

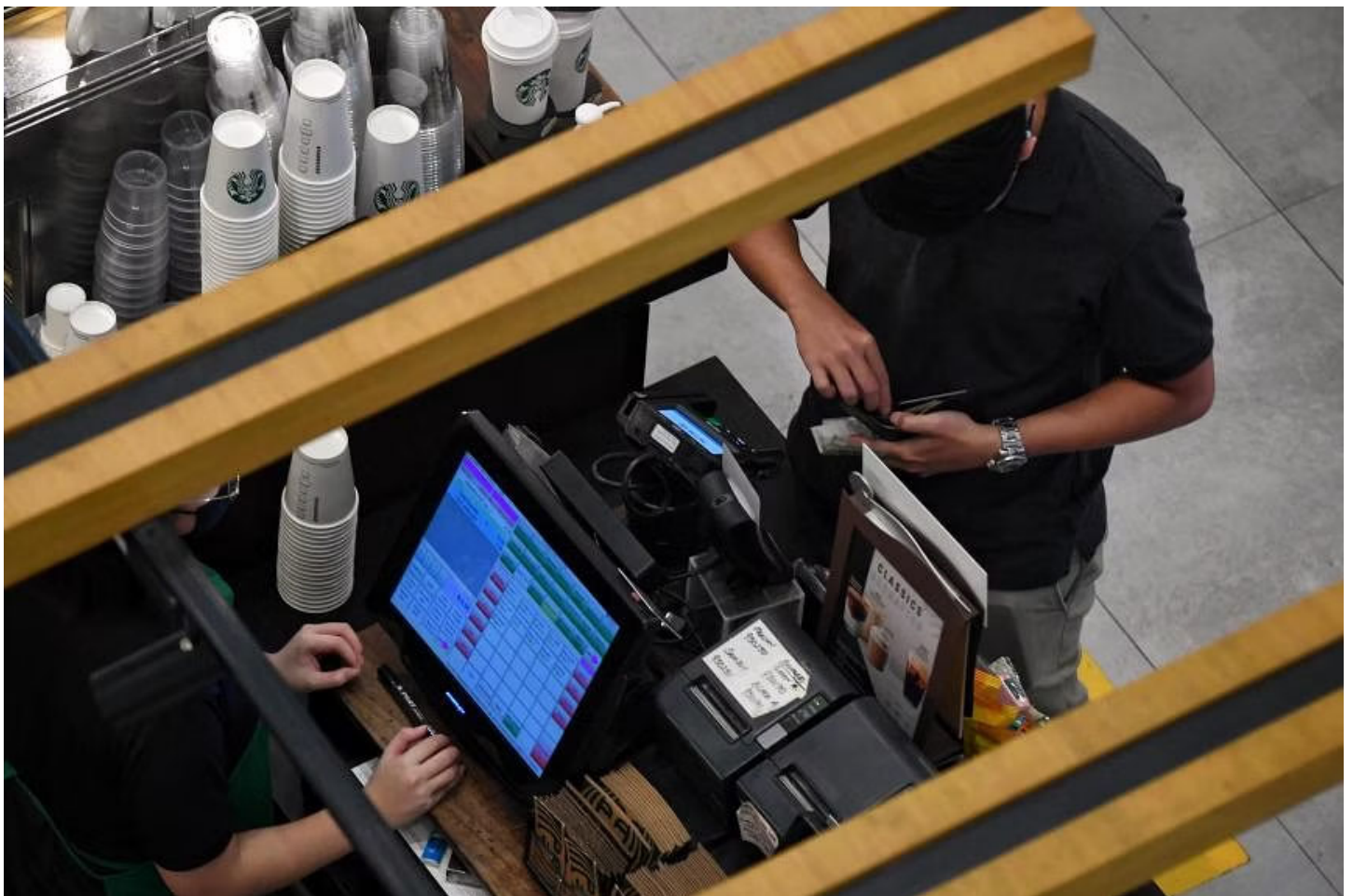
THE STRAITS TIMES

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

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

Julien Cayla



A major challenge for the service industry is the lack of recognition – the lack of appreciation, interest, or approval. ST PHOTO: KUA CHEE SIONG

UPDATED 18 MINS AGO ▾

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 2019, the turnover among nurses in Singapore has more than doubled from 8 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 2022, and tourism is likely to return to pre-pandemic levels by 2024. 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 confront this crisis? True, technological investments will help address some of these issues by raising productivity. But manpower 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 “employee 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 in 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 our work in luxury hotels, we frequently witnessed instances of verbal abuse from customers who often interacted with staff as if the services worker's feelings did not matter.

Service 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 front-line services jobs more bearable, even meaningful.

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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 self-employed people working for online platforms. By better understanding services work, organisations and businesses can offer more relevant solutions.

Second, companies need to better protect services workers from customers and users.

Singapore hospitals are now training staff to better handle abuse and harassment. Hospitals, buses or government offices now have signs that ask customers to respect employees. While these policies are based on good intentions, we also need to better understand where the rise in customer abuse is coming from, and evaluate the effectiveness of various intervention practices.

Technology can play a role in protecting services workers from customers.

For example, Uber recently filed a patent for a new app feature that detects a customer's level of inebriation. It analyses factors such as the customer's walking speed and unusual typos to determine their level of intoxication. Drivers then receive notifications that could prompt those who are more experienced to assist these passengers. Although this problem is probably less acute in Singapore, other technological innovations could help protect services staff.

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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 hospitality school EHL in Singapore may change attitudes. In Lausanne, EHL's exceptional training restaurant, Le Berceau des Sens, holds a coveted Michelin star, and the campus itself embodies innovation with a sushi restaurant, a plant-based eatery, a cocktail lounge and even a jazz cafe. The school attracts students from 125 nationalities, including many students from Asia. Could a similar local model be developed?

Singapore, with its distinctive culinary heritage and the city's global presence, has the potential to emerge as a leading hub for top-notch hospitality training in the region. For the Government, this will require less emphasis on technology, artificial intelligence and finance, and more emphasis on human interaction, craft and service.

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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