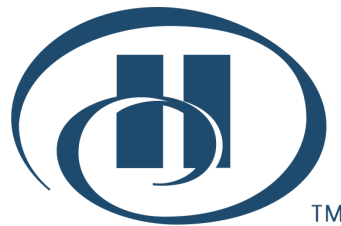


ZERO HOUR CONTRACTS IN THE HILTON HOTELS



Hilton

HOTELS & RESORTS

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Introduction

The research will be based on zero hour contracts within the Hilton Hotels. The research will explain the benefits and challenges Hilton faces using zero hour contracts and will also include a solution to issues that may occur with zero hour contracts. The Hilton hotel has a history dating back to 1925 from a small hotel in Texas U.S. In the present day, the Hilton hotel is considered a pioneer within the hotel industry. It is classed as one of the biggest hotel chains in the world with a reputation for very luxurious hotels, the Hilton also has more than 570 properties across six continents. The Hilton is one of the most recognized names in the hospitality industry. The Hilton has more than 144,000 employees under the company. (Hiltonhonors, 2019) According too (Barnett and Scrope, 2008) There is no legal definition of a 'zero hours contract' It is a day-to-day name given to a contract under which the employer does not guarantee to provide work and pays only for work actually done. A zero hours contract enables employers to call on staff whenever they want and don't pay the employee if not needed. There are no specific rules covering the position of persons working under such contracts. As a general rule, employees who work under zero hour contracts are unlikely to be able to have continuity of employment but can do so if, in practice, they work regularly. There are more than 900,000 British workers which have a zero hours contract and most tend to have more than one job. Often the workers have more than one employer - there are 1.7m zero-hour contracts which are in place across the 905,000 workers at the end of 2016, according to the Office for National Statistics, which means the average worker has 1.8 jobs at any given time. (Wallace, 2017)

Zero hour Contract in the Hotel Industry

For an employer, Zero hour contracts have numerous of reasons why a business would use zero hour contracts on their employees. A zero hour contract allows an employer to maximize flexibility of their workforce to more easily adjust to variations in demand. This type of contract is particularly attractive for employers during an economic downturn. Zero- hours contracts also allow employers to better manage risk. If an employer employs a proportion of one's workforce on a zero hours contract they can allow an employer to adapt to severe fluctuation in demand (such as might occur if a majority contract fell through) by zeroing down large number of staff at a stroke. (Pennycook, Cory and Alakeson, 2019)

For an employee's point of view, a zero hour contract means that the employer can not determine a minimum amount of hours for the employee, that the employee doesn't suffer any detriment for having another employer, no obligation to accept any work from employer, have the same employment rights as other workers and zero hour employees are entitled to the national minimum wage and national living wage as well as work-related travel costs. (Acas, 2019) This type of contract will benefit employees who are looking for flexible working hours without the worry of being "tied down" to one hotel or business, this helps individuals who are looking for more casual work or "seasonal work" particularly students.

The ONS reports from 2016, shows a clear gender pattern when it comes to zero hour contracts. It's more common for women (3.4% of women in employment are on a zero hours contract) while men (2.4% of men in employment are on zero hour contracts) there is also an age pattern for Zero hour contracts, particularly with younger adults (20% of people on zero hour contracts are in full-time education, compared to 2% of people in employment not on zero hour contracts) and some among older workers aged 65+. 60% of zero hour workers are found in 3 occupational classes (elementary occupations, care and leisure) (McVicar, 2017)

Zero hours contracts tend to be quite popular within the hotel industry, according to the office of national statistics (ONS), Zero hours contracts are used by more than half of hotel and catering businesses. Two thirds of the employees do not wish to work longer hours, says the ONS, this suggests the majority are satisfied with their current contract. (Ducker, 2015) A benefit for employees in the hotel industry is the fact that permanent contracted staff can be exploited to being underpaid, sometimes below minimum wage - which is extremely prevalent in the hospitality and catering industry. Within hotels industry staff which are on permanent contract can be worse off than staff on zero hour contracts. This is due to the fact that employees on full-time contracts are asked to sign a form agreeing to opt out of the 48-hour maximum working week under the 1998 Working Time Regulations. This gives employers the right to give staff as many additional hours as they want - often up to 70, 80 or even more a week - and often without pay. (Williams, 2017)

However, there are issues when it comes to zero hour contracts. Some of these issues include a no fixed salary, which is due to the fact that one week you could be working 30 hours but the next week you could only be working 10. A permanent job will provide certainty for employees. It will create a constant battle amongst employees who want to put in a shift but will compete with other employees who will take on the hours they could be working which in turn, create a very bad work culture. And finally, being on a zero hour contract means that an employee will lose out on the benefits of a company, while someone who is on a permanent contract will inherit the benefits. (Business Matters, 2018) Back in 2017, the Trade union, Unite union attempted to get the UK hotel industry to abolish zero hour contracts, as one of the leading suppliers of hospitality and housekeeping services WGG offered 5,000 workers employed as housekeepers, room attendants and porters within hotels across the UK the option to move to guaranteed minimum hour contracts. The regional officer for Unite union Dave Turnbull said "WGG's decision to abolish zero hour contracts shows that improving working conditions and security for UK hotel workers can be done" Unite is also concerned about potential exploitation of housekeeping staff due to the fact business model used by global hotel chains, where tenders are based on the minimum wage and contractors are expected to invoice by the number of rooms cleaned, rather than the number of workers employed and hours worked. (Mole, 2017)

Conclusion

When it comes to Zero hour contracts there seems to be a lot of benefits that the Hilton hotel can adapt into their hotels in the UK which could dramatically help the workload of a constant changing industry which demands workers to adapt to any of the current challenges that are being faced by the hotel. However, it does need to be noted that zero hour contracts do provide their share of complications amongst individuals who are looking for definite hours and a more permanent contracted role within the hotel. Thus, the Hilton will first need to decide which category of individuals they wish to employ on the contract and on which time, It's needed to actually hire the demographic individuals.

It seems the best suited candidates for zero hour contract would be students who are looking for work during their time of study. Discussion between the employer and employee is key on this case due to the fact that each student's timescale differs from the next which can be capitalized by the Hotel by filling in the slots which are most convenient for the hotel and the employee. Thus also eliminating any possibility of a "aggressive competitive culture" amongst the zero hour employees.

The issue regarding the gender differences between a higher rate of females on a zero hour contract could essentially be a personal preference. The biggest example of this could be due to child care. The Hilton shouldn't attempt to decrease this percentage due to "image" alone and should be discussed between the employer and employee.

When it comes to the older age recruitment through zero hour contracts, it should always be an option for anyone over the age of 65+. This will give individuals who due wish to still have some more personal time for their own variety of reasons as well as promotes a good working culture. However, this shouldn't be applied to every single individual over the age of 65+ and should avoid a discriminatory viewpoint, but the option should still be there.

There seems to be a very high negative appearance for zero hour contract within the media despite the benefits a zero hour contract can actually present for the employer and employee. Hilton should communicate with the other leading hotel chains and politicians that support the use of a zero hour contract and promote the benefits that comes with this type of contract.

Primary research methods

Primary research involves gathering new data that research hasn't been collected before. An example of this would be, using online surveys to a wide range of individuals or a couple of selective individuals, questionnaire on a certain type of topic and interviews with individuals or groups of people. (BBC, 2019)

A systematic research gives a clear structure with definite procedural rules that must be followed. There are rules for designing a study, for controlling different problems that may adversely influence the study and for choosing and applying statistics. It is these rules that make studies systematic which helps individuals read, interpret and critique statistical study. The advantage of group surveys are substantial amounts of information can be collected in a relatively short time. However, this can normally be affected by the number of people who actually respond to the survey. But if controlled, this approach can aid in discerning patterns in large amounts of information. As explained by (Brown, 1988)

Experiments can also be conducted as a primary research method for studying cause and effect relationships. Analysing the changes in one variable, by manipulating another variable. Helps one identify cause and effect relationships through experiments. For instance, analysing the sales target achieved by individual salesperson by manipulating their monetary rewards is a typical example of experimentation. Test marketing conducted by companies to test the viability of their new product in the market is a form of business experimentation. As stated by (Sreejesh, Mohapatra and Anusree, 2013)

The methods involving in primary research if conducted systematically can provide a very useful insight into the subject of an individual or individuals choosing. However, data needs to be kept under control and acknowledgment of certain manipulations (As mentioned on experimental methods) can occur during the research. Unless of course manipulation of results is the achievement of the research, Primary research does carry a burden for showing big different results which can occur during a variety of reasons. An example would be if a salesperson's results during a certain time of the month. Holiday sales could increase more in the summer

than the Winter and caution and mindfulness should be implied with every method of primary research.

Appendices

Appendacy (A)

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