



Clubs Sector Skills Summary

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Hinonga Kōkiri / Head Start Project

The Hinonga Kōkiri / Head Start Project is an initiative from ServicelQ that brings together service sector stakeholders from industry, employers, schools, tertiary education providers, and iwi throughout Aotearoa New Zealand to reflect on the impacts of COVID-19.

The purpose of the project is to hear stakeholder perspectives on:

- ▶ how COVID-19 has reshaped vocational pathways and business, and
- ▶ what people and skills, training, and learning pathways are needed to get a head start to COVID-19 recovery.

The stakeholder consultation began in October 2020 and concluded in January 2021. In total, 321 sector representatives attended 41 focus group sessions in 10 regions throughout New Zealand. Their perspectives shaped the creation of online surveys, resulting in 488 responses that provided further views on how COVID-19 impacted the service sectors, and what support is needed for recovery.

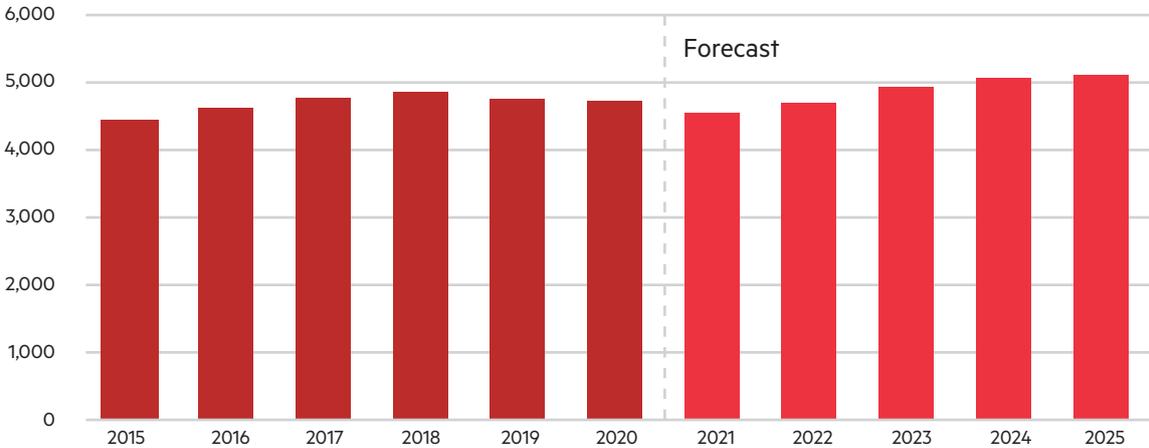
The consultation results have been combined with industry insights, data and forecasting to produce nine sector skills summaries, one for each sector represented by ServicelQ in our capacity as a Transitional Industry Training Organisation for the Services Workforce Development Council. This skills summary is for the clubs sector. There are eight other summaries for the aviation; accommodation; cafés, bars and restaurants; catering; quick service restaurants; retail and retail supply chain; travel; and tourism sectors.

From this research ServicelQ will produce a workforce strategy for the Services Workforce Development Council Establishment Board. The strategy will include industry, employer, schools, provider, and iwi voices. In this way the project gives service sector stakeholders an opportunity to shape vocational education in Aotearoa New Zealand.

The report is structured into five main areas to show what impacts COVID-19 has had on the sector; the sector response to COVID-19; key drivers of future success; skills needed to support sector recovery; and skills initiatives and strategies.

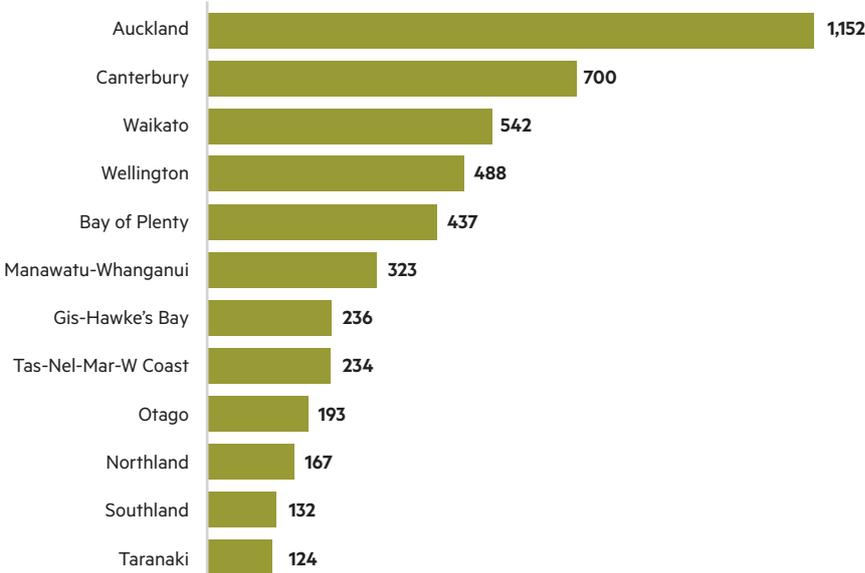
Clubs Sector Snapshot¹

Clubs sector jobs



- ▶ Prior to COVID-19 there were 4,728 jobs in the clubs sector and job numbers were forecast to remain around this level between 2020 and 2025. Infometrics now forecasts job losses of 175 or 3.7% of the sector workforce in the year to March 2021, then growth of 3.3% (148 jobs) in the year to March 2022 and 5.1% growth (241 jobs) the following year. The clubs sector is forecast to reach pre COVID-19 job numbers by the end of 2022 and grow to 5,106 jobs by 2025.

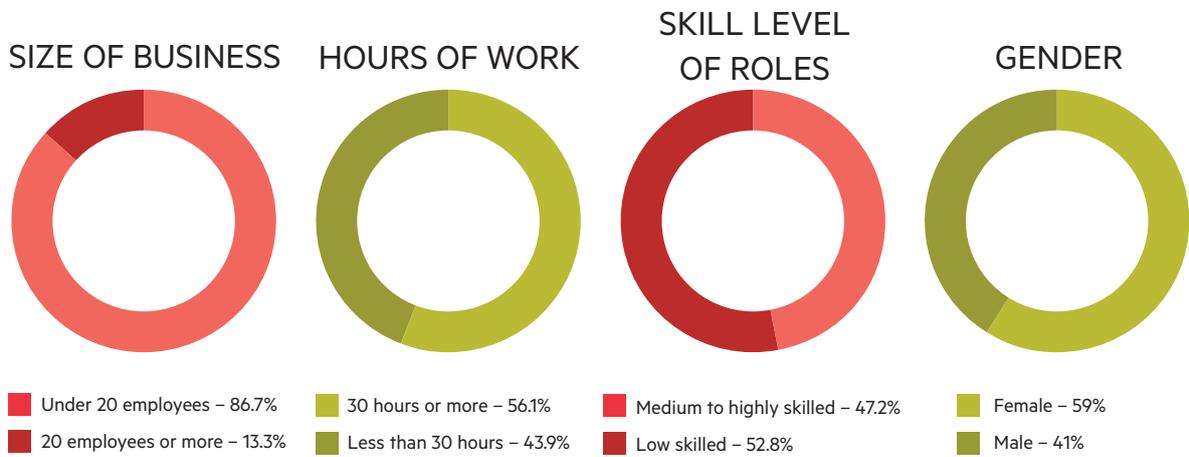
2020 Regional employment



- ▶ Clubs include chartered clubs, community clubs, cosmopolitan clubs, workingmen’s clubs, sports clubs and RSAs.
- ▶ Main roles in the clubs sector are bar attendant, manager, chef, kitchenhand, waiter and commercial cleaner.

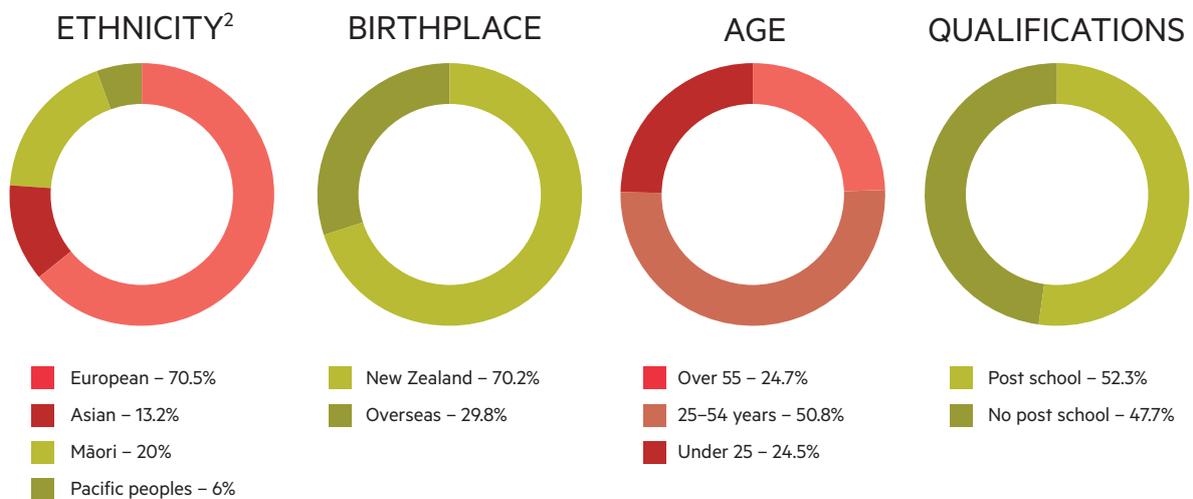
¹Sector data and forecasts supplied by Infometrics February 2021. N.B. 2020 sector data is as at end of March 2020

2020 Sector data



► In 2020 there were 405 businesses employing one or more people with an average of 6.7 jobs per business.

Sector demographic data from 2018 Census



²Employees may identify with more than one ethnicity.

Sector Consultation Insights



1. The impacts of COVID-19 on the clubs sector

Customers

Clubs were unable to open at Alert Levels 3 and 4 and their ability to operate fully was restricted at Alert Level 2. Both the restaurants and bars in clubs were impacted by Alert Level 2 due to restrictions on the total number of patrons allowed and the group sizes at tables. Restricting numbers brought out the worst in some customers and created some challenging situations for staff, e.g. people putting tables together and not wanting to adhere to COVID-19 distancing requirements. Members have a sense of ownership which may explain this reluctance to adhere to alert level operating rules.

While Alert Level 2 capacity restrictions affected trading with fewer patrons allowed onsite, having to provide table service meant the same or more staff were needed. This created a challenging operating environment for clubs, who are generally designed to cater for large groups. Food and drink could not be served as per usual, with the rules around being seated, spaced and having a single server per table. There were no buffets, and it was difficult to predict numbers of clientele. Some events and regular groups had to be cancelled due to social distancing requirements.

There is a perception that the drinking culture has changed, possibly long term, where people have decided it is easier, safer and cheaper to drink at home.

In the case of RSAs (Royal New Zealand Returned and Services' Association), many members are over 50, so even when they were able to be open again after Alert Level 3, vulnerable members were encouraged to stay home. Some elderly people have continued to be fearful of venturing out.

The growth in domestic travellers has generated additional revenue where they are visiting clubs as affiliated members.

ClubsNZ advised as at the beginning of December 2020 there has only been two club closures since COVID-19 out of the 308 ClubsNZ members. At Alert Level 1 clubs can operate at pre COVID-19 restaurant and bar service, patron numbers and group sizes. There has been an extremely good bounce back since returning to Alert Level 1.

Staff

The wage subsidy helped support clubs to retain their staff and, in most cases, pay 100% of their wages. Some staff were concerned about the COVID-19 risk in returning to work. There was stress due to the COVID risk (especially older workers) and job uncertainty.

Duty managers and operators had responsibility for restricted operating procedures at higher alert levels. It was stressful for managers who were navigating new rules versus customer expectations and there is a risk of losing managers due to the stress they are under.

There is concern that the hospitality industry has become less appealing to new and current staff, with difficulty finding staff who want to work in the clubs sector. There are examples of existing staff being lost to other more secure professions. Post lockdown there are examples of some employees with children reducing their hours to spend more time with their families.

In general clubs feel that COVID-19 has created challenges and has impacted their ability to have control over the future.

2. The response to date as a result of COVID-19

Customers / Products / Services

Each club is run separately and ClubsNZ provides guidance. New operating procedures were developed for operating at Alert Level 2 and ClubsNZ provided guideline information to members.

Some clubs are operating shorter hours and/or have restaurants operating fewer days e.g. open Wednesday to Sunday. Some are offering smaller menus.

Clubs are community focused and so have been part of supporting communities throughout the COVID-19 pandemic, e.g. RSA clubs ran classes on how to use the COVID-19 contact tracing app on phones. Alternatively sign in technology was introduced for people to sign in.

More point of sale (POS) machines have been purchased to allow people to socially distance and for use as an alternative contact tracing sign in method.

Staff

There has been restructuring and smaller rostering has meant less hours for employees.

This has resulted in multiskilling, with employees needing to be trained in multiple roles so they can multitask. This was already expected however staff were reluctant, so this has been a timely opportunity to make these changes.

Remote working was not a viable option for many clubs employees as the nature of their roles require them to be on the premises e.g. bar and restaurant staff, kitchen staff and cleaners.

There was a quick shift needed to use technology where possible e.g. communication between staff and with club members. Topsy is an example of Australian online training used by clubs which is good for staff who are very committed however there is a perception that face-to-face learning works best.

ClubsNZ has provided governance training as there is a lack of experience in this area.

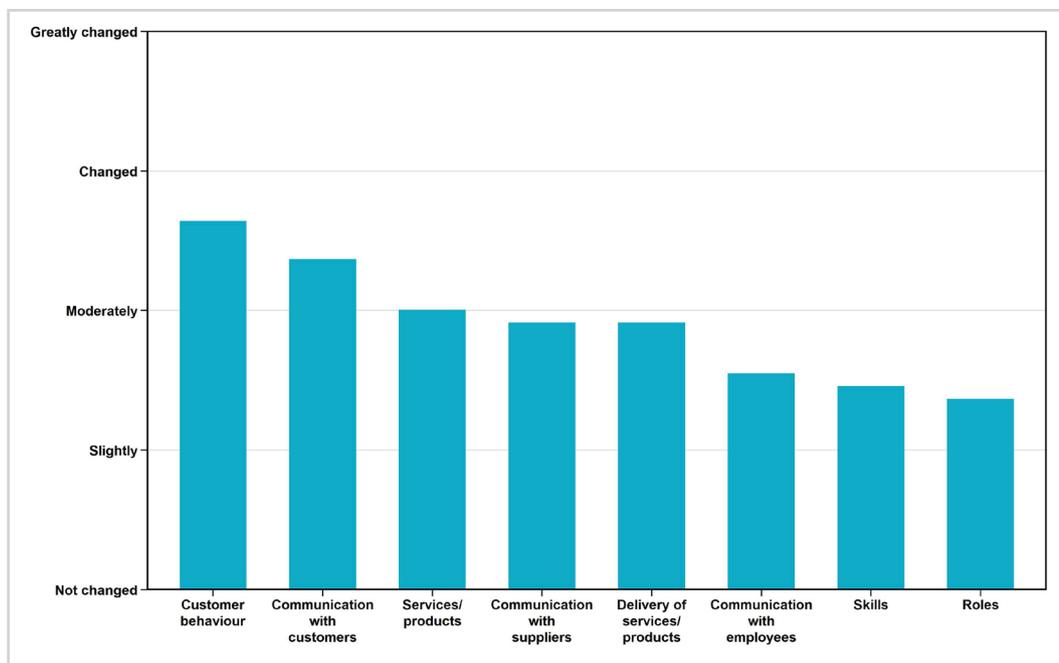


Figure 2. The extent of change the clubs sector has felt since the arrival of COVID-19.*

3. Key drivers of future success for the clubs sector

Government

The hospitality sector needs government support to promote hospitality as a viable career option and help attract New Zealand workers into hospitality, including the clubs sector. In particular the clubs sector is struggling to attract people from other professions who are both a good fit for the sector and have transferable skillsets for club management roles.

When there are alert level restrictions, the government needs to ensure there is a level playing field between sectors. Some of the clubs sector feel unfair restrictions were imposed on their sector compared to nearby pubs and restaurants and supermarkets.

Schools and Training Providers

The clubs sector could benefit from having more contact with schools and training providers. Clubs could communicate the qualities and skills that they would like jobseekers to bring to roles so that they are work ready. They could profile the types of roles that are available in clubs and local connections could help create a pipeline of work ready applicants when there are job vacancies.

Clubs prefer applicants with real work experience so education providers incorporating this into their courses will help the employability of their students into the sector.

* Hinonga Kōkiri / Head Start Project COVID-19 Industry Response Survey – Clubs sector respondents

On-job training

Clubs need support with cross training and helping staff understand that this is the expectation, for an adaptable and agile workplace. Staff need training to understand the business they work in.

More training of staff is needed for:

- ▶ Valuing person to person contact with excellent customer service.
- ▶ How to use technology.
- ▶ Health and safety processes and procedures.
- ▶ Understanding the business.

More training is needed for leadership and supervisors to:

- ▶ Effectively manage, develop and retain staff.
- ▶ Have a wellbeing focus, understanding the whole person.
- ▶ Create a respectful workplace culture.
- ▶ Wage management, cost control, pricing.

4. Skills needed to support the clubs sector recovery

Changes in skills and roles

People working in clubs sector roles have needed adaptability and agility, with the flexibility to change to meet the needs of the club they work in. This need for flexibility has meant roles have become more generalist.

Bars in clubs are not equipped or skilled for table service, so to adapt at Alert Level 2 those skills needed to be developed by bar staff.

Changes in the importance of skills and roles

Skills that have increased in importance include:

- ▶ Understanding of and strict adherence to health and safety processes.
- ▶ People management skills.
- ▶ Better financial skills, costs, revenue, understanding the business situation.
- ▶ Personal self-discipline to comply with new rules.
- ▶ The ability and willingness to upskill and cross skill.
- ▶ On top of the basic hospitality skills taught in courses, clubs employees need a customer service personality, good communication skills and the ability to easily engage with and banter with clients.
- ▶ Improved and planned communication with membership, focusing on the welfare of members.

Both soft skills and vocational skills have increased slightly in importance and the clubs sector is finding jobseekers a little more under prepared in vocational skills since COVID-19.

New skills needed

Computer literacy / IT skills / digital skills are needed as more activity has been transferred from pen and paper to utilising technology.

Skills shortages

There is currently a skills shortage in terms of the people management skills needed for club manager roles.

There are also shortages of chefs, duty managers and chief bartenders. For these roles the preference is for both skills and workplace hospitality experience. This is preferred to applicants who have only learned in the controlled environment of a tertiary provider.

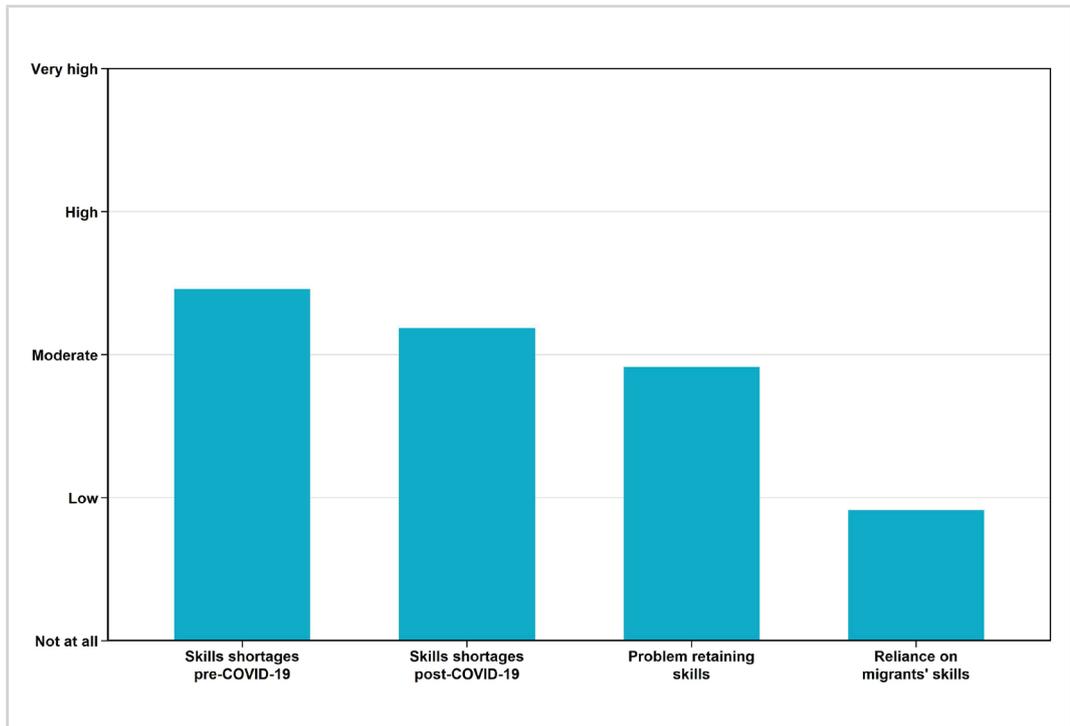


Figure 4. Rating of major skills shortages identified in clubs sector focus groups.*

* Hinonga Kōkiri / Head Start Project COVID-19 Industry Response Survey – Clubs sector respondents

5. Skills initiatives and solutions to support the sector over the next two years

How to get the skills

- ▶ Customer service training for staff.
- ▶ Onsite training with practical exposure to new skills. Including topics on wines and spirits, and the basics in making shots and inexpensive cocktails, correct pouring and correct glassware, especially for clubs in the rural areas, who cannot leave the region to upskill due to minimal staff and the impact of COVID-19 etc.
- ▶ Training on effective communication with club members, including best communication channels.
- ▶ Health and safety training.
- ▶ Cross skilling / multiskilling and upskilling.

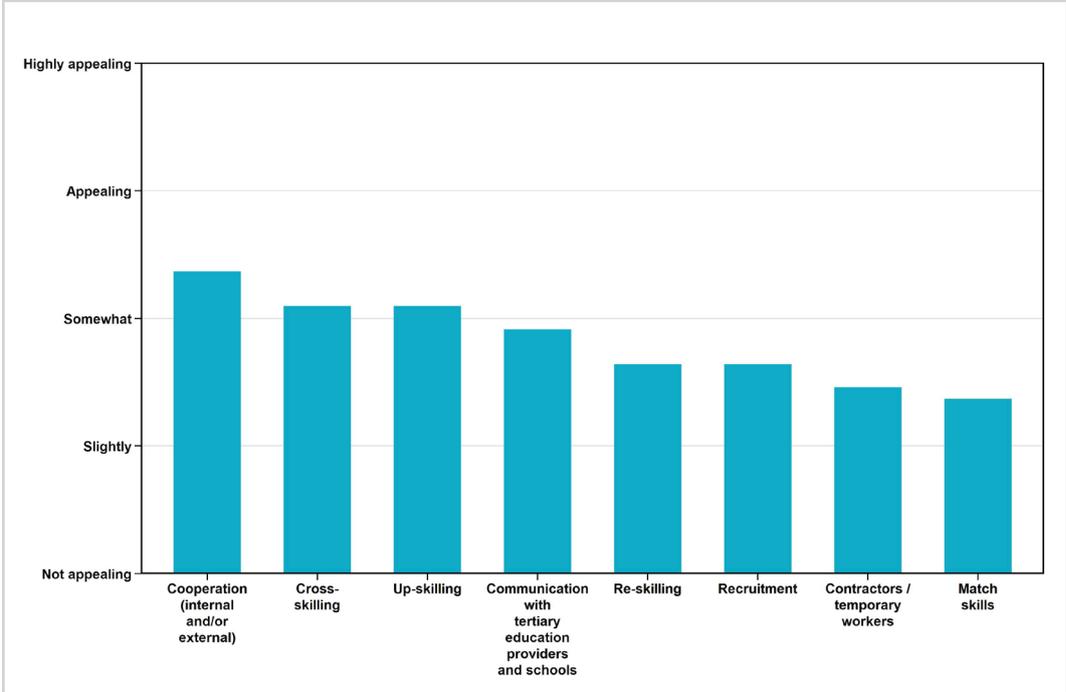


Figure 5.1. COVID-19 recovery strategies that will be considered by the clubs sector.*

Support needed

- ▶ Support and training for experienced staff e.g. chefs to update their skills.
- ▶ Support and training for managers to manage effectively and bring out the best in their staff.
- ▶ There is a basic lack of understanding and skills other than what is distributed by ClubsNZ so other forms of training (especially onsite) could be explored.
- ▶ Help in creating better connections and collaboration with schools and tertiary education providers.

* Hinonga Kōkiri / Head Start Project COVID-19 Industry Response Survey – Clubs sector respondents

Learning pathways

A long-term retention strategy is needed to attract people into the sector and encourage them to stay. This is especially needed in small towns and regions. This could include highlighting career pathways, supporting on-job training and competitive pay rates.

It has been suggested that one way to encourage more young people to enter the clubs sector, especially from underserved groups, is to create an environment where they are able to express their knowledge freely.

Post COVID-19

The clubs sector expects to retain less than half of the changes that have been made due to COVID-19 and believes it will take some time to return to full operations after COVID-19.

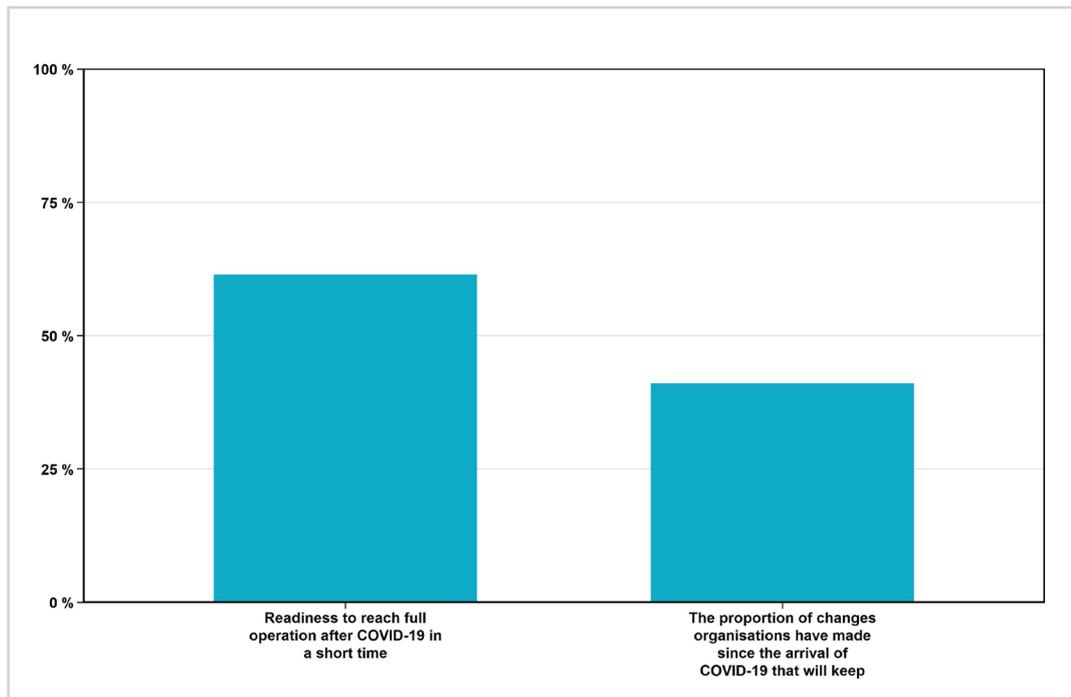


Figure 5.2. Operational stability and agility of the clubs sector when COVID-19 border restrictions end.*

* Hinonga Kōkiri / Head Start Project COVID-19 Industry Response Survey – Clubs sector respondents

ServiceIQ.org.nz
Level 14, Plimmer Towers
2-6 Gilmer Terrace, Wellington 6011
PO Box 25522, Wellington 6140

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