Services staff are humans, too – and customers need to understand this

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Technology alone won’t solve the hospitality crisis. The human touch works both ways. Let’s stop seeing the work as low-status and value these workers.

Julien Cayla

The services sector has never been so important to Singapore’s economy. It now employs more people than manufacturing and construction combined. A 2022 World Bank report predicts that this trend will continue, with the services industry accounting for 75 per cent of total employment by 2030. However, a crisis looms for the services industry. In hospitals, hotels and restaurants, the turnover and vacancy rates have never been so high. Since 2018, the turnover among nurses in Singapore has more than doubled from 6 per cent to 20 per cent. In the hotel and restaurant industry, demand is picking up, especially as tourism trends towards pre-pandemic levels, and most operators complain about manpower shortages. Singapore’s international arrivals already beat forecasts in 2021, and tourism is likely to return to pre-pandemic levels by 2022. With the return of big entertainment events such as the recent Formula 1 Grand Prix and the Singapore Airshow earlier in 2023, the need for hospitality workers is greater than ever. Singapore’s growth is threatened by a recruitment and retention problem in services.

How should services firms combat this crisis? True, technological investments will confront this crisis? True, technological investments will address some of these issues by raising productivity. But manoeuvre shortages are the crunch point right now. Research shows that, in addition to low pay, other – less quantifiable – aspects weigh on the retention of front-line services staff: low status and a lack of recognition.

TREATED AS INVISIBLE

A major challenge for the services industry is the lack of recognition – the lack of appreciation, interest or approval that others express towards services occupations. But while organisations usually focus on internal systems of recognition (think “employees of the month”), recognition from customers is increasingly important. Positive interactions with customers are central to meaningful services jobs and can offset the difficulties encountered during a challenging day. Yet services employees suffer from the lack of appreciation for their work or their status and struggle to be recognised. My colleagues and I identified four areas that explain the services recognition crisis.

First, services workers complain that customers often treat them as invisible. Restaurant workers told us about customers failing to make eye contact. In the retail sector as well, there is increasingly more invisibility for the work of front-line employees.

The introduction of chatbots and automated cash registers may be convenient and increase productivity, but research also demonstrates that it tends to make services work more invisible and therefore less valued. Second, there is a status crisis. A restaurant worker told us of a parent cautioning her child about the consequences of not doing homework, gesturing towards the worker as an example of someone who had not. Our research shows that this type of interaction can have a profound emotional effect on services workers, leading to stress and burnout.

Third, services workers complain that clients do not appreciate the skills required to work as services jobs. Hospitality workers, for instance, often undergo rigorous training that takes years to obtain. Yet, their skills remain underappreciated by customers.

Fourth, customers often treat services workers as if they have no feelings of their own. In the work in luxury hotels, we frequently witnessed expressions of verbal abuse from customers who often interacted with staff as if the worker’s feelings did not matter.

Services is usually a human and social interaction. Simple forms of appreciation such as asking services workers how they are doing, acknowledging their work or their feelings can go a long way in making frontline services jobs more bearable, even meaningful, says the writer. ST PHOTO: KUA CHEE SIONG

THE APPROACH BY GOVERNMENT AND MANAGEMENT

The Singapore Government is investing more than $1 billion annually in workforce retraining through SkillsFuture Singapore. This push to improve the skills of Singaporeans is a major opportunity. However, with its heavy emphasis on technology, the SkillsFuture programme also gives the impression that the only way to improve the services sector is through the productivity gains that technology affords. This is at least partly misleading.

Recent research on technology in the services sector provides a more nuanced perspective on the benefits of services technologies. In a book titled Robots Won’t Save Japan, anthropologist James Wright highlights the costs, challenges and inefficiencies of robots in the healthcare sector. Even in Japan, where the assumption was that people would be more receptive to robots, patients complained about the lack of human touch, and services workers saw their long hours increase. The idea that technology will solve the services crisis is a dangerous myth.

SO, WHAT CAN BE DONE?

First, we need to better understand the joys and pains of services jobs. Beyond surveys and statistics, we need to more closely track the experiences of services workers. The Institute of Policy Studies’ recent research on gig workers, for example, shows how insight can inform oversight in the services sector. The study has already led the Singapore government to strengthen the protection for gig-employed workers. As well, the emphasis on achieving excellence within the hospitality industry will greatly contribute to elevating the recognition of these jobs.

Although this problem is probably unique in Singapore, other technological innovations could help protect services staff.

Third, Singapore needs to raise the status of front-line services jobs. For instance, in the hospitality sector, more can be done. In the past few years, Singapore universities have eliminated their hospitality and tourism programmes, leaving the Institutes of Technical Education and foreign operators to fill the gap. This is unfortunate since it further reinforces the idea that hospitality careers have less potential than IT or finance.

The recent arrival of the Swiss hotel school EHL in Singapore may change attitudes. In London, EHL’s exceptional training restaurant, Le Noveau, has a star chef, a Michelin star, and the campus itself embodies interaction with local cafes, a plant-based canteen, a cocktail bar and a jazz club. The school attracts students from all over the world, including many students from Asia. Could a similar local model be developed in Singapore, with its distinctive heritage and history? A top-notch hospitality training in the city would not only address some of the industry’s challenges by training highly skilled hospitality workers and executives, it would also enable firms to attract top talent.

While a renewed focus on hospitality education may not fully solve the recruitment and retention crisis, it could help address some of the industry’s challenges by training highly skilled hospitality workers and executives. In turn, the emphasis on achieving excellence within the hospitality industry will greatly contribute to elevating the recognition of these jobs.

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