

AROUND THE HIRING WORLD - OCTOBER 2016



CHINA

China holds a great deal of the responsibility for the weaker global market as some of China's industries are in contraction. Saying that, the hotel industry is still active in many secondary cities. Primary cities such as Shanghai and Beijing are suffering from over building and pollution related issues. Mandarin speakers have many opportunities in primary and secondary cities. Chinese citizens with hotel experience outside of China are the "toast of the town". If you are willing to go to a secondary city and have China or "Michelin" credentials on your resume, you'll have no problem finding career options with top luxury brands. P.S. Not all major brands are making money in China and not all franchisees are paying their management fees.



USA

Donald or Hilary will certainly affect USA 2017 tourism and their economy. New York city has 115,000 rooms; that's almost a 60% increase in less than a decade! The US economy and unemployment numbers have buoyed the hotel industry across the board. Things look good for experts with Ritz, Four Seasons or similar backgrounds in all categories, especially GM, Financial Controller and Sales & Marketing executives. But who knows who will rule the free world next?



SCANDINAVIA/NORTHERN EUROPE

Solid local business. The accommodation business is rolling along with excellent occupancies with little foreign hiring, as high taxes are not appealing to expatriates. Non-financially driven executives and those who are sales-driven or speak the local language do best. Returning residents are always welcome as there are many jobs available.



MACAU

More casino over-building. Flat business, but still profitable. In 2016, Macau surpassed the gambling revenues of Las Vegas again. Macau is in a slowdown as new casino expansions always spreads the "big whales" and gamblers around, so less are available to everyone. There is a constant need for Michelin Star culinarians, Mandarin-speaking management and, like the rest of the world, USA casino-trained executives.



MIDDLE EAST AND AFRICA

Why does Middle East and Africa have more Hotels under construction than anywhere else in the world? In June 2016, the reported hotels and rooms under construction in the Middle East and Africa totaled approx. 200,000 Rooms and 850 Hotels. There are 150,000 Rooms and over 550 Hotels under contract to open in the Middle East (mostly UAE, Qatar and Saudi) and 56,000 Rooms and 300 Hotels under contract in Africa.

Among the countries in the Middle East and Africa, Saudi Arabia reported the most rooms in construction, almost 36,000 Rooms in over 80 Hotels. Why there is so much construction going-on in this region? The next questions is, how do you fill all of the staff openings and corporate roles for these new hotels? Especially in Saudi Arabia where "Saudiization" restricts Visas.

UAE allows unrestricted recruitment from your neighbours so candidates move across the street (Breeding incestuous operating styles and similar F&B concepts). There will come a time when this tactic will not work and you will be unable to "steal enough to feed Peter from Paul". What will happen then? At this stage, no huge recruitment blitzes are there, as staff levels are reducing due to over-building as well as low average rate and occupancies. There are jobs available in all categories in the UAE although some compensation packages have dwindled in the last 24 months.



MEXICO, LATIN AMERICA AND DOMINICAN REPUBLIC

2016 has produced OK results but Cuba is coming! The All-inclusive concept is still no. 1 as guests are happy to pay the one price for everything. Companies like Paradisus, Karisma, Dreams, Sandals etc. are raising the expectations in 5 star luxury resorts; making this concept one to be feared globally if it could be successfully recreated around the world.

P.S. the Dominican Republic has become the 2nd largest tourism earner in Latin America behind Mexico.



BRAZIL/SOUTH AMERICA

Infrastructure investments like the Olympics have provided regional opportunities and temporary high occupancies. The South America region hotel development and occupancies grew by 20% in 2016 over 2015. Better financial results are prompting some new builds. Few expat hires as locals prefer South American nationals; especially Spanish or Portuguese speakers who are the main stay of recruitment in the region.



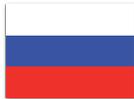
PHILIPPINES

Casinos, Casinos! The Philippine casinos, unlike others in Asia, have shown a marked increase in 2016 as fewer have opened than in Macau. They are also attracting new local gamblers as well as those who want to try their luck in a new gaming venue. Recent hiring seems confined to culinary, engineers or F&B professionals, as locally trained hoteliers are capable in most other roles. Casino executives with USA or Macau experience are in very high demand.



CANADA

New PM Justin Trudeau is trying to find his way with low commodities prices. Oil's collapse and massive forest fires has destroyed much of the hospitality industry in Alberta. This downturn in Alberta has long-range effects on the rest of the Canadian hotel industry. We are now seeing mainly condominium-funded hotels, mid-range limited service and boutique-style individually owned hotels and resorts in development. Casino expansion has offered USA trained casino executives the opportunity to experience the Canadian lifestyle. There is a major shortage, in all categories, of mid-range senior-level Canadians with luxury hotel expertise.



RUSSIA

First Syria, second Ukraine = Rubble Sinking. Nothing hurts business worse than a political battle. Russia is therefore not in the hiring mood. Business remains ok in the major cities, however only a few expats are being hired and many are leaving. They are either unaffordable or will not accept a USA salary decrease as the weakening ruble makes expats awfully expensive. Fewer international visitors also decreases the need for expats.



FRANCE

France has seen a teeter-totter effect in 2016. Occupancy went up and then profits went down after the terrorist action in Nice, which did not help tourism in the entire country. Hiring has slowed down considerably. One reason is the high cost of staff (due to hefty payroll deductions) makes hiring very expensive. There are a few executive roles available with multinational hotel companies but most groups prefer to hire French nationals only anyways.



EUROPE

The strain of the refugee crisis may take some time to digest in Western Europe and Turkey. On a longer term, the refugee influx will have a positive effect as many will have a constructive contribution to the economy. In the short term, the transfer of the government's finances from hospitality to help refugees is affecting hotel development and occupancies. Strangely enough, Eastern European hotels are doing well thank you, good occupancies in Hungary and Czechoslovakia. Regarding the salary levels, a General Manager in the U.K. makes an average of about 200K £ per annum gross, including value of benefits, versus his colleagues in France (140K €), Spain (125K €), Germany (155K €), and Italy (138K €). A major difference is also apparent in all other management levels i.e. a Director of Finance in the U.K. averages about 100K £ annually whereas elsewhere in Europe the average is 59K-70K €.



UNITED KINGDOM

Occupancies continued to reach for the stars in 2016 until Brexit. The future is uncertain, as no one knows the impact, and so investment monies are sitting on the sidelines. Staff is moving outside of the major hubs due to rent increases. European culinarians and Sales & Marketing people are nowhere to be found, and with Brexit, maybe never to be seen again. Salaries in the UK are generally higher than their counterparts in Europe but taxes and cost of living equal things out.



INDIA

Business up. Rates flat. Why? The country occupancy rebounded in 2016 as a result of a quiet political scene; new hotel builds and improving financial results are prompting fresh hires. But the increase in rooms available has led to greater competition and lower overall rates. European and senior management opportunities are consistently available for expatriates. However, outstanding internationally trained Indian nationals have been persuaded to return home by attractive expat-style packages.



SE ASIA

Stable, just moving along. Local regional business is solid although not breaking any occupancy records and you still have to get up every day pumped! Mandarin speakers with international exp. outside of the region, or Michelin star history are highly sought after. A lot of mid-management roles are now filled locally but GM, F&B & DOSM from elite, luxury or lifestyle brands are hot! Many clients say 1. "No job hoppers" 2. or those who want Asia for a "Change or Lifestyle...it is hard work there for sure.



CARIBBEAN

Cuba! Cuba! The onslaught is on; everyone wants to plant their flag. After the debacle and bankruptcy at Bahamar in the Bahamas, the development light is shining bright for Cuba, an island only 12 miles from Miami. Everyone said the new luxury resort Bahamar would change the hiring landscape and raise Caribbean salaries but instead sent all their superstar hires home. Hiring and competition is bustling for Carecom citizens. Financial Controller, DOSM, Chef and F&B categories are hot! International schooling is still a challenge for children over 12 years old. P.S. want to buy St-Lucia citizenship? You can for a price!



MALDIVES/MAURITIUS/SEYCHELLES

Small salaries for small hotels. Staffing is challenging to find and there is the "cruise line effect" where staff complete their contract never to return unless on holiday. Talented people have choices and small islands are not for the long-term, especially for families or people desiring a lifestyle. These locations are best for young aspiring executives who want to receive their first big title. These smaller resorts cannot compete with major city or larger resorts compensation wise either. Vacancies in all categories are available to interested parties.