

# THE NEW HAMPSHIRE HOSPITALITY SECTOR PARTNERSHIP



Asset Map and Recommendations: March 2017

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**JOBS FOR THE FUTURE**

# ACKNOWLEDGMENTS

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**New Hampshire Sector Partnerships Initiative** team members have provided excellent guidance for the development of sector partnerships in hospitality and other key sectors and been critical in shaping this report. Team members include Jackie Heuser and Michael Power of the New Hampshire Department of Resources and Economic Development (DRED); Phil Przybyszewski and Charlotte Williams of the Community College System of New Hampshire; Charles McNeil, Lauren Smith, and Wynn Young of the Office of Apprenticeship, U.S. Department of Labor; Katrina Evans of the Economic and Labor Market Information Bureau, New Hampshire Employment Security; Eric Feldborg and Jeffry Beard of Career and Technical Education, New Hampshire Department of Education; Paula Philbrook of Southern New Hampshire Services, Inc.; Carmen Lorenz, formerly of DRED; and Brittany Weaver, formerly of the Office of Governor Hassan.

**Jobs for the Future** researched and wrote this report. The report includes research, analysis, and writing by Thomas Hooper; additional labor market information research, analysis, and writing by Sara Lamback; editing by Nomi Sofer; and research, editing, and logistical support by Jessica Toglia.

This report relied heavily on the insights and feedback of a wide variety of New Hampshire stakeholders. We would like to express our deep appreciation to the hospitality employers and economic development, workforce, education, and other stakeholders who were interviewed and contributed their time, resources, and expertise. (*See names on next page.*)



**NH Works** promotes life-long learning by partnering with businesses, agencies, and organizations to bring the state's education, employment and training programs together into a workforce development system that will provide the means for residents of New Hampshire to gain sufficient skills, education, employment and financial independence. [www.nhworks.org/](http://www.nhworks.org/)



## JOBS FOR THE FUTURE

**Jobs for the Future** (JFF) is a national nonprofit that builds educational and economic opportunity for underserved populations in the United States. We develop innovative career and educational programs and public policies that increase college readiness and career success, and build a more highly skilled workforce. With over 30 years of experience, JFF is the national leader in bridging education and work to increase economic mobility and strengthen our economy. [www.jff.org](http://www.jff.org)

- Jim Abraham, Muddy Moose Restaurant and Pub
- Benjamin Adams, Easterseals New Hampshire
- Cindy Bates, The Common Man
- Nelson Barber, University of New Hampshire
- Mark Belanger, New Hampshire Employment Security
- Pamela Bissonnette, Duprey Hospitality
- Staci Blair, Flatbread Company
- Tom Boucher, Great NH Restaurants
- Matt Braun, Matty B's Mountainside Cafe
- Janice Crawford, Mt. Washington Valley Chamber of Commerce
- Jac Cuddy, Mt. Washington Valley Economic Council
- Beth Doiron, Community College System of New Hampshire
- Peter Edwards, Zeb's General Store
- Art Ellison, Bureau of Adult Education, New Hampshire Department of Education
- Bruce Farr, Lakes Region Technical Center
- Thad Guldbrandsen, Plymouth State University
- Michelle Haas, Mountain View Grand Resort and Spa
- Jim Hinson, Vocational Rehabilitation, New Hampshire Department of Education
- Tim Hogan, Crowne Plaza Nashua
- Tom Horgan, New Hampshire College and University Council
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- Stephanie Johnston, Omni Mt. Washington Resort
- Adam Keul, Plymouth State University
- Tamer Koheil, New Hampshire Job Corps Center
- Mary Larnau, Project Lead the Way
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- Katie Merrow, New Hampshire Charitable Foundation
- Michael McDonough, Fratello's Italian Grille
- Mark Okrant, Plymouth State University
- Christine Paige, Cotton
- Jeff Paige, Cotton
- Adam Parker, Fratello's Italian Grille
- Rob Peterson, Horsefeathers
- Brendan Poutre, Eagle Mountain House and Golf Club
- Phil Przybyszewski, Community College System of New Hampshire
- Fran Rancourt, White Mountains Community College
- Jonathan Rivers, Indian Mound Golf Club
- Jim Roche, Business and Industry Association

- Valerie Rochon, Portsmouth Chamber of Commerce
- Jeff Rose, New Hampshire Department of Resources and Economic Development
- Kim Roy, Radisson Hotel Manchester Downtown
- Nadine Sacco, Dartmouth-Hitchcock Hospital (formerly of the New Hampshire Department of Resources and Economic Development)
- Jon Sallinen, Red Jacket Mountain View Resort
- Ken Smith, Red Jacket Resorts
- Mike Somers, New Hampshire Lodging and Restaurant Association
- Karen Umberger, State Representative, District 2
- Sim Willey, Hart's Turkey Farm

# PREFACE

This report is part of the New Hampshire Sector Partnerships Initiative (NH SPI), which is a new, industry-driven, statewide initiative to help businesses in targeted industries address their workforce needs, while also helping workers prepare for and advance in careers in these critical sectors. This initiative is initially focusing on four industries: **manufacturing, health care, technology, and hospitality**. These growing and in-demand sectors were selected based upon in-depth discussions with New Hampshire stakeholders regarding high-leverage sectoral opportunities in the state as well as an initial labor market analysis that examined each industry's importance to the New Hampshire economy, its concentration in New Hampshire relative to the country, and the number of middle-skill jobs available in the state that require more than a high school diploma, but less than a four-year degree.

NH SPI is funded through a United States Department of Labor Sector Partnership National Emergency Grant targeted to assist states in the transition to a Workforce Innovation and Opportunity Act (WIOA) sector partnership approach to workforce development. In New Hampshire, the WIOA service delivery system is managed through a consortium approach known as NH Works.

The [NH Works](#) system consists of the following partner agencies:

- Office of Workforce Opportunity
- New Hampshire Employment Security
- New Hampshire Department of Education
- New Hampshire Vocational Rehabilitation
- New Hampshire Economic Development
- Community Action Agencies of New Hampshire
- Community College System of New Hampshire
- New Hampshire Department of Health and Human Services.

The goal of NH SPI is to assist New Hampshire in connecting the various existing initiatives and building seamless education, career readiness, and training pathways that result in sector strategies that work for all individuals, to create a well-educated populace and a highly skilled, strong workforce for the region.

NH SPI has contracted with [Jobs for the Future](#) to provide a suite of services to support the success of sector partnerships in New Hampshire, which include labor market analyses, asset mapping, workforce planning, and sector launch events. JFF works nationally to design and scale creative education and workforce strategies that respond to labor market demands.

For this report, JFF collected information from a range of stakeholders to determine assets, challenges, and opportunities to be considered by the state team and hospitality sector partnership in building, strengthening, and coordinating the education and training pipeline through a sector-driven approach for the hospitality industry. This report includes recommendations that the state team and sector partnership can use as a starting point for planning and action. JFF will work closely with the state and a team of local leaders with the motivation and “muscle” needed to help them develop and implement a sector partnership action plan.

## STATE OF THE SECTOR

Accounting for 68,470 workers across approximately 4,500 business establishments, New Hampshire’s hospitality cluster is a core component of the state’s economy.<sup>1</sup> This labor market information analysis, similar to that conducted by New Hampshire’s Employment Security, Economic, and Labor Market Information Bureau in 2016,<sup>2</sup> will examine the hospitality portion of tourism as a cluster composed of two industry sectors:

- Arts, Entertainment, and Recreation (NAICS 71): Includes businesses that offer attractions and recreational activities and those that promote events (e.g., ski facilities, race tracks, and museums).
- Accommodation and Food Services (NAICS 72): Includes establishments that provide lodging, food beverages, or snacks (e.g., hotels, bed-and-breakfast inns, restaurants, and bars).

The hospitality cluster ranks behind only Retail Trade (NAICS 44) and Health Care and Social Assistance in terms of statewide jobs, highlighting its strength within the state.<sup>3</sup> In addition, the hospitality cluster is projected to grow in coming years, with 5 percent growth projected through 2020 and 6 percent growth projected within the Accommodation and Food Services industry.<sup>4</sup>

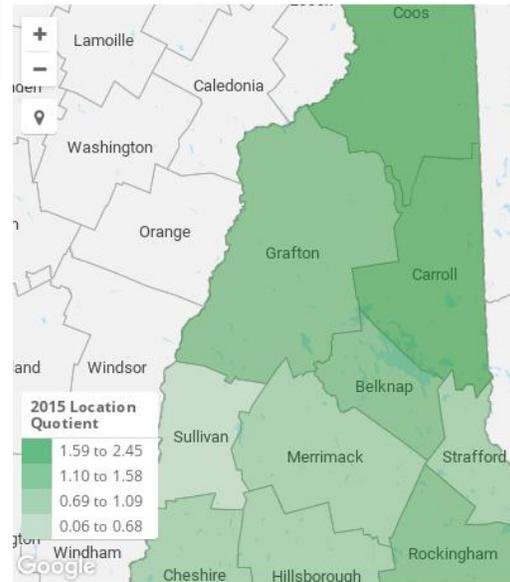
Figure 1 highlights the concentration of the hospitality cluster across NH, by location quotient. Overall, the cluster is approximately as concentrated in the state as in the nation as a whole (LQ: 1.0).<sup>5</sup> However, Carroll County (LQ: 2.45), Coös County (LQ: 1.79), and Belknap County (LQ: 1.47) have a significantly higher concentration of hospitality businesses than found statewide (See Table 1).<sup>6</sup>

**“Location quotient”** is the per capita concentration of an industry or occupation in a region as compared with the national average. A value above 1 indicates an above average concentration. The industries highly concentrated in an area are usually critical to the health of its economy and serve as a guide to understanding what makes that area’s labor market unique.

**Table 1: Hospitality by Location Quotient<sup>7</sup>**

**Figure 1. Location Quotient of New Hampshire Counties<sup>8</sup>**

New Hampshire County	2015 Jobs	2015 Location Quotient
Carroll County	5,130	2.45
Coös County	2,303	1.79
Belknap County	4,001	1.47
Rockingham County	17,142	1.13
Grafton County	6,459	1.12
Strafford County	4,627	0.90
Hillsborough County	18,275	0.88
Cheshire County	2,977	0.86
Merrimack County	6,490	0.79
Sullivan County	954	0.63
Statewide	68,470	1.0



**KEY TRENDS AND DEMOGRAPHICS WITHIN THE CLUSTER**

Overall, earnings per job in the cluster average approximately \$23,300 in New Hampshire, which is slightly below the nationwide figure of \$25,600.<sup>9</sup> The median hourly wages in the cluster are typical of those found in entry-level occupations, with higher wages for management and supervisory positions. This is due, in part, to the fact that very few jobs (4 percent) in the cluster require a postsecondary degree or credential and many are accessible to those without any formal education or training.<sup>10</sup> The age distribution of workers within the cluster skews younger than New Hampshire’s overall workforce, with 36 percent of workers below the age of 25, compared to 14 percent of workers across all industries in the state.<sup>11</sup>

On average, annual turnover within the cluster is more than double the average across all New Hampshire sectors.<sup>12</sup> This can be partly attributed to the fact that jobs within the cluster tend to follow a cyclical employment pattern, with the highest employment numbers during the summer months.<sup>13</sup> Due to this high seasonal demand, many employers turn to foreign-born workers, including cultural exchange students (e.g., through the J-1 visa program) to meet their workforce needs, especially during the summer months.

A significant proportion of occupations in New Hampshire’s hospitality cluster are directly related to food service, including wait staff, food preparation, hosts, and first-line supervisors of these workers (Table 2), highlighting the dominance of this sector within the overall cluster.

**Table 2. Staffing Patterns for New Hampshire’s Hospitality Cluster<sup>14</sup>**

Standard Occupational Classification (SOC)	Description	Jobs in Cluster (2015)	Median Hourly Earnings	Typical Entry-Level Education
35-3031	Waiters and Waitresses	11,711	\$9.64	No Formal Ed. Credential
35-3021	Combined Food Preparation and Serving Workers, Including Fast Food	10,348	\$9.48	No Formal Ed. Credential
35-2014	Cooks, Restaurant	4,749	\$12.90	No Formal Ed. Credential
35-3011	Bartenders	3,027	\$9.37	No Formal Ed. Credential
35-2015	Cooks, Short Order	2,758	\$9.68	No Formal Ed. Credential
35-1012	First-Line Supervisors of Food Preparation and Serving Workers	2,596	\$17.05	High School Diploma or Equivalent
37-2012	Maids and Housekeeping Cleaners	2,534	\$10.53	No Formal Ed. Credential
41-2011	Cashiers	2,373	\$9.71	No Formal Ed. Credential
35-9031	Hosts and Hostesses, Restaurant, Lounge, and Coffee Shop	2,160	\$9.67	No Formal Ed. Credential
35-9021	Dishwashers	1,966	\$9.60	No Formal Ed. Credential

# SECTOR SNAPSHOTS WITHIN THE HOSPITALITY CLUSTER

Based upon feedback provided in stakeholder interviews, and because of the distinct composition of workers within each of these sectors, this report breaks the hospitality cluster into three components for analysis: Arts, Entertainment, and Recreation; Food Services; and Accommodation.<sup>15</sup> An overview of each sector within the hospitality cluster follows. Additional detail, including the top occupations based upon employment and an analysis of real-time job posting data, can be found in the Appendix.

## ARTS, ENTERTAINMENT, AND RECREATION

There are 11,320 jobs in New Hampshire's Arts, Entertainment, and Recreation sector, which is approximately 17 percent of jobs in the hospitality cluster overall.<sup>16</sup> The sector contributes approximately \$571 million to the state's gross state product and is projected to grow 3 percent through 2020.<sup>17</sup> Approximately 25 percent of workers are found in fitness and recreation centers, 18 percent in golf courses and country clubs, and 13 percent in skiing facilities (See Table 3). The Arts, Entertainment, and Recreation sector is approximately 15 percent more concentrated in New Hampshire than in the nation as a whole, with an extremely high concentration of skiing facilities (LQ: 8.9), racetracks (LQ: 2.66), and amusement arcades (LQ: 2.48).<sup>18</sup>

**Table 3. Top Arts, Entertainment, and Recreation Industries by 6-Digit NAICS<sup>19</sup>**

NAICS	Description	2015 Jobs
713940	Fitness and Recreational Sports Centers	2,793
713910	Golf Courses and Country Clubs	2,047
713920	Skiing Facilities	1,472
713990	All Other Amusement and Recreation Industries	1,095
713110	Amusement and Theme Parks	889
712110	Museums	441
711212	Racetracks	394
711110	Theater Companies and Dinner Theaters	371
713290	Other Gambling Industries	334

## ACCOMMODATION AND FOOD SERVICES

### Accommodation

With approximately 9,400 jobs, New Hampshire's Accommodation industry represents 14 percent of jobs in the hospitality cluster, nearly 80 percent of which are found in hotels (Table 4). Accommodation contributes approximately \$512 million to gross state product and is projected to grow 3 percent through 2020.<sup>20</sup> Several six-digit industries are extremely concentrated in the state, with recreation and vacation camps nearly eight times more concentrated than in the nation and with bed-and-breakfast inns approximately six times as concentrated.<sup>21</sup>

**Table 4. Top Accommodation Industries by 6-Digit NAICS<sup>22</sup>**

NAICS	Description	2015 Jobs
721110	Hotels (Except Casino Hotels) and Motels	7,244
721214	Recreational and Vacation Camps (Except Campgrounds)	1,159
721191	Bed-and-Breakfast Inns	463
721211	RV (Recreational Vehicle) Parks and Campgrounds	343
721199	All Other Traveler Accommodation	141

### Food Services and Drinking Places

Food Services and Drinking Places contribute over \$1.4 billion to New Hampshire's gross state product and account for nearly 48,000 jobs, which represents 71 percent of the jobs within the hospitality cluster.<sup>23</sup> With 6 percent growth projected through 2020, the sector is poised to remain a core component of the state's hospitality cluster. The clear majority of jobs (86 percent) are found in full-service or limited-service restaurants (Table 5).

**Table 5. Top Food Services and Drinking Places Industries by 6-Digit NAICS<sup>24</sup>**

NAICS	Description	2015 Jobs
722511	Full-Service Restaurants	26,696
722513	Limited-Service Restaurants	14,079
722515	Snack and Nonalcoholic Beverage Bars	4,367
722310	Food Service Contractors	2,041
722320	Caterers	429

Despite the very high number of jobs within the sector, New Hampshire's overall concentration of food service and drinking places is very similar to that in the nation (LQ: 0.96), with snack and nonalcoholic beverage bars the only industry with a markedly high concentration across the state.<sup>25</sup>

## TARGETED LABOR POOLS

During discussions with New Hampshire hospitality stakeholders, employers noted that foreign-born workers and veterans are two specific subpopulations that have helped the cluster meet its talent needs. Individuals with H-2B Visas, which are used to hire temporary foreign workers to meet short-term seasonal demand, are an important source of talent for hospitality. During 2015, there were approximately 200 hospitality-related positions certified across the state.<sup>26</sup> In addition, some employers take advantage of J-1 Summer Work Travel Visas, which allow international college and university students to come to the United States for temporary travel and work opportunities.<sup>27</sup>

Veterans also constitute a key source of talent for some of New Hampshire's hospitality employers. Statewide, 10.2 percent of NH residents are veterans, with the highest percentage (13.2 percent) living in Carroll County.<sup>28</sup> Veterans' labor force participation rate (80 percent) is very similar to that of the state as a whole, as is their unemployment rate (5.1 percent).<sup>29</sup> Approximately 95 percent of veterans are employed above the poverty level; the group has a median income of approximately \$40,000 over the last 12 months. Nearly 94 percent of veterans are at least high school graduates, which is also generally in line with the overall percentage statewide (92 percent). A significant percentage—70 percent—of the state's veterans are over age 55.<sup>30</sup>

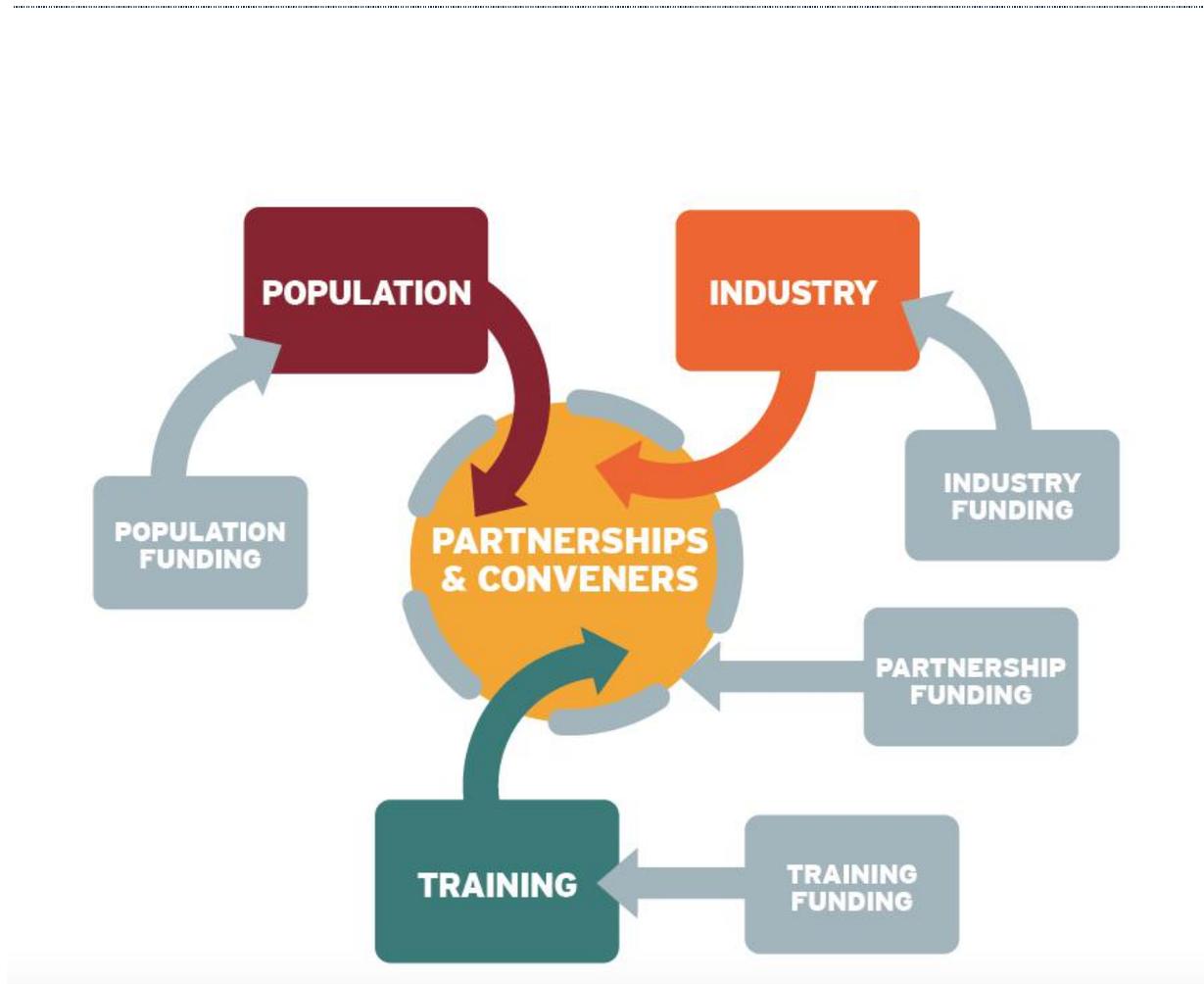
Given these demographics and the experience of hospitality employers, veterans may be a potential labor pool for both entry- and mid-level positions in this cluster. For example, veterans' levels of educational attainment may make them good candidates for supervisory positions. Further, older veterans may be good candidates for part-time or seasonal jobs, as they tend to seek flexible work opportunities.

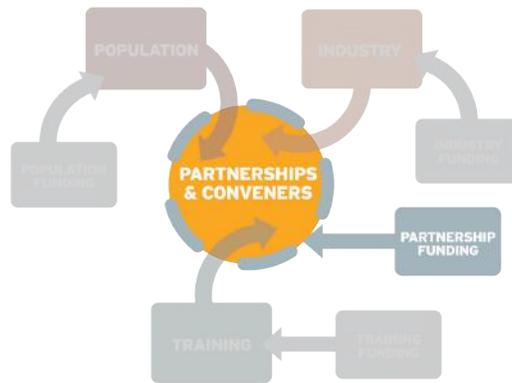
## KEY AREAS OF FOCUS: ASSETS AND RECOMMENDATIONS

An industry-led sector partnership can bring together critical hospitality stakeholders to develop and implement a coordinated strategy to significantly expand and enhance the talent pipeline for the sector, as well as address other critical workforce and non-workforce challenges. A statewide sector partnership will be able to build upon the many assets, strong programs, and existing local and regional partnerships already in place (Figure 2). This report outlines key issues and provides recommendations for consideration as New Hampshire takes the critical next steps in launching a hospitality sector partnership. It examines significant challenges and opportunities identified by a range of key hospitality leaders representing businesses, education and training providers, the workforce system, policymakers, and other critical partners. The areas of focus are:

1. Recruiting Workers;
2. Retaining Workers;
3. Hospitality Education and Training Programs; and
4. Housing and Transportation Challenges.

**Figure 2. Summary of Major Assets for the Hospitality Talent Pipeline**





## PARTNERSHIPS AND CONVENERS

### Statewide - Hospitality Specific

- New Hampshire Lodging and Restaurant Association <http://www.nhlra.com/>

### Regional

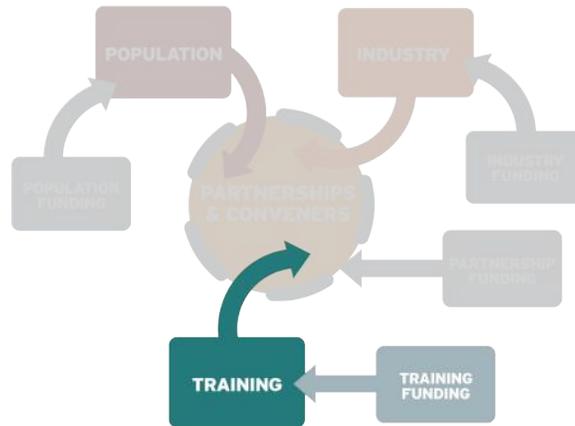
- Mt. Washington Valley Regional Collaborative <http://www.mwvrc.org/>
- 10 Regional Development Corporations <http://www.nhcdfa.org/block-grants/rdcs>
- Chambers of Commerce <http://www.directorynh.com/NHCities-Towns/NHChambers.html>

### Statewide

- NH Department of Resources and Economic Development/Division of Economic Development <http://www.nheconomy.com/>
- Office of Workforce Opportunity/NH Works <http://www.nhworks.org/>
- NH Works Interagency Business Team (IBT) <http://www.nhworks.org/>
- NH State Workforce Innovation Board <http://www.nhworks.org/state-workforce-investment-board/>
- NH Coalition for Business and Education (NHCBE) <http://www.nhcbe.org/>
- 65 by 25, Community College System of NH (CCSNH) <http://www.ccsnh.edu/65by25>
- Guided Pathways [http://www.nebhe.org/info/pdf/events/conference/october2016/ppt/Gittell-Guided\\_Pathways\\_to\\_Student\\_Success.pdf](http://www.nebhe.org/info/pdf/events/conference/october2016/ppt/Gittell-Guided_Pathways_to_Student_Success.pdf)
- Business and Industry Association (BIA) <http://www.biaofnh.com/>
- Workforce Accelerator 2025 <https://www.nhcf.org/what-were-up-to/bia-charitable-foundation-announce-initiative-strengthen-states-workforce/>
- Stay Work Play <http://stayworkplay.org>
- Live Free and Start <http://livefreeandstart.com/>
- NH Association of Career and Technical Administrators (NHCTA) <http://nh-cte.org/administrative/>
- Career and Technical Student Organizations (CTSO) <https://www2.ed.gov/about/offices/list/ovae/pi/cte/vso.html>
- I4see (Initiative for School Empowerment and Excellence) <http://www.education.nh.gov/data/i4see.htm>

### Partnership Funding

- NH Charitable Foundation <https://www.nhcf.org/>
- Workforce Innovation & Opportunity Act (WIOA) <https://www.doleta.gov/wioa/>



## TECHNICAL TRAINING

### K-12 and CTE

- Running Start <http://www.ccsnh.edu/academics/running-start>
- School-to-Work NH <https://www.nh.gov/labor/inspection/school-to-work.htm>
- eStart <http://www.ccsnh.edu/academics/estart>
- Southern New Hampshire University in the High School <http://www.snhu.edu/student-experience/campus-experience/campus-academics/snhu-in-the-high-school-program>

### CTE (Career Technical Education)

#### SEE FIGURE 3

### Community College System of NH (CCSNH)

- Great Bay Community College <http://www.greatbay.edu>
  - Associate Degree in Hospitality Management
  - Certificates in Event/Conference Management, Hotel/Restaurant Management, Spa Management
- Lakes Region Community College <http://www.lrcc.edu>
  - Associate Degrees in Culinary Arts, Pastry Arts, Restaurant Management
  - Certificates in Brewing and Fermentation, Culinary Arts, Institutional Food Service, Pastry Arts, Restaurant Management
- Nashua Community College <http://www.nashuacc.edu>
  - Associate Degrees in Culinary Arts, Hospitality/Restaurant Management
- New Hampshire Technical Institute-Concord <http://www.nhti.edu>
  - Associate Degree in Hospitality/Tourism Management
  - Certificates in Event/Conference Management, Hotel Administration, Travel and Tourism, Wedding Planning Management
- White Mountains Community College <http://www.wmcc.edu>
  - Associate Degrees in Baking and Pastry Arts, Culinary Arts, and Resort and Recreation Management
  - Certificates in Baking and Pastry Arts, Culinary Arts

## TECHNICAL TRAINING (continued)

### Four-Year Colleges

- Granite State College <https://www.granite.edu/degree-programs/bachelors-degrees/service-and-hospitality/>
  - Bachelor of Science Degree in Service and Hospitality Management
- Plymouth State University <http://www.plymouth.edu/academics/undergraduate-academic-programs/tourism-management-policy/>
  - Bachelor of Arts in Tourism Management and Policy
  - Certificate in Hospitality and Tourism Management
- Southern New Hampshire University <http://www.snhu.edu/>
  - Associate of Science in Culinary Arts
  - Bachelor of Science in Culinary Management
  - Bachelor of Science in Hospitality Business
  - Bachelor of Applied Science in Hospitality Management
- University of New Hampshire <https://paulcollege.unh.edu/hospitality-management>
  - Bachelor of Science Degree in Hospitality Management
  - Minor in Hospitality Management
  - Summer Program (secondary students): Hospitality Management Summer Program

### Employer-led

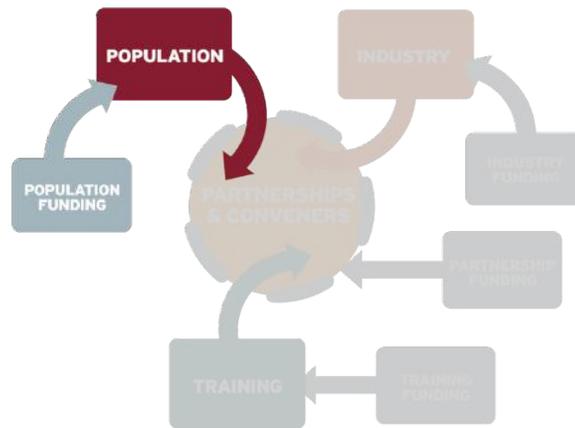
- ApprenticeshipUSA State Accelerator Grant [https://www.doleta.gov/oa/pdf/state\\_grants\\_press\\_release.pdf](https://www.doleta.gov/oa/pdf/state_grants_press_release.pdf)
- ApprenticeshipUSA State Expansion Grant <http://www.ccsnh.edu/ApprenticeshipUSA>
- National Restaurant Association and American Hotel and Lodging Association Hospitality Sector Registered Apprenticeship Initiative [https://www.chooserestaurants.org/NewsFeed/\\$1-8-Million-Awarded-to-Hospitality-Sector-to-Crea](https://www.chooserestaurants.org/NewsFeed/$1-8-Million-Awarded-to-Hospitality-Sector-to-Crea)
- Customized and Incumbent Worker Occupational Skills Training <http://www.snhs.org/programs/workforce-development/workforce-investment-act-wia/>
- On-the-Job Training <http://www.nhworks.org/uploads/2016-OJT-QA-flyer.pdf>

### Other

- Southern New Hampshire Services' On-the-Job-Training Program <http://www.snhs.org/programs/workforce-development/workforce-investment-act-wia/>
- Southern New Hampshire Services' Workplace Success Program <http://www.snhs.org/programs/workforce-development/workplace-success/>
- NH Job Corps – Manchester <http://newhampshire.jobcorps.gov/home.aspx>
- 10,000 Mentors <http://www.nccbl.org/index.html>

### Training Funding

- U.S. Department of Labor Workforce Innovation & Opportunity Act (WIOA) Adult and Dislocated Worker Funds <http://www.snhs.org/programs/workforce-development/workforce-investment-act-wia/>
- U.S. Department of Labor Workforce Innovation & Opportunity Act (WIOA) Youth Funds <https://www.education.nh.gov/career/wia/index.htm>
- NH Job Training Fund <http://www.nhjobtrainingfund.org>
- Company benefits: tuition reimbursement (further information from individual companies)
- U.S. Department of Labor National Dislocated Worker Grants [https://www.doleta.gov/DWGs/eta\\_default.cfm](https://www.doleta.gov/DWGs/eta_default.cfm)
- U.S. Department of Housing & Urban Development (HUD) Community Development Block Grant <http://www.nhcdfa.org/block-grants/program>
- NH Department of Education English Language Learner Training for Employers <https://www.education.nh.gov/career/adult/>
- NH Food Bank Recipe for Success Culinary Training Program <http://www.nhfoodbank.org/Culinary-Training-Program.aspx>



## TARGET POPULATIONS

### Unemployed and Underemployed

- WorkReadyNH <http://www.ccsnh.edu/workforce-training/workready-nh>
- NH Works Career Centers <http://www.nhworks.org/job-seekers/nh-works-centers/>
- NH Job Corps – Manchester <http://newhampshire.jobcorps.gov/home.aspx>

### Veterans

- NH Employment Security Veterans Representatives (services for vets and their families) <http://www.nhes.nh.gov/services/job-seekers/veterans/>
- NH State Office of Veterans Services <https://www.nh.gov/nhveterans/>
- U.S. Department of Labor Veterans' Employment and Training Service <https://www.dol.gov/vets/>
- NH Employer Support of the Guard and Reserve (Concord) <http://www.nhesgr.com/>
- Veterans Count, Easter Seals <http://vetscount.org/>

### Women

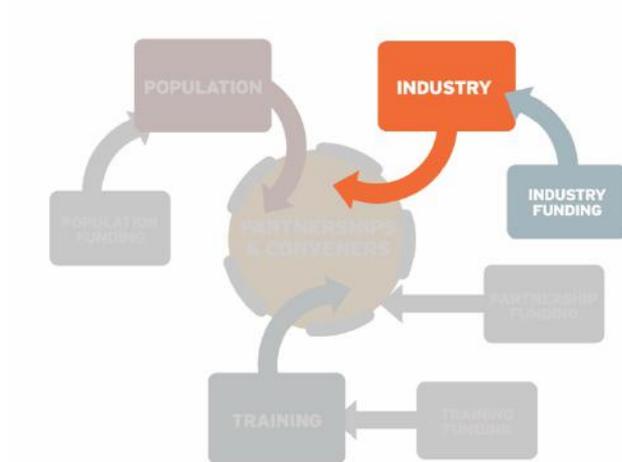
- Center for Women's Business Advancement <http://cwbanh.com/>
- Center for Women and Enterprise <http://www.cweonline.org/bAboutbOurWork/CWE-NewHampshire/tabid/287/Default.aspx>

### Immigrants and Refugees

- NH Refugee Program <http://www.dhhs.nh.gov/omh/refugee/>
- Southern New Hampshire Services, English for New Americans <http://www.snhs.org/programs/community-multi-cultural-services/multi-cultural-services/>
- Ascentria Care Alliance <http://www.ascentria.org/>
- International Institute of New England <https://iine.org/>
- Laconia Human Relations Committee <https://www.nefa.org/grantees/laconia-human-relations-committee>
- Second Start <http://www.second-start.org/adult-education-and-hiset/english-as-a-secondary-language/>

### People with Disabilities

- Granite State Independent Living <https://www.gsil.org>
- New Hampshire Vocational Rehabilitation <http://www.education.nh.gov/career/vocational/>
- New Hampshire Association for the Blind <https://sightcenter.org>
- Easterseals New Hampshire <http://www.easterseals.com/nh/>
- Goodwill Industries of Northern New England <https://goodwillnne.org/>
- Work Opportunity Unlimited <http://workopportunities.net/locations/new-hampshire/>
- NH DHHS ServiceLink Aging & Disability Resource Center <http://www.servicelink.nh.gov/>
- The Moore Center <http://www.moorecenter.org/>



## INDUSTRY

- Human Resources State Council (Affiliate of the Society for Human Resource Management) <http://nhstatecouncil.shrm.org>
- New Hampshire Lodging and Restaurant Association <http://www.nhlra.com/>
- Mt. Washington Valley Regional Collaborative <http://www.mwvrc.org/>

## Industry Funding

- Community Development Finance Authority (CDFA) <http://www.nhcdfa.org>

## OTHER RESOURCES

- NH Economic & Labor Market Information Bureau <http://www.nhes.nh.gov/elmi/>
- New Hampshire Health and Equity Partnership <http://www.healthynh.com/index.php/nhhep-about-us.html>

Figure 3. CTE schools



## 1) RECRUITING WORKERS

The leading workforce challenge facing hospitality employers is recruiting workers. All sectors within hospitality have difficulty recruiting entry-level workers. For example, restaurants have difficulty recruiting dishwashers, waiters, and waitresses, while hotels are continually challenged to fill open positions for housekeeping staff and hotel desk clerks. This challenge is due to at least three key trends. First, stakeholders noted that there is simply a limited number of available workers. In the northern part of the state, for example, a number of interviewees observed that due to the small population there were not enough potential workers to fill all the open positions. A second key challenge is limited employability skills (such as work ethic, communication, and dressing appropriately for the job) among those individuals who are available to work, especially youth. For example, many interviewees noted that potential workers often lack critical non-technical skills, such as reporting to work on time, that are needed in hospitality or any industry. A third challenge that makes it difficult to recruit workers is the image of the industry. For example, a number of interviewees noted that potential workers were often not aware of career opportunities within hospitality, had concerns about entry-level wages, and did not look favorably on a career in hospitality compared to other sectors with more advanced education and training requirements.

### Key Strengths

Hospitality has a number of key assets, across the state, that position it well to address these challenges. Employers and industry associations across New Hampshire are engaged in workforce issues, and are a critical resource for developing effective recruiting strategies and bolstering the image of the industry. For example, in the northern part of the state, employers have been convening regularly as part of the Mt. Washington Valley Regional Collaborative to begin to tackle the region's workforce issues and other challenges. One of the collaboration's meetings last year drew approximately 100 employers; additionally, this fall 14 individual hospitality employers from the region participated in focus groups that concentrated on identifying workforce issues and solutions. This participation demonstrates employer interest in tackling these challenges. Further, employers throughout the state regularly participate in activities that support education and training programs (such as advisory groups to support hospitality curriculum development), indicating a willingness to invest their time in recruiting and career-awareness efforts.

Hospitality's career ladders and social work environment are also very strong attributes that can be emphasized as part of efforts to recruit workers, including youth, and enhance the image of the industry. Hospitality offers established and functioning career ladders in multiple sectors, especially among regional and national chains and with larger employers. For example, hotel workers can progress from positions as desk clerks into managerial positions, and this progression occurs regularly; one interviewee noted that each of his department heads started as a line-level employee. Further, the hospitality cluster is collegial, and employees socialize

together on a regular basis. This aspect of the industry could be very appealing to younger workers, who place a higher value on non-work activities than other demographic cohorts; while jobs may be fast-paced and demanding, they can also provide workers with an opportunity to make new friends and offer social opportunities.

Finally, hospitality has had success targeting some nontraditional labor pools, especially foreign-born workers. Foreign-born workers are a major labor pool for the hospitality cluster, as businesses employ both H-2B and J-1 visa recipients. For example, as noted in the “State of the Sector” portion of this report, the cluster relies heavily on J-1 visa recipients for seasonal work. One employer noted that without H-2B visa recipients he would not have enough workers, while another employer travels to a Caribbean country annually to interview and hire potential workers.

## **Strategies**

**Launch career awareness efforts.** Industry associations can partner with middle schools, high schools, and community colleges to increase career awareness efforts among youth and young adults. These efforts can highlight career ladders in hospitality, the portability of skills to other sectors (such as the value of customer service skills in financial services), and the nonfinancial benefits of employment in hospitality, like its social nature. Career awareness efforts should include employers, who will speak most persuasively about employment opportunities; these employers could visit schools directly, bringing along both younger workers to talk about hospitality’s various benefits as well as managers who have progressed up a career ladder from an entry-level position, and could also offer tours of their facilities. These efforts should be targeted at both students and their parents. Other sectors help spur interest among students by offering exciting demonstrations that showcase the skills and technology used on the job, and hospitality could replicate these efforts. For example, restaurants could bring a stove to a career fair, and then feature a well-trained chef in action. Given the time and collaboration with different stakeholders needed to launch career awareness efforts, and the need to ensure a coordinated approach that includes all the individual hospitality sectors, we suggest that the sector partnership’s intermediary, or a similar entity, lead this effort.

**Recruit additional nontraditional labor pools.** We recommend that the cluster increase its efforts to market to nontraditional labor pools that have had some success in hospitality but still comprise a limited portion of its labor force, such as veterans and retired police. Efforts to recruit veterans should include the public workforce system staff based in American Job Centers that directly engage with this population, Local Veterans Employment Representatives (LVERs), and Disabled Veterans Outreach Program (DVOP) specialists. LVERs conduct outreach to employers and advocate with hiring executives to increase employment opportunities and encourage the hiring of veterans, working with other service providers.<sup>31</sup> DVOP specialists provide intensive services to veterans and eligible spouses, designed to facilitate participants’ transition into meaningful civilian employment.<sup>32</sup> We also recommend contacting state and

regional associations that represent the police, such as the New Hampshire Police Association, to explore opportunities on how to most effectively recruit their constituents.

**Increase efforts to recruit foreign-born workers.** We recommend that hospitality employers increase their efforts to hire foreign-born workers, a labor pool with which it has already had much success. In addition to the current strong efforts to hire H-2B and J-1 visa recipients, employers could pursue partnerships with community-based organizations (CBOs) that serve foreign-born workers; some jobseekers are more comfortable working with these organizations than with the public workforce system and community colleges, and these organizations often provide training and other services to enhance jobseekers' employability. For example, Easter Seals New Hampshire has an active program that is targeted at foreign-born workers, and has locations throughout the state. Another potential CBO partner is Goodwill Industries of Northern New England, traditionally a strong workforce development provider, which has a workforce services center in Concord.

**Increase paid internships.** We recommend that employers in each of the individual hospitality sectors offer paid internships to youth and other prospective workers. Paid internships can help address recruiting challenges by introducing prospective employees, particularly high school and college students, to hospitality. They simultaneously provide employers with the opportunity to determine (1) if an individual is a good fit, and (2) to ensure that prospective workers have a real understanding of employer expectations and the work environment. Numerous employers, across various hospitality sectors, noted that they would be willing to offer paid internships, indicating strong support for this strategy.

Employers are encouraged to develop internships that adopt several of the key principles of effective work-based learning models; for example, all internships should offer meaningful work experiences, and internships offered as part of community college programs can help students attain postsecondary degrees. The internships offered through the University of New Hampshire's highly regarded hospitality management program are an excellent model for other postsecondary programs; the program includes a 400-hour, paid professional internship, and completing it is required for students to receive their bachelor's degree. We recommend that the sector partnership identify examples of strong internship programs within the state that employers and their partners can replicate, and develop templates for developing internship programs that employers and their partners can use to help facilitate the development of these programs.

**Collaborate with WorkReadyNH.** Employers can explore collaboration with WorkReadyNH. WorkReadyNH, offered by the state’s community colleges, is “a tuition-free workforce development program tailored to meet the needs of jobseekers and career builders as well as provide training in the specific skills employers are seeking in their current and future employees.” The program, which has been recognized by the New Hampshire Business Review, “provides assessment, instruction, and credentialing in key skill areas identified by employers as essential to workplace success,” and includes a major focus on job readiness, a key area of concern noted by many hospitality employers.<sup>33</sup> The program currently focuses on three industries: advanced manufacturing, health care, and information technology. Hospitality employers can work with the program to explore opportunities to add hospitality as a focus area; the sector partnership is an ideal vehicle for this conversation. WorkReadyNH could then be included in hospitality career awareness efforts, employers could attend its trainings and brief students about the job opportunities and skills needed in hospitality, and employers could interview program graduates.

**Increased collaboration with the public workforce system.** Employers can enhance their collaboration with American Job Centers, increasing collaboration in areas such as posting job openings, assessing jobseekers, and participating in job fairs and other recruiting events. Hospitality employers generally do not see American Job Centers as a primary source of potential workers. Though American Job Centers are clearly supporting hospitality through some types of activities—for example, in the Berlin area the American Job Center posts hospitality job openings and offers to set up interviews with job candidates—collaboration with hospitality could be enhanced across the state.

One specific area where employers could partner with American Job Centers statewide is actively recruiting adult students in Adult Education schools for jobs in hospitality. Adult Education schools enroll approximately 7,000 individuals annually, and roughly 15 percent of these individuals are unemployed. Their enrollment in Adult Education schools suggests that these students may be interested in career advancement and may possess the employability skills in which employers are interested. The public workforce system currently partners with these schools, and employers could explore opportunities for American Job Centers to customize assessments to determine these students’ skills and interest in hospitality. For those jobseekers that appear to be a good match, American Job Centers could then refer them for interviews with employers, and employers could participate in job fairs or other targeted hiring events.

Employers can also help address their recruiting challenges by increasing their collaboration with NH Job Corps. While some employers are already partnering with NH Job Corps, leveraging its array of hospitality-focused programs, those that are not could find that NH Job Corps serves as a critical source of potential workers.

## 2) RETAINING WORKERS

Employers in all hospitality sectors noted that retention of entry-level workers is a key challenge. It is common for different types of workers, from waiters and waitresses to hotel desk clerks, to move to other companies for small increases in hourly wages. One employer described walking to his loading dock to find a competitor actively recruiting his employees while they were on break. These retention challenges result in increased hiring and training costs for employers, who then have to fill open positions and train new workers. Several factors appear to impact employee retention. These include the relatively low wages of entry-level jobs in hospitality, which increase the chances that workers will leave their current employer for a slight wage increase; the seasonality of many occupations, which means employees often must seek new jobs when their current occupation ends; and the employee “fit” for specific jobs, as some employees lack the skills needed for, interest in, and understanding of the hospitality work environment.

### Key Strengths

While retaining entry-level workers is an ongoing challenge across the state, there are also numerous examples of employers who have had success retaining their workers, such as Great NH Restaurants. Industry representatives noted that these employers succeed in retaining their entry-level workforce in part because they demonstrate a commitment to their workers and utilize practices such as recognizing their employees’ accomplishments. In addition, individual employers have implemented a number of innovative or effective individual initiatives, offering models that could be replicated by their peers. One promising practice is a mentorship program that the Radisson Hotel Manchester Downtown is implementing for housekeepers, where new workers are paired with incumbent workers who receive additional compensation for mentoring their peers. Another promising practice utilized by multiple hotels such as Duprey Hospitality’s Concord-area properties and the Crowne Plaza Nashua, is paying current employees for referrals, and then providing additional payments to the referring employee if the new worker remains in the job for an extended period of time.

### Strategies

**Showcase successful approaches to retention.** We recommend that the sector partnership identify employers that have been successful at retaining their entry-level workers and share their best approaches to retaining workers with their peers. This peer learning can be done very informally, such as asking these employers to discuss their employee-retention approaches with their peers at quarterly sector partnership meetings, and then posting a summary of their remarks on the sector partnership’s website for the benefit of those who didn’t attend the meeting.

**Enhance referral and assessment efforts.** We recommend that restaurants, hotels, and other hospitality employers enhance their referral and assessment efforts. This includes replicating the practice of paying incumbent workers for referrals (described above), as this can lead to new workers that start with more accurate expectations of, and interest in, the job. Hospitality employers can also work with referral sources such as American Job Centers, career and technical education (CTE) schools, and community colleges to ensure they have a strong understanding of skill requirements and work environments, and then adjust their assessments of students and other jobseekers accordingly. The sector partnership is a good vehicle for both facilitating these discussions and maximizing the use of employers' time and expertise.

**Expand mentorship programs.** We recommend that additional employers implement mentorship programs, such as the Radisson Hotel Manchester Downtown's housekeeper mentorship program, pairing experienced incumbent workers with newer workers to offer support and feedback while receiving additional compensation. This approach has several benefits: it provides new workers with critical support and encouragement, demonstrates employer commitment to their success, and provides the mentor with additional compensation. The intermediary for the sector partnership could work with additional hotels, restaurants, and attractions employers to test this strategy, and to help replicate it after that by identifying best practices for implementing these models (e.g., specific occupations where the model works best, attributes to look for in a mentor, etc.).

**Offer more training to incumbent workers.** We recommend that employers partner with education and training providers to offer additional training to incumbent workers, especially training that leads to industry-recognized certifications. Providing additional training helps support employees career advancement, and demonstrates employer commitment to their employees. For example, Great NH Restaurants invested approximately \$200,000 in 2016 and 2017 in training for its incumbent management staff, and this has played a key role in retaining employees; in 2016, its turnover rate for full-time managers was below 5 percent. Training is discussed in more detail in "Hospitality Education and Training Programs" below.

**Explore increased employee-sharing strategies.** We recommend that employers in the north country explore employee-sharing arrangements. Through these arrangements, employees work for different employers at different times of the year, ensuring they have a job when seasonal positions end. For example, both Whale's Tale Waterpark and ski areas each need strong mid-level managers, but neither can hire them for year-round positions. Employers address this need through arrangements to share employees; mid-level managers are employed at the ski areas from November through mid-April, and then at Whale's Tale from mid-April to mid-October. The sector partnership is a good venue for facilitating conversations between employers regarding their personnel needs, and for helping more organizations enter these types of employee-sharing arrangements.

**Increase employee recognition.** We recommend that employers increase employee recognition efforts. These practices can range from celebrating an “Employee of the Month” to holding small parties or hosting group outings to thank employees for their contributions. Benefits of these efforts are that they are fairly easy to implement and organize, are relatively inexpensive, and demonstrate an employer’s commitment to their workers.

**Support career advancement.** We recommend that employers increase their efforts to make employees aware of career advancement opportunities within their organizations, and identify specific steps or milestones they can take to help their chances for promotion. As noted by several interviewees, some employees, such as long-tenured waiters and waitresses, may choose to remain in their current positions because they value the compensation or flexibility of their current occupations. However, for those employees interested in advancement, this strategy showcases both career ladders and employer interest and commitment to workers’ career progression.

### **3) HOSPITALITY EDUCATION AND TRAINING PROGRAMS**

There are a range of hospitality-focused education and training programs across the state, at both the secondary and postsecondary level, as noted in Figure 2. Across these various programs, employers are regularly engaged in developing and implementing programs, from sitting on advisory boards to hosting interns. Interviewees cited numerous examples of strong individual partnerships, as described in more detail below. In addition, some employers, particularly larger organizations across the various hospitality sectors, offer their own proprietary training programs. As a result of all these efforts, there is a solid foundation of hospitality-focused education and training in the state.

Building on this strong foundation, there are a number of ways in which hospitality-focused education and training could be enhanced, such as increasing the number of programs and the number of individuals enrolled in these programs. There are several challenges that must be addressed for the industry to successfully adopt these enhancements, and the sector partnership provides a good venue for employers to work with education and training providers and other key partners to further explore and address these challenges

One area of potential enhancement is that education and training is not as highly valued throughout the hospitality cluster as it could be, and there is a need for more education and training that leads to industry certifications. For example, graduates from one community college that receive an associate’s degree only earn \$1 more an hour than individuals that lack a degree. Most industry-related training is provided on the job, and some employers could more actively encourage and facilitate workers’ education and training.

There is also an opportunity to expand hospitality-focused education and training programs. Employers in both the Food Services and Accommodation sectors expressed an interest in

expanding the number of hospitality-focused programs at the secondary and postsecondary level. For example, 10 of the state’s CTE schools do not offer training for “Cooking and the Related Culinary Arts,” and only 2 of 27 offer “Restaurant, Culinary, and Catering Management/Manager” training. Similarly, two of the state’s community colleges don’t offer any hospitality-focused training at all, and the remaining five each offer training for a small number of skills areas (from two to five per college). However, it is challenging to develop additional programs when current enrollments are currently low, and numerous attendees cited low enrollments in both secondary and postsecondary hospitality programs. This trend results from at least two primary factors—low student interest in these programs, and a small population in the northern part of the state. Further complicating this is the high cost of education and training, which (as in many sectors) is a critical barrier for postsecondary students, especially the cost of tuition at four-year schools.

Providing training to incumbent workers is also a challenge for some employers. As noted above, some employers, such as larger hotels, provide their own proprietary training for their incumbent workers. For example, the Red Jacket offers proprietary training in a number of skill areas. However, interviewees cited a need for increased incumbent worker training at varying levels, from training housekeepers to helping incumbent workers enhance their managerial and leadership skills. While there is a clear need for increased incumbent worker training, there are also barriers to offering and helping workers improve their skills. It can be difficult for workers to access training during the workday if they have to forego that day’s earnings (such as a waiter or waitress missing a shift). Similarly, it is also challenging for employers themselves to encourage or provide incumbent worker training, as they must then find other staff to fill those shifts in order to meet customer demand.

Industry stakeholders also noted an opportunity for better coordination between education and training providers and employers. For example, the seasonal nature of the industry makes it challenging to engage employers at certain times of the year. Further, some CTE, community college, and university training isn’t as closely tied to employer needs as it could be; interviewees cited examples of CTE advisory boards that are reluctant to accept input from employer representatives, and university graduates that lack the skills needed for certain types of kitchen equipment.

## **Key Strengths**

The state has a number of key hospitality education and training assets. First, there are strong hospitality programs across the state at both the secondary and postsecondary levels. For example:

- Mount Washington Valley Career and Technical Center offers a hospitality and lodging management program in partnership with the Red Jacket Mountain View Resort, which

includes job shadowing and internships, and a culinary arts program which includes an onsite café.

- The New Hampshire Job Corps offers onsite culinary arts as well as hotel and lodging training; enrollments are strong in both programs.
- White Mountain Community College (WMCC) offers highly regarded certificate and degree programs in both baking and pastry arts and culinary arts.
- The state's community colleges offer a strong foundation of hospitality-focused education and training programs. For example, five community colleges combine to offer three associate's degrees and two certificates in culinary arts, and three associate's degree's related to hospitality management.
- The state also has strong hospitality programs at the university level. For example, the University of New Hampshire offers a comprehensive hospitality management program, ranked second among all hospitality management programs in New England, that culminates in a bachelor's degree, and comprises a series of stackable certificates. Plymouth State University offers a well-established and regarded tourism management and policy bachelor's degree program.

Another critical asset is that several community colleges offer hospitality-focused courses at high schools through the Running Start program. Running Start allows high school students to take Community College System of New Hampshire (CCSNH) courses for high school and college credit. Courses offered through the Running Start program are college courses taught at the high school by CCSNH college-credentialed high school faculty as part of the daily class schedule. At the successful completion of the class, students have both a high school credit and a college transcribed credit.<sup>34</sup> A key benefit of the program is that it reduces tuition costs; the courses themselves are offered at a reduced tuition, and students have to take fewer courses once they arrive at college based on the credit they have earned.

Employer involvement in many education and training programs is strong. Employers are involved in a range of activities to support these programs, such as informing curriculum development, hosting internships, and visiting schools to speak about the industry. This strong engagement is critical for a variety of reasons, from ensuring that education and training programs are focused on the skills employers need to providing students with a real understanding of the hospitality work environment.

## **Strategies**

### **Link career awareness efforts to existing hospitality education and training programs.**

We recommend that employers and their partners align any career-awareness activities to the state's existing secondary and postsecondary programs. Making youth and other individuals aware of these programs—at the same time that they learn about opportunities in the industry

itself—will help students better understand hospitality’s career ladders and advancement opportunities, and simultaneously help increase enrollments at these schools.

**Increase employer awareness of training benefits.** We recommend that employers, industry associations, and their partners help increase awareness of the benefits of training, and particularly training that leads to industry certifications and other industry-recognized credentials. This could include highlighting the benefits of training, such as its impact on employee retention, impact on employee productivity, and support for employee advancement.

The sector partnership could use its regular convenings to showcase both large and small employers from the different hospitality sectors who have accessed and experienced the benefits of training. Great NH Restaurants is a good example of a hospitality employer that has provided its workers with extensive training, such as sessions for managers on team building and employee development and growth, and has very high retention rates; this employer could highlight its training practices at a sector partnership meeting. The sector partnership can also use these meetings to highlight specific certifications developed through the National Restaurant Association (NRA) and the American Hotel & Lodging Educational Institute (AHLEI), and to explore opportunities for additional CTE schools, community colleges, and universities to provide training that leads to these certifications.

**Increase the number of hospitality-focused programs offered through Running Start.**

Running Start offers multiple benefits: it increases student awareness of employment opportunities in hospitality; it prepares students for those opportunities; it offers college credits, which is highly valued by many high school students and their parents; and it reduces the cost of education and training, a key barrier to student enrollment in postsecondary programs. We recommend that the sector partnership work with community colleges and high schools to explore opportunities to increase the number of hospitality-focused Running Start courses, which includes assessing student interest in potential course offerings at specific schools.

**Increase marketing for New Hampshire Job Corps’ hospitality programs in the northern part of the state.** We recommend that the sector partnership work with the New Hampshire Job Corps, the public workforce system, high schools, CBOs, and other relevant partners to recruit youth for New Hampshire Job Corps in the northern of the state. New Hampshire Job Corps is very interested in recruiting students from this area, and always seeks to help graduates find employment near the areas they are from. Employers in the northern part of the state noted that they struggle to find workers with the employability skills they need; New Hampshire Job Corps can help address this skills challenge, and its focus on helping graduates find employment near their homes could help the sector address its entry-level hiring needs.

**Increase training for incumbent workers.** We recommend that employers work with education and training providers, such as community colleges and universities, to provide additional training to incumbent workers. This could include developing new training targeted at

specific skill needs, such as management and leadership skills. Given the barriers to incumbent worker training noted above, employers and education and training providers will need to explore a variety of options for addressing trainings' cost and accessibility, while meeting customer demands. This includes employers offering paid employee-release time to employees to help offset the cost of training; providing training on site at hotels, restaurants, and other sites to help more workers access training; accessing WIOA, NH Job Training, and other public funds to help offset the costs of training; pooling employer resources to support training that benefits a number of organizations, while minimizing the costs to each individual employer; offering training in small modules to make it more accessible to individuals already working full time; and providing training through mobile training facilities which could bring training to individual employers. The sector partnerships will be an ideal venue for multiple employers to work with their education and training partners to confirm common skills needs and to work with the providers to develop solutions for addressing them.

**Sponsor hospitality registered apprenticeship programs.** We recommend that employers in both the Food Services and Accommodation sectors, and their CTE and community college partners, explore participation in registered apprenticeship programs. Registered apprenticeship programs help address four of hospitality's critical challenges: they can help employers address their need for entry-level workers; they can help address job retention by rewarding skills development and incenting workers to remain with their current employer; they can support the career advancement of incumbent workers by helping them enhance their skills; and they can help address the high cost of education, as a portion of skill development occurs on the job.

The NRA, in partnership with the American Hotel and Lodging Association (AHLA), recently received a contract from the U.S. Department of Labor to develop competency-based registered apprenticeship programs in restaurant and hotel management, training that aligns well with the state's current needs for enhancing employees' managerial and leadership skills. Through these programs, both jobseekers and incumbent workers will enhance their skills through on-the-job and classroom training, with a goal of advancing to managerial positions. The programs are currently under development, and the states where the programs will be implemented have not yet been determined. The programs will be offered to NRA and AHLA members, so we recommend that the sector partnership's intermediary contact John Shortt, the NRA's project manager, to explore these programs and opportunities for collaboration.

**Use WIOA OJT.** We recommend that employers partner with the public workforce system to use WIOA on-the-job training (OJT) to help new hires enhance their skills. Since OJT is provided on site, while workers are on the job, it can address a number of training barriers cited above: employees don't need to leave the worksite for training, and employers do not need to find replacements while workers are in training. OJT funds can support at least 50 percent of an employer's trainings costs, equal to at least 50 percent of an employee's wages. American Job Centers, which develop OJT contracts with employers, can help simplify the process of

developing OJTs by developing a master training agreement for use with employers, and other means.

**Expand CTE to 10th grade.** We recommend that the sector partnership work with key state and education and training partners to explore opportunities to start CTE programs in 10th grade. Since CTE classes start in 11th grade, students who took similar classes or were exposed to a field in middle school often lose their interest and skills before CTE classes start again in their junior year; an additional year of CTE in 10th grade will help students maintain their interest in the field. SB 101 is a bill being introduced that will allow CTEs to begin in 10<sup>th</sup> grade, addressing this critical challenge. If it passes, the sector partnership can work with the New Hampshire Department of Education and CTE schools to explore opportunities to offer hospitality classes in 10<sup>th</sup> grade in specific schools.

**Address postsecondary cost challenges.** We recommend that the sector partnership explore two options for addressing the cost of postsecondary education for students, while simultaneously helping expand the labor pool. First, we recommend that industry representatives work with the New England Board of Higher Education, state agencies like the Department of Resources and Economic Development, and postsecondary education and training providers to increase marketing of New Hampshire's hospitality programs that are accessible through the Tuition Break program to New England residents outside New Hampshire. Tuition Break "enables New England residents to enroll at out-of-state New England public colleges and universities at a discount. Students are eligible for...Tuition Break when they enroll in an approved major that is not offered by the public colleges and universities in their home state."<sup>35</sup> Enhanced marketing of Tuition Break can increase the number of students from Maine, Vermont, and other states that enroll in New Hampshire's hospitality programs, and whom ultimately choose to settle in the state after graduation.

The sector partnership can also work with state partners to explore the feasibility of replicating a unique initiative in Maine, where out-of-state students accepted to the University of Maine are only required to pay the in-state tuition charged at their home state flagship public university. For example, a New Hampshire resident accepted at the University of Maine is only charged the University of New Hampshire's in-state tuition. This is another potential option for decreasing the cost of postsecondary education for students, while increasing the number of potential hospitality workers in the state.

#### **4) HOUSING AND TRANSPORTATION CHALLENGES**

In addition to the workforce challenges cited above, the hospitality cluster faces several other key non-workforce challenges that make it challenging to fully address its hiring, training, and retention needs. The high cost of housing is a critical challenge to recruiting entry-level hospitality workers statewide. Numerous interviewees cited this as a major non-workforce issue that makes it difficult for the industry to meet its demand for new workers. The high cost of

housing is exacerbated by a lack of moderate and low-income housing in some areas. A second, related challenge is that some workers often have to commute long distances for hospitality employment because housing options are limited near their place of work; this travel time not only increases workers' travel costs, but it makes it more challenging for workers to take advantage of training and can impact retention.

## **Key Strengths**

The state has several key assets that can help it address these challenges. The state has consistently adopted creative approaches to addressing its housing and transportation challenges. For example, there is a history of employers providing dormitory housing to workers. Recently, Water Country began building a dormitory for its workers, and a restaurant in the Portsmouth area purchased cottages for its employees' use. Waterville Valley has offered a shuttle, transporting workers from Plymouth to the resort.

A second and very important asset is that there is widespread awareness of the housing issue statewide. Employers, education and training providers, and other key stakeholders across the state noted this challenge. This shared sense of concern provides industry stakeholders with a strong foundation for collaborating both with each other and with other state stakeholders, like the state transportation department, to address these challenges.

## **Strategies**

**Share promising approaches.** Employers can share their individual approaches to these challenges with their peers to support widespread replication. For example, Waterville Valley can discuss how it implemented its shuttle (e.g., the cost, who provides the shuttle service, etc.), helping other resorts, as well as hotels and restaurants, adopt similar transportation solutions. Similarly, Mt. Washington Valley leadership can discuss their recent success increasing affordable housing in the region.

**Explore additional shared creative approaches.** Employers and their partners can explore more creative approaches to addressing housing and transportation challenges, with employers partnering together on solutions. Multi-employer partnerships both help more businesses and reduce costs for all those participating. For example, a group of employers in a specific geographic area, such as the Mt. Washington Valley, could pool their resources to purchase or rent a dorm for workers, or establish a vanpool to transport their workers. These shared approaches are likely more cost effective than if each employer purchased or rented their own facility or van.

**Engage state leadership and agencies.** We recommend that employers, universities, and other stakeholders leverage their shared concerns regarding housing and transportation to partner together and explore larger, lasting statewide solutions. For example, a group of

employers representing different types of hospitality employers—resorts, restaurants, attractions, and hotels—could meet with state transportation officials to explore expanding bus service to different parts of the state. This type of large-scale partnership can be very successful at addressing these types of non-workforce challenges, as described in more detail below.

## **ESTABLISHING A SECTOR PARTNERSHIP**

A sector partnership is a critical vehicle for addressing workforce challenges facing the hospitality industry. A sector partnership is an ongoing, industry-led collaboration where employers throughout an industry gather together on a regular basis to identify their shared hiring, training, and retention challenges. They then work with other critical industry stakeholders, such as education and training providers like community colleges and universities, CBOs, and the public workforce system, to develop solutions to those specific challenges. These workforce solutions can range from developing new training programs for incumbent workers to replicating promising retention strategies, like the mentoring program for housekeepers noted earlier. A convener or intermediary supports the work of the partnership, working with both employers and the other critical partners to broker solutions and support the partnership's ongoing work.

Sector partnerships can also be a critical mechanism for identifying and tackling the non-workforce challenges facing an industry. For example, the Lane Workforce Partnership, in Oregon, identified lack of airline access as a key barrier limiting the growth of the area's technology employers. This sector partnership formed a team that focused on improving air travel in and out of the region, and within six months nonstop air travel began between Eugene, Oregon and San Jose, California. A "New Hampshire Hospitality Sector Partnership" could follow this model and focus on tackling hospitality's housing and transportation challenges in addition to its workforce issues.

Effective sector partnerships have industry champions, usually a current or retired industry executive that is respected by his or her peers, and committed to the success of the community or sector. The role of the champion includes convening industry peers and other partners on a regular basis; helping develop the agenda for partnerships; identifying and facilitating critical partnership actions; and participating in the resulting workforce solutions identified by the partnership, from reviewing curriculum to hosting interns. Since hospitality has three key sectors—Accommodation, Attractions (i.e., arts, entertainment, and recreation), and Food Services—we recommend that the sector have a co-chair for each sector. This structure will help ensure that each sector's workforce needs are represented in the partnership, and also help engage employers from all three sectors once the partnership is underway. In addition, we also recommend that at least one champion be based in the north country, as this will ensure that this portion of the state, with a particularly high concentration of hospitality businesses, is represented as well.

The intermediary role is vital to the partnership, as this entity supports the partnership's ongoing activities, working effectively with both industry and the other key partners. We recommend that the New Hampshire Lodging and Restaurant Association serve as the intermediary for the New Hampshire Hospitality Sector Partnership. This association is recognized and works with a variety of stakeholders statewide, including both employers and education and training providers, enabling it to convene and work with all the key entities in the partnership. It has strong workforce expertise, including familiarity with industry certifications. Given its role as an industry association, the organization has good experience serving as a broker with both its members and other organizations. All of these attributes make it a strong candidate for the intermediary role.

There are strong workforce initiatives currently underway throughout the state, so we recommend that the industry champions and intermediary develop formal linkages with them, as needed. This includes identifying the best way to engage with the initiatives and their members, without fatiguing employers. For example, the Mt. Washington Valley Regional Collaborative is a group of employers and other organizations that started to convene regularly to tackle workforce and other challenges in a number of industries. The initiative has good interest and momentum; over 100 employers attended one of its workforce-focused meetings. The sector partnership can work with it to determine how to coordinate with its efforts.

The first six months following the launch of a sector partnership is a critical phase for fostering its success. There will be strong interest following the launch of the partnership, and it is important to harness that interest by continuing to engage the employers and their partners and by demonstrating some early success, where possible. Following the launch of the partnership, the intermediary can work with the industry champions to develop a short-term plan for the hospitality partnership. For example, after the launch of the partnership, the champions and intermediary can convene employers in all three hospitality sectors to further identify and prioritize their workforce needs, and then convene employers and the other partners to determine the specific solutions that will be developed to address these challenges.

The success of sector partnerships hinges in large part on the commitment, involvement, and interest of employers. From their involvement with individual schools' education and training programs to participation in workforce focus groups, there are clearly a large number of hospitality employers that are extremely interested in tackling workforce issues. In addition, employers' key partners, including CTE schools, community colleges, and universities, already offer a strong foundation of hospitality education and training programs, and include many committed individuals eager to expand their hospitality work. Both of these factors indicate that New Hampshire is well positioned to launch a lasting and effective hospitality sector partnership.

## APPENDIX

The appendix highlights the specific occupations within New Hampshire’s hospitality cluster as well as the key skills for workers, based upon job posting data. While there are substantial variations in the distribution of occupations across industries in the cluster, the job ad data consistently emphasizes the importance of both communication and customer service skills.

### ARTS, ENTERTAINMENT, AND RECREATION

The occupational mix in the Arts, Entertainment, and Recreation sector is dominated by fitness trainers, amusement and recreation attendants, and landscaping workers, each of which comprises nearly 10 percent of jobs within this group (see Table 6).

**Table 6. Top Occupations by Employment in the Arts, Entertainment, and Recreation Sector (NAICS 71)<sup>36</sup>**

Standard Occupational Classification (SOC)	Description	Employed in Industry (2015)	% of Total Jobs in Industry (2016)	Median Hourly Earnings (2015)
39-9031	Fitness Trainers and Aerobics Instructors	1,111	9.8%	\$16.35
39-3091	Amusement and Recreation Attendants	856	7.6%	\$9.77
37-3011	Landscaping and Groundskeeping Workers	789	7.0%	\$13.81
35-3031	Waiters and Waitresses	584	5.2%	\$9.64
41-2011	Cashiers	432	3.8%	\$9.71
35-3011	Bartenders	414	3.7%	\$9.37
27-2022	Coaches and Scouts	351	3.1%	\$13.83
37-2011	Janitors and Cleaners, Except Maids and Housekeeping Cleaners	319	2.8%	\$12.31

**Table 7. Job Ad Data for the Arts, Entertainment, and Recreation Sector (NAICS 71, 2015)<sup>37</sup>**

TOP SKILLS		
Baseline	Specialized	Software and Programming <sup>38</sup>
Communication	Customer Service	Microsoft Excel
Multitasking	Cleaning	
Detail-Oriented	Housekeeping	
Organizational Skills	Budgeting	
Planning	Scheduling	
Computer Skills	Sales	
Teamwork/Collaboration	Guest Services	
Writing	Repair	

## ACCOMMODATION AND FOOD SERVICES

### Accommodation

The largest number of workers in the Accommodation sector (approximately 2,400) are maids and housekeeping cleaners, with approximately half that many working as hotel, motel, and resort desk clerks. There are less than six hundred workers in all other occupations within the sector (Table 8).

**Table 8. Top Occupations by Employment Within the Accommodation Sector (NAICS 721)<sup>39</sup>**

Standard Occupational Classification (SOC)	Description	Employed in Industry (2015)	% of Total Jobs in Industry (2016)	Median Hourly Earnings (2015)
37-2012	Maids and Housekeeping Cleaners	2,427	25.7%	\$10.53
43-4081	Hotel, Motel, and Resort Desk Clerks	1,211	12.8%	\$11.00
35-3031	Waiters and Waitresses	588	6.2%	\$9.64
49-9071	Maintenance and Repair Workers, General	440	4.7%	\$18.70
11-9081	Lodging Managers	269	2.9%	\$27.53
35-3011	Bartenders	268	2.8%	\$9.37
35-2014	Cooks, Restaurant	242	2.6%	\$12.90
37-3011	Landscaping and Groundskeeping Workers	237	2.5%	\$13.81

**Table 9. Job Ad Data for the Accommodation Sector (NAICS 721, 2015)<sup>40</sup>**

TOP TITLES	TOP SKILLS		
	Baseline	Specialized	Software and Programming <sup>41</sup>
Room Attendant	Communication	Guest Services	Microsoft Excel
Housekeeper	Physical Demand	Customer Service	Microsoft Office
Night Auditor	Organization	Cleaning	
Front Desk Agent	Writing	Scheduling	
Houseperson	English	Sales	
Guest Services Representative	Detail-Oriented	Front Office	
Host/Hostess	Multitasking	Repair	

### Food Services and Drinking Places

The occupational mix within the Food Services sector is primarily wait staff, food preparation workers, and cooks, which constitute over 50 percent of its workers (Table 10).

**Table 10. Top Occupations by Employment Within Food Services and Drinking Places (NAICS 722)<sup>42</sup>**

Standard Occupational Classification (SOC)	Description	Employed in Industry (2015)	% of Total Jobs in Industry (2016)	Median Hourly Earnings (2015)
35-3031	Waiters and Waitresses	10,540	22.1%	\$9.64
35-3021	Combined Food Preparation and Serving Workers, Including Fast Food	10,157	21.3%	\$9.48
35-2014	Cooks, Restaurant	4,330	9.2%	\$12.90
35-1012	First-Line Supervisors of Food Preparation and Serving Workers	2,428	5.1%	\$17.05
35-3011	Bartenders	2,345	5.0%	\$9.37
35-2015	Cooks, Short Order	2,412	5.0%	\$9.68
35-9031	Hosts and Hostesses, Restaurant, Lounge, and Coffee Shop	2,033	4.3%	\$9.67
41-2011	Cashiers	1,850	3.9%	\$9.71

**Table 11. Job Ad Data for the Food Services and Drinking Places Sector (NAICS 722, 2015)<sup>43</sup>**

TOP TITLES	TOP SKILLS		
	Baseline	Specialized	Software and Programming <sup>44</sup>
Cook	Communication	Customer Service	Microsoft Excel
Line Cook	Writing	Cleaning	Microsoft Word
Restaurant Manager	Organization	Food Service Experience	SQL
Bartender	Mathematics	Restaurant Management	
Assistant Manager	Work Area Maintenance	Cooking	
Host/Hostess	English	Food Safety	
Server	Leadership	Supervisory Skills	
Dish Washer	Problem-Solving	Retail Setting	

## ENDNOTES

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<sup>1</sup> Emsi Analyst. 2016.4 Class of Worker. Data extracted by S. Lamback.

<sup>2</sup> See NH ELMI's 2016 publication *The Hospitality Industry Cluster in New Hampshire*, available at <http://www.nhes.nh.gov/elmi/products/documents/hospitality.pdf>.

<sup>3</sup> Emsi Analyst. 2016.4 Class of Worker. Data extracted by S. Lamback.

<sup>4</sup> Emsi Analyst. 2016.4 Class of Worker. Data extracted by S. Lamback.

<sup>5</sup> Emsi Analyst. 2016.4 Class of Worker. Data extracted by S. Lamback.

<sup>6</sup> Emsi Analyst. 2016.4 Class of Worker. Data extracted by S. Lamback.

<sup>7</sup> Emsi Analyst. 2016.4 data extracted by S. Lamback.

<sup>8</sup> Emsi Analyst. 2016.4 data extracted by S. Lamback.

<sup>9</sup> Emsi Analyst. 2016.4 Class of Worker. Data extracted by S. Lamback.

<sup>10</sup> Emsi Analyst. 2016.4 Class of Worker. Data extracted by S. Lamback.

<sup>11</sup> Emsi Analyst. 2016.4 Class of Worker. Data extracted by S. Lamback.

<sup>12</sup> US Census Bureau. QWI Explorer. Yearly average turnover rates by NAICS sector. Accessed at <https://qwiexplorer.ces.census.gov>. For example, in 2014 turnover was 24 percent in NH's Arts, Entertainment, and Recreation sector and 16 percent in the Accommodation and Food Services sector. Across all sectors statewide, turnover was approximately 8 percent.

<sup>13</sup> US Census Bureau. QWI Explorer. Yearly average turnover rates by NAICS sector. Accessed at <https://qwiexplorer.ces.census.gov>. For example, Accommodation and Food Services had 16,844 new and recall hires during the fourth quarter of 2015, with 25,508 new and recall hires during the second quarter of the same year.

<sup>14</sup> Emsi Analyst. 2016.4 Class of Worker. Data extracted by S. Lamback.

<sup>15</sup> Recreation includes NAICS sector 71 (all entertainment, recreation, and arts establishments), food services include businesses in NAICS industry 722 (food services and drinking places), and accommodation examines those in NAICS industry 721 (accommodation).

<sup>16</sup> Emsi Analyst. 2016.4 Class of Worker. Data extracted by S. Lamback.

<sup>17</sup> Emsi Analyst. 2016.4 Class of Worker. Data extracted by S. Lamback.

<sup>18</sup> Emsi Analyst. 2016.4 Class of Worker. Data extracted by S. Lamback.

<sup>19</sup> Emsi Analyst. 2016.4 Class of Worker. Data extracted by S. Lamback.

<sup>20</sup> Emsi Analyst. 2016.4 Class of Worker. Data extracted by S. Lamback.

<sup>21</sup> Emsi Analyst. 2016.4 Class of Worker. Data extracted by S. Lamback. LQ for Recreation and Vacation Camps (excluding Campgrounds) is 7.8 and LQ for Bed-and-Breakfast Inns is 6.38.

<sup>22</sup> Emsi Analyst. 2016.4 Class of Worker. Data extracted by S. Lamback.

<sup>23</sup> Emsi Analyst. 2016.4 Class of Worker. Data extracted by S. Lamback.

<sup>24</sup> Emsi Analyst. 2016.4 Class of Worker. Data extracted by S. Lamback.

<sup>25</sup> Emsi Analyst. 2016.4 Class of Worker. Data extracted by S. Lamback. LQ for Snack Food and Nonalcoholic Beverage Bars is 1.62. A location quotient over 1.25 is generally considered to demonstrate a significant concentration of an industry, occupation, or demographic group.

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<sup>26</sup> Under the H-2B program, there were 65 Amusement and Recreation Attendants, 50 Maids and Housekeeping Cleaners, and 42 Waiters and Waitresses during 2015. U.S. Department of Labor. Employment and Training Administration. Office of Foreign Labor Certification. FY 2015 Annual Report Performance Data. Accessed at <https://www.foreignlaborcert.doleta.gov/performance/cfm>.

<sup>27</sup> A detailed breakdown of workers by industry is not available. However, additional information on the J-1 Summer Work Travel program is available here: <https://j1visa.state.gov/programs/summer-work-travel/>.

<sup>28</sup> The percentages of veterans by New Hampshire county are Belknap:12.4 percent; Carroll: 13.2 percent; Cheshire: 10.9 percent; Coös:12.6 percent; Grafton:9.9 percent; Hillsborough:9.2 percent; Merrimack:10.5 percent; Rockingham:9.8 percent; Strafford:9.8 percent; and Sullivan:11.8 percent. U.S. Census Bureau. 2011–2015 5-Year Estimates. Accessed at <http://www.factfinder.census.org/>.

<sup>29</sup> The labor force participation rate for the civilian population ages 18–64 in New Hampshire is 81 percent and the unemployment rate is 5.5 percent. US Census Bureau. 2011–2015 5-Year Estimates. Accessed at <http://www.factfinder.census.org/>.

<sup>30</sup> U.S. Census Bureau. 2011–2015 5-Year Estimates. Accessed at <http://www.factfinder.census.org/>.

<sup>31</sup> Benefits.GOV. <https://www.benefits.gov/benefits/benefit-details/108>.

<sup>32</sup> U.S. Department of Labor. <https://www.dol.gov/vets/vetoutcomes/>.

<sup>33</sup> Community College System of New Hampshire. <http://www.ccsnh.edu/workforce-training/workready-nh>.

<sup>34</sup> CCSNH. <http://www.ccsnh.edu/academics/running-start>.

<sup>35</sup> New England Board of Higher Education. Tuition Break NH. Accessed at <http://www.nebhe.org/programs-overview/rsp-tuition-break/overview/>.

<sup>36</sup> Emsi Analyst. 2016.4 Class of Worker. Data extracted by S. Lamback. Emsi provides the percentage of jobs by industry for the most recent full year for which these data are available. As a result, the staffing patterns highlighted in Tables 6, 8, and 10 use the 2016 breakdown of occupations within each industry.

<sup>37</sup> Burning Glass Technologies Labor Insight. Data listed are for the state of New Hampshire during 2015 and based upon 459 total postings in the sector. Note: 166 postings were not included in the skills analysis because they did not include a skill. In addition, top occupations are not included in this table because Maids and Housekeeping Cleaners were the only occupations for which there were more than 50 total job postings.

<sup>38</sup> Microsoft Excel was listed in 48 job postings.

<sup>39</sup> Emsi Analyst. 2016.4 Class of Worker. Data extracted by S. Lamback.

<sup>40</sup> Burning Glass Technologies. Labor/Insight data extracted by S. Lamback. Data are for the state of New Hampshire in 2015. There were 1,312 total postings for the Accommodation industry during that period.

<sup>41</sup> Only software and programming skills that were listed in more than 50 postings are included here.

<sup>42</sup> Emsi Analyst. 2016.4 Class of Worker. Data extracted by S. Lamback.

<sup>43</sup> Burning Glass Technologies. Labor Insight data extracted by S. Lamback. Data are for the state of New Hampshire in 2015. There were 2,295 total postings for the Accommodation industry during that period.

<sup>44</sup> Only software and programming skills that were listed in more than 50 postings are included here.