

## **Careers in Everyday Industries research project, 2021-2023, Executive Summary**

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Retail and hospitality are ‘everyday’ industries that employ up to 20% of the Australian workforce, and make valuable economic, social and cultural contributions to Australian communities. This report details the rationale, method, findings, outputs and implications of a two-year research project, funded by the National Careers Institute. The project sought to examine important, but historically undervalued, jobs in the retail and hospitality industries, and attitudes held about them by various stakeholder and influencer groups. The research team brought together expertise from four organisations: Erica Smith and Andy Smith (Federation University), Victor Callan and Richard Robinson (University of Queensland), Darryn Snell (RMIT University), and Antonella Sterrantino and Silvia Munoz (Skills IQ Service Skills Organisation). The project commenced in immediate aftermath of the COVID-19 pandemic. While the pandemic highlighted the importance of these industries to the community it also subsequently created a skills crisis. These unique circumstances impacted the research design and method and influenced the findings.

The project involved ten distinct research activities. The initial preparatory phase involved an analysis of secondary data on the retail and hospitality industries followed by an analysis of previous projects relevant to this project carried out by members of the research team. Several secondary data sets including Australia Bureau of Statistics (ABS) census data, LSAY (Longitudinal Survey of Australian Youth) data, NCVER VET data, Victorian ‘On Track’ data. Collectively, these analyses demonstrated the very large number of jobs and opportunities available across these two industries, and ABS data showed that significant numbers worked at managerial level. However, youth data also showed that very few young people expected to be working in retail or hospitality at age 30, despite the substantial employment of young people in these industries. An examination of the VET data suggested the training system, in terms of numbers enrolled and qualifications offered, did not serve these industries well (especially retail). An analysis of three related previous projects showed how many young people who commenced part-time employment in the industries remained employed in them as they transitioned to university studies, even though they had been influenced by school career advisors not to regard these industries as appropriate for their longer-term career prospects. Despite the evidence that employers actively promoted the diversity of career paths in their industries for part-time student workers, poor public perceptions seemed to be deeply ingrained amongst young people, their families and careers advisers in schools.

The project fieldwork involved eight primary research activities, the first of which sampled a cross-section of 15 retail and hospitality stakeholders by interview. Most of the interviewees had enjoyed long and rewarding careers in their industries, often starting on the ‘shop floor’. They admitted that the industries suffered from poor public perceptions, sometimes as a result of poor employment practices in some sectors. However, the interviewees considered that the diversity of opportunities and the commensurate rewards for those who work in retail and hospitality are poorly understood and not promoted sufficiently, especially to students in their formative years. Some thought that a more co-ordinated approach from industry, trainers and educators, peak bodies and government was required to change these negative narratives and build a broad awareness of the benefits of working in the industries - developing vital transferable employability skills and building awareness of the entrepreneurial, managerial and executive opportunities both retail and hospitality offer.

Following the expert interviews, seven company case studies (four in retail and three in hospitality) were carried out involving interviews with a diverse range of head office staff human resource managers and site-based supervisory and operational staff. We discovered that entrants who showed ambition and commitment were able to improve their pay and conditions and rapidly progress their careers into a diversity of roles. But these messages didn't always filter down to the young, casual workforce. Larger companies offered well-structured staff development and training programs, and internal marketing of career opportunities and pathways was widespread– but companies found that in the post-Covid-19 era attraction into entry-level roles had become more difficult.

In order to understand the educator perspective, four focus groups were conducted with academic experts teaching hospitality and/or retail in higher education institutions. We learnt that the majority of these educators had enjoyed rewarding careers in the industries they were teaching and continue to research in the industries, giving them credibility with students. They agreed that perceptions of the industries needed to be addressed by improving conditions but also generating better awareness of career opportunities and pathways. The educators suggested more sophisticated and diverse channels were required to market these opportunities, from showcasing successful career histories, to embracing social media, and facilitating networking and mentoring. Both industries employ large numbers of international students, but they generally have a poor understanding of the industries, and some are motivated by other factors such as achieving permanent residency status. The Covid-19 pandemic had negatively impacted perceptions of safety and security in these industries, but other opportunities were emerging such as the rise of online shopping.

The research also investigated the perspectives of influencers in secondary education. A survey of Careers Practitioners was administered via two national careers associations. The data showed that the majority of the respondents had worked in these industries, usually as students, and considered they had medium to high levels of knowledge of retail and hospitality. Despite this, respondents also tended to underestimate managerial salaries. They admitted that about 80% of the students/clients they advised had only a medium to low knowledge of careers in the industries and interest in retail or hospitality careers was low. Forty-five per cent of the careers advisors thought that young, part-time workers in these industries would be discouraged from imagining long-term careers for themselves. The implications of this phase of the research were that advisors should become more knowledgeable of the professional career pathways that retail and hospitality offer, should be active agents in creating, and advocating for, improved career resources and promote the excitement and mobility these industries provide.

The next phase of the project sought to elicit the perspectives of labour market entrants. Three focus groups were conducted of recent school leavers, many of whom had worked in the industries. The findings suggested that their although their career goals were quite concrete they did not consider retail or hospitality as rewarding or lucrative, having experienced poor working experiences in their youth. Interestingly, some of the students reported these industries did not align with their values, especially environmental sustainability. Most notably, they commented that careers in these industries were not promoted to them, and that they did not know about the diversity of rewarding opportunities beyond entry-level, operational roles. More positively they commented on the transferable skills they developed in their roles, and the strong camaraderie of workplaces in retail and hospitality.

Four focus groups of university and TAFE students were conducted in Queensland and Victoria. The participants reported almost exactly the same issues as their younger counterparts. A key difference was that this cohort of young people seemed to have a broader awareness of the opportunities available to them in the industries. Key messages from the focus group students

were that the industries need to address the perceived poor experiences of youth by addressing persistent structural issues - and more actively promote career pathways and opportunities via various channels including mentorship and coaching.

In order to probe public perceptions of the industries, a general public survey on employment and careers in retail and hospitality was administered on-line, yielding 59 responses. Well over half the sample had experienced working across the two industries, although predominantly while studying and most had worked for less than five years. Despite these experiences the sample generally had a low level of knowledge of the industries, and this was reflected in their underestimation of salaries in managerial posts, particularly for hospitality. Approximately two-thirds of the respondents rated training in these industries average or better (hospitality being perceived as the better trainer), that the industries mostly employed candidates without a university education and less than a third of the sample thought these industries enjoyed higher than average prestige. They suggested that work experience in these industries developed valuable transferable skills, however, these industries were discussed less than other industries with the respondent's children and only 20% said they would be pleased if their children chose careers in the industries. As a result of experiences during the Covid-19 pandemic, about two-thirds of respondents had negative perceptions of retail careers, rising to 80% for hospitality. Implications from the general population survey suggest that as influencers their perceptions of industry needed to be better informed, and improved, otherwise they would continue to consider that these industries are only suitable as stop-gap employment for students and those that do not gain university qualifications.

Finally, an international comparison was carried out by conducting interviews with six vocational education experts and executives in Germany and Switzerland, where careers in these industries are traditionally more highly valued and educational and apprenticeship pathways richer and more structured. The interviews revealed that in these countries apprenticeships were common for retail and hospitality across many of these industries' occupations. Streaming into vocational education (as opposed to academic pathways) occurs in junior secondary school. The vocational pathways were well-supported and resourced, however, over time the retail and hospitality industries have suffered a similar decline in attractiveness. Based on these findings, there is an urgent need to review formal training and education arrangements (VET & HE) to align with best practice internationally and to appropriately fund qualifications in these industries.

The project culminated in the development of a compendium of accessible 'At a Glance' documents, which synthesised the project by offering insights and actions for; career seekers, career practitioners, family, community and other career influencers, retail and hospitality businesses/employers, and policy makers. These insights could be improved on into the future by ensuring access to secondary students and data-linkage studies further exploring the potential of government secondary panel data.

Project web site <https://federation.edu.au/institutes-and-schools/ieac/research/rave-researching-adult-and-vocational-education/recent-research/nci-project>