or other goals or obligations. Flexible labour provides the theoretical context for this study. Flexible labour is usually taken to include part time, temporary or casual workers, and self-employment (Felstead and Jewson, 1999; Sheridan and Conway 2001; Lai, 2005). This includes freelancing, subcontracting, outsourcing, home working, teleworking, franchising, zero-hours contracts, fixed-term contract, seasonal working, flexi-time and consultancy work (Forde, 1998; Sheridan and Conway 2001; Lai, 2005). They are all included in the non-standard labour force (Felstead and Jewson, 1999). Goodeham and Nordhaug (1997) argue that the “flexible firm” model suggests strong sectoral differences but it does not mention which sectors will be most likely to adopt numerical flexibility. Cousins (1994) notes a decline in full time work and a growth in new forms of non-standard employment, such as part time, temporary work, homeworking and annualized hours. Cousins (1999) also argues that deregulation of labour markets in Germany, Spain, Sweden and the UK has increased the incidence of non-standard employment.

The common reasons for employers using different types of flexible staffing arrangements are the need to adjust workload fluctuations, staff absences and to gain savings on benefits and costs (Houseman, 1997; Houseman, 2001). However, the disadvantages of these flexible staffing arrangements for employees is that they often receive less security and fewer tangible benefits compared to regular full time workers. They receive fewer benefits such as paid vacations and holidays, paid sick leave, pensions and health insurance than their permanent and full time counterparts (The Worklife Report, 1997).

2.2 A Flexible Workforce – Student Workers

Research indicates that retailing and hospitality industries often hire and prefer a young workforce (Warhurst et al., 2000 and Curtis and Lucas, 2001). Meanwhile, over 50% of employed teenagers are full-time students (Curtis and Lucas, 2001). Hotels and restaurants often employ the highest proportion of younger workers among the age group between 16 and 25 (Curtis and Lucas, 2001). Using student workers appears to match these age-conscious industries’ demands (Lucas and Lammont, 1998). Canny (2002) states the transition from school to work has become more complicated. It causes a student displacement effect. In this sense, students may deny working opportunities to non-student workers in some segments of the labour market. “The trends in grocery retailing suggest that early school leavers (who are predominantly from working-class backgrounds) will face significant competition from students who are benefiting from the availability of part time and other forms of flexible employment” (Canny, 2002:297).

Employing students from universities for part-time jobs is widespread in hospitality among many western countries such as U.S., the UK, Australia, and the Netherlands. The numbers of students working in part time jobs
are increasing enormously in these countries, especially in the service sector in retailing, catering, hotel and other consumer service industries (Robinson, 1993; Curtis and Lucas, 2001; van der Meer and Wielers, 2001; Canny, 2002).

2.3 Taiwan’s context
In recent years, the service sector has become a major element of Taiwan’s economic makeup. According to the Directorate-General of Budget, Accounting, and Statistics, the service sector contributed 73.6% of GDP in 2005. The average growth rate from 1997 to 2005 was 4.7%, considerably higher than that of the manufacturing sector where it was 0.2%. Moreover, the numbers employed in the service sector was 58.3% of total employment (Hsu and Huang, 2007, p. 4, 5). The second dimension is highlighted in a 2007 survey from the Directorate-General of Budget, Accounting, and Statistics which shows that 252,327 people view themselves as part-time employees. This constitutes 2.5% of total employment. Using a broader definition of part-time work as that of employees for whom working hours are less than 35 hours per week, the figure is closer to 366,316 in the economy or 3.6% of total employment. Nearly 50 percent of part-timers are students and 18.1 percent describe themselves as housewives (Executive Yuan, 2008).

2.3.1 The growth of Taiwan’s hotel industry
In the past two decades, the hospitality and tourism industries in Taiwan have grown dramatically. The government announced the “Double Tourism by Year 2008” plan in 2002. The purpose of this plan was to double the number of international tourist arrivals from 2 million to 5 million within 6 years. The government’s declaration of 2004 as the “Year of Tourism” not only showed the administration’s emphasis on Taiwan’s tourism industry but also reflected the importance of that sector for Taiwan’s overall economic development (Travel Weekly, 2003). Under this plan, the government, enterprises, and scholars work closely together to develop ways to encourage international tourists to come to Taiwan and also make local people enjoy domestic tourism. Therefore, this will create even greater demand for labour.

Due to the rapid growth of the hospitality industry in Taiwan, the demand for human resources has been increasing as well. Table 1 indicates that manpower demand in the hospitality industry in Taiwan in 2011 is projected to be 56,461.

<table>
<thead>
<tr>
<th>Year Department</th>
<th>2006</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management level</td>
<td>3,840</td>
<td>4,019</td>
</tr>
<tr>
<td>Front desk office</td>
<td>11,546</td>
<td>12,086</td>
</tr>
<tr>
<td>Housekeeping</td>
<td>12,608</td>
<td>13,196</td>
</tr>
<tr>
<td>F &amp; B service</td>
<td>13,912</td>
<td>14,561</td>
</tr>
<tr>
<td>Management department</td>
<td>7,459</td>
<td>7,808</td>
</tr>
<tr>
<td>Others</td>
<td>4,577</td>
<td>4,792</td>
</tr>
<tr>
<td>Total employees</td>
<td>55,944</td>
<td>56,461</td>
</tr>
</tbody>
</table>


3. RESEARCH METHODS
A qualitative approach was adopted to achieve the objectives of this study and to answer the research questions. Compared to large-scale quantitative surveys, qualitative methods focus on small samples and provide a useful way to probe for insights into how respondents see their world (Easterby-Smith, Thorpe and Lowe, 1991). Hence, an in-depth interview technique was employed in order to collect data to provide an insight into participants’ points of views. Purposeful sampling was used in this study. The research was based upon qualitative interviews with 18 full-time hotel managers in international tourist hotels in Taiwan. Semi-structured and in-depth interviews were used to explore how hotel managers perceive the employment of full time college students. In-depth interviews with hotel managers were organised in three parts according to the research questions. The first part focused on
obtaining background information of hotel managers. The second part focused on exploring the perceptions towards the employment of college students, with respect to their advantages and disadvantages. The final part focused on exploring hotel managers’ preferences regarding future employment of college students as a solution to the labour shortage problems in their organisations. The researcher contacted General Managers (GM) and Human Resources Managers in 10 international tourist hotels in the Taipei area by letter and follow-up phone calls. Eight hotels agreed to participate and two refused to participate because they did not employ many part timers in their hotels. Since most GMs referred the information to Human Resources Managers who are in charge of employment, most interviewees were recommended by Human Resources Managers. Interviews were conducted until saturation of data was attained. All participants accepted that their interviews be recorded by a digital recorder. Using a digital recorder has advantage over note taking because note taking may distract the interviewer and they may miss some critical clue or issues. Thematic analysis approach was employed on the analysis stage. “Thematic analysis is a process to be used with qualitative information” and “is a process for encoding qualitative information” (Boyatzis, 1998:4).

4. FINDINGS AND DISCUSSIONS

4.1 Profile of respondents

Of eighteen respondents, eleven female managers and seven male managers participated. Their positions were as follows: five Human Resources Managers, six Food and Beverage Managers, five Banqueting Managers, one Front Office Manager and one General Manager. Most respondents have been working in the hotel industry for a long period of time. Their years of working experience in the hotel industry ranged from 10 months to 30 years. The average length of work experience in the hotel industry is 14 years.

4.2 Managers’ Perceptions toward the Employment of College Students

From a management perspective, using the pool of students seems an effective human resource. Labour force flexibility provides employers with significant advantages such as reduced risks, reduced costs, and matching work and employee and availability. Labour force flexibility also helps organisations to enlarge and decrease their labour resources according to temporal demands (Brewster et al., 1997; Lai and Baum, 2005). It is evident from the findings that hotels benefit from using full time college/university students including covering manpower in times of shortages, as a means of saving costs and flexibility. Also, some managers highlight particular benefits as university students’ unique attributes. Hotel managers in this study perceive university students as very flexible. Some managers feel that they benefit from reducing costs, such as labour, and training. Even though some managers do not think that it helps them save costs, using part timers in banqueting is seen as better than full timers.

4.2.1 Benefits from using full time college/university students as part time employees

Hotel managers note that using full time college/university students as part timers in hotels does benefit employers. Based on managerial experience, the major benefits of using full time college/university students are to cover temporary manpower needs and to find them at short notice. This study confirms the literature finding that many employers value students because of their ‘flexibility’, which helps them to deal with demand variations, and the availability of students provides cover for regular full time staff during weekends or on holiday leave (Lucas and Ralston, 1997; Barke et al., 2000). Reduction in labour costs is a major advantage of using students (Walsh, 1990). Student workers bring some positive attributes to the jobs. Employers perceive students as an intelligent and articulate young workforce and they are numerically and functionally flexible. Employers view students as high quality workers that can learn things quickly (Ford et al., 1995; Hofman and Steijn, 2003).

4.2.3 Drawbacks from using full-time college/university students as part-timers

Based on managers’ experiences, the drawbacks to hotels are that it can be hard to control service quality and there can be a higher turnover rate of staff. Different requirements and standards for part timers between high and low season in hotels can lead to inconsistency in service quality. Hotels have difficulties in managing student workers and experience challenging times during school examination periods. Hotel managers indicated that hotel jobs do not provide students with a stable income. Higher turnover rates might be due to unstable income from hotel jobs. Managers perceive that part timers are not a consistent human resource so that their flexibility has its downside.
4.3 Managers' Preferences Regarding Future Employment of College Students

Managers all agreed that it will be essential to continue to use full time college/university students on a part-time basis, because of market demand and manpower requirements. This study confirms previous research which states that retailing and hospitality industries prefer a young workforce (Curtis and Lucas, 2001; Warhurst et al., 2000).

"I feel it is certainly. It’s not “yes” or “no”, but it’s a trend and your demand in market. (Respondent No.13)"

"I believe that if we want to survive, this is the only way. (Respondent No.15)"

Some hotels prefer hospitality major students when using college/university students as part timers because college/university students have stronger ideas, they are more tenacious, and they can pick up work very quickly and faster than those who are non-related major students.

"Actually, as to university students as part timers, we feel that it’d better use hospitality major students. We prefer they are hospitality major because they might have stronger idea and they are more tenacious than non-related major students. (Respondent No. 11)"

As to gender, most managers feel that they do not have any preferences. They use both females and males.

"Who can do it and who can complete it are the most important. Males and females do the same things now and they all roll tables and set up chairs. (Respondent No.17)"

However, some managers prefer to use males, especially in Banqueting departments, because they can do many things, including heavy work.

"In Banqueting, we still prefer using males. Yes, because males can be used like heavy labourers and females can be used like males. (Respondent No.7)"

4.4 Departments using part-timers

Hotels traditionally use large numbers of part-time and casual staff who are frequently employed in key areas such as banquets and functions, within which events are very important and profitable to hotels and they usually work special shifts (Guerrier and Lockwood, 1989). The findings disclose that the Banqueting department uses the largest number of part-timers in their hotels. F&B and Housekeeping departments use some, but it is rare in the Front Office department. In addition, some part-timers work in back of house areas such as the pastry department. Administrative offices use virtually none.

"In fact, there are many part-timers. Our part-timers are a large portion of our workforce. We might have around two-thirds of part-timers in one event” (Respondent No.18).

“So far Banqueting uses part-timers the most... Front Office department do not consider to use part-timers, even interns” (Respondent No.7).

4.5 Workplace Flexibility

Fluctuating demand is universal in hotels and is one of the main reasons for part-time employment. Most hotels use their labour flexibly. Based on very practical considerations, hotels do not only use college/university students on a part time basis. They use both vocational high school students and college/university students because during the examination periods they can cover for each other. They also feel that college/university students have more time flexibility and their working time and abilities are similar to full timers. Hotels and students can benefit from reciprocity.
...students’ time is more flexible and even their working time is same as a full timer’s working time and ability. Therefore, I feel that it might be reciprocity. He can know this working place earlier and we also cultivate students as our full timers ahead. (Respondent No.15)

4.5.1 Using manpower flexibly and cost saving

As discussed earlier, the reasons that managers use full time college/university students on a part time basis are greater flexibility in allotting manpower and achieving cost savings. These findings confirm the wider literature picture. This provides evidence that employers’ demand for students is associated with their desire to control labour and maximise flexibility (Lucas and Ralston, 1997; see also Curtis and Lucas, 2001). University students provide a high degree of functional and numerical flexibility (Lucas and Ralston, 1997; Curtis and Lucas, 2001). Part time employment is more flexible than standard full time work (Tilly, 1991; Adams, 1995; Brewster et al., 1997; Armstrong, 2003). Recruiting workers as part timers can meet odd hour requirements (Tilly, 1991; Adams, 1995).

Of course, using such a student really benefits hotels in labour costs consideration or time and training consideration. (Respondent No.7)

4.6 Part timers’ importance and their contribution to hotels

Part-timers are generally known as part of the flexible workforce in the employment market. Flexible working provides cost savings and other benefits that encourage employers to reduce their full-time head count by using a variety of outsourced, subcontracted and part-time options which are available (Field 1996, Brewster et al., 1997; Sheridan and Conway, 2001; Lai and Baum, 2005). Fluctuating demand is one of features of the hotel labour market. Since there is variation in demand in hotel operations, employing part-timers allows employers utilise their manpower flexibly. Managers in this study agree that part-timers are very important to hotels, and they also think hotels need part-timers who can save costs. All managers think that part timers, as a human resource, are very important to hotels, especially for banquets and catering, which have fluctuating demand characteristics.

... a part timer is a very important human resource channel to the hotel industry because we have some big banquets or caterings, etc. that need a large number of servers. (Respondent No. 1)

Their contribution is large. They help us a lot. (Respondent No. 18)

5. CONCLUSIONS

Using college/university students on a part time basis seems a flexible option for the hotel industry to ease labour shortage problems. The findings suggest that employers perceive student workers as a high quality workforce. Employers benefit in employing student workers on a part-time basis and most employers are willing to use student workers, especially full-time college/university students, to work in the hotel industry. Employers benefit from cost savings and using manpower flexibly. It seems almost certain that employers will continue using full time student workers in the hotel industry. However, managers experienced some drawbacks to hotels. It can be hard to control service quality and there can be a higher turnover rate of staff. The different requirements and standards for part timers between high and low season in hotels lead to inconsistency with service quality. Even though the high labour turnover rate of part time staff, managers believe that using college/university students might enhance hotels’ overall quality of employees and they would like to utilise these young workforce continually.

The contribution and implications of this study for researchers, practitioners, and policy makers are as follows: (1) this research bridges a gap in knowledge about the role of student labour in the hotel industry, which has been neglected in labour market research, particularly within the flexible labour literature; (2) this study explores the utilisation of full time college/university students as a solution to the labour shortage problem; (3) this research provides indications as to why and how hotel managers make decisions on using student workers; and (4) this research leads to a deeper understanding of the student role in the hotel industry.
In addition, this study raises questions about a number of additional areas. Firstly, from this study, it is evident that student workers provide an effective human resource and are very important in the hospitality industry. The pool of student workers does provide both functional and numerical flexibility to employers. Employers are willing to continue to use student workers and tend to use them extensively. Therefore, researchers need to consider impact of this on labour markets in hospitality — “how does the extensive use of student workers impact on the labour market?” Secondly, students working and studying, especially in the level of college/university, seems an international trend. Both students and school educators need to pay more attention on the impact of education in terms of academic performance. The final issue is “What are working patterns of student workers in part time employment?” To understand student workers’ working patterns helps employers to utilise their human resources effectively.

This study also provides insights into some implications of flexibility theory for organizations that use part time employees such as student workers. Flexibility engages the creation and promotion of dynamic capabilities that allow organisations to rapidly respond to various unpredictable contingencies and demand changes (Huang and Cullen, 2001). This study suggests that employers effectively utilise their employees flexibly in order to survive and continue. In addition, employers must be flexible and well organised to meet the changing demands of dynamic environment.

There are some methodological limitations during the data collection procedures. Because of time and financial considerations, the findings were limited by the location of the sample. Since this study focuses on metropolitan areas, i.e. Taipei (the capital of Taiwan, in the north) and the international tourist hotels in Taipei, the limitation for this study is that the findings may not be generalisable to all areas of hotel operations and to hotels in rural locations.

REFERENCES


Occupational Outlook Quarterly, 44(2), 31-36.


