

The Restaurant Industry

An exploration of the pandemic's impacts on employment, the characteristics of critical industry jobs, and promising entry points into the recovering Restaurant Industry in Ramsey County

The Pandemic's Impacts on Employment in the Restaurant Industry

Large Pool of Unemployed & Underemployed

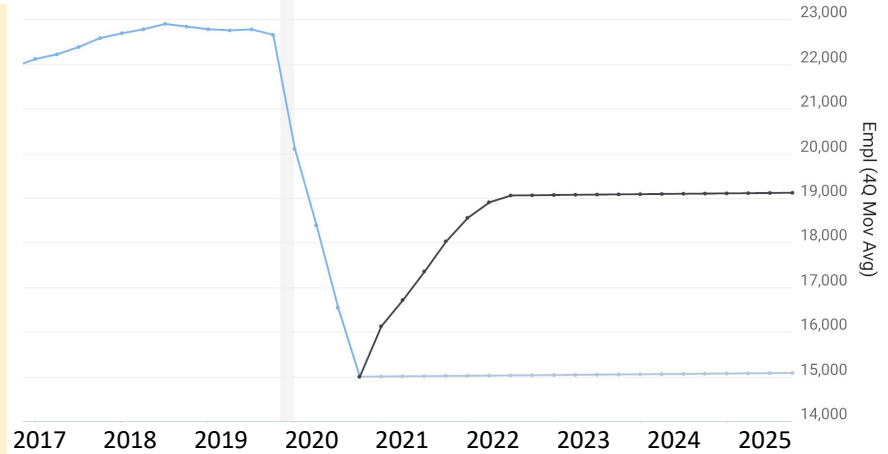
- Employment dropped about 34% since March 2020 to just under 15K employed in the industry as of 2021Q1
- Unequal impact on BIPOC, youth, women, and people without a college degree
- Unlikely employment rebound by 2025

Talent Exiting the Industry

- Not enough workers to meet demand
- Significant business losses, may not return

Inefficient Labor Market

- Persistent employment disparities
- Low job satisfaction and high turnover
- Ineffective means of finding talent

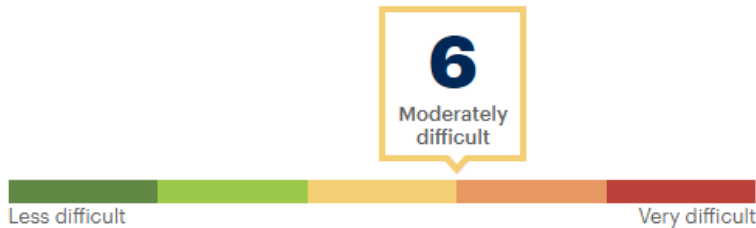


Black Line: Optimistic 5-Year Forecast

Blue Line: Baseline Employment Outlook (Pre-COVID model)

Food Service Careers Advertised in Ramsey County

Hiring Difficulty



Current Relative Supply
High
155 candidate per opening

Typical posting duration
Average
66 days

Your competition
Increasing
10.34% higher

Competitive concentration
Dispersed
More minor employers

Top In-Demand Occupations	2021Q1 Empl. In the Industry	Postings June – Aug 2021	Advertised Wage	In-Demand Skills
Fast Food & Counter Workers	5,086	115 (-29%)	\$25 - \$29K	Cooking, Cashiering, Bending, Serving, Communication
Waiters & Waitresses	2,430	60 (+13%)	\$26 - \$31K	Serving, Friendliness, Lifting, Making Recommendations
Restaurant Cooks	1,569	119 (+164%)	\$30 - \$37K	Cooking, Grilling, Supervision, Portioning, Cleanliness
Supervisors of Food Prep & Servers	1,072	239 (+76%)	\$41 - \$60K	Leadership, Supervision, Operations, Scheduling

September 2021



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Youth and Diverse Talent in the Restaurant Industry

Key Issues for BIPOC Employees

- Turnover rates highest among Black workers (24.4%)
- New BIPOC hires are earning 5% to 13% less than all new hires together

Key Issues for Youth Employees

- Turnover rate highest among youth ages 14 to 24, ranging between 22.6% to 29.4%
- New hires of youth ages 14 to 21 are earning 21% to 71% less than adult new hires

Key Issues for BIPOC Businesses

- Unequitable banking, lending, investing, and purchasing practices¹
- Nationally, BIPOC business owners have three times less wealth than their white counterparts²
- Black business owners nationwide named credit availability as their primary pandemic-related challenge³

Race / Ethnicity	Ave. Turnover per Qtr.	Stable Jobs ⁴	New Stable Jobs ⁵
White	18.1%	\$24.0K	\$17.4K
Black	24.4%	\$20.2K	\$16.0K
American Indian	17.9%	\$20.3K	\$17.0K
Asian	21.1%	\$21.7K	\$16.0K
Native Hawaiian or Other Pacific Islander	17.1%	\$24.3K	\$19.5eK
Two or more races	23.3%	\$19.8K	\$14.9K
Hispanic/Latino	17.8%	\$23.1K	\$16.8K
Restaurant Industry	19.3%	\$23.2K	\$16.9K
All Industries	9.1%	\$68.9K	\$41.7K

Who's Hiring and What's Next in Ramsey County

Top Employers Advertising Opportunities (By Volume)

- Compass Group
- Domino's Pizza
- Coffee and Bagel Brands
- Subway
- Sodexo Inc.
- Panera Bread
- Arby's
- Target Corporation
- Red Robin
- Taco Bell

Promising Practices

- Provide training technical assistance, pro bono resources, or a digital platform for micro/small businesses to adapt customer experience online or create websites to stay competitive in new digital environment [6] [7] [8] [9]
- Lay out the path to career advancement clearly for employees
- Offer scheduling options and benefits menu for people on the margins of work allowing them to avoid a benefits cliff
 - Employee could choose to be hourly, full-time, part-time with standard shift, or part-time with flexible shifts
- Collaborate with high schools to integrate industry job openings into learning management platforms, such as Schoology, and offer scholarship benefits to student employees
- Increase affordable access to capital for microbusiness (< 10 employees) and practical assistance to start and scale by:
 - Creating grant opportunities with growth ambitions[10]
 - Designing regional collaborative fund for support loans[11]

The Hotel Industry

An exploration of the pandemic's impacts on employment, the characteristics of critical industry jobs, and promising entry points into the recovering Hospitality Industry in Ramsey County

The Pandemic's Impacts on Employment in the Hotel Industry

Large Pool of Unemployed & Underemployed

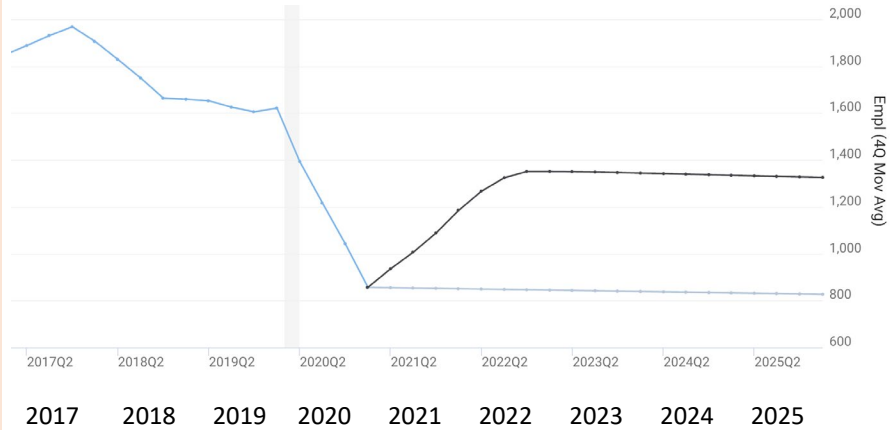
- Employment dropped 47% since March 2020
- Unemployment in hotel and lodging function roles at 10.7%
- Unequal impact on BIPOC, youth, women, and people without a college degree

Talent Exiting the Industry

- Hotels are busy again but hiring and training remain difficult
- Metro hotel occupancy is back up to 53% (still 26% less than 2019)¹

Inefficient Labor Market

- Shortage of talent with basic computer skills
- High turnover rate: 15.9% compared to 9.8% in all Industries



Black Line: Optimistic 5-Year Forecast
Blue Line: Baseline Employment Outlook (Pre-COVID model)

Hospitality Careers Advertised in Ramsey County

Hiring Difficulty



Less difficult

Very difficult

Current Relative Supply
High
284 candidate per opening

Typical posting duration
Average
61 days

Your competition
Increasing
15.93% higher

Competitive concentration
Slightly dispersed
Mix of minor and major employers

Top In-Demand Occupations	2021Q1 Empl. In the Industry	Postings June – Aug 2021	Advertised Wage	In-Demand Skills
Maids and Housekeeping Cleaners	231	271 (-28%)	\$28 - \$33K	Writing, Communication, Cleanliness, Friendliness, Polishing
Hotel, Motel, and Resort Desk Clerks	131	105 (+5%)	\$26 - \$31K	Courteous, Friendliness, Detail-oriented, Customer Service
Maintenance and Repair Workers	38	41 (+8%)	\$42 - \$51K	HVAC, Preventive Maintenance, Carpentry, Monitoring
Lodging Managers	32	12 (0%)	\$46 - \$65K	General Management, Operating Systems, Supervision

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Youth and Diverse Talent in the Hotel Industry

Key Issues for BIPOC Employees

- Turnover rates highest among Native American (22.5%) and Black workers (19.9%)
- New BIPOC hires are earning 14% to 28% less than all new hires together

Key Issues for Youth Employees

- Turnover rate highest among youth ages 14 to 24, ranging between 29.1% to 35.9%
- New hires of youth ages 14 to 24 are earning 51% to 92% less than adult new hires

Key Issues for BIPOC Businesses

- Unequitable banking, lending, investing, and purchasing practices¹
- Nationally, 57% percent of firms characterized their financial condition as “fair” or “poor.” This figure jumps to 79% for Asian-owned firms and 77% for Black-owned firms²

Race / Ethnicity	Ave. Turnover per Qtr.	Stable Jobs ³	New Stable Jobs ⁴
White	15.3%	\$35.9K	\$27.9K
Black	19.9%	\$26.9K	\$20.3K
American Indian	22.5%	\$21.9K	\$22.7K
Asian	11.4%	\$33.2K	\$29.4K
Native Hawaiian or Other Pacific Islander	0.0%	\$27.2K	n/a
Two or more races	17.6%	\$26.9K	\$22.5K
Hispanic/Latino	16.4%	\$25.6K	\$19.5K
Hotel Industry	15.9%	\$33.4K	\$26.0K
All Industries	9.1%	\$68.9K	\$41.7K

Who's Hiring and What's Next in Ramsey County

Top Employers Advertising Opportunities (By Volume)

Aimbridge Hospitality
Compass Group
Treasure Island Resort & Casino
Great Wolf Lodge Minnesota
Intercontinental Minneapolis – St. Paul Airport
Drury Hotels
TPI Hospitality
Best Western
Hampton Inn
Doubletree

Promising Practices

- Increase affordable access to capital for microbusiness (< 10 employees) and practical assistance to start and scale^[5]^[6]
- Lay out the path to career advancement clearly for employees
- Connect short housekeeping training courses ^[7]^[8] with a path to apprenticeship for youth or vocational ESL students ^[8]
- Create publicly funded gig work platform to support flexible roles in hospitality ^[9]
- Consider transportation support for hospitality workers
 - Initiate partnership between public transit and ride-sharing services for enrolled hospitality workers who work after-hours or in remote areas of the county ^[10]
- Offer scheduling options and benefits menu for people on the margins of work allowing them to avoid a benefits cliff
 - Employee could choose to be hourly, full-time, part-time with standard shift, or part-time with flexible shifts
- Consider a wage subsidy to transition hospitality workers back into the workforce