



Career Pathways & Crosswalks in the Hotel, Retail & Restaurant Industries

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Report to the Chicago Workforce Board



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Executive Summary

Service-sector jobs are an increasingly important part of Chicago's economy. The three industries profiled in this report – hotels, retail, and restaurants – represent nearly 188,000 jobs in the city of Chicago and over 720,000 in the Chicagoland region – nearly one job in five. Beyond this, they are important components of Chicago's hospitality and tourism infrastructure and key sources of entry-level employment opportunities for individuals with low levels of educational attainment or work experience.

Report Goals and Research Tasks

This report, completed for the Chicago Workforce Board with the support of the Joyce Foundation, examines career pathways and crosswalks in the hotel, restaurant and retail industries. The research involved:

- ☐ Mapping the **structure of jobs, wages, skills and competencies** across the three sectors;
- ☐ Identifying **career pathways and crosswalks** that currently exist within and across these sectors, and where they might be fostered; and
- ☐ Identifying key **labor market challenges** for workers and employers in these sectors.

The primary goal of this research is to inform the design of cross-industry workforce development programs that:

- ☐ **Promote access** to entry-level job opportunities on the part of individuals with limited basic skills and work experience;
- ☐ **Facilitate career advancement** and educational attainment on the part of incumbent workers; and
- ☐ **Assist employers** in increasing employee retention and improving the supply of qualified job candidates.



Research Findings

Based on interviews and secondary data and information, we identified the following labor market trends, issues and challenges:

- ☐ Service industries offer an array of job opportunities for new entrants to the labor market and those with limited basic skills and work experience;
 - ☐ Although the largest portion of jobs in these industries is at the entry level where wages and benefits are relatively low, the constant churning at higher levels creates substantial job openings and opportunities for upward mobility;
 - ☐ Advancement into management or professional/technical tracks increasingly requires a postsecondary degree, as well as broad industry knowledge and experience;
 - ☐ The primary labor market challenges cited by employers include difficulty in finding workers with basic and customer service skills and work ethic, high turnover at the entry level, and difficulty in finding qualified and willing internal candidates for assistant manager jobs;
 - ☐ Employee concerns include relatively low wages and benefits in entry level and second-tier jobs, barriers to moving into management positions if they do not have postsecondary credentials, especially a four-year college degree, and limited information about careers and training opportunities; and
 - ☐ Not many companies in these industries provide access to credential-based training and education services and career information to hourly employees to help them bridge the gap into skilled and managerial positions.
 - ☐ Industry associations have developed career lattice information, educational materials and industry credentials.
-

Skill and Career Crosswalks

The three industries share core skills requirements for entry-level and second-tier employment and to enter management level positions, providing potential “crosswalks” between them, as follows:

- ☐ **Entry level:** work readiness, customer service, basic computing skills;
- ☐ **Semi-skilled and above:** advanced basic skills (i.e., writing, reading comprehension, basic math) and computer applications;

At the semi-skilled and skilled levels there are three occupational clusters: sales and marketing; advanced customer service; and culinary arts.

In moving toward supervisory and managerial opportunities, employers also identified a number of key qualities and characteristics for advancement, including big picture awareness; flexibility and adaptability; leadership; and analysis and critical thinking.

Although there are informal career pathways across these three industries, efforts to formalize these crosswalks could offer benefits to:

- ☐ **workers** by helping them better understand their career options and educational requirements, matching their skills and interests and making informed job choices;
- ☐ **employers** by improving the quality of the labor pool, sharpening their recruitment strategies and reducing turnover; and to
- ☐ **education and training providers** by helping them to develop training that is both relevant to employers, and supportive of diverse career and educational pathways for individuals.

These crosswalks could be formalized through education and training programs that target these industries, and intermediaries (e.g. industry associations, the workforce system, and labor unions) that connect employers and education and training providers.

Implications: Strengthening Career Pathways

These findings suggest a potential role for the workforce development system in helping to strengthen career and educational pathways within and across the sectors and to expand access to training and education that provides the competencies necessary to enter and succeed in hospitality careers. Specifically, there are three areas where new training programs that integrate core competencies defined for employment and advancement in the hotel, restaurant, and retail industries might be developed:

- ❑ Entry-level Bridge Training (Hospitality fundamentals) focused on adults with limited basic skills and work experience to help them prepare for entry-level employment and/or entrance into occupational training or degree programs;
- ❑ Incumbent Worker Bridge Training for entry-level employees in the three industries to help them acquire the skills, credentials and confidence to advance toward semi-skilled and skilled positions within and across industries; and
- ❑ Management Bridge Training for motivated hourly employees with strong performance records to help them acquire competency-based credentials linked to entry level management (or assistant management) positions and postsecondary degrees which are required for advancement in management careers.

The curricula would incorporate classroom and on-site, experiential learning. As part of an educational pathway framework, they would prepare students for the next level of work or education; provide industry-relevant credentials; and involve employers. The City Colleges of Chicago (CCC) offer a number of assets that will be helpful in developing these training programs.



Next Steps

This report provides a foundation for further action, including:

- ❑ engagement of employers to validate the crosswalks, provide feedback on program design, employment opportunities, and participate in program delivery;
- ❑ further assessment of the needs of specific groups within the target audience;
- ❑ building linkages with other relevant training and education programs offered by CCC, state and national industry associations, and other local organizations); and
- ❑ identification of available public and private financial resources to support potential pilot initiatives.

I. Introduction

This study examines labor market outcomes and challenges in three key service industries in the Chicago area: hotels, restaurants, and retail. These service industries are an important part of the city's job base, especially within the downtown area. Together they represent nearly 188,000 jobs in the city of Chicago, and over 720,000 in the metropolitan region, nearly one in five jobs in the economy. Each has its own unique challenges, but they share a number of important things in common, including a common focus around customer service. They also offer a significant number of entry-level jobs for workers with relatively low levels of educational attainment and work experience.

The goals of the research are to inform design of cross-industry programs that will promote access for individuals with limited basic skills and work experience to entry-level jobs across sectors and to assist entry-level and incumbent workers to understand their advancement options and gain the qualifications necessary to advance. The research also explores whether and how cross-sector training/education programs could assist employers to increase retention of employees and expand the supply of qualified candidates.

Research tasks included:

- ❑ Mapping the structure of jobs across each of the industries;



- ❑ Identifying requirements for the jobs at each level in each sector and requirements for advancement to better jobs;
- ❑ Understanding hiring practices and common career pathways at different levels;
- ❑ Profiling labor market challenges for both employers and workers in each industry; and
- ❑ Identifying the competencies shared by all of the sectors, and assessing the extent of crosswalks that provide opportunities for employees to move across sectors and occupations.

The research confirmed the existence of crosswalks between hotel, retail, and restaurant industries, which are made possible by common skill requirements for jobs and career progressions across industries. It showed that appropriately designed education and training programs could facilitate cross-industry transitions by equipping individuals with industry recognized credentials or certifications, helping them gain needed experience through applied learning opportunities, and assisting them in accessing hiring networks within those industries.

These findings suggest that workforce development initiatives that offer competency-based training in high-demand occupations could enhance opportunities for individuals to build the skills and credentials necessary to advance within and across these industries, as well as increase the supply of highly qualified employees.

The research methodology included analysis of secondary data, interviews with employers representing the different parts of each sector, and a discussion with students seeking to enter and advance in hospitality careers.

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II. Industry Case Studies

This section profiles the three industries that are included in this study – hotels, retail and restaurants. For each, the case study discusses the overall structure of jobs within the industry; skills and qualifications associated with entry points and advancement; career pathway dynamics, including challenges for employers and workers; and the education and training infrastructure that serves it. The section concludes with key findings and issues across the three industries.

Hotels



HOTELS

Hotels

- ❑ The hotel industry offers a wide range of employment opportunities at different levels of skill and education.
- ❑ Entry-level hotel jobs pay relatively well compared to other service sectors and career mobility depends on training, competency and credentials.
- ❑ Semi-skilled positions like front desk clerk represent good potential transitions from entry-level jobs in other service industries like retail.
- ❑ Postsecondary credentials are becoming increasingly necessary in order to move into supervisory and managerial positions.



Findings at a Glance



2.1 Hotels



Industry Overview

The hotel industry represents a vital component of Chicago's hospitality infrastructure, serving visitors to the city for both leisure and business purposes. The hotel industry is comprised of several key segments. The main distinction lies between full service and limited (or select) service properties, with the former offering restaurant and event services (e.g., conferences and wedding receptions), in addition to lodging. Other key industry segments include casino, resort, and residence hotels.

Structure of Opportunity

The hotel and lodging industry has been one of the economy's faster-growing sectors in recent years, both nationally and within the Chicago area. Between 1980 and 2000 hotel employment grew roughly 50 percent faster than the region's economy overall, 28% compared to 18%¹. As of 2005, the hotel industry represented 36,199 jobs in the 9-county Chicago metropolitan area, 16,772 of which were located in the city of Chicago². Employment within the industry has declined somewhat since its peak in 2000 and 2001 due to the recession of 2001-2003. The industry has resumed a modest job growth path, and is expected to grow in Cook County at annual rate of 0.9 percent to 2014, roughly the same as the overall economy³.

Hotel jobs tend to be concentrated geographically, with full service hotels predominantly located in downtown Chicago, near O'Hare Airport, and suburban employment centers like Schaumburg and Oakbrook. Limited service hotels are more widely dispersed throughout the region. Within the city of Chicago, the vast majority of hotel jobs (85%) are found within the Loop and the surrounding area⁴. For this reason, hotel jobs tend to be highly accessible to workers from throughout the city.

Compared with many other industries, hotels tend to have large establishments with a broad division of labor encompassing a wide range of pay and skill levels (Figure 1 – Hotel Industry Career Pathway Map, page 30). Most hotel jobs fall into three divisions: rooms, food and beverage, and administration. The rooms division is the largest of the three, and contains the functions most commonly associated with hotels: front desk and related functions, housekeeping and cleaning, and uniformed service (e.g., bell service). The food and beverage division is responsible for preparing and serving meals for the restaurant and/or events at the hotel, such as conferences and receptions. And finally, the administrative division includes both general management functions, as well as other functions serving the entire hotel, including accounting and finance, engineering, human resources, security, and sales and marketing.

Not all of these jobs are found in all hotels; smaller, select service hotels generally have few, if any, separate food and beverage staff. And in some cases, hotel restaurants are operated independently from the food and beverage division, often by outside companies.

Forty-three percent (43%) of the jobs in the hotel industry can be classified as entry level jobs – namely, they are generally accessible to workers without a high school (HS) diploma or equivalency (GED). This category includes positions such as room attendants, laundry workers, house persons (janitors), banquet setup and servers, stewards (dishwashers), bussers and bell service attendants. Forty-five (45) percent of hotel jobs can be classified as semi-skilled, requiring at least some formal education (e.g., a high school diploma or GED) or work experience from an entry level position. This large category includes many positions in the front desk and front office area, which require higher levels of basic skills but not necessarily specialized training, as well as positions like security guards and food preparation workers, which require

Employment Trends

Geography

Occupational Structure

¹ Author's analysis of decennial population Census data for 1980, 1990, and 2000.

² Illinois Department of Employment Security (IDES), Local Employment Dynamics (LED) series, average Q1-Q4 2005 for NAICS 721 (Accommodation), 12/28/06;

Chicago metropolitan region includes the following counties: Cook, DeKalb, DuPage, Grundy, Kane, Kendall, Lake, McHenry and Will.

³ IDES, Industry Employment Projections series.

⁴ Unpublished data from IDES, q1 2005, includes private sector employment only.

Workforce Demographics

some specialized training. Eight (8) percent of hotel jobs can be classified as skilled, requiring either specialized training (e.g., a culinary or hospitality degree), or some combination of education and experience. And finally, four (4) percent of hotel jobs are classified as managerial jobs.

The hotel industry is a highly diverse one, employing high proportions of women and people of color (Table 1). As of 2000, women comprised 54 percent of the industry's workforce in Chicago, compared to 46 percent for all industries, and 58 percent were non-White/non-Hispanic, compared to 35 percent overall⁵. The industry employed significantly fewer workers with bachelors and post-graduate degrees, while its age profile is roughly similar to all industries. Within the industry, there are considerable demographic differences between job levels, most noticeably in terms of race/ethnicity. Only 35 percent of skilled and managerial workers were people of color, compared with 74 percent of entry-level workers.

Skills and Qualifications

Entry-level jobs in the hotel industry are generally available to individuals without a high school degree or equivalent, and often without related work experience. They require relatively little in terms of specialized skills – most job tasks are learned on the job – with employers hiring primarily on the basis of **soft skills** and **reliability**. **Customer service skills**, **English language** and **ability to communicate** are important for certain positions, especially those like banquet servers and bell service that involve frequent and direct interface with customers. But many hotels are also beginning to stress customer service within “back of the house” positions with an eye toward improving customer satisfaction. And while some hotels are expanding the use of computers within back of the house functions, computer skills are generally not required to obtain these jobs.

Semi-skilled positions within hotels require slightly higher levels of formal education, training and work experience, but less than a postsecondary degree. They can be divided into two groups based on the need for specialized training. The first, which includes front desk clerks, administrative support for sales and event planning, reservationists and PBX (switchboard) operators, require **basic computing skills**, as well as high levels of **customer service**, **English language** and **communications skills**. They also require the basic reading and math skills associated with at least a secondary degree (high school/GED). In general, employers tend to look for individuals with some work history, with entry-level experience in positions like retail sales and customer service representative (e.g., call centers) providing useful stepping stones to these jobs. Ability to speak languages other than English is important for serving an increasingly diverse and international customer base.

The second set of semi-skilled jobs includes positions like security agents and food preparation workers. To access these positions, **short-term occupational training** (e.g., security, basic culinary, and food sanitation) available through community colleges, proprietary schools, and community organizations is typically needed.

Skilled and managerial jobs within hotels require both higher levels of basic skills such as writing, communication and computers, but also specialized knowledge and skills particular to the hotel and hospitality industry. For example, skilled culinary positions like sous chefs generally require a two-year culinary degree, while front office jobs like sales and revenue managers demand a college degree in a business-related field. Four-year college degrees in **hospitality** or **food and beverage management** are becoming increasingly the standard for reaching the managerial level. These programs combine general components of business management (e.g., human resources and finance) with industry-specific skills and context.

Table 2 summarizes key job titles, typical wage and salary ranges, education and training requirements, and core skills and knowledge areas for each level of jobs within the hotel industry.

Career Pathway Dynamics

There is a wide range of entry points for careers within hotels. The range reflects the large scale of hotel establishments and the broad division of labor within them, but also to some extent the segmentation between different parts of the hotel.

Advancement from entry-level hotel positions tends to be within relatively narrow tracks. Internal advancement is restricted to related supervisory positions (e.g., room attendant to housekeeping inspector or banquet server to banquet captain), which are often governed by seniority rules. Movement toward semi-skilled positions such as front desk clerks and reservationists is constrained by several factors.



⁵ Authors' analysis of Census 2000, Public Use Microdata Sample.



The most important is skills, particularly English language, literacy and computer skills, which are typically not required at the entry level but are needed to advance, even to front-line supervisory jobs. However, a more vexing barrier is “culture.” Entry-level workers, especially in back of the house functions, tend to get overlooked for front of the house positions because of employer concerns about their ability to relate to customers. More common forms of career advancement for many entry-level workers occur through movement across hotels toward more preferable properties in terms of wages, benefits and seasonality. Seasonality (i.e., fluctuations in work availability across the year) tends to be higher in properties that serve leisure travelers than those that primarily serve business travelers, resulting

in reduced work hours and sometimes temporary layoffs during the winter months.

Compared with the other two industries studied, the hotel industry has lower rates of turnover, both overall and in entry-level occupations. This may be attributed to relatively higher wages available to entry-level workers, both in union and non-union properties. Union presence in Chicago's hotel industry is significant, particularly within larger downtown properties, where union officials estimate that 60 percent of hotel workers are unionized⁶. Citywide approximately one-third of Chicago's hotels are unionized, according to industry representatives.

Career mobility paths from semi-skilled positions are much broader. Positions like front desk clerk are considered a gateway to advancement within the hotel, because they are highly visible to managers and expose workers to a wide range of activities within the hotel. Advancement can be especially quick within smaller and suburban properties, where higher turnover – often generated by movement across properties within a given hotel chain – creates opportunities to move up. However, lack of postsecondary credentials can represent a significant barrier for moving beyond front-line supervisory positions into managerial ranks.

At the managerial level, career mobility typically involves frequent movement across hotel properties throughout the country and even the world. This is particularly the case within major chains like Hyatt and Hilton, where the career of a hotel manager can be nomadic in nature, moving frequently to larger and more prestigious properties. The fast pace of mergers and acquisitions within chains and property management groups fuels cross-hotel movement among top-level managerial staff.

Employers in the hotel industry indicated that their greatest recruitment and retention challenges were actually within the middle tier of jobs such as front desk clerk. Because many of these jobs require both significant levels of basic skills, strong customer service and people skills, they can be very demanding and stressful leading to employee turnover. By contrast, they reported fewer difficulties with either entry-level positions, where higher pay and the use of informal hiring networks eased recruitment challenges, or managerial positions, with many (especially larger chains like Hyatt and Hilton) recruiting directly from postsecondary hospitality programs.

Education and Training infrastructure

In recent years, a specialized higher education infrastructure has developed to help individuals build professional careers within the hotel and hospitality industry. Nationally, the number of bachelor's degrees awarded annually in hospitality management has increased from only 526 in 1970 to over 6,000 in 2005, making it one of the fastest-growing fields in higher education⁷. Within the Chicago area, Kendall College, Roosevelt University, and Robert Morris College offer the largest four-year programs, while Lexington College, College of DuPage and Harold Washington College offer two-year hospitality programs. Similarly, the culinary arts field has grown significantly in recent years, with private schools like Kendall, CHIC (Cooking and Hospitality Institute of Chicago), and Robert Morris College operating alongside public institutions like the Washburne Culinary Institute (Kennedy-King College).

⁶ “Hilton, Union Agree on Pact” *Chicago Tribune*, September 1, 2006, page 1.

⁷ Authors' analysis of data from Integrated Postsecondary Education Data System, US Department of Education, National Center for Education Statistics.

For semi-skilled positions, most of the available training opportunities are found within the food and beverage area. Many community colleges and a number of community-based organizations like the Chinese American Service League and the Chicago Anti-Hunger Federation offer short-term certificate programs that introduce people to the basics of the culinary field, including food safety and sanitation. By contrast, there are few training programs that specifically target rooms division jobs like front desk clerk. The Illinois CareerPath Institute is one of the few, offering an 18 week program targeted at these jobs.

Nationally, the American Hotel and Lodging Association Educational Institute (AHLEI) certifies and validates competencies in conjunction with academic and industry experts for 38 occupational positions in the hospitality industry. AHLEI's Skills, Tasks and Results Training (START) and Lodging Management Program (LMP) programs are used by high schools and other training organizations to help individuals prepare to enter the hospitality industry.

A significant gap exists in the infrastructure for helping incumbent hotel workers – particularly at the hourly level – upgrade their skills. In recent years many companies have cut back their training budgets, reducing their capacity to address skills gaps within the workplace, such as computer skills, English language or customer service. Harold Washington College's Business and Industry Training division has recently begun addressing this gap through customized, workplace-based training with hotels like the Palmer House Hilton. And joining cities like San Francisco and Las Vegas, hotel management and unions in Chicago recently incorporated provisions for incumbent worker training into their collective bargaining agreements.



Retail

RETAIL



Retail

- ❑ The retail sector is large and highly diverse, representing approximately one out of nine jobs in the economy.
- ❑ Retail job structures are dominated by entry-level positions like cashiers and retail sales associates, which have minimal entry requirements and low pay but help to build core skills needed for upward mobility, and for other industries, making them attractive as first jobs for labor market entrants.
- ❑ Retailers typically maintain strong internal advancement ladders for hourly (non-managerial) positions, hiring at the entry level and promoting from within for specialized in-store positions and front-line supervisors.
- ❑ Postsecondary education is increasingly needed to move into retail management positions. And advancement often requires a willingness to transfer across store locations within the region.



*Findings at
a Glance*

2.2 Retail

Industry Overview

The retail trade sector is one of the largest and most varied segments of the economy. Retailers sell the end user everything from automobiles to computers to groceries, and despite the growth of Internet sales, most retail sales and employment occur within a store-based environment. Other non-store retail functions include warehousing and distribution; telemarketing, customer service and catalog sales; and professional activities such as merchandising, loss prevention, marketing, finance, human resources, information technology and operations which are generally concentrated in a retail chain's headquarters. Our research focused on the in-store retail labor force.

Retailers can be classified in terms of establishment size, range of products ("broadline" or specialty), and ownership structure (chain or independent). There are four primary clusters within these categories:

- ☐ Large broadline chains with many types of products, e.g., department or general merchandise stores;
- ☐ Large specialty chains, e.g., for appliances and electronics, office supplies, or home improvement;
- ☐ Small specialty chains, e.g., for fashionable clothes or gourmet food; and
- ☐ Small independent specialty stores.

From an employment standpoint these distinctions relate to the range of specialized occupations found within the store, and the manner in which career advancement typically occurs. Both topics are discussed later in this section.

Structure of Opportunity

In 2005 there were 93,935 retail jobs in the city of Chicago and approximately 438,218 in the Chicago metropolitan region, representing about one out of every nine jobs⁸. Retail employment growth from 1980 to 2000 was relatively low, a total of eight percent versus 18 percent overall employment growth within the region⁹. Forecasts to 2014 for Cook County project a similarly slow annual growth of 0.4%¹⁰. But because of the industry's size and rate of annual turnover, the number of job openings is substantial. According to IDES, one out of every eight retail employees in Chicago is new every quarter, and in 2005 approximately 70,000 new retail hires occurred in the city of Chicago alone¹¹.

Retail jobs are dispersed, both within the city of Chicago and the region overall. As the region's population has shifted toward the suburbs, retail employment within Chicago has declined both nominally and proportionally. As of 2005 the city had 21 percent of the region's retail jobs, compared with 36 percent of its population¹². However the proportion is beginning to change with renewed interest in underserved urban markets and the recent growth in the inner core population. In 2005 retail employment within the city grew by 5 percent, compared with only 0.9 percent region wide¹³. Areas of growth include specialty retail in the Loop, "destination retail" along North Michigan Avenue, and "big box" development in former industrial corridors of the South Loop and Near North communities. Only 26 percent of Chicago's retail jobs are found in the Loop and surrounding area, compared with 45 percent of all private-sector jobs¹⁴.



Employment Trends

Geography

⁸ See note 2. The retail industry is defined here in terms of the North American Industry Classification System category "Retail trade" (NAICS code 44-45); this definition is restricted to "establishments engaged in selling merchandise," and does not include other retail-oriented activities like commercial banking and wholesaling.

⁹ See note 1.

¹⁰ See note 3.

¹¹ IDES, Local Employment Dynamics (LED) program.

¹² Employment data from IDES LED, population from Census Bureau, annual population estimates.

¹³ IDES, LED.

¹⁴ IDES, *Where Workers Work 2006*, data for Q1 2005.

Occupational Structure

The workforce structure of in-store retail is relatively simple (Figure 2). Roughly 50 percent of jobs are entry-level, which primarily comprises cashiers, retail sales associates and receiving associates. About 38 percent of jobs fall within a semi-skilled classification, including specialized occupations such as sales specialists, customer service associates, security, stock clerks and merchandise display. Skilled occupations and managers comprise the remaining 12 percent of in-store retail jobs. Approximately 16 percent of retail industry jobs are non-store, including corporate headquarters, call center, and distribution functions.

Workforce Demographics

As of 2000 the retail workforce in Chicago was significantly younger, more female, had somewhat lower levels of educational attainment than the overall labor force, and was comparable in terms of race and ethnicity (Table 3). Within the industry, entry-level workers such as cashiers and sales associates were much more likely to be female (62%, compared to 49% for the retail industry overall) and young (42% under the age of 25, compared to 31% overall). People of color were somewhat less represented in skilled and managerial positions, and not surprisingly, entry-level workers were much less likely to have a college degree.

Skills and Qualifications

Entry-level retail positions require few specialized skills and qualifications. Basic skills like English language, an ability to operate computers and information technology (e.g., cash registers) and “acceptable workplace behavior” – e.g. dependability and reliability – are sufficient. Neither a high school diploma or GED is important at this level, and for many positions, previous work experience is not required.

Customer service and sales are the core front-line skills within the industry. NRF Foundation¹⁵, as part of a consortium of industry, labor, education, community and government partners related to the retail, wholesale, real estate and personal service sectors, defined skill standards for Customer Service and Sales in terms of seven critical work functions. These include learning about products and services, assessing customer needs, educating the customer, meeting the customer’s needs, providing ongoing support, preparing for selling, gaining customer commitment and closing the sale, and developing and implementing a follow-up plan¹⁶.

In hiring for positions like cashiers, employers generally accept the most basic elements of customer service skills and orientation. On the other hand, for retail sales associate (RSA) positions, which usually entail more active and intensive customer interaction, the full range of customer service and sales skills are required. Correspondingly, average wage levels for RSAs are somewhat higher than for cashiers, and vary considerably across retail sub-industries, from a low of \$8.50 in book and music stores to \$20.65 in auto dealers, with the national average for the retail sector being \$11.07¹⁷. Experienced retail salespersons in Chicago earned \$13.55 hourly as of 2005¹⁸; many earn at least part of their income on a commission basis, with highly successful salespersons earning over \$50,000 annually or more. Because of the higher level of sales skills and product knowledge required for retail sales specialists these positions are considered semi-skilled.

Advancement into semi-skilled retail positions involves the acquisition of industry-specific technical skills, such as **retailing/merchandising** (knowing more about the company’s product lines and how to display them) and **inventory control/loss prevention**. More generalized knowledge of workplace safety, health and security regulations is important for jobs at all levels of the industry. For semi-skilled positions, more advanced basic skills associated with a secondary degree – writing, reading comprehension, and basic math – are important.

Competencies required for in-store managerial positions in the retail industry build upon skills and experience developed in the front-line environment. These include advanced sales, customer service, and merchandising, building the store’s customer base, and enhancing customer loyalty. Equally important are managerial skills – including human resources, operations, and financial reporting – and higher level academic and functional workplace skills like critical thinking, problem solving, and information technology. For this reason many companies prefer, if not require, that store manager trainees possess a postsecondary degree.

Table 4 summarizes key job titles, typical wage and salary ranges, education and training requirements, and core skills and knowledge areas for each level of jobs within the retail industry.

Retail career pathways can be divided into two distinct tracks – one for hourly employees and one for managers. At each level retailers maintain strong internal promotion ladders, hiring primarily for the lowest entry-level positions and for assistant managers or managerial trainees. However, progression from the hourly to the managerial track has become increasingly difficult, especially for individuals without postsecondary credentials.



Career Pathway Dynamics

¹⁵ NRF Foundation is the education and research arm of the National Retail Federation.

¹⁶ Sales & Service Voluntary Partnership, “Customer Service and Sales Skill Standards,” August 2001. <http://www.nrf.com/foundation>.

¹⁷ BLS, Occupational Employment Statistics, Industry-specific wage estimates, US total, May 2005.

¹⁸ DES, Occupational Wages Estimates for Cook County.



At the hourly level, retail careers typically involve low pay but rapid advancement. Most companies start all entry-level workers on part-time hours (typically nights and weekends) and without access to benefits for the first several months of employment. This suits many entry-level retail workers who are students, second earners with familial obligations, or individuals working retail as a second job. Those interested in moving to full-time hours can often do so within a relatively short period of time (six months or so). From there promotion into specialized positions (stock clerk, merchandise display), front-line supervisory roles or team leaders, or “key holders” (high ranking hourly workers with the capacity to open or close the store) is quite common.

Wages for these positions are somewhat higher than for entry-level positions, usually in the \$10-12 range per hour but sometimes as high as \$14-15 hourly depending on store format and product area. Retail employers have generally not reported problems finding qualified applicants for entry-level positions. However, they do report high turnover rates in those positions, which may be attributed to relatively low wages, hours, and a lack of benefits. They also cite a gap in the skills and motivation necessary to advance from hourly to entry-level management positions.

These include basic skills such as the ability to read, write and use computers, leadership, the capacity to manage people and professional relationships, decision-making and basic business practices. In some cases, advancement is limited by employees’ unwillingness or inability (due to limited transportation access) to commute to other locations or assume the responsibility and long, often unpredictable hours associated with managerial jobs.

However, employers’ growing preference for managers with a postsecondary degree represents the most significant barrier to bridging this gap. Many retailers – especially larger companies – recruit heavily from college campuses for store management positions. A common career path for many retail managers is part-time experience in an entry-level position while in high school and/or college, and then moving into a managerial training program upon graduation¹⁹. While retailers generally prefer candidates with some hourly retail experience, most are open to hiring individuals with experience in related fields such as food service. Managerial trainees usually start at a department or assistant manager level, rotating around to different functions or stores before reaching the store manager level. Once individuals reach the managerial level, movement across retail companies is not uncommon, although this is restricted greatly by store size and to some extent the nature of the product line. For most retailers recruitment of qualified store managers is an ongoing task. While several companies interviewed expressed a desire to increase the share of managers promoted from within hourly ranks, very few were devoting significant corporate resources to do so.

Many retailers are making efforts to articulate more clearly the internal career pathways within their company. Macy’s and Target, for example, post career path information and maps for both hourly and managerial tracks on their websites²⁰, while a recent initiative of the U.S. Department of Labor, the National Retail Federation Foundation (NRFF), and several major retailers has resulted in the development of a model career pathway for the industry. The value of these efforts is both internal, to assist managers in developing and cultivating talent, and external, to help demonstrate to prospective employees the opportunities for career mobility within the company and industry.

Education and Training infrastructure

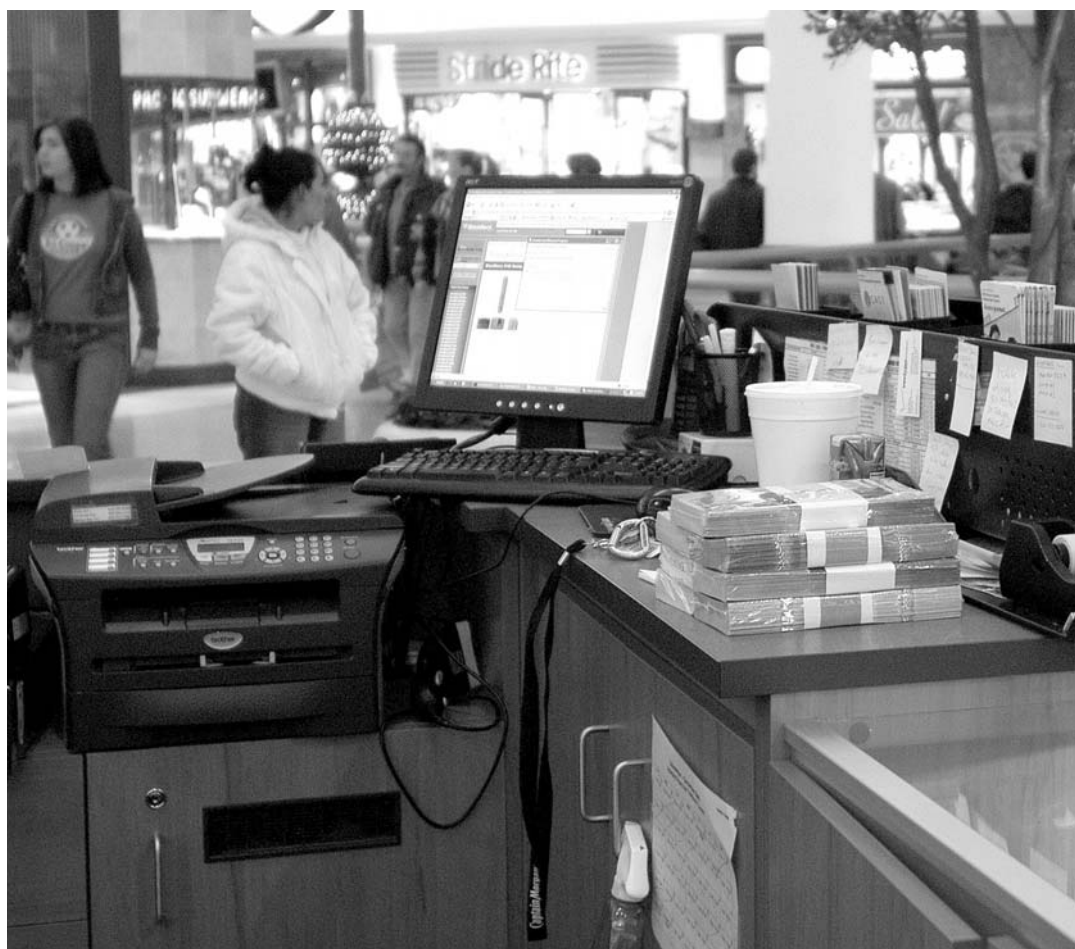
In comparison to the hotel and restaurant industries, there are few specialized training and education programs within retail. A small number of universities have programs in retailing and retail management, and many retailers express a preference for candidates with postsecondary degrees in business-related fields like marketing or management. A handful of community colleges in Illinois, including Joliet Junior College and Elgin Community College, offer certificates and degree specializations targeted at the retail sector; currently none of the City Colleges of Chicago offer any such programming. Overall, though, relatively few hourly retail workers and only some retail managers have any specialized or technical training in the field.

²⁰ Macy’s: <http://www.retailology.com/macysnorthwest/career/careerpaths.asp>;
Target: <http://sites.target.com/site/en/corporate/page.jsp?contentid=PRD03-000483>



To the extent that specialized training is offered, it generally occurs through the workplace. Traditionally, most training for hourly positions takes place on the job – often informally from managers and front-line supervisors (training is typically on new systems, products, etc.). At the managerial level, most retailers provide several months of training to help new managers learn different aspects of the job, through rotations to different departments and stores. Additionally, companies such as Saks, Toys R Us, and Home Depot are experimenting with workplace-based training linked to defined competencies, skill standards and internal job ladders. A national certification in Retail Management is also available through NRFF.

Several employers indicated increasing use of intermediaries to help with recruitment, screening and training of entry-level workers. In Chicago, community-based organizations like Jobs For Youth, Spanish Coalition for Jobs and Workforce Education Resource Collaborative (WERC) have reached out to employers like Marshall Field's (now Macy's) to place individuals needing entry-level work experience into retail jobs. The retailers found that working with good intermediaries reduced screening time, increased chances of finding the right person, and provided support for employees having problems. Nationally, the NRFF is developing Retail Skills Centers, based primarily within shopping malls, to organize job placement and deliver pre-employment training targeted toward entry-level retail or other customer service jobs. Training within the Retail Skill Centers is based on Customer Service and Sales skill standards. The City of Chicago's ServiceWorks Center, which offers employer-oriented workforce services to retail, hospitality and other customer service industries, is affiliated with the Retail Skill Center initiative.



Restaurants



RESTAURANTS



Restaurants

- ❑ The restaurant industry is a fast-paced, fast-growing industry with low entry requirements and diverse career pathways.
- ❑ Entry-level jobs in restaurants tend to be low paying and physically demanding, but offer relatively good job and career mobility.
- ❑ Restaurant career pathways tend to be highly segmented between front of the house and back of the house functions, and between segments within the industry.
- ❑ Similar to the other industries, employers are increasingly demanding postsecondary credentials to move into managerial positions.



*Findings at
a Glance*

2.3 Restaurants



Industry Overview

The restaurant industry is involved in the production and delivery of food and meals to consumers. It is comprised of three main segments²¹ :

- ☐ Full-service restaurants;
- ☐ Limited or quick-service restaurants; and
- ☐ Institutional food service/dining services (including catering).

Within the category of full-service restaurants, key distinctions exist between fine and casual dining establishments with respect to the level of service as well as the food production process. Ownership structures also vary considerably between restaurants, from chains (e.g., McDonalds, TGI Friday's) to independent restaurants, to restaurant and food service groups like Levy, Compass Group or Lettuce Entertain You. To a greater extent than either retail or hotels, job structures and career ladders vary across these different segments within the restaurant industry.

Structure of Opportunity

Like the hotel industry, the restaurant industry has been one of the faster growing sectors in recent years. From 1980 to 2000 it grew by a total of 32 percent in the Chicago region, or an annualized rate of 1.4 percent, almost twice as fast as the overall economy (18%, 0.8% annual)²². As of 2005, the industry employed 245,820 in the nine-county region and 77,187 in the city of Chicago²³. It is projected to grow in Cook County by an average annual rate of 1.2 percent to 2014, approximately 25 percent faster than the overall economy²⁴. Like retailers, restaurants have very high rates of turnover, with one out of every six jobs turning over per quarter²⁵.

Restaurant employment is relatively evenly distributed throughout the city and the metropolitan region. Thirty-one (31) percent of the region's restaurant jobs are found within the city, almost exactly the share of total employment (30%)²⁶. Within the city, 41 percent of restaurant jobs are found in the Loop and surrounding area, compared with 45 percent of all private-sector jobs. The largest concentration of restaurant jobs – over 25,000 – is found in the area surrounding the Loop (central business district), which includes the River North, Streeterville, West Loop/Randolph Street, and South Loop areas.

The occupational structure of restaurants is commonly classified in terms of three distinct segments – the back of the house (BOH), front of the house (FOH), and management. (Figure 3 – Restaurant Industry Career Pathway Map) BOH occupations are primarily involved in the food production process and cleaning, with key occupations being dishwashers, cooks, and chefs. FOH occupations relate to welcoming customers, taking and delivering their food and drink orders, with key occupations being cashiers, servers, hosts and hostesses, and bussers. Managers coordinate BOH and FOH activities and attend to the overall operations of the restaurant or food service environment.

Different segments of restaurant industry have different occupational mixes. Within quick-service restaurants (QSR), fewer Front of the House (FOH) activities are present, and greater integration exists between the food production and service functions. Fine dining and certain institutional food service establishments are more likely to have a broader and more hierarchical division of labor, especially within the kitchen, similar to what is found within hotels.

Approximately 46 percent of jobs in the restaurant industry can be classified as entry-level, in that they are accessible to individuals without formal education or previous work experience. Forty-five (45) percent of jobs can be considered semi-skilled, where some formal education below the postsecondary level, specialized

Employment Trends

Geography

Occupational Structure

²² See note 1. ²³ See note 2. The restaurant industry is defined here in terms of the North American Industry Classification System category "Eating and Drinking Places" (NAICS code 722). ²⁴ See note 3. ²⁵ See note 11. ²⁶ See note 4.

Workforce Demographics

training or related work experience is required. Eight percent are skilled, meaning that either formal postsecondary credentials or long-term experience in related occupations (e.g., for supervisory or executive chef positions) are needed. And finally, two percent of restaurant industry jobs are managerial.

As of 2000, the restaurant industry workforce in Chicago was significantly younger than the labor force overall (Table 5). Forty (40) percent of restaurant workers were under the age of 25, nearly three times the rate of the overall workforce (14%). Overall, the gender composition of the restaurant industry roughly mirrors the overall labor force (55% male, compared to 54% for the total employed population), but women are significantly underrepresented in entry-level (kitchen) and managerial occupations. Latinos comprised one-third (33%) of the industry's workforce in Chicago, more than twice their share in the overall labor force. And only 13 percent of restaurant workers had a postsecondary degree, compared with 40 percent in the overall labor force.

Skills and Qualifications

Entry-level jobs in the restaurant industry require very little in terms of formal skills and qualifications. For FOH positions like cashiers, English language, ability to operate a cash register, basic math, and customer service skills and orientation are necessary. For BOH jobs like dishwashers and bussers, language and customer service skills are less essential, but basic hygiene is highly important. Employers hiring for entry-level positions are generally satisfied to find reliable, dependable workers, regardless of their educational credentials or previous work experience.

While server positions are generally available to individuals without formal education, training or experience, they do require a higher degree of **customer service and sales** skills, similar to retail sales specialists. For this reason they are considered semi-skilled occupations. And in some segments of the industry, previous experience and higher level of training are required. Within fine dining, for example, restaurants sometimes prefer for servers to have formal culinary training.

In the kitchen, semi-skilled positions for food preparation and cooks require basic knowledge of **culinary** techniques (e.g., cutting, sautéing), and knowledge of (and often certification in) **food safety and sanitation** protocols. The increasing use of pre-cut and pre-prepared ingredients within many restaurants, especially quick service and casual full-service, is decreasing the amount of culinary knowledge required by semi-skilled food prep workers.

At the level of skilled occupations, **culinary arts** and **supervisory and leadership** skills become important. Within full service and institutional food service establishments, sous chef and executive chef positions generally require at least a two-year culinary degree. For front-line manager positions – i.e., kitchen and dining room managers – an ability to supervise staff and operations is important, but in most cases a college degree is not required.

At the managerial level, knowledge of food and beverage management principles is important. However, the importance of industry-specific postsecondary credentials varies within the industry. Within fine dining and institutional food service, a two- or four-year degree in hospitality management is the rule, while this is less prevalent within casual full-service and quick-service segments. In all segments of the industry, though, the share of managers with at least a two-year college degree has increased in recent years. Employers cite the requirements for operations, human resources, budgeting and inventory as reasons to seek managers with formal postsecondary credentials. Additionally, entrepreneurship is considered an important managerial skill set within the restaurant industry, in terms of increasing sales and building new markets within existing restaurants, and developing and pursuing new restaurant concepts.

Table 6 summarizes key job titles, typical wage and salary ranges, education and training requirements, and core skills and knowledge areas for each level of jobs within the restaurant industry.

Career mobility within the restaurant industry follows along several different tracks, depending on the industry segment, level and occupational area. Most notably, there is a wide gap between the back and front of the house career tracks.



Within the kitchen, strong internal pathway structures move people from entry-level positions as dishwashers toward semi-skilled food prep and line cook positions. Training typically occurs informally on the job, with incumbents providing cross-training during off-peak times. Employers prefer this approach because it allows them to assess workers' reliability and work habits at the entry level.

However, for this reason, it is often difficult for qualified individuals to enter directly into semi-skilled food prep positions. From there, progression to kitchen manager is common for individuals demonstrating leadership capabilities.

Because many kitchen workers are immigrants and/or non-native English speakers, language skills are important for their ability to move up this ladder²⁷. Informal hiring networks are extremely common for entry-level kitchen positions.

While this is helpful for employers, it can also limit employment opportunities to individuals without significant work history or connections in the industry. For example, one individual interviewed had earned an associate's degree and significant apprenticeship experience in culinary arts while incarcerated but encountered serious difficulties finding an entry-level position because he lacked employer contacts.

In the front of the house, career mobility takes on different forms. Upward mobility toward restaurant management is more common here than from the back of the house, with servers moving toward host positions and dining room managers. Others find a successful track as a server, preferring the flexibility of the job over the stress of managerial positions, honing their sales and service skills to enjoy relatively well-paid (albeit physically demanding) careers. This is particularly the case within fine dining and certain segments of casual full-service restaurants. Entry-level FOH workers (i.e., bussers) are often precluded from making the jump into server positions due to a lack of English language and customer service skills.

A culinary career track exists for individuals with formal training in the culinary arts. Here, people typically start as line chefs within fine dining establishments and progress toward sous chefs and executive chef positions. Advancement within this track is often external, as chefs move across restaurants as they gain experience and contacts within the industry. The ultimate goal for many within this track is to start their own restaurant. In general, however, it is less common for executive chefs to become restaurant managers.

Quick-service restaurants (QSRs) exhibit career pathway dynamics that are similar to the retail industry. QSRs tend to operate with much lower entry wages, higher shares of part-time workers and consequently higher rates of employee turnover. Opportunities for advancement within the hourly level tend to be very quick due to the higher turnover and flatter hierarchies, but many workers lack the basic skills and educational credentials to make the jump into better-paying management positions.

At most levels, there is a distinct tendency for individuals to stay within their segment of the industry, owing to differences in food production techniques, service standards and operating environment. For example, it is extremely difficult to move from casual full-service into fine dining – either at the server or managerial level – because of the higher service and culinary standards within fine dining. And quick-service restaurants tend to hire managers from within their segment, looking for people who are accustomed to its fast pace and high volume.

Despite their similarities, movement between restaurants and hotel food and beverage segments is uncommon at the managerial level. Restaurant managers suggest that the hotel environment is more corporate, hierarchical, and has a greater division of labor than restaurants, which have a looser structure, fewer levels, and a more entrepreneurial culture. However they acknowledge that restaurants are prone to greater instability and insecurity. Several restaurant employers indicated difficulty recruiting and retaining managers, especially in segments like quick-service and casual full-service where companies are less likely to recruit from postsecondary food and beverage management programs (as fine dining chains and food service companies do).

Education and Training infrastructure

As part of the broader hospitality sector, the restaurant industry utilizes much of the same education and training infrastructure as the hotel industry. Most two- and four-year degree programs in hospitality management, such as Harold Washington College, College of DuPage and Roosevelt University, offer an option



²⁷ For an extended discussion, see "A Foot in the Kitchen Door," Chicago Tribune, November 26, 2006, page A1.



for specializing in food and beverage management. Two- and four-year programs in culinary arts, such as Washburne, Cooking and Hospitality Institute of Chicago and Kendall College, and short-term certificate programs within community colleges and community-based organizations, all place graduates in both the hotel and restaurant industries.

The restaurant industry, through the National Restaurant Association Educational Foundation (NRAEF), has developed a number of certifications and training programs that are widely used and recognized. These include food and alcohol safety and sanitation certifications (ServSafe, Beverage Alcohol Sellers and Servers Education & Training, BASSET), competency-based food service management training materials (ManageFirst) and certifications (Food Management Professional). Another recent initiative has been ProStart, a vocational program targeted at high school students, to help them learn about the restaurant industry and connect them to entry-level employment and related higher education opportunities. ProStart began as an initiative of the Illinois Restaurant Association and has been adopted nationally by NRAEF.

In response to the challenges of recruiting and retaining managerial talent, several companies have started to offer workplace-based management training. With the help of locally-based Monical Pizza Corporation, NRAEF developed an implementation guide for leadership and management training (Harvard ManageMentor® PLUS) for the restaurant and foodservice industry that helps companies to prepare their managers for the “soft” dimensions of restaurant management²⁸. Larger national chains like Domino's Pizza have adopted the NRAEF program.

2.4 Conclusions

Based on the three case studies above, the following conclusions regarding labor market outcomes and challenges can be drawn:

- ☐ The hotel, restaurant and retail industries offer an array of job opportunities for new entrants or others with limited basic and technical skills to gain experience and entrée to a broad range of career opportunities.
- ☐ Although the largest portion of jobs in these industries is at the entry level, where wages and benefits are relatively low, the constant churning at higher levels creates substantial job openings and opportunities for upward mobility.
- ☐ As workers advance their basic, employment and technical skills they can often take advantage of these opportunities for better-paying jobs and careers through industry experience and a good performance record.
- ☐ Advancement into management or professional/technical tracks typically requires additional education, degrees and credentials – often through a postsecondary degree – as well as broader industry knowledge and experience.
- ☐ The primary labor market challenges cited by employers include finding workers with basic customer service skills and work ethic, high turnover at the entry level, and difficulty in finding qualified and willing internal candidates for assistant manager jobs.
- ☐ Employee concerns include relatively low wages and benefits in entry level and even second-tier jobs, and barriers to move into management positions if they do not have post secondary credentials, especially a four year BS or BA degree.
- ☐ Very few companies in these industries devote significant resources to providing access to credential-based training and education opportunities, or even career information for hourly employees to help them bridge the gap into skilled and managerial positions.

²⁸ “Leadership & Management Program Featuring Harvard ManageMentor® PLUS Restaurant and Foodservice Edition: Implementation Guide.” June 2006. Chicago: National Restaurant Association Educational Foundation.

III. Skill and Career Crosswalks

One of the primary goals of this project is to better understand the extent to which crosswalks exist in the career pathways across the hotel, retail, and restaurant industries. This section examines the nature of these crosswalks, how they might be useful to employers and workers within these industries, and how they could be formalized and institutionalized within the local and regional workforce development system.

The preceding industry cases confirm that crosswalks do indeed exist between the hotels, retailers, and restaurants. These crosswalks take two forms: **common skill requirements** for jobs and **career progressions across industries**.

Skill requirements for entry-level positions in all three industries are relatively low. Generally, employers accept applicants with basic work readiness skills. Beyond this, most occupational skills and job tasks are learned on the job. To the extent that there is a core competency that cuts across entry-level jobs in all three industries, it is **customer service**. Essentially this entails an orientation toward customers' needs and concerns, and the capacity to successfully interact with customers to address those needs and concerns. Although some entry-level positions (e.g., dishwasher, room attendant) do not require direct interaction with customers, employees possessing strong customer service skills are better prepared for upward mobility toward semi-skilled jobs.

Additionally, basic computing skills are helpful because many entry-level positions involve operating a computer interface such as a cash register, point-of-purchase display, guest management, or inventory system.

Moving beyond the entry level

Beyond the common set of skills required for entry level jobs, employers in the three industries also identified a number of skills needed to advance from entry-level into semi-skilled jobs. These include:

- ☐ **Advanced basic skills:** writing, reading comprehension, basic math at the 9th grade level and beyond; and
- ☐ **Computer applications:** ability to type, use common applications like MS Office, learn specialized programs.

At the semi-skilled level, many of the jobs in the three industries can be clustered in terms of three sets of skills and competencies:

- ☐ **Sales and marketing:** building relationships with customers for the primary purpose of selling products and services;
- ☐ **Advanced customer service:** building relationships to meet customer needs for non-sales purposes, such as providing information and solving problems; and
- ☐ **Culinary arts:** preparing food and beverages for customer consumption.

In each of the three industries, there are semi-skilled and skilled jobs that fit within these categories (Table 7). For example sales and marketing skills are important for retail sales specialists (particularly in commission-based settings), restaurant servers and event/catering salespersons in both the restaurant and hotel contexts. And advanced customer service skills are essential to guest service functions within hotels (e.g., front desk, PBX operator, and concierge), hosts/hostesses in restaurants, and customer service desk/associate positions in retail. Although the contexts are somewhat different across the three industries the underlying skills are the same.

The first two – sales and customer service – are closely related and grounded in many of the same underlying skills (e.g., communication, active listening, and problem solving), but attract people with different affinities. By contrast, culinary skills are more technical in nature and are typically learned through occupationally-oriented training.

Skill Crosswalks





Advancing toward the top

In each of the three industries there are advancement opportunities from the semi-skilled level to supervisory and managerial careers. However employers suggested that the key to further advancement was often less related to the hard skills and knowledge (although these are important), but rather less tangible individual qualities and characteristics, such as:

- ❑ **Big picture awareness:** understanding of the broader context for the company and industry, how their job fits with other jobs and potential career paths;
- ❑ **Flexibility and adaptability:** motivation, desire and willingness to learn new skills, and accept new challenges and responsibilities within the workplace;
- ❑ **Leadership:** ability to guide and motivate others in a professional manner; and
- ❑ **Analysis and critical thinking:** the ability to use information in making decisions and taking action.

Career Crosswalks

The other dimension of the crosswalks between the retail, hotel and restaurant industries is the **potential for career pathways that entail movement between industries**. In the industry case studies, we identified the career pathways that are common within those industries, including how workers move up and where they tend to get blocked from career mobility and advancement. As part of this, we identified typical entry points, skills and qualifications at those points, and gaps and challenges in the recruitment process.

Indeed, cross-industry career pathways appear relatively common across the three industries. For example, individuals in entry-level retail jobs like cashier and sales associate may develop many of the customer service and sales skills that are sought by hotels for semi-skilled positions like front desk clerks or by restaurants for server positions. This type of progression involves a shift on to a different industry career path. And many entry-level positions within these three industries link to related opportunities in other industries. For example, one woman interviewed had worked in food service (restaurant and institutional) for many years and moved from there into a food service manager position for a law firm, from which she eventually hoped (with additional training) to become an event planner. Other such transitions include movement from entry-level retail positions into other retail-like environments like banking. However, we have not attempted to map comprehensively the linkages from entry-level jobs in the hospitality and retail sectors to other industries.

In some cases, the initial move may be lateral or even negative in terms of wages and benefits, but could offer greater longer-term potential and a better match to the individual's skills and personality. For example, starting wages for semi-skilled prep cook positions in restaurants and hotels are generally lower than experienced wages for back of the house hotel jobs like room attendant or house person, but they tend to offer greater long-term earnings potential based on existing career pathways toward line cook and kitchen manager positions.

At the skilled and managerial levels, crosswalks between the industries become less common due to the specialized knowledge (and often education) required to reach those levels. However there are some overlaps among the industries, for example, between food retail, restaurant catering and hotel food and beverage functions; and sales-oriented functions within hotels and restaurants. Of the three industries, retail offers the greatest potential for individuals to enter at the managerial level from outside the industry, but generally only with a college degree.

Education and training programs can play an important role in facilitating cross-industry transitions for several reasons. First, such programs can equip individuals with necessary *credentials or certifications* – such as a basic or advanced certificate, or a postsecondary degree – that are recognized and valued by employers. Secondly, training programs can assist individuals in accessing *hiring networks* within those industries. And thirdly, education and training programs that are grounded in applied learning may provide at least a portion of the experience required for many jobs. Educational programs, especially longer-term ones like associate's or bachelor's programs, can make it possible for individuals to jump multiple job levels, e.g., from semi-skilled to the managerial level.

Potential Crosswalk Benefits

Mapping the crosswalks between the hotel, retail, and restaurant industries is intended to help identify responses to the concrete problems of career mobility for workers, and recruitment and retention for employers.

- ❑ *For employees, crosswalks could improve knowledge of career paths and alternatives*

Workers in entry-level jobs in these industries are often unaware of the potential for taking their skills and experience and moving into other industries where career opportunities may be more suitable to them. The systematic mapping of needed skill sets and value-added credentials with career options beyond the entry level – not just within a particular company or industry – could make those potential transitions more apparent. These could include direct job-to-job transitions or participation in an education and training program to facilitate the transition. Such a career orientation could reduce the amount of churning and recycling among entry-level workers who see little benefit to their work experience.

- ❑ *For employers, crosswalks could improve the quality of labor pool for positions where they have difficulty with recruitment or retention*

Use of crosswalks could benefit employers by improving the matching process and helping workers better align their skills and interests with available jobs, which could reduce employee turnover. Crosswalks could inform employers of optional ways to assess potential hires for available positions, based on related skill sets from other industry experiences.

- ❑ *For education and training organizations, use of competency based crosswalks could improve the quality of service to employers and students*

Development of education and training programs that integrate the core skills required by the three industries and the competency models that already exist could provide a highly practical, innovative and value-added service that is not currently available. There are no programs that develop specific skills linked to all three industries. Other efforts are either generic across all industries or linked to one or at the most two industries.

At present, the skill and career crosswalks that exist between these industries are informal in nature. Workers build careers by migrating across sectors toward jobs that build on their skills, previous experience and personal affinities. Employers, based on prior experience, often develop an understanding of the kinds of related experiences that prepare potential employees to succeed in a given job. And educators, trainers and career counselors help individuals to sort out and define occupational skills with applications across various industries.

Because crosswalks have the potential to improve labor market functions for workers, employers, and the education and training system it is useful to explore how they may be formalized. On the supply side, they may be formalized by integrating cross-industry career crosswalks into **education and training programs** that target the three industries. Crosswalks should be reflected in both the underlying curriculum and in the career advising process. The curricula for these programs should incorporate the common set of skills that articulate toward jobs across the retail, hotel and restaurant industries. They should also include information about the characteristics and career ladders that exist within and across the industries, allowing individuals greater capacity to choose the one that is best suited to them.

The potential for such cross-industry training is greatest at the entry level, where there are fewer technical skills beyond the core skills such as customer service. However, training geared toward helping entry-level workers move to the next level could also focus on skills (e.g., sales, marketing, leadership, and management) that could be applicable in all three sectors. The next section discusses more specific implications for how the workforce development system could strengthen career pathways by integrating cross-industry skill and career crosswalks.

On the demand side of the labor market, career crosswalks need to be **developed, adopted and disseminated by organizations with connections to employers**. Industry and trade associations are the most logical choice for this, but also industry-oriented workforce development providers (e.g., the ServiceWorks center). The industry associations for each of the three industries have been active in identifying and articulating career ladders and pathways within their industries. These efforts could be supplemented and enhanced by linking them on a cross-industry basis. However, the extent to which employers might integrate and capitalize on these crosswalks through their human resource practices needs further exploration.

Formalizing Crosswalks





IV. Implications: Strengthening Career Pathways

The previous sections have demonstrated both the potential for good-paying jobs and careers within the hospitality and retail industries and the challenges that exist for employers and workers. Limited access to information about advancement paths in the hospitality industry and access to the training and education that is necessary for advancement are two of the greatest barriers facing current employees and applicants, particularly below management levels. At the same time, employers face the challenge of costly high turnover rates and many have difficulty finding and motivating people for key positions. These findings imply a potential role for the workforce development system in helping to strengthen career and educational pathways within and across the sectors and to expand access to training and education that provides the competencies necessary to enter and succeed in hospitality careers.

Chicago Hospitality Initiative

A Chicago Hospitality Initiative that is designed to provide competency-based training in high-demand occupations could make the labor market more efficient and provide continuous opportunities for individuals to build their qualifications to advance across occupational tracks. This involves a fundamental recognition of the potential for crosswalks between sectors and occupations and of their shared skills and qualifications. With such a broad array of specialized training available in the region, it is also important to recognize that the Initiative should be designed to both create linkages among existing programs and fill critical gaps in the existing supply.

Development of a Chicago Hospitality Initiative would require the backing of key stakeholders and their participation in developing the vision, strategy, start-up and implementation. Several steps may be taken in the short term could provide building blocks for developing a more comprehensive initiative. These steps involve developing the core of a competency-based educational career pathway and three new programs at City Colleges of Chicago (CCC). The Institute could embed crosswalks into curricula and career pathways by providing information about all three industries in survey courses and designing training for targeted occupations and competencies that fit two or more of the sectors, e.g. customer service, sales, and food and beverage management. (See Table 7)

Role of the City Colleges of Chicago

The City Colleges have a unique set of assets for development of the pathway and training programs:

- ☐ A mission and capacity to serve individuals with limited basic and technical skills and career changers who seek to improve their job advancement potential;
- ☐ Occupational and degree programs in the hospitality industry, including Harold Washington College's two-year hospitality associate degree and customized training programs and the Washburne Culinary Institute at Kennedy-King College;
- ☐ Experience in working with employers and the workforce system in program development and delivery, and institutional mechanisms for delivering training within the workplace;
- ☐ A lower fee structure than private technical schools and colleges; and
- ☐ Capacity to develop articulation agreements with four-year degree granting colleges and universities (allowing individuals to transfer credits).

The pathway and programs may serve to tie the existing programs closer together creating the foundation of a comprehensive initiative serving the hospitality and retail industries in the Chicago area.

Educational Career Pathway

Educational career pathways comprise an integrated set of training and educational programs with

²⁹ Bridges to Careers for Low Skilled Adults: A Program Development Guide, Women Employed Institute with the Chicago Jobs Council and the Great Cities Institute, October 2005

outcomes for each level of training/education, starting with a bridge program for development of basic (foundational) skills and career awareness. Pathways also indicate the occupations and jobs related to each level of training/education.

The career pathway maps for the hotel, restaurant and retail sectors in Figures 1-3 and a combined educational pathway (Figure 4) provide a starting point for building a detail educational career pathway for the Hospitality Initiative. An innovative challenge will be to link the pathways through development of the courses focused on the “crosswalk” occupations, competencies, and knowledge sets. Table 7 identifies a preliminary list of competencies that are shared by the three industries and the relevant occupations/jobs categories in each industry.

Next steps in building an educational pathway include:

- ☐ With employers and educators, definition of common core competencies across the three industries and learning outcomes for targeted occupations;
- ☐ An inventory of existing programs/courses and an analysis of how they fit together;
- ☐ Modification of curricula to strengthen the relationship between outcomes taught at each level; and
- ☐ Identification of gaps and design of programs/courses to fill them.

Training/Education Programs

Our analysis of the labor market and educational infrastructure indicates a current need for training and educational programs that build the basic, occupational, and customer service skills that are shared by the three sectors at three program levels: 1) an entry-level bridge program, 2) an incumbent worker bridge, and 3) a management bridge program. The programs' structure and instructional approach should reflect strong employer preference for learning-by-doing, experience, personal interaction and customer service skills, and, for management level positions, educational credentials.

1. Entry-Level Bridge Program: Fundamentals of Hospitality Careers

The purpose of this bridge is to prepare adults with/without a high school degree or GED and less than 9th grade literacy levels, limited English, and/or limited work experience for entry-level employment within the hospitality sector and to enter into short/medium-term occupational/technical training (e.g., certificate) or a degree/credential program. It would provide an understanding of industry dynamics, career/education paths and requirements, help students identify the industry segment and occupation that fits their interest and needs, and develop confidence that they can succeed in their initial jobs and advance to higher level jobs. The program's integration of foundational and occupational skills and industry knowledge distinguishes it from shorter-term, more narrowly focused training programs that are intended to prepare people for specific entry-level jobs (kitchen staff, room attendant, and cashier). The graduates of this program will understand that their first job can be stepping stone to a better job and career.

The core components of the curricula include:

- ☐ contextualized basic skills (e.g. literacy, Vocational English as a Second Language (VESL), math, computers, and writing);
- ☐ soft skills or foundational workplace skills e.g., communication, personal interaction, problem-solving, and workplace behavior;
- ☐ customer service, linked to available certification;
- ☐ industry career pathways information (ladders and lattices);
- ☐ job advancement strategies;
- ☐ preparation for GED and community college entrance exams, as appropriate; and
- ☐ a foundational skills and hospitality knowledge certificate.

Teaching methods should combine classroom training and discussion, learning by doing, simulations, problems taken from industry, tours, discussions with employers, and team work, and should involve a substantial amount of personal interaction. Job search support including resume preparation, interviews, and finding the right job should be made available in conjunction with other organizations, e.g. the ServiceWorks Center and community based organizations.





2. Incumbent Worker Bridge

Incumbent worker bridge programs are primarily for entry level employees seeking better positions and career opportunities with higher wages, but who do not have the basic, soft and customer service skills or the confidence to advance (e.g. room attendant, dishwasher, or cashier). The incumbent worker bridge program is designed to increase their understanding of the industry and the career/education paths and requirements available to prepare them for the next level of job and technical training. For example, room attendants, bussers, or cashiers, will have the opportunity to increase their core skills (literacy, communication, problem-solving), learn about dynamics and structures of the industries, and gain applied skills in the next job level (based on their interest) through projects or internships. They could then advance to the next rung on existing career ladders and with continued training and experience, be prepared to move to the next level.

All components of the curricula would be contextualized to the three industries and would include:

- ☐ Basic skills (reading, writing, math, communication, computers and computer programs used by the industry);
- ☐ Soft skills – industry culture;
- ☐ VESL training, as appropriate;
- ☐ Customer service and occupational skills – linked to recognized industry certifications and next levels of employment, e.g. supervision basics;
- ☐ Industry dynamics and career crosswalks;
- ☐ Job and career advancement strategies; and
- ☐ GED and community college entrance exam preparation, as appropriate.

Learning methods emphasize learning by doing, such as including industry simulations, supervised rotation to jobs at the next level, job shadowing and tours of different parts of the industry and different locations, conversations with experienced employees, and classroom learning and discussion. The schedule should be compatible with employee work schedules and industry seasons. In addition employers should take an active role in marketing training and educational opportunities and in facilitating access for their employees.

3. Management Bridge

Many employers reported difficulty recruiting and retaining individuals for assistant manager positions in small or medium-sized restaurants, stores, or departments/units within larger properties, stores, and restaurants. They said that many hourly employees lacked the preparation, motivation, and qualifications to fill those positions. However few employers devote resources to help promising employees make the jump to the next level.

A management bridge program could fill a gap for employers and for motivated employees. Employees with management potential and 9th grade literacy levels and above, would gain confidence, business fundamentals, and industry expertise. The program would lead to a postsecondary educational credential (e.g. a competency based certificate) which is necessary for advancement to an assistant manager position or equivalent. In addition, there would be direct links to AAS or BA/BS programs, such as Harold Washington College's hospitality AAS, and articulation agreements with other schools that allow transfer of credits towards a degree. The outcome would be an expanded pool of individuals who are qualified and motivated to move into management positions.

The core components of the curricula include:

- ☐ Industry structure, dynamics and career pathways;
- ☐ Basic business and management principles, e.g. inventory, budgeting, preparation and analysis of reports, and human resources fundamentals;
- ☐ Entrepreneurial principles and dynamics;
- ☐ Leadership, supervision, and decision-making;
- ☐ Advanced customer service skills; and
- ☐ Preparation for college entrance exams.

The learning methods are similar to those in college level management training programs, including: experiential learning, e.g. job rotations and learning by doing, projects, tours of different locations and property types, job shadowing, and discussions with industry managers/leaders. However, in this type of course personal interaction, industry culture, and confidence building are key features.

The schedule should be compatible with employee work schedules and industry seasons, and in convenient and accessible locations. Employers should play a cooperative role in this bridge by marketing the program, facilitating access for employees, providing mentors, and where appropriate, creating learning opportunities at the worksite.

Program Design Considerations

It will be important to consider the following in the process of designing and delivering the educational career pathways and training programs:

- ❑ **Employer Involvement.** Any Hospitality Initiative should involve employers and industry associations in all phases of program design and delivery. Initial steps might involve a) review of the definitions of competencies and curricula used by each of the three industries, b) integration of the competencies and curricula to create core courses that bridge career and educational pathways in the sectors, and c) employer feedback on draft curricula. Additional employer roles may include, but not be limited to: facilitating company/industry tours; providing speakers and mentors, making training sites available, providing financial assistance and flexible schedules to participating employees, providing internships, and hiring graduates. Working with an advisory group representing the three industry sectors will help organize the process. Efforts to involve employers should make the business case, demonstrating the tangible benefits of using the crosswalk, career pathways information, and training programs.
- ❑ **Competency and Knowledge Certificates.** The scope of this project did not include an in-depth analysis of the value and feasibility of providing industry recognized certificates. Our interviews indicated moderate employer interest in using competency certificates. Most employers said that they give their own tests and would probably continue this practice even if a certificate system was in place. However, few had given it much thought and some said they would be willing to explore the potential value of certificates at various levels. In view of the fact that use of certificates is being tested in other industries; participation in National Work Readiness Credential pilot is being explored by several local organizations; NRFF is expanding its customer service certificate initiative to go beyond the retail industry; and the American Hotel and Lodging Association Educational Institute (AHLA-EI) has, identified a set of skills standards, the question deserves investigation. It should be noted that (nationally) although employers have been very involved in defining skill standards for the certification process, their use of the certification has been limited. However, integration of competencies shared by the three industry sectors into a combined certificate would be a significant and innovative contribution to improving labor market demand and supply processes in the region. But for certificates to have meaning in the screening and hiring process, employers in the Chicago region would have to be involved in defining the shared competency standards and measurement process, and agree to use them.
- ❑ **Target Audience.** This report discusses the target audience for each of the program levels in broad terms. A deeper understanding of a full range of subgroups within the target audience will be important in designing the curriculum. These populations may include, but not be limited to: mature workers (seniors), returning veterans, ex-offenders, public housing residents, diverse immigrant and racial groups, people with disabilities and people with varying literacy levels. Use of interviews and focus groups with current and potential employees will be helpful in more precisely defining the audience, their learning needs and styles, need for support services, and schedules and locations for offering the bridge program that would be most convenient for them.
- ❑ **Industry Definition.** The industry case studies show that the skills and occupations of all three of the sectors are grounded in a core focus on customer service, and share many common skills. But hotels and restaurants have the most skills and functions in common. Retail, with its comparatively simple employment structure has some different occupational dynamics and dimensions. The design of a Hospitality Initiative should be based on a clear understanding the industries and occupations that will be included within the “hospitality” moniker. This becomes important in developing the educational





career pathway framework and crosswalks. The definition will also be important in designing the course curricula and career exploration activities. Inclusion of all three industries would give the students a greater range of industry and career knowledge and expand their awareness about job and career opportunities.

- ❑ **Shared Competencies/Industry Specifics.** Development of programs focused on retail, hotels, and restaurants in one program is unique. This breadth would require an innovative curricula design, which would also pay attention to the need for specificity to assure preparation for specific jobs. A more thorough scan of existing models for blending shared competencies, across industries would be helpful, particularly those developed by the key industry associations (see above). Curriculum developers should also work with employers to determine the most effective blend of information about all sectors within the industry and modules that focus on one industry or occupation.
- ❑ **Links to advanced technical training and education.** Development of an educational pathway implies linkages among the various levels of training. This should be institutionalized through the provision of credit that is transferable to degree and certificate programs, as much as possible.
- ❑ **Academic, career advising and student support services.** Experience in other bridge programs indicates the importance of advising and support services to student retention and success. Yet these are generally difficult to fund. It will be important to explore how to leverage existing resources and services to meet the student needs as much as possible early in the planning process.
- ❑ **National Implications.** Definition of shared core competencies and career crosswalks across the three industries and development of competency- and credential-based training within an educational pathway framework represent an innovative approach that could be adapted elsewhere. The framework for developing these elements as a pilot program for eventual national adoption might be an asset in building support for initial steps.

Learning from existing programs

Examination of examples of industry-focused training and education programs that are organized around career pathways, have effective career path training or provide training in core occupational competencies that cut across industries would assist in detailed design of a Hospitality Initiative. **Nevada Partners**, one of the most well known and established examples in the hospitality industry, **The Greater Cincinnati Health Professions Academy**, the **Wisconsin Regional Training Partnership** and the **Chicago-based Manufacturing Technology Bridge Program**, provide excellent examples of educational career pathways, that start with training in basic skills and core competencies. Philadelphia's **Customer Service Training Collaborative** offers a strong model of training in core customer service competencies ending in a certificate. (See Appendix B) These examples demonstrate a range of approaches to:

- ❑ Employer involvement in program design and delivery, definition of competencies, and hiring graduates;
- ❑ Training in literacy and basic occupational competencies, e.g. customer service, leading to employment in multiple industries and occupational pathways;
- ❑ Contextualized curricula;
- ❑ Linkages to advanced technical training and post-secondary degree education; and
- ❑ Use of public and private resources.

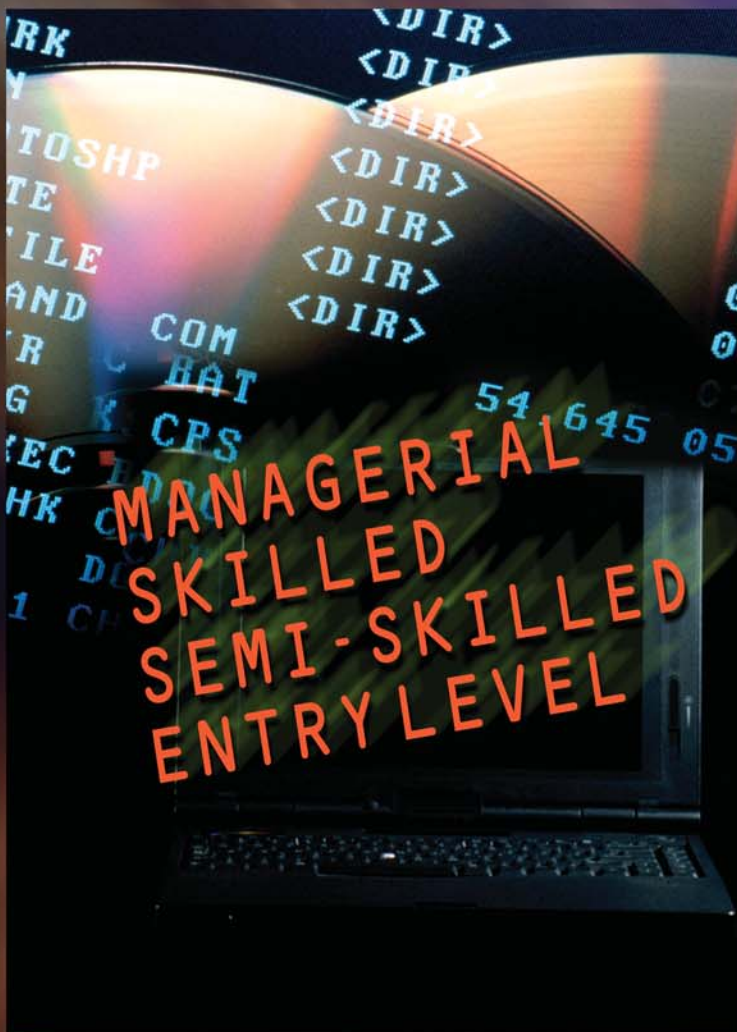
V. Conclusion

The hospitality and retail industries comprise an important and growing part of Chicago's economy and job base. They offer many opportunities for many individuals, including those without formal education or work experience, to build a career. But too often, individuals lack access to the education and training resources they need to take the first step in these careers, and more importantly, to move up once they are employed. By strengthening the education and training infrastructure serving the shared workforce needs of these industries, the public workforce development system can improve labor market outcomes for both workers and employers.

Appendices



Appendices



Appendices

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Appendix B Best Practice Profiles

The Culinary Training Academy
The Greater Cincinnati Health Professions Academy
Wisconsin Regional Training Partnership, The Center of Excellence in Skilled Trades and Industries
Instituto del Progreso Latino, Manufacturing Technology Bridge Program
Jewish Educational and Vocational Services, Customer Service Training Collaborative

Appendix C Interview List



Appendix A

Tables and Figures

Table 1: Hotel workforce by level and key demographics, Chicago metro, 2000



	Entry-level	Semi-skilled	Skilled & managerial	Total, Hotel industry	Total, all Chicago industries
Gender					
Male	39%	51%	49%	46%	54%
Female	61%	49%	51%	54%	46%
Age					
Under 25	18%	22%	8%	17%	14%
25-34	28%	27%	40%	31%	24%
35-44	25%	23%	28%	25%	27%
45-54	19%	15%	17%	17%	21%
55-64	8%	10%	5%	8%	10%
65 and over	2%	2%	1%	2%	3%
Race/ethnicity					
White, non-Hispanic	20%	44%	64%	42%	65%
African-American	24%	21%	13%	20%	14%
Hispanic, all races	48%	28%	17%	32%	14%
Asian-American	6%	5%	4%	5%	5%
Education level					
Less than HS	52%	24%	9%	29%	14%
HS or equivalent	28%	27%	16%	24%	22%
Some college, no degree	12%	29%	26%	23%	24%
Associates degree	2%	7%	10%	6%	6%
Bachelor's degree or higher	6%	13%	39%	18%	34%

Source: UIC-CUED analysis of Census 2000, Public Use Microdata Series.

Data for employed individuals in the 9-county Chicago region (Cook, DeKalb, DuPage, Grundy, Kane, Kendall, Lake, McHenry, Will).

Table 2: Hotel industry: jobs, wages, skills and training by level

Level	Job Titles	Wage/Salary Range	Education & Training Requirements	Skills & Knowledge
Managerial	General Manager Rooms Director Food & Beverage Director	\$50-\$100,000 annual	Postsecondary degree in Hospitality Management	Hospitality management Sales & marketing HR management Food & Beverage management
Skilled	Front-line supervisor Sales/catering manager Sous/exec chef	\$30-\$50,000 annual	HS/GED + Advanced Certificate; AAS/BS preferred	Supervision Communication Computer
Semi Skilled	Front desk clerk Reservationist/PBX Sales/event support Prep/line cook Restaurant server	\$9-\$14/hr	HS/GED + Basic certificate	Advanced customer service Communication Computer
Entry	Room attendant Laundry worker Banquet setup/server Bell service Busser / steward	\$6.25-\$12/ hr	None	Basic workplace readiness Customer service

Table 3: In-store retail workforce by level and key demographics, Chicago metro, 2000

	Entry-level	Semi-skilled	Skilled & managerial	Total, Hotel industry	Total, all Chicago industries
Gender					
Male	38%	62%	57%	51%	54%
Female	62%	38%	43%	49%	46%
Age					
Under 25	42%	29%	12%	31%	14%
25-34	16%	22%	26%	20%	24%
35-44	16%	21%	29%	21%	27%
45-54	13%	16%	22%	16%	21%
55-64	8%	8%	9%	8%	10%
65 and over	5%	3%	2%	4%	3%
Race/ethnicity					
White, non-Hispanic	63%	67%	72%	66%	65%
African-American	15%	12%	10%	13%	14%
Hispanic, all races	15%	15%	19%	14%	14%
Asian-American	5%	4%	6%	5%	5%
Education level					
Less than HS	31%	20%	7%	22%	14%
HS or equivalent	30%	31%	25%	29%	22%
Some college, no degree	25%	29%	29%	27%	24%
Associates degree	4%	6%	8%	6%	6%
Bachelor's degree or higher	11%	14%	32%	17%	34%

Source: UIC-CUED analysis of Census 2000, Public Use Microdata Series.

Data for employed individuals in the 9-county Chicago region (Cook, DeKalb, DuPage, Grundy, Kane, Kendall, Lake, McHenry, Will).

Table 4: Retail industry: jobs, wages, skills and training by level

Level	Job Titles	Wage/Salary Range	Education & Training Requirements	Skills & Knowledge
Managerial	General Manager Assistant Store Manager	\$50-\$80,000 annual	Postsecondary degree	Sales & marketing HR management Operations
Skilled	Department Manager Supervisor/Team Leader	\$10-\$15/hr	HS/GED + Advanced Certificate	Supervision Communication Computer
Semi Skilled	Sales Specialist Merchandising Spec. Loss Prevention Spec. Customer Serv. Spec. Stock Clerk	\$8-\$14/hr	HS/GED	Advanced customer service Retailing/ merchandising Loss prevention Inventory management
Entry	Cashier Sales Associate Receiving Associate	\$6.25-\$9/ hr	None	Basic workplace readiness Customer service Sales

Table 5: Restaurant workforce by level and key demographics, Chicago metro, 2000



	Entry-level	Semi-skilled	Skilled & managerial	Total, Hotel industry	Total, all Chicago industries
Gender					
Male	63%	46%	64%	55%	54%
Female	37%	54%	36%	45%	46%
Age					
Under 25	50%	43%	18%	40%	14%
25-34	21%	25%	28%	24%	24%
35-44	13%	16%	28%	17%	27%
45-54	9%	9%	18%	11%	21%
55-64	5%	5%	6%	5%	10%
65 and over	2%	2%	2%	2%	3%
Race/ethnicity					
White, non-Hispanic	33%	53%	54%	47%	65%
African-American	15%	8%	13%	11%	14%
Hispanic, all races	44%	32%	20%	33%	14%
Asian-American	6%	6%	11%	7%	5%
Education level					
Less than HS	58%	39%	19%	41%	14%
HS or equivalent	23%	28%	28%	26%	22%
Some college, no degree	13%	22%	26%	20%	24%
Associates degree	1%	3%	8%	4%	6%
Bachelor's degree or higher	4%	8%	19%	9%	34%

Source: UIC-CUED analysis of Census 2000, Public Use Microdata Series.

Data for employed individuals in the 9-county Chicago region (Cook, DeKalb, DuPage, Grundy, Kane, Kendall, Lake, McHenry, Will).

Table 6: Restaurant industry: jobs, wages, skills and training by level

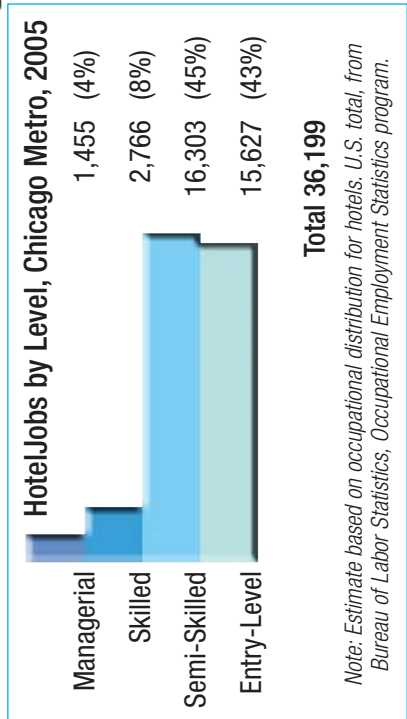
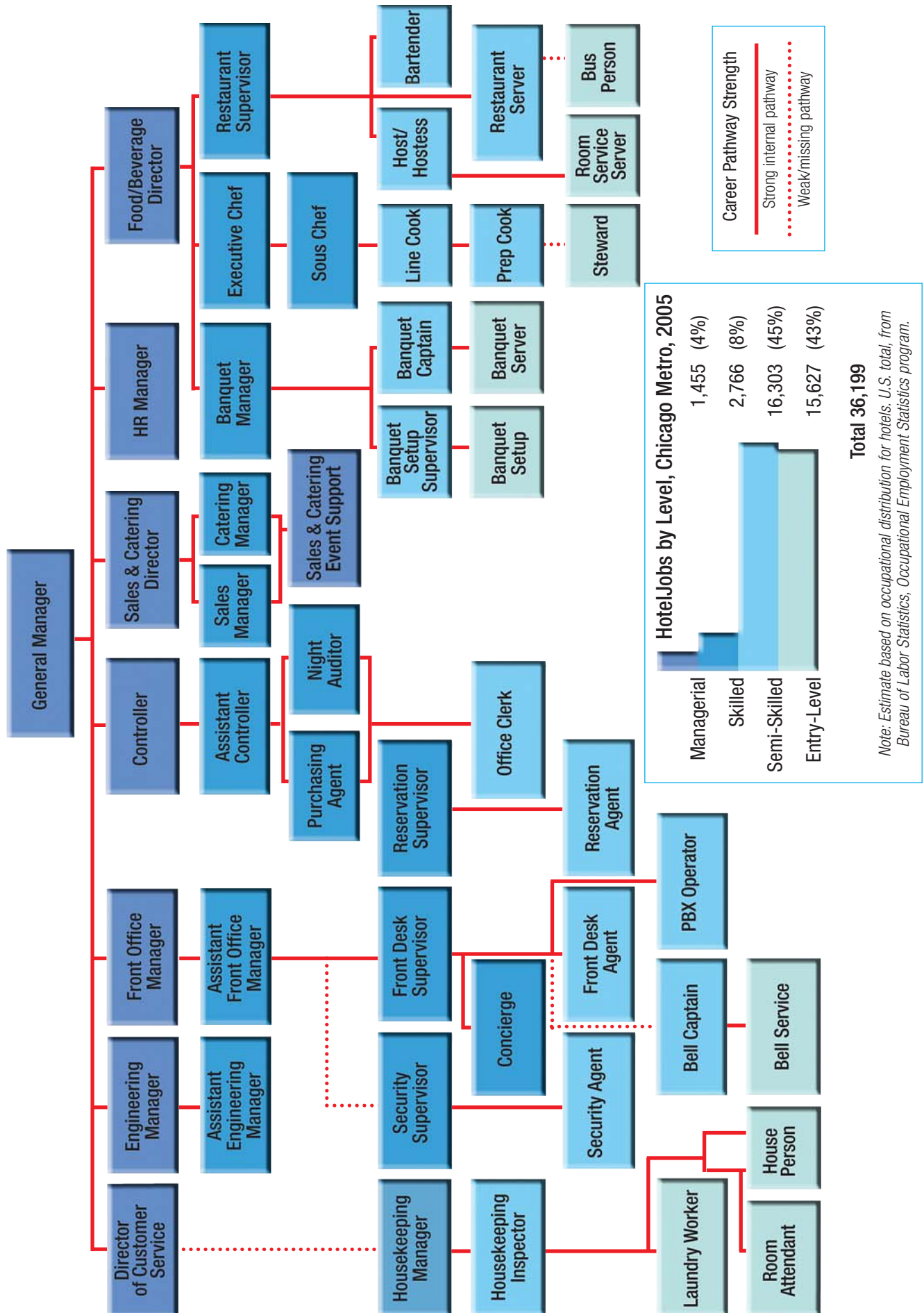
Level	Job Titles	Wage/Salary Range	Education & Training Requirements	Skills & Knowledge
Managerial	General Manager Unit Manager Assistant Restaurant Manager	\$25-\$75,000 annual	Postsecondary degree in food and beverage management	Food & Beverage management HR management Entrepreneurship
Skilled	Front-line supervisor Sales/catering manager Sous/exec chef	\$20- \$50,000 annual	HS/GED + Advanced Certificate; AAS/BS preferred	Supervision Communication Culinary arts
Semi Skilled	Restaurant server Prep/line cook Host/hostess Bartender	\$8- \$14/hr	HS/GED + Basic certificate	Advanced customer service Communication Food safety and sanitation
Entry	Cashier/counter server Busser Dishwasher Quick service kitchen	\$6.25- \$9 hr	None	Basic workplace readiness Customer service

Table 7: Cross-industry Skill Crosswalk
Job titles by level and industry

Skill/Competency area	Industry		
	Hotels	Retail	Restaurants
Entry-level	Entry-level	Entry-level	Entry-level
Customer service Orientation to customer needs; Capacity to address those needs.	Room attendant Bell service Banquet server	Cashier Sales associate Semi-skilled/skilled	Busser Counter server (Quick-service Restaurant/institutional)
Semi-skilled/skilled	Semi-skilled/skilled	Semi-skilled/skilled	Semi-skilled/skilled
Sales & marketing Building relationships for purpose of selling products and services.	Sales, catering, events Restaurant server	Sales associate (esp. commission) Merchandising/ in-store marketing	Restaurant servers Catering sales
Advanced customer service Providing information, meeting non-sales customer needs	Front desk PBX/reservations Guest service/ Concierge	Sales associate Customer service associate/desk	Server Host/hostess
Culinary arts/ food production	Prep/line cook Sous/exec chef Kitchen Manager	Food retail (e.g. grocery deli)	Prep/line cook Sous/exec chef Kitchen Manager
Managerial	Managerial	Managerial	Managerial
Food & Beverage Managing food production	Food & Beverage director Restaurant Manager	Catering/food service Manager	General Manager Asst. Restaurant Manager
Retail Inventory, Merchandising/marketing	n/a	Department Manager General Manager Assistant General Manager	Quick-service Restaurant Managers
Hospitality Rooms division	Front office/rooms director Hotel General Manager	n/a	n/a



Figure 1: Hotel Industry Career Pathway Map



Career Pathway Strength

- Strong internal pathway (Solid red line)
- Weak/missing pathway (Dotted red line)

Figure 2: Retail Industry Career Pathway Map

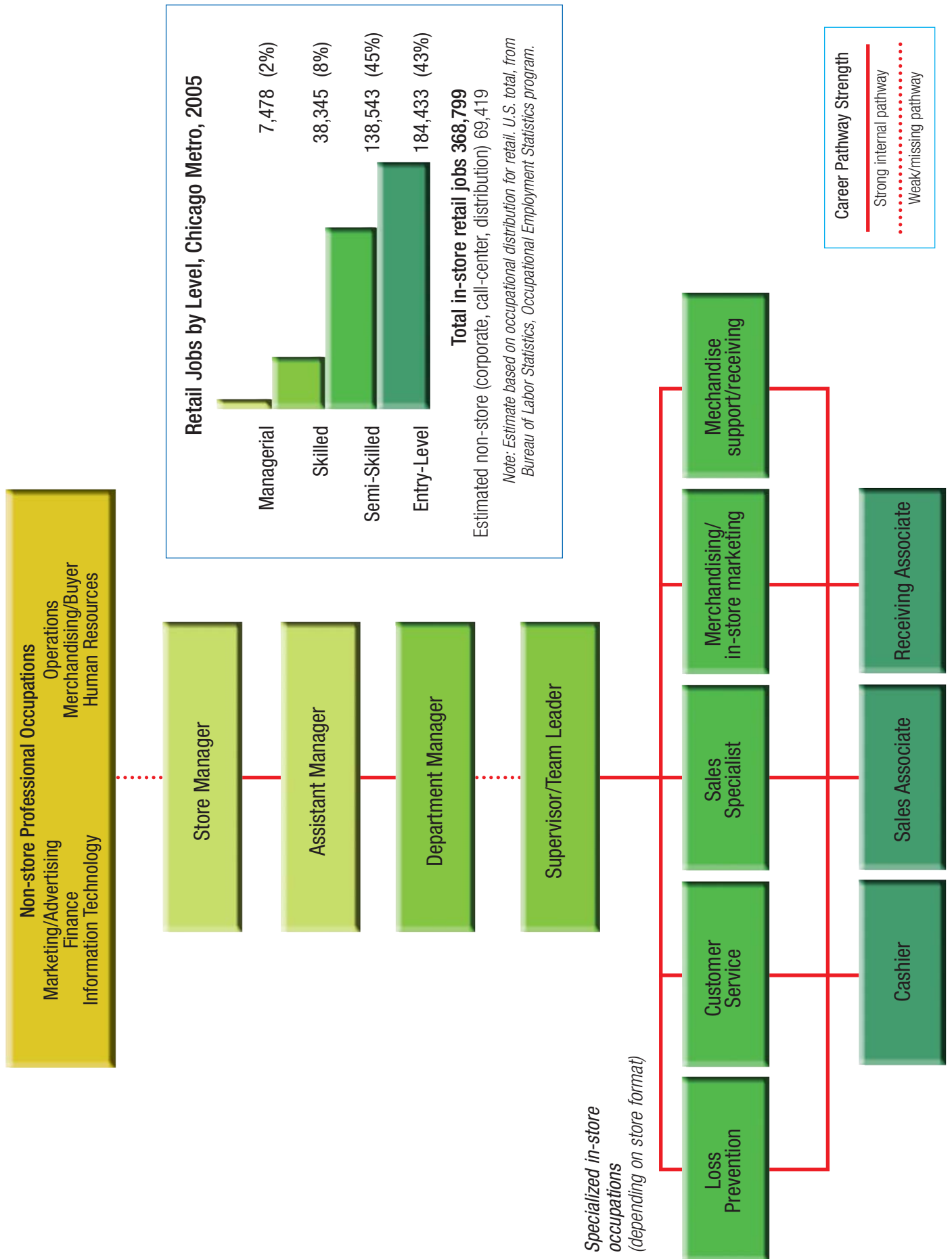


Figure 3: Restaurant Industry Career Pathway Map

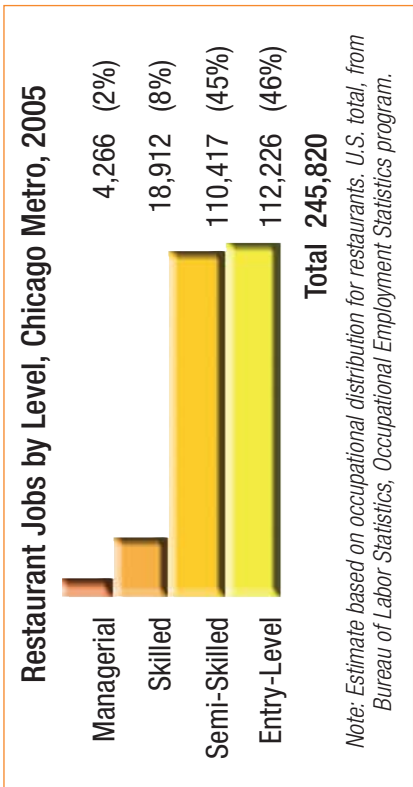
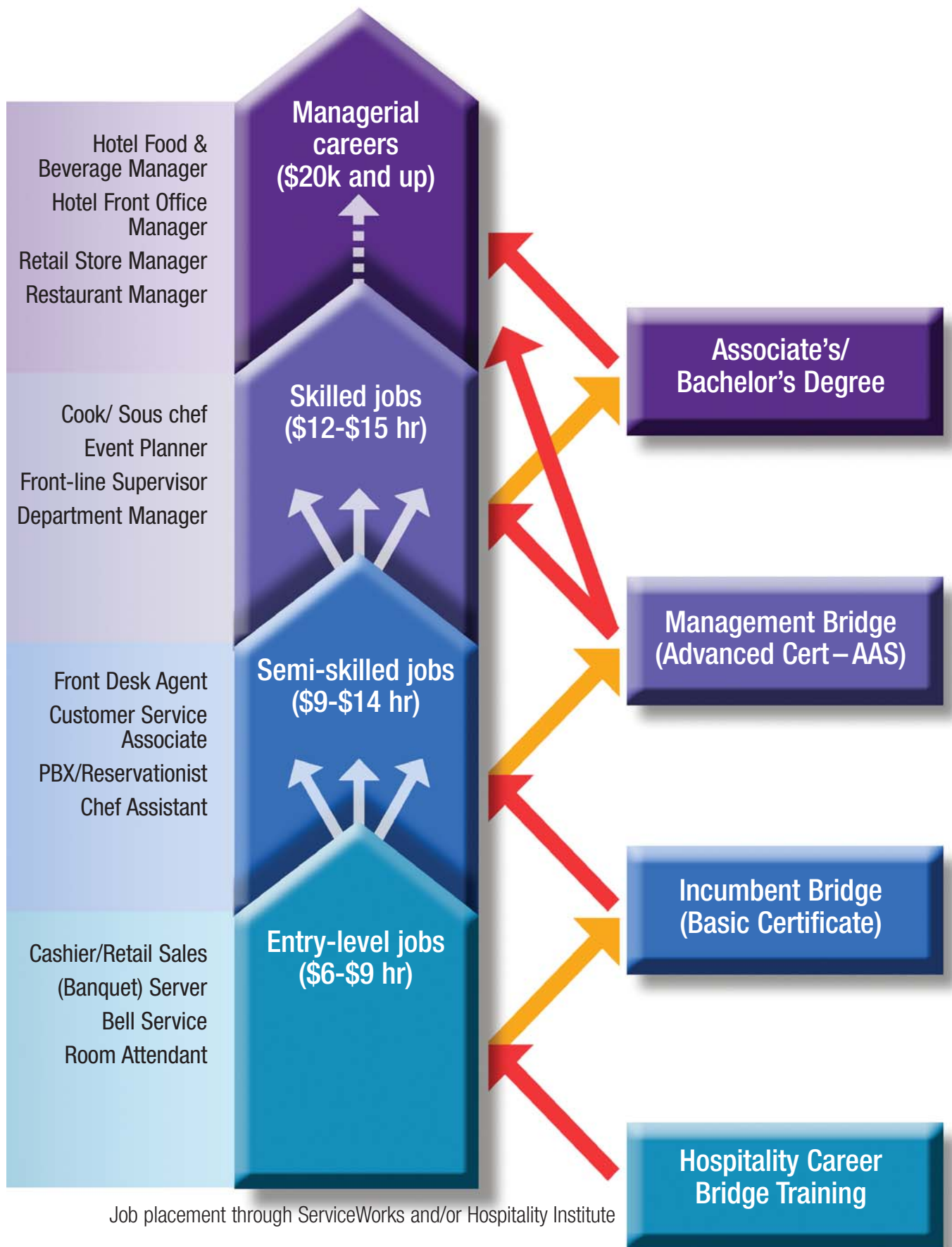


Fig 4: Service Industry Educational Pathway Framework



Appendix B

Best Practice Profiles

*The Culinary Training Academy, Las Vegas, Nevada**

The Culinary Training Academy (CTA) prepares workers for employment in the rapidly expanding Southern Nevada gaming and hospitality industry. The Academy is a joint labor-management trust representing over 30 private sector employers, including 24 casino and resort properties, Culinary Union Local 226 and Bartender's Union Local 165. The Academy is designed to meet key challenges facing the industry related to: continuing growth and change, global competition, a diverse customer base and workforce, high turn-over, and the cost of recruiting, retaining, and training qualified employees.

Both new and current employees rely on the CTA for training. For new workers, certification in an entry-level program opens the doors to a career path job with benefits. Current employees update their skills and gain the qualifications necessary for advancement or transition to a different path within the industry. In addition, language classes and advising in basic employability skills and career development provide workers with a full range of competencies for career advancement in the industry.

The training model is based on employer/hiring managers' input into the design of, design and skills identification. It is also employee centered, uses adult learning methods, has open enrollment, combines classroom and applied learning, is competency-based, and uses expert instructors with industry experience. Customer service is integrated into all aspects of program design.

The CTA graduates about 2000 students each in occupations such as Cook's Helper, Pantry Cook, Prep/Fry Cook, Broiler/Saucier, Environmental Services Porter, Convention Utility, Guest Room Attendant, Gourmet Food Server, House Person, Wine Server and Certified Sommelier. The CTA also developed a state-of-the art kitchen at its training facility in Lake Mead to keep pace with the need for employees qualified to staff fine dining establishments and the high level of customer service that is required to compete with other world-wide tourism/resort destination cities. The facility allows students to become proficient in the operation of leading edge equipment.

In addition, CTA with its sister agency Nevada Partners, Inc. renovated a former boxing gym at the site of their kitchen to create a community events center and banquet hall. This facility fills a gap in North Las Vegas, where there is no other community events center of comparable size and type. The events center serves meals, provides catering services, and offers students real-work experience in all aspects of food service. At the same time, it provides a source of revenue.

CTA is directly linked to the workforce system and has a diverse base of resources. In addition to Joint-Labor Management Union Trust monies, it has received support from: Title I, WIA, County Social Services Welfare Division, Job Connect, and various community partners, e.g. Minister's Alliance, 100 Black Men, and the Latin Chamber of Commerce.

Relevant Features

- ☐ Role of employers and unions in developing and managing the program, defining qualifications and learning outcomes, and providing employment opportunities
- ☐ Contextual and experiential learning
- ☐ Use of a career path framework
- ☐ Diverse public and private funding sources

**Sources of information include Nevada Partners, Annual Report, 2003-04, a presentation by Pam Egan, Executive Vice President, Nevada Partners, to the Hospitality, Tourism, and Destination Retail Workforce Summit, September 2005.*



Greater Cincinnati Health Professions Academy, Cincinnati, Ohio

The Greater Cincinnati Health Professions Academy is a collaboration of healthcare employers, educators, the workforce development system, and community agencies that is designed to 1) provide access to healthcare careers for unemployed and underemployed individuals, low-wage incumbent workers, displaced workers, recent immigrants, and people with disabilities; 2) alleviate regional healthcare workforce shortages; and 3) increase the diversity of the healthcare workforce in Greater Cincinnati. The Academy provides educational and training opportunities tailored to meet the specific needs of the target populations and the workforce needs of the regional healthcare industry. It offers training leading to occupational certificates and licenses, and has articulation agreements with two and four year degree granting institutions.

Designed to create a pipeline of qualified applicants for targeted healthcare occupations, the Academy draws applicants both from the community and from among incumbent low-skill hospital employees to prepare them for career advancement. It has a “multi-entry, multi exit” system that allows applicants to enter specific programs based on their interest and capacity. Those with an eighth or ninth grade level in reading and math may enter the program. Those who test below that level enter a remedial program, GED or ABLE, to build their basic skills before entering the program. The CNA course includes a three-week employability skills component to address some of the barriers facing students and to make it eligible for employer-paid tuition. Upon completion of the CNA course, students take the certification exam to become a state-certified Nursing Assistant. Credits earned in the Unit Clerk program are transferable to the LPN Program at Great Oaks and Cincinnati State Technical and Community College.

The Academy has partnered with Cincinnati State in building a “multi-comp” degree program in clinical, clerical, diagnostic, and information technology occupations. Uniquely, the core courses that are common to all occupations may be taken at Health Professions Academy, with the hospitals providing the clinicals. The students may then pursue a specialty at Cincinnati State. They have an agreement to allow Cincinnati State to accept credit for the Great Oaks courses and hospital clinicals.

Students have Career Coaches and peer support that provide case management services. All students also receive career guidance and planning, life-skills training, placement assistance, and retention support for a full year after employment. The Academy employs two Career Coaches – one funded by Children’s and the other by Cincinnati State.

Employers have been fully involved in creating and developing the program, providing input into the curricula, clinicals, equipment and space, contributing a career advisor, program oversight, and job placement. Participating employers provide tuition re-imbursement, and in some cases, pre-pay tuition so the upfront costs will not be a barrier to employee participation.

Sources of funds include Workforce Investment Act, KnowledgeWorks Foundation, Vocational Education, Empowerment Zone, State of Ohio, employer-paid tuition, and in-kind services from industry including subsidies for 50% of the space, supervisors for clinicals, and career advisors. In addition, funds are leveraged by use of partners’ existing services. In addition, they are considering imposing a placement fee for employers.

Relevant Features

- ☐ Involvement of employers in creating, building, managing, supporting, and delivering program
- ☐ Employer commitments to provide internships (clinicals), hire graduates, and give existing employees access to training opportunities
- ☐ Partnership among employers, Great Oaks Institute of Technology and Career Development, Cincinnati Technical College, and community-based organizations
- ☐ Provision of case management and supportive services in partnership with community based organizations
- ☐ Use of the career pathway framework by trainers and employers
- ☐ Use of contextualized and experiential learning methods

Source: Bridges to Careers for Low-Skilled Adults: A Program Development Guide, Women Employed Institute with the Chicago Jobs Council and the Great Cities Institute, October 2005 and interviews with Erin Riehle, A Managing Partner of the Health Professions Academy and Director of Project Research, April 2005.



Wisconsin Regional Training Partnership The Center of Excellence in Skilled Trades and Industries Milwaukee, Wisconsin

The Wisconsin Regional Training Partnership (W RTP), a non profit membership organization, employers, unions, educational institutions, civic organizations and foundations organizations developed the *Center of Excellence in Skilled Trades and Industries* ("Center") to address skill shortages identified by employers and unions. To develop a training program for a particular skill area, the Center begins with a needs assessment to identify an occupational career ladder, job openings, job requirements and the demographics of the current workforce. The Center also secures hiring commitments from those employers who pay higher wages and offer benefits. The steering committee develops a charter specifying the mission and governance of the partnership and then helps to assess the specific skills required for the identified job openings. This set of skills is used as the basis for designing a pre-employment certificate-training program for that industry. The Center then works with an appropriate local technical college, apprenticeship training center, and other training providers to develop the curricula. The committee reviews the curricula which includes basic skills contextualized for the targeted occupation, and approves the certificate as a qualification for hiring. Where applicable, certificates are also designed to meet state certification requirements. Non-profit and public sector recruitment and referral partners pre-screen applicants and the Center provides TABE tests and interviews to determine the track and level that best meets the applicant's needs: 1) direct job placement, the Business-Industry-Group Skilled Trades Employment Program (BIG STEP), a building and construction trades apprenticeship preparation program that requires eighth grade skills and access to transportation; 2) referral to a pre-employment certificate program (requiring 6th-8th grade skills), or 3) referral to community organizations for support services and basic skills development (for those below the 6th grade level).

The Center currently offers:

- ☐ Entry Level Construction Skills Certificate
- ☐ M-Trans Road Construction Certificate
- ☐ Sewer and Water Construction Certificate
- ☐ Utility Construction Certificate
- ☐ Entry Level Manufacturing Skills Program
- ☐ Environmental Remediation Training Program

Students who complete a pre-employment certificate are eligible for the identified job openings.

Career Pathways. The Utility Construction Certificate Program illustrates how the career pathway works. The pre-employment training certificate is the first formal job-training system for this trade. A person entering the pathway generally begins as a groundsman (essentially a helper), moves up to an equipment operator, and then to a line mechanic. In the past, there were no specific requirements for a person to move from groundsman to equipment operator. The Program is now recognized as the entry credential for the equipment operator position. Those who want to become line mechanics can enter BIG STEP. The program is supported by diverse public and private funding sources including foundations, the Milwaukee Metropolitan Sewerage District, the Department of Transportation, the private sector, the City of Milwaukee, the United Way, and the workforce development system.

Relevant Features

- ☐ Employer and union involvement in program design, defining employment qualifications, and hiring graduates
- ☐ Involvement of employers, unions and educators in curriculum design and creation of the career pathway
- ☐ Focus on high demand occupations/jobs within two related industry sectors
- ☐ Contextualized basic skills training preparing students for work and entrance into occupational training programs with credentials
- ☐ Use of industry approved credentials and certificates

Source: Bridges to Careers for Low-Skilled Adults: A Program Development Guide, Women Employed Institute with the Chicago Jobs Council and the Great Cities Institute, October 2005.



Instituto del Progreso Latino Manufacturing Technology Bridge, Chicago, Illinois

Instituto del Progreso Latino, a community organization in Chicago's Latino Pilsen neighborhood, created the Chicago Manufacturing Technology Bridge program for those who have been laid off from low-skill manufacturing jobs or who are stuck in low-wage jobs to advance to better-paying, entry-level skilled manufacturing jobs and community college certificate programs in manufacturing technology.

Instituto designed the bridge based on the Transformations Program developed by the Consortium on Occupational Research and Development (CORD) in Waco, Texas for use in training displaced manufacturing workers for more skilled jobs in demand. It also worked closely with a group of Chicago-area manufacturers and with faculty from the Manufacturing Technology certificate programs at Richard J. Daley College to ensure that the program produces graduates who meet the qualifications sought by employers and are qualified to enter the college program so they can advance to even better jobs. The program was designed to serve both non-native English speakers with at least high intermediate level ESL skills or native speakers with at least an 8th grade reading level.

The Manufacturing Technology Bridge curriculum consists of “technical literacy” modules in applied mathematics, computer applications, and workplace communication. It also includes technical specialty modules on blueprint reading and machining. Instruction is “contextualized,” that is, using problems, situations, and materials drawn from the contemporary manufacturing workplace. This helps to accustom students to the learning environment and demands of the workplace. The technical specialty topics are taught by bilingual instructors.

The vocational ESL pre-Bridge includes instruction in job-related conversation, technical vocabulary, job-related reading, words and phrases that assist workers in resolving problems on the job, and words and phrases that help to explain and clarify job processes.

Trainees in both the lower-level pre-Bridge and higher level Manufacturing Technology Bridge receive extensive preparation in resume writing, interviewing, test taking, and other “employment skills” as well as job placement assistance through the relationships the program staff has established with Chicago-area manufacturers. Graduates from the higher-level program receive credit toward an advanced certificate in Manufacturing Technology at the community college.

At intake Instituto assesses participants through an in-depth interview. Education, basic skills, occupational skills, previous work history, and other relevant issues such as barriers to employment are assessed and discussed with the participant. Particular emphasis is placed on assisting participants to explore information on different careers, focusing on transferable skills, resolving barriers, and determining the education and training needed to pursue their chosen career paths.

Instituto provides tutoring services as needed and conduct job readiness workshops. Clerical staff arrange for on-site childcare or after-school programs if needed, and provide bus passes for transportation assistance. Instituto can provide vouchers to pay for interview clothes, work boots, etc. and can refer students for other assistance with barriers to employment.

Instituto has three key partners, Richard J. Daley College's West Side Technical Institute (WSTI), the Tooling and Manufacturing Association (TMA), and the Great Cities Institute (GCI). WSTI provides instruction in applied technology fundamentals and college recruitment and enrollment and the TMA's member companies form the program advisory board and provide job shadowing, internships, and jobs. GCI provides technical assistance and labor market data.

The Instituto del Progreso Latino uses leveraged funds from many sources, including WIA, NAFTA/TAA (Trade Adjustment Act), The Illinois Job Training and Economic Development Program and Empowerment Zone funding. Instituto also provides customized training for employers for a fee and seeks support from foundations.



Relevant Features

- ☐ Involvement of employers in designing curricula, defining learning outcomes, providing internships and mentors, and hiring graduates
- ☐ Use of a career pathway framework moving from a pre-bridge to a higher-level Manufacturing Technology Bridge, to advanced certificate and AAS/AS programs as well as employment
- ☐ Bridge courses provide basic skills, core technical competencies, and career awareness
- ☐ Contextualized curricula
- ☐ Bi-lingual instruction in technical fundamentals

Source: Bridges to Careers for Low-Skilled Adults: A Program Development Guide, Women Employed Institute with the Chicago Jobs Council and the Great Cities Institute, October 2005.

Jewish Educational and Vocational Services Customer Service Training Collaborative, Philadelphia, Penn.

Philadelphia's Customer Service Training Collaborative (CSTC) is based on the premise that customer service jobs across many different fields share certain core competencies, and that it is possible to train for those competencies in a course of instruction leading to certification. It involved extensive consultation with Philadelphia-area employers as well as outside research by the National Retail Federation Foundation (NRFF), an arm of the trade group representing an industry with more than 1.4 million retail establishments in the U.S. To make it happen, The Reinvestment Fund (TRF), a Philadelphia-based community development fund, partnered with Jewish Educational and Vocational Services (JEVS), a very highly regarded nonprofit with a great deal of experience in job training and placement, as well as NRFF, which was sponsoring a handful of similar projects nationwide. TRF organized employers across sectors around customer service, to ensure a steady flow of feedback regarding the training as well as buy-in for the effort to get recognition for the NRFF credential.

CSTC resides within JEVS and is part of the NRFF-approved Regional Skills Center network. Among the most important aspects of the CSTC in Philadelphia is an overt focus on universal standards in customer service that cut across the traditional industry lines—in other words, that a floor sales job with JC Penney and a phone center position taking complaint calls for IBM might have enough in common that a provider could train for both at the same time. The program was designed both in response to the input of area employers who expressed interest in hiring graduates, and to prepare participants to take the National Professional Certification in Customer Service exam offered by the National Retail Federation Foundation. In 2003, CSTC students passed at a 93 percent rate, comparing favorably to 80 percent nationally.

JEVS and the National Retail Federation Foundation are engaged in efforts to make the certification meaningful to local and national employers, with support from a U.S. Department of Labor grant. The vision is to win employer recognition of the certificate, through higher starting wages or faster promotions and raises for those employees who have earned it before starting on the job.

Relevant Features

- ☐ Employer involvement in defining core skills requirements
- ☐ A short-term customer service, credential-based curriculum that cuts across industry sectors

Source: Interview with Mary Moorhouse, Workforce Development Manager, NRF Foundation, July 2006 and Preparing Customer Service Workers for Greater Philadelphia: A Technical Report on Employer Driven Curriculum Content Standards, Eric Rice and Mary Moorhouse of the NRF Foundation for the Reinvestment Fund, August, 2006



Appendix C

Interview List

Interviews conducted by following individuals: Greg Schrock, Judith Kossy, Karla Walter (UIC Graduate Research Assistant), Gary Rejebian (former CWB, Director of Corporate Relations)

Hotels

Primary contact:

Jennifer Chase, Managing Director, Illinois Hotel and Lodging Association Educational Foundation

Employers:

Intercontinental Chicago

Westin Michigan Avenue

Essex Inn

Hampton Inn-Chicago River North

Fairfield Inn-Chicago River North

Sheraton Gateway Suites O'Hare

Hyatt Corporation

Others:

Lars Negstad, Research Director, UNITE HERE Local 1

Brian Hill, Director, Harold Washington College Hospitality Program

Felix Okor, Executive Director, IL Career Path Institute

Individuals:

Focus group of hospitality students at Harold Washington College

Retail

Primary contact:

Kathryn Mannes, Managing Director, Workforce Development, NRF Foundation

Employers:

The Home Depot

Toys R Us

Save-a-Lot Ltd

Marshall Field's (Macy's) Water Tower

Target Corporation

Jewel Supermarkets

Others:

Mary Moorhouse, Workforce Development Coordinator, NRF Foundation

Chris Tilly, Professor of Regional, Economic and Social Development, University of Massachusetts at Lowell

Restaurants

Primary contact:

Roxanne Charles, Executive Director, Illinois Restaurant Association Educational Foundation

Employers:

Chicago Palm Restaurant at the Swissotel

Chicago Firehouse

Shaw's Crab House

The Portillo Restaurant Group

Connie's Pizza

Others:

Wendi Safstrom, Vice President, Management Development, National Restaurant Association Educational Foundation



Report to the Chicago Workforce Board

Greg Schrock,
Center for Urban Economic Development,
University of Illinois at Chicago

Judith Kossy,
Policy Planning Partners

Sponsored by The Joyce Foundation

Career Pathways & Crosswalks in the Hotel, Retail & Restaurant Industries

Greg Schrock, Center for Urban Economic Development, University of Illinois at Chicago
Judith Kossy, Policy Planning Partners
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