Employment Situation of Tourism Graduates Working In and Outside the Tourism Sector

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Abstract — This paper looks at the employment situation of Portuguese tourism graduates, particularly to the differences between the work situation of those employed in the tourism sector and those who are working outside this sector. Data was collected through an online questionnaire applied to the Portuguese tourism graduates in Portugal, comparing their salaries, working hours and schedules, contractual situation, hierarchical position and job satisfaction. Results evidenced that the tourism sector is not taking advantage of the available qualified human resources. Moreover, data suggests that tourism graduates employed outside the tourism sector are facing poorer working situations than those graduates employed within this industry.

Keywords - higher education; tourism; graduate employment; Portugal.

I. INTRODUCTION

Tourism is a cross-cutting sector and an essential sector for national economies. The potential of tourism for job creation has been recognised due to the fact that tourism generates more than 9.1% of the world GDP, provides employment to 8.3% of the labour force and it is forecast that it will continue to grow in the future [1].

In Portugal, tourism contributes to 14.7% of the GDP and is responsible for 18.4% of the employment. Although recently its growth rhythm is slowing down, tourism is still an expanding sector [2].

Over the last decade, the number of tourism higher education graduates in Portugal has been increasing. In the academic year 2010/11, there were 81 Bachelor and Licenciatura (5 year) degrees in tourism, as well as 19,082 graduates. Yet, the majority of workers in the Portuguese tourism sector have low education levels [3-5]; 64.6% have completed no more than 6 years of education and are in bottom-level sales or service occupations, some of them being manual workers [3].

At the same time, Costa, Carvalho, Caçador and Breda [6] unveiled that a high percentage of Portuguese tourism graduates are working outside the sector. Keeping in mind that the tourism sector is essential for the Portuguese economy, a question can be raised as to the reasons why these qualified human resources are not being capitalized by the tourism industry.

There are two possible explanations for this lack of qualified graduated workers. Firstly, it is possible that the tourism sector is failing to meet the expectations of students and graduates that are at the starting point of their professional careers. Because employment in the tourism sector is largely categorized by low paid, low skilled, part-time and seasonal work schedules, and it is lacking of a strong career structure, tourism graduates might prefer to search for a job in a different field [7, 8].

In addition, Petrova and Mason [9] revealed that the skills acquired in tourism degrees are poorly valued by employers, who hold unfavorable perceptions of these degrees. It might thus be difficult to enter the tourism labor market as a qualified human resource. Therefore, the second possibility is related to the fact that despite tourism graduates’ interest for working in this field, they have difficulties in finding a job in the tourism sector [9].

The current article tries to highlight the reasons behind this apparent waste of qualified human resources in the tourism field. To do so, the employment conditions of graduates working in the tourism sector and employment conditions of those working outside the tourism sector are compared. The underlying idea is to examine whether tourism graduates are employed outside the tourism sector because they found jobs in other sectors that offer them comparatively better conditions. But if the employment conditions of these graduates are not somewhat superior, therefore their “choice” for working outside the tourism field might rather be a “non-choice”, resulting from a lack of alternatives and options. In the latter case, lack of recognition of tourism degrees or the saturation of the labor market might be the explanatory variables for the high percentage of graduates employed outside the tourism sector.

The article starts with a brief literature review on the characteristics of the tourism labor market with a particular focus concerning the Portuguese context. After the methodology underlying the empirical study is presented, the demographic characterization of the sample is described. In the following sections the results are presented and discussed, as the employment situation of tourism graduates and tourism

The authors would like to thank the support provided by the Portuguese Foundation for Science and Technology and the Commission for Citizenship and Gender Equality, as well as the co-financing of the European Union through the National Strategic Reference Framework, European Regional Development Fund, and the Operational Program for Competitiveness Factors.

DOI: 10.5176/2010-4804_3.1.298

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graduates are compared in relation to their salaries, working hours and schedules, contractual situation, hierarchical position and job satisfaction. Finally, the main conclusions and limitations of the study are presented.

II. LITERATURE REVIEW: OVERVIEW OF THE TOURISM LABOR MARKET

Research on tourism labor market demonstrate that tourism has the potential to attract human resources [10-12], but at the same time there are other studies that evidenced lower interest in employment and career development in the tourism industry [7, 13-17]. This can be explained by the reputation of jobs in the tourism industry as high staff turnover and waste of trained and experienced personnel [7].

Low salaries, demand for low skills, negative image, poor management, part-time, seasonality and lack of a clear career structure are the eight characteristics of the tourism labor market summarized by Walmsley [13], who also described tourism as a ‘refuge sector’. Jobs in the tourism sector has been also described, by other researchers [8, 18, 19], as low status/prestige jobs, which require low skills with low possibilities for vertical mobility within the company. Tourism related jobs frequently demands work in unsocial hours, such as holidays, nights and weekends [7, 19, 20]. The tourism sector also provides many part-time jobs, which tend to be mostly filled by women. Although part-time jobs have the advantage of facilitating work-family balance, they also present a significant number of disadvantages, including: lower salaries, lower opportunities for promotion and career development, and less protection in case of unemployment [18].

A study on tourism students’ attitudes towards tourism careers in China, by Jiang and Tribe [15, p. 8], indicated that “almost none of them wanted tourism careers to be their permanent professions”. Comparing attitudes to careers in tourism of UK and Greek students, Airey and Frontistis found that “UK pupils are more hostile than their Greek counterparts in their attitudes toward tourism as a career option” [14, p. 157].

Students’ awareness of the main features of tourism jobs explains these different perceptions. For example, while some share an image of glamour, connected to the opportunity to relate with people, travel, use foreign languages and diverse job tasks [21], others perceived the negative aspects of the work, such as low pay and unsociable working hours [7, 16, 17]. Parsons and Care [15 cited in 22, p. 10] state that these negative aspects “may exert a negative influence on their [students’] job satisfaction and motivation, and force them to leave the industry”. Walmsley [13] also mentioned that these characteristics lead to the elevated employee turnover rate in the tourism labor market.

Therefore, it is obvious that human resource strategies within tourism sector failed to meet graduates’ expectations, which resulted in a poor development of relational contracts and, ultimately, caused employees exploiting available programs and advance trainings before leaving the sector in chase of improved conditions elsewhere [7].

In Portugal, the tourism industry is characterized by the predominance of female employment, low levels of education and short average tenure [5]. These findings are supported by the work of Costa, Carvalho and Breda [4], which relied on data from the nationwide Employment Survey. Their study revealed that, concerning working hours, tourism employees work more in unsocial hours, such as shifts, at night, on Saturdays and Sundays, particularly men. Moreover, while most female part-time work is involuntary and reflects the lack of better employment opportunities, male part-time work is mostly due to studying or training. In addition, tourism workers have the highest amount of weekly working hours in the whole economy. Despite that, they are among the worst paid workers, particularly in the food and beverage (F&B) subsector [6].

Research on the employment situation of tourism graduates in Portugal has been limited and relatively recent [4, 6, 23, 24]. Therefore, this paper will contribute to fill in this gap in scholarly literature.

III. METHODOLOGY

This study aims at presenting the results of the Gentour Project concerning the employment situation of Portuguese tourism graduates. The empirical study underlying the present research was based on a survey applied to Portuguese tourism graduates, highlighting the differences between the employment situation of those who are employed in the tourism sector and those who are not working in the tourism sector.

The survey was carried out from December 2010 to March 2011 and the sample consisted of 1,419 graduates: 1,065 (75.1%) employed and 354 (24.9%) unemployed. The results presented in this study will be relative to the employed subsample.

Convenience sampling technique was used. Contacts were established with professors and researchers of all Portuguese institutions with tourism higher education degrees, who were asked to disseminate the survey among graduates. Although the generalization of results to the population is not allowed, the robustness of the sample yielded consistent findings and identified important and statically significant trends among Portuguese tourism graduates.

The tourism degrees taken into account for the present study were those included under the subareas ‘Hospitality’ and ‘Tourism and Leisure’ in the Portuguese National Classification of Fields of Education and Training.

The instrument used for data collection was an online questionnaire. Since the main aim of the project was to analyze gender inequalities in employment, it covered a wide range of areas, concerning not only employment, but also other areas, such as education, perceptions of discrimination and work-family balance. The quantitative data analysis was made using the software IBM SPSS Statistics (v.19). Univariate, bivariate and multivariate statistical techniques were applied, through exploratory and inferential methods, and a 5% level of significance was adopted.
IV. FINDINGS

In this section, after a brief characterization of the sample (i.e. employed graduate respondents) in terms of gender, age and level of academic degree, the analysis of the tourism graduates’ career pathways is presented, comparing the employment situation of graduates working in and outside the tourism sector, namely in terms of salaries, working hours, part or full-time work, contractual situation, hierarchical position within the company and job satisfaction.

A. Demographic characterisation

Women prevail in the sample of employed tourism graduates. In fact, men represent only 30% of the surveyed employed graduates. This predominance of women reflects the unequal gender distribution in the population of tourism graduates, since only 35.7% of graduates in the year 2008/09 were men [25]. Half of the employed graduates are 28 years old or younger and their average age is 29 (M=29.62, SD=0.21, 95% IC [29.20; 30.04]).

![Figure 1. Academic degree of the employed tourism graduates surveyed](image)

The majority of respondents hold a Licenciatura (79.8%), which is a five-year degree that no longer exists, while 4.6% hold a Bachelor degree, 8.1% have a Post-Graduation diploma, 6.4% hold a Master and only 1.2% are Doctorate (Fig. 1). The analysis of the academic degree of the tourism graduates working in and outside the tourism sector did not reveal statistically significant differences ($\chi^2(4)=6.372, p=.173$).

Apart from tourism degrees, 14.2% of the respondents also possess non-tourism degrees: mostly Licenciaturas (4.0%), Post-graduate diplomas (4.4%) or Masters (4.5%).

B. The employment situation of the tourism graduates surveyed according their career pathways

Data revealed that 26.8% of the employed graduates (224 graduates) work outside the tourism sector. However, it was observed that half of these graduates had started their professional activity within the tourism sector, which suggests that the tourism industry is failing to retain these qualified human resources.

The majority of employed graduates earn between €600 and €899 (39.2%) or €900 and €1,199 (20.5%). While tourism graduates working outside the tourism sector prevail in all the lowest salary categories, tourism graduates working in the tourism sector prevail in the highest salary categories (Fig. 2). The analysis of the average salaries of tourism graduates working in the tourism sector (€1,024.71) and those working outside the tourism sector (€876.04) revealed statistically significant differences ($t(425.394)=-3.317, p=.001, r=0.03$) and confirmed a worse salary situation for the graduates working outside the tourism sector.

On average, the tourism graduates work 39 hours per week (M=39.01; SE=0.37; IC 95% [38.28; 39.73]). Although the differences were not statistically significant ($t(376.127)=-1.302, p=.194$), it was observed that the average working hours of the graduates working in the tourism sector (M=39.27) is slightly higher than the average working hours of those who work outside the tourism sector (M=38.05).

The surveyed employed graduates work mostly in full-time jobs. Still, one in every four respondents revealed working in a part-time job, but no statistically significant differences ($\chi^2(1)=0.902, p=.194$) were found between tourism graduates working in the tourism sector and those working in other sectors. In order to know if this was a personal decision or a result of labor market constraints, respondents were asked to indicate the reasons why they were in a part-time job. The main reasons pointed out were not having found a full-time job (62.0%), being studying or in a training program (19.7%), or resulted from personal choice (12.7%). Thus, working part-time is not the result of a deliberate choice for the majority of tourism graduates, which might be a sign of shrinkage of suitable jobs.

In order to know more about the differences in the work schedules of tourism graduates working in and outside the tourism sector, the distribution of respondents working in unsocial hours, such as shifts, at nights or on weekends was analyzed.

It was observed that the majority of the surveyed employed tourism graduates do not work in shifts (66.4%), while 22.4% work in rotating shifts and 11.2% work in fixed shifts. The analysis of the work schedule by sector of activity showed that tourism graduates employed in the tourism sector are more represented in the rotating shifts category, while tourism graduates employed outside the tourism industry prevail in the categories related to more typical work schedules (Fig. 3). These differences were statistically significant ($\chi^2(2)=7.699, p=.021$).
There were accentuated differences in the proportions of graduates who claim to never work at night: while the proportion of graduates employed in the tourism sector that claims to never work at night was 39.4%, among the graduates employed outside the tourism sector the correspondent proportion was 57.6% (Fig. 4).

Even more accentuated differences were found among the tourism graduates working in and outside the tourism industry when analyzing work on weekends (Fig. 4). The proportion of tourism graduates employed in other sectors claiming to never work on Saturdays or on Sundays (44.7% and 64.1%, respectively) is almost twice as the proportion observed among those working in the tourism sector (22.1% and 34.9%, respectively).

The differences observed among tourism graduates working in and outside the tourism sector concerning work at nights ($\chi^2$ (2)=24.604, p<.001), on Saturdays ($\chi^2$ (2)=40.971, p<.001) or on Sundays ($\chi^2$ (2)=56.103, p<.001) were, once again, statistically significant.

Regarding contractual situations, it was observed that the most frequent contractual situations among respondents were permanent formal contract (46.9%) and temporary formal contract (34.7%), opposite to those with a research scholarship (0.7%) or in temporary work without formal contract (1.4%) (Fig. 5). The analysis of the contractual situations by sector of activity shows that tourism graduates working outside the tourism sector are more represented in contractual situations related to lower professional stability, namely in temporary work without formal contract or in provision of services, comparatively to those tourism graduates working in the tourism sector. These differences are statistically significant ($\chi^2$(5)=16.559, p=.005) and confirm a general poorer contractual situation for the tourism graduates working outside the tourism sector.

Comparatively to the tourism graduates working in the tourism sector, those employed outside the tourism sector are more represented in the top-management positions (17.6% vs. 10.4%) and in the middle management positions (33.8% vs. 25.0%) (Fig. 6). These differences were statistically significant ($\chi^2$(2)=18.011, p<.001).

The previous results might be surprising as it would be expected that tourism graduates working in the tourism sector would fulfill the higher hierarchical positions in their organizations, given that they earn higher salaries comparatively to those working outside the tourism sector.
Regarding job satisfaction, lower levels were quite visible among respondents working outside the tourism sector, as they were more represented in the lowest satisfaction category and less represented in the highest satisfaction category (Fig. 7).

Figure 7. Satisfaction with the current job of the employed tourism graduates surveyed

V. CONCLUSIONS

A. Discussion of results

Data suggest that the tourism sector is not being able to capitalize on the qualified human resources available and one must uncover the inherent reasons for this reality. It was found that a high percentage of tourism graduates are working outside the tourism field. This fact raises particular concern since the majority of tourism graduates working outside the tourism sector started their professional career in the tourism industry.

Several scholars suggest that the tourism sector is failing to attract and retain qualified human resources due to the specific characteristics which convey a less appealing image within the tourism work force [7, 16, 17]. Thus, solutions must be found in order to reduce the perceived negative aspects, namely by providing more equal opportunities and a more suitable work-family balance.

Concerning the employment situation faced by the tourism graduates surveyed, it was confirmed that the graduates working outside the tourism sector face less adverse conditions concerning the working schedule: they work less hours per week and also work less in unsocial hours, such as nights, rotating shifts or weekends.

However, other studies, namely those carried out by Petrova and Mason [9] and Costa, Carvalho, Caçador and Breda [6], pointed out that this outflow to others sectors of activity might result from the lack of opportunities to work in the tourism sector, rather than resulting from an intentional choice. In fact, the results of the present study suggest that the graduates employed outside the tourism sector earn lower wages, are more exposed to poorer contractual situations and reveal lower satisfaction levels with their jobs, comparatively to those working in the tourism industry.

Although tourism graduates working outside the sector earn lower wages, data also suggests that they are more represented in higher hierarchical positions, comparatively to those working in the tourism industry. Thus, this raises two important thoughts: (1) tourism graduates working in the tourism sector may face additional difficulties in advancing in their professional career and, thus, reaching the higher hierarchical positions in tourism organizations, or (2) those employed outside the tourism sector occupy more demanding positions and, simultaneously, earn lower salaries, supporting once again the idea that tourism graduates with a career outside the tourism sector face precarious situations.

Therefore, a plausible interpretation of the high percentage of tourism graduates working outside their field of study is that the skills developed in tourism educational and training programs are not being valued by employers, and that the labor market is, thus, saturated for these human resources.

The lack of recognition of these degrees among employers and the consequent difficulties in entering the tourism labor market might force tourism graduates to search for more favorable employment conditions and, thus, abandon the labor sector for which they created expectations and were highly trained for. Most of these graduates will endure even worse wages and contractual situations outside the tourism sector.

In this case, tourism higher education must rethink the skills that are being acquired by students, and address the possibility that the higher education supply might be excessive. O’Leary and Deegan [7] also point out that a better communication between educators and employers is needed. Moreover, the authors imply that realistic expectations should be developed among students during graduation.

In light of this, one should also consider that students might not be prepared to face the working conditions in a sector which is generally characterized by being low paid, with atypical working schedules and, consequently, with high levels of conflict between professional, familiar and personal lives. We also agree with the stance of Kelley-Patterson and George [16] that better human resource strategies are needed for the tourism sector, so as not to thwart the expectation of tourism graduates and students. These authors found out that, whereas companies believe that it is more important to provide opportunities for development to their graduate employees, graduates are mostly concerned with equity, job variety, pay and conditions.

Finally, it is important to raise the awareness of the tourism industry regarding the benefits that they can obtain from employing tourism graduates.

B. Limitations of the Study

The present study shows some limitations. The major one underlying this empirical study concerns the sampling technique applied, as it does not allow for the generalization of the findings. As a result, it is difficult to reach those graduates who finished their degrees a longer time ago. Thus, the samples turn out to be very young and results should be cautiously interpreted.

Additionally, one should be cautious concerning the application of these results to other contexts, as some findings diverge from those of other authors. For example, O’Leary and Deegan [7] mentioned that the tourism sector in Ireland has difficulties in retaining and attracting “high caliber staff,”
while our results hint that the tourism labor market has difficulties in absorbing this highly skilled workforce. Thus, rather than extending these conclusions to other contexts, this article aims to contribute to the widening of the debate concerning the questions raised in this research.

REFERENCES