



# Perspective An Employee Sharing Model for the Tourism and Hospitality Industry

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**Abstract:** Fast technological developments have transformed the tourism and hospitality services and the labor market. The outbreak of the COVID-19 pandemic exposed the vulnerability of the tourism and hospitality workforce. There is insufficient prior work about creating better work conditions and greater career opportunities for hospitality and tourism professionals in the swiftly changing labor market. To this end, this article analyzes the historical employee–employer relationships in the tourism and hospitality industry. It presents a new employee-sharing model framework for enhancing resilience and flexibility for hospitality and tourism enterprises and workers.

**Keywords:** tourism; hospitality; labor market; employee-sharing; career flexibility; workers' resilience; professional development; transferable skills; career shift



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### 1. Introduction

For more than a century, the labor relationships of the tourism and hospitality (T&H) industry have been shaped by the growth of travel. When the Second Industrial Revolution happened, the innovations in transportation systems (e.g., trains, cars, and airplanes) induced people to travel more [1]. The possibility of owning and driving private vehicles (i.e., motor cars) allowed new motels, restaurants, and bars to hire professionals with a formal degree under noncontingent employment arrangements by following traditional hiring processes [2]. The development of the internet in the 1990s further created new job opportunities in T&H services [1]. Then, the booming of mobile technologies and social media in the 2010s enabled the sharing economy, known as "the value in taking underutilized assets and making them accessible online to a community, leading to a reduced need for ownerships" [3] (p. 1597). The online sharing economy relies upon on-demand, self-employed, independent contractors [4] who may face precarious work conditions and work instability [5].

The last decade has witnessed a wave of digital innovations fueled by emergent technologies in hospitality and tourism businesses, also called the Artificial Intelligence (AI) Revolution [6,7]. AI refers to the combination of machine learning algorithms, robotics, big data, and automation that can perform tasks requiring human intelligence. AI has been used in T&H services to increase service quality, speed, and accuracy [8]. Examples of AI applications include chatbots, check-in machines, self-checkout machines, audio assistants, online marketing automated tools, AI-enhanced search engines, and service robots [9]. Technologies enriched with AI algorithms may coexist with workers in providing T&H services [10]. The adoption of AI technologies in T&H work environments requires T&H workers to acquire new knowledge, skills, and attitudes.

The most profound impact on the T&H workforce was perhaps produced by an external shock. Data published by the UNWTO show that travel restrictions and the closing of borders due to COVID-19 led to a 74% decrease in international tourist arrivals in 2020 compared with 2019 [11]. The employment data published by the World Travel and

Tourism Council also reveal that in 2020 nearly 62 million workers in the T&H sector were laid off globally, indicating a drop of 18.5% in T&H employment compared to 2019 [12]. Globally, the pandemic produced a significant impact on front-line service jobs [13]. By contrast, in the international context, a surge of demand in occupations such as healthcare aides, care workers, STEM professionals, and health professionals has been forecasted [13].

The increasingly dynamic labor market reveals that past work arrangements in the T&H industry may not mitigate the persistent unemployment and precarious work conditions. Four issues are associated with the recovery of the T&H industry. First, as many T&H businesses closed or limited their operations, there is greater competition for open job opportunities in the T&H industry. Second, considering the occupational outlook, T&H employees would need to actively reskill or upskill to adapt to the jobs increasingly requiring technical or high-order skills. Third, various individual and social factors (e.g., age, education, targeted jobs, social networks, and social capital) may influence individual workers' ability in seeking employment in different industries. Fourth, the movement of skilled T&H workers to entirely different industries (also known as industrial brain drain) may decelerate T&H businesses' development. Are T&H employees prepared to adapt to the swiftly changing work contexts? What are the implications of the changing T&H labor market for individual workers? What new work arrangements would be suitable to support the T&H workers? The present perspective article adopts and expands an Employee Sharing Model (ESM) as a promising solution.

#### 2. An Employee-Sharing Model

An Employee Sharing Model (ESM) is relevant in the current context characterized by constant technological and digital innovations and growing external shocks. An ESM can potentially mitigate unemployment, increase employers' responsiveness and profitability, and accelerate the T&H workers' reskilling and upskilling.

Although the ESM concept has been proposed for a while, little attention was paid to its theoretical development. Gardner defined employee sharing as "an arrangement that typically involves employees being temporarily loaned from one employer to another then returned to their original employer" [14] (p. 1050). Marica defined it as "joint hiring of one worker by several employers which take joint juridical responsibility for payment of salary. The employee works for each of the group's employers in turn, according to a schedule they agree on." [15] (p. 1190).

There are several types of ESM, such as strategic and ad hoc. Strategic employee sharing has been conceptualized as groups of companies that create a shared structure for hiring workers and coordinating the sharing of job functions [16]. The shared structure includes juridical responsibility for financial compensations, benefits, and professional development. In strategic employee sharing agreements, workers may alternate individual work assignments with two or more participating employers based on agreements and schedules previously established. By contrast, the ad hoc ESM refers to the temporary sharing of employees to equilibrate human resources needs between two companies (e.g., one with a low workload and the other with a staff shortage). Ad hoc ESM is usually temporary with no contractual implications; the receiving company typically sends employees back to the sending company once the temporary work is completed [17].

Marica [15] suggests that the ESM has both benefits and risks for employees, employers, and local economies. For employers, the benefits consist of flexible access to specialized staff not needed on a full-time basis, avoiding the termination of contracts when staff will be needed in the future, reducing the cost of training, and enhancing cross-industry cooperation. The risks of ESM for employers include the disruption of workflows, issues of employee reliability, work processes confidentiality, and the potential disclosure of employers' confidential and proprietary information. For employees, the benefits include job security, higher income, equal treatment (i.e., skilled-centered), and greater career flexibility and mobility. Two challenges for employees include the potential stress due to workplace rotation and the pressure to excel in different organizations. The societal benefits include improving the local labor market and the local economy [17].

We propose a strategic ESM framework in the T&H context which can be adapted to other labor markets (Figure 1). The framework is comprised of four key stakeholders: employers, workers, governments, and educational institutions. Three key components are included in an ESM: a P2P sharing platform, an agreement, and a policy framework.



Figure 1. A strategic employee-sharing model framework.

Figure 1 depicts the basic functioning of an ESM. To facilitate the understanding of the ESM framework, we provide the following example in a T&H context. Given a situation of labor market disequilibrium, two employers (e.g., a restaurant chain and a grocery store) voluntarily meet and sign an agreement aimed at facilitating the sharing of service workers (e.g., receptionists, customer service workers). The agreement establishes workers' compensation, scheduling, liability, coordination of the jobs' functions, etc. The agreement also specifies the representative/liable company. Then, both employers enroll their pool of service workers in a P2P sharing platform. The service workers can update their knowledge (e.g., knowledge about consumers' needs), skills (e.g., the use of technical tools), and attitudes (e.g., attentiveness) through the use of the P2P platform. When employers search for employees with specific knowledge, skills, and attitudes (KSA), the P2P sharing platform is capable of matching employers' needs with workers' KSA, based on which employees' sharing can be initiated. Governments can support the matching processes by providing suitable policy frameworks and incentives. Educational institutions can contribute to developing a skilled T&H workforce by creating and updating KSA taxonomies and enriching the functions of the P2P sharing platform.

Special attention must be given to a crucial component of an ESM: the P2P sharing platform. Essentially, the P2P platform should function as a decentralized online service for employers and employees to directly interact with each other. A distinctive feature of this platform is the access to accurate employee profiles (e.g., KSA, professional history, location). Employees might also use the P2P platform to identify vacant job positions of interest. Payment processing, scheduling, and direct communication tools could also be included for stakeholders. Moreover, automatic profile extraction, location-based search, ratings and reviews, in-app messaging, and detailed information about the employees/employers' profiles could be included. For individual workers, career exploration and job analysis tools could be designated for the P2P platform.

To facilitate ESM implementations, employers should not ignore barriers related to occupational and geographical immobility. For instance, personal factors such as a lack of skills, age, location, and reluctance to move from one sector/company to another might hinder the functioning of an ESM. Similarly, public health factors related to workers' movements should also be fully evaluated for ESM implementations.

We argue that ESM is a promising approach to support T&H employees and enterprises. Companies that have a surplus of employees have formed agreements to share their staff with companies facing labor shortages. In China, Hema Xiansheng (a grocery retailer) hired 5000 furloughed employees from other industries as delivery drivers [18]. A similar agreement occurred in Germany, where the grocery chain Aldi absorbed furloughed workers from the fast-food chain McDonald's [19]. In Japan, short-term agreements between grocery chains and restaurants have been made [18]. On a much smaller scale, Sedano's, a Florida-based grocery chain company has temporarily employed workers from two local Miami restaurants in a more informal agreement than what has been observed in China [20]. This practical evidence suggests that ESM can bring mutual benefits to employees and employers by transferring employees' skills to positions with compatible job tasks.

## 3. Conclusions and Future Directions

Traditional employment schemes in T&H have shown limitations in adapting to the changing labor market. Rapid technological development and external shocks necessitate more preventive rather than reactive employment strategies. While an ESM is not a panacea, current ESM practices suggest that ESM is a viable approach to improve labor market flexibility and provide immediate employment to T&H workers displaced from their jobs due to external shocks. Multi-stakeholder collaborations between employers, employees, governments, and education institutions are needed to facilitate the process. ESM can be built upon decentralized P2P online platforms to enhance trust among stakeholders and data transparency. The present ESM framework can be scaled across different industries and geographies. As external shocks such as COVID-19 may cast long-term impacts on the labor market, a contextualized ESM which fits local market conditions. Mixed methods should be implemented in the future to empirically test the proposed ESM framework.

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