



Establishment Survey in the Hotel Sector in Guatemala

Summary Report

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IMPAAQ
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Guatemala

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Project

Labor Market Supply and Demand in the Northern Triangle: Leveraging Data to Build and Efficient labor Market

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Recognitions

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Introduction

IMPAQ International is implementing the project *Labor Market Supply and Demand in the Northern Triangle: Leveraging Data to Build an Efficient Labor Market*, funded by the US Department of Labor Bureau of International Labor Affairs. The objective of this project is to provide technical assistance to El Salvador, Guatemala, and Honduras (the Northern Triangle countries) to improve labor market efficiency and performance, by assisting all three countries to develop labor market information (LMI) systems that publish reliable, comprehensive, and current LMI in user-friendly formats. It also seeks to create local capacities in the use of LMI. One of the main components of this project is to facilitate the creation of a pilot establishment survey that captures labor demand data in a high-growth economic sector.

In collaboration with the Instituto Guatemalteco de Turismo (INGUAT), the IMPAQ team carried out the pilot establishment survey between September and October 2019 in the tourism sector, specifically with hotel establishments. The results of the survey reflect the hotel sector pre-COVID-19, so they are internally valid for this point in time. However, due to the significant impact the pandemic has had on this sector, the IMPAQ team recommends carrying out an employment survey in 2020 in order to measure its effects on hotel establishments.

What is an Establishment Survey?

An establishment survey collects data to generate and disseminate LMI related to employment characteristics that are in demand in a country's private sector.

The IMPAQ team used standardized methodologies and international best practices to collect information that would accomplish the following:

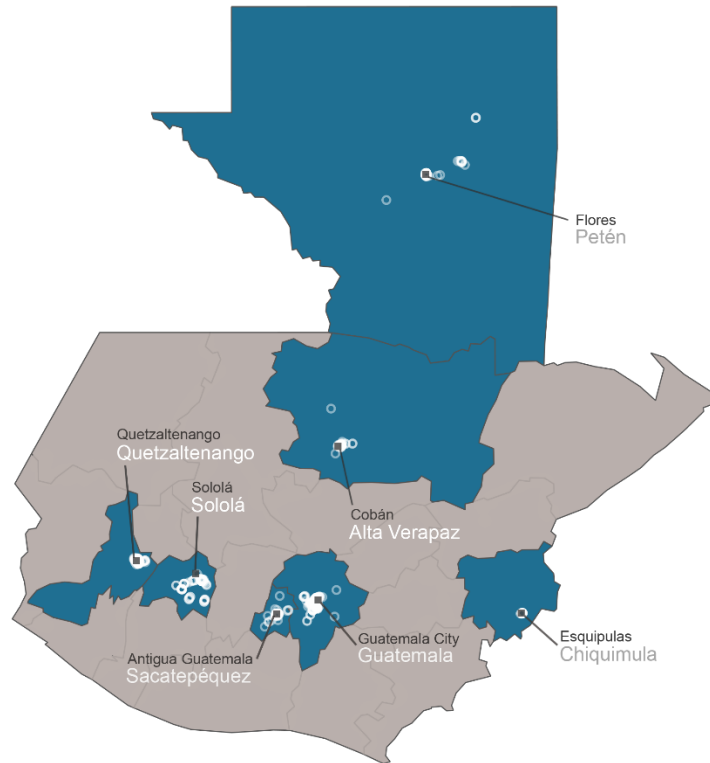
- Characterize the labor demand of the primary positions in the chosen sector (for example, educational training, requirements, and competencies).
- Determine the number of current vacancies and hires, as well as future demand for jobs in the private sector.
- Identify the current and medium-term training needs of the chosen sector.

Implementation of the Establishment Survey in the Hotel Sector in Honduras

Geographic Reach

The IMPAQ team implemented the survey in six high-tourism departments in Guatemala: Guatemala, Quetzaltenango, Sacatepéquez, Sololá, Alta Verapaz, Chiquimula and Petén. Exhibit 1 shows the geographic coordinates of the surveyed establishments.

Exhibit 1. Geographic Reach of the Establishment Survey



Coverage by Size

In very small establishments, workers usually carry out a wide variety of tasks that correspond to more than one job position. This makes it difficult to classify them. For this reason, during the survey and data-cleaning phase, the IMPAQ team decided to exclude establishments with less than two workers.

Unit of Analysis and Key Informants

The unit of analysis is the hotel establishment, compensated employees, and job positions (filled and vacant). In the majority of cases, the informant was the establishment's owner, manager, administrator, or human resource manager.

Design and Sample Size

The IMPAQ team constructed the sampling frame from INGUAT's Hotel Directory. This directory organizes lodging venues in Guatemala by region and size. From this list, IMPAQ created three groups based on average room rates reported by INGUAT.¹ One-hundred percent of the high-rate² hotels registered were selected (n=110 establishments); 96 percent of medium-rate hotels³ (n=108 establishment); and 80

¹Ranges are from 1 to 5 for low to high rates. Hotels in range 1 cost \$50 or more per night; range two from \$51 to \$100; and range 3 from \$101 to \$250; range 4 from \$251 to \$500 and range 5 more than \$500.

²High-rate hotels include range 3, 4, and 5 from INGUAT's classification.

³Medium-rate hotels include range 2 of INGUAT's classification.

percent of low-rate⁴ hotels (n=825 establishments). For the selection of low-rate hotels, IMPAQ used stratified random sampling.

The sample consisted of 1,043 establishments distributed in six departments throughout the country.

Survey Implementation

The team implemented the survey over a period of eight weeks, between September and October 2019. The data collection team used the SurveyCTO mobile application during face-to-face interviews.

The response rate was 77 percent, with 745 hotels completing the survey.⁵ The team expanded the data to represent the universe of hotels in the six departments, which includes 1,251 establishments. Annex 1 shows the process followed to calculate the response rate and details the process of expanding the results.

⁴Low-rate include range 1 of INGUAT's classification.

⁵After data-collection, the team had a final dataset of 682 hotel establishments. To calculate the response rate, we divided the number of complete surveys by the number of establishments in the sample that were eligible to participate in the study.

Preliminary Results

In this section, we present general information about the investigated establishments, as well as demographic data about their workers. We also analyze the characteristics of the key positions in the hotel industry, their educational requirements, vacancies, and future demand for staff.

We display the results by room rate (high-rate, medium-rate, and low-rate)⁶ and/or by department. The reader should note that the results of this survey depict the characteristics of the job positions, not of the workers who occupy them.

Estimates of the Number of Establishments

In total, 82.3 percent of hotels are low-rate; 9.0 percent are medium-rate; and 8.8 percent are high-rate. As shown in Exhibit 3, most establishments are concentrated in Guatemala (30.9 percent), followed by Sololá (17.5 percent) and Sacatepéquez (17.2 percent).

Exhibit 2. Distribution of Hotels, by Rate

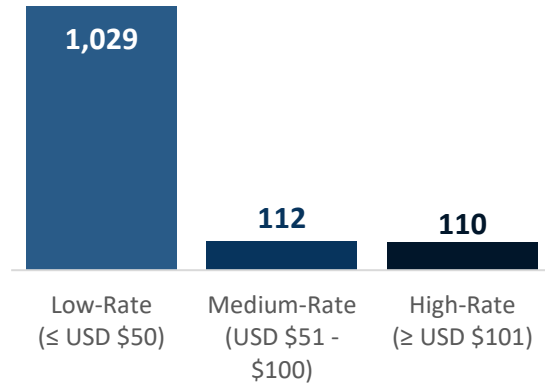
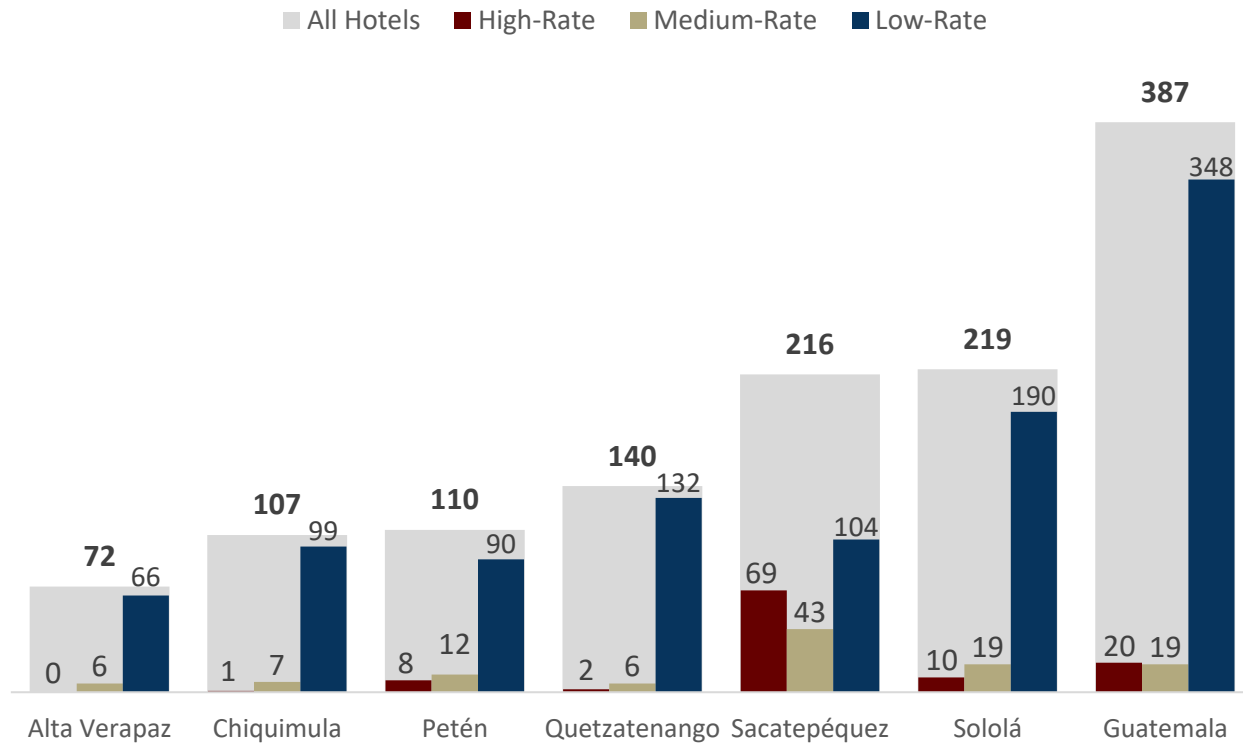


Exhibit 3. Distribution of Hotels, by Department



⁶ IMPAQ created the classification by room rate based on the ranges established by INGUAT. The high-rate tier includes hotels costing the equivalent of \$100 or more per night, the mid-rate tier \$51-100, and the low-rate tier \$50 or less.

General Findings about Workers

The establishments included in the analysis reported 9,873 workers at the time of the survey. High-rate hotels reported 4,224 workers, equivalent to an average of 38 workers per establishment. Medium-rate hotels reported an average of 10 workers per establishment, while low-rate hotels reported just four (Exhibit 4).

On average, female workers represented 44 percent of workers per hotel (Exhibit 5). Low-rate hotels report the highest female labor participation (50 percent of all low-rate hotels), followed by medium-rate hotels (47 percent). High-rate hotels have the lowest level of female participation (38 percent).

Exhibit 4. Employment in Surveyed Establishments, by Hotel Rate

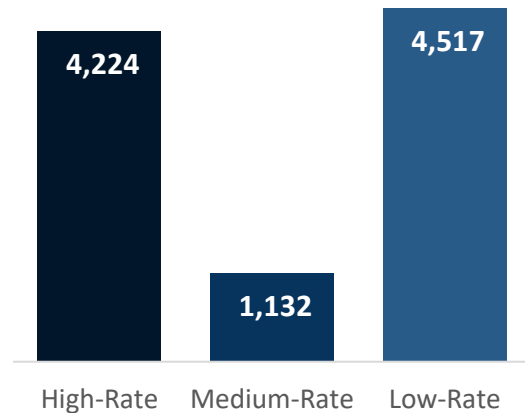
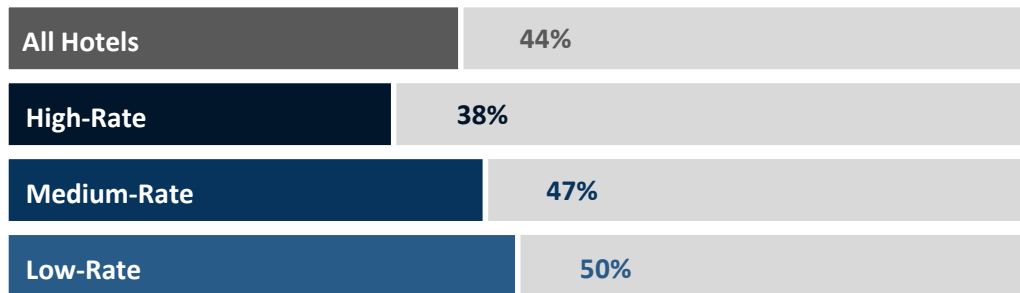


Exhibit 5. Female Labor Participation in Hotel, by Rate Type

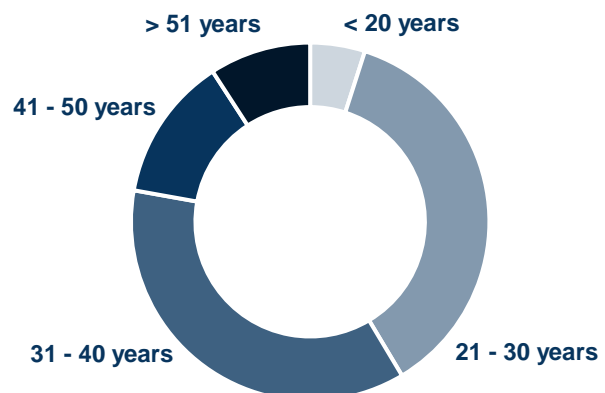


Regarding the age distribution of the personnel employed in the hotels, the most highly represented age group is 21-to-40-year olds (73 percent). Another 22 percent of employers are older than 41, while only 5 percent of employees are younger than 20 (Exhibit 6).

Key Positions in the Hotel Industry

In this section, we present the characteristics of key positions in the hotel industry. To carry out this analysis, the IMPAQ team consulted experts in the tourism sector about the most important job positions in the hotel industry and the positions with the highest recruitment volume. Through these consultations, IMPAQ narrowed a broad list of hotel sector positions to a list of 16 key ones. Then, the IMPAQ team asked respondents to choose up to six positions that they consider to be the most common, that is, with a greater volume of recruitment.⁷ We

Exhibit 6. Worker Age Distribution



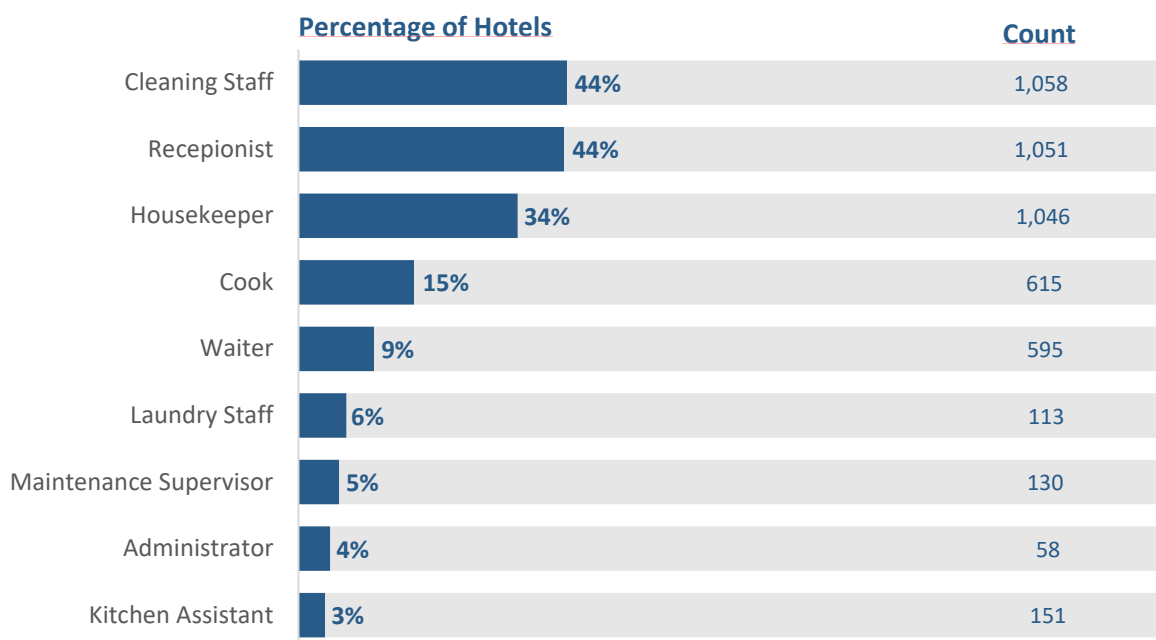
⁷Low-rate hotels selected up to three positions per establishment, and in some cases, reported only two jobs. The 16 key positions on the list were: cook, kitchen assistant, waiter, housekeepers, receptionist, cleaning staff, laundry staff, housekeeping

present the results both in general and for the top four or five most common positions.

Most Common Positions

Exhibit 7 shows the job positions with the highest volume of recruitment and the number of personnel employed in each. Cleaning staff and receptionists were the most common position, with 44 percent of establishments mentioning them as high-volume positions. Housekeeper was the third most commonly reported (34 percent) followed by cook (15 percent).⁸ Hotels indicated that they had 1,058 people employed as cleaning staff, 1,051 as receptionists, 1,046 as housekeepers, 615 as cooks, and 595 as waiters (Exhibit 7).

Exhibit 7. Job Positions, by Recruitment and Employment Level



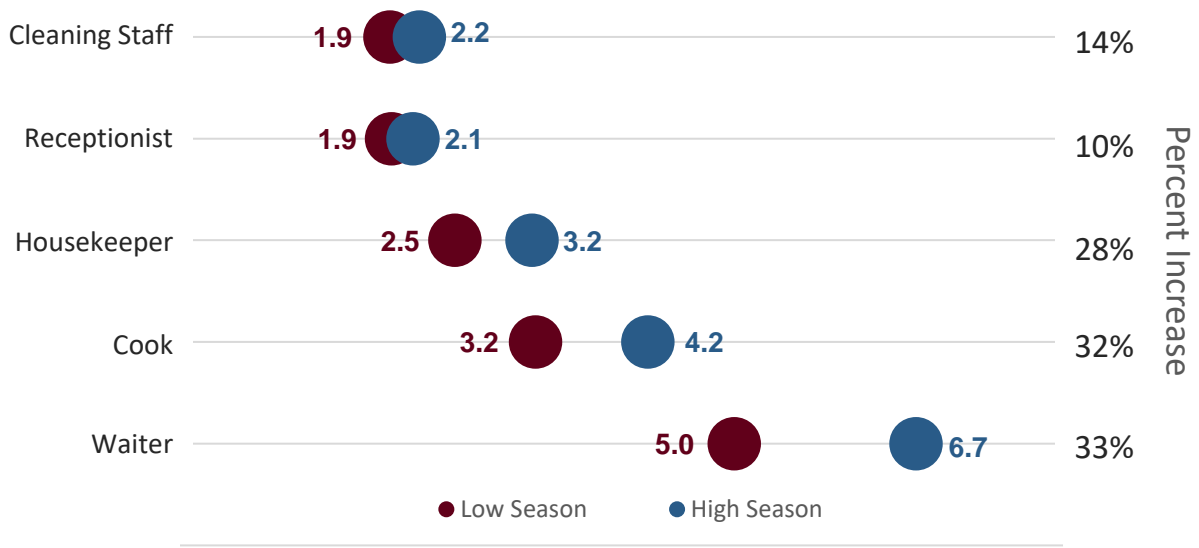
Number of Workers by Season

The survey asked respondents about average seasonal demand for different job positions. When comparing the high and low seasons, demand for waiters increased more than other positions: from an average of 5 per hotel in the low season, to 6.7 per hotel in the high season, or a 33 percent rise. Demand for cooks increase from 3.2 to 4.2 workers on average, or a 32 percent, and waiters increased by 28 percent. In contrast, the demand for cleaning staff and receptionist only increased 14 percent and 10 percent, respectively (Exhibit 8). It is important to note that the data collection team obtained this information during the low season.

supervisor, maintenance supervisor, purchasing manager, concierge, bellboy, accounting assistant, office assistant, computer specialist, and other.

⁸While the positions of housekeeper, cleaning staff, and housekeeping supervisor have similar functions, there are some key differences in their responsibilities: housekeepers are in charge of cleaning and organizing hotel rooms, cleaning staff mainly clean hallways and common areas, and housekeeping supervisors supervise the work of the two aforementioned positions.

Exhibit 8. Average Number of Workers in Hotels, by Season and Job Position



Hotel Sector Remuneration

Exhibit 9 shows the Guatemalan hotel sector’s monthly average remuneration rates among the analyzed job positions, disaggregated by rate type. Approximately 55 percent of high-rate hotels offered an average salary between GTQ 3,000 and GTQ 4,999, while only 23 percent of low-rate hotels offer that salary range. About 75 percent of low-rate hotels offer salaries less than or equal to GTQ 2,999; 50 percent of medium-rate and 36 percent of high-rate hotels offer the same. It is important to note that salary range includes base salary, overtime, benefits, in-kind remuneration, and other types of remuneration.

Exhibit 9. Monthly Salary Range, by Rate Type

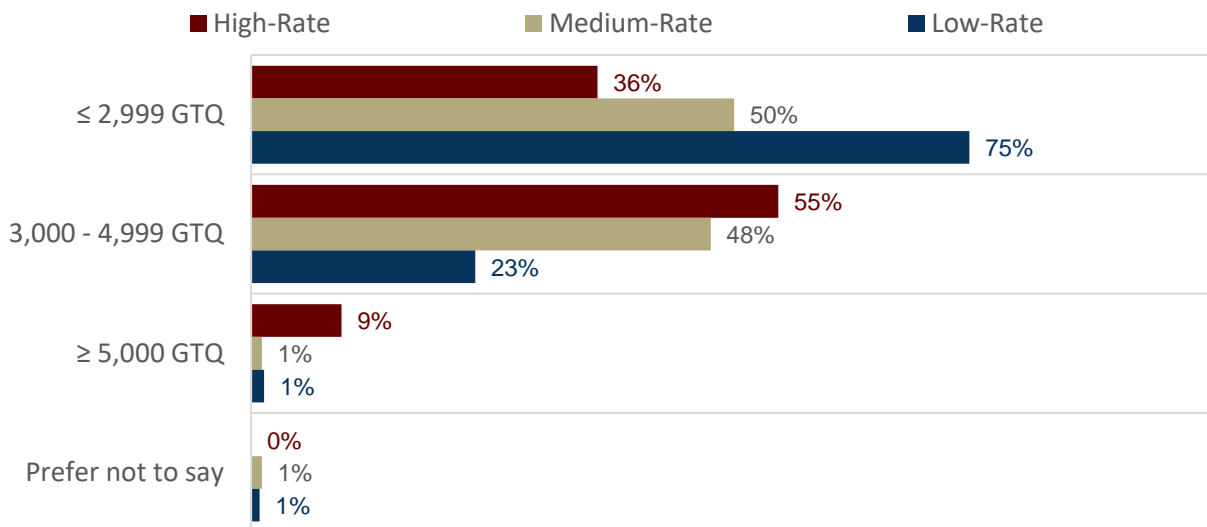
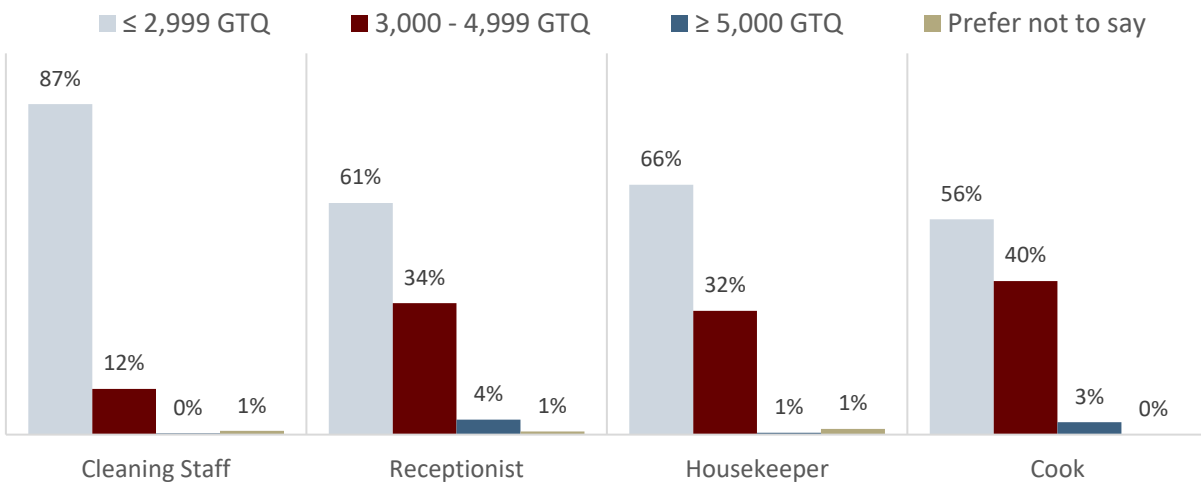


Exhibit 10 shows average salaries offered for the four most frequently mentioned positions. For cleaning staff, 87 percent of hotels offered a salary less than or equal to GTQ 2,999, and only 12 percent offer salaries between GTQ 3,000 and GTQ 4,999. For receptionists, 61 percent of establishments reported an

average salary equal or less than GTQ 2,999, while 34 percent report a salary range between GTQ 3,000 to GTQ 4,999. Only four percent of hotels report salaries greater than or equal to GTQ 5,000 for that post.

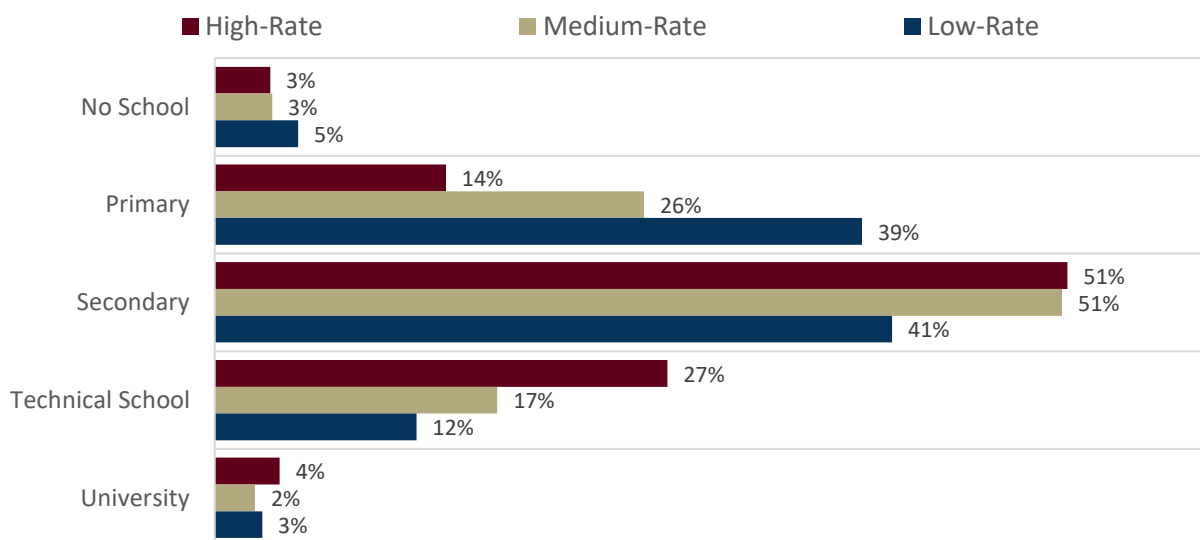
Exhibit 10. Monthly Salary Range, by Position



Academic Training, Competencies and Other Requirements

Exhibit 11 shows the average educational requirements for hotel employment in the job positions with the highest volume of recruitment. The majority of hotels require at least a secondary education for the positions included in the analysis. High-rate hotels require more education, with 27 percent requiring at least a technical degree and four percent require a university degree. Low-rate hotels require less education: 39 percent require a primary education and five percent do not require any education.

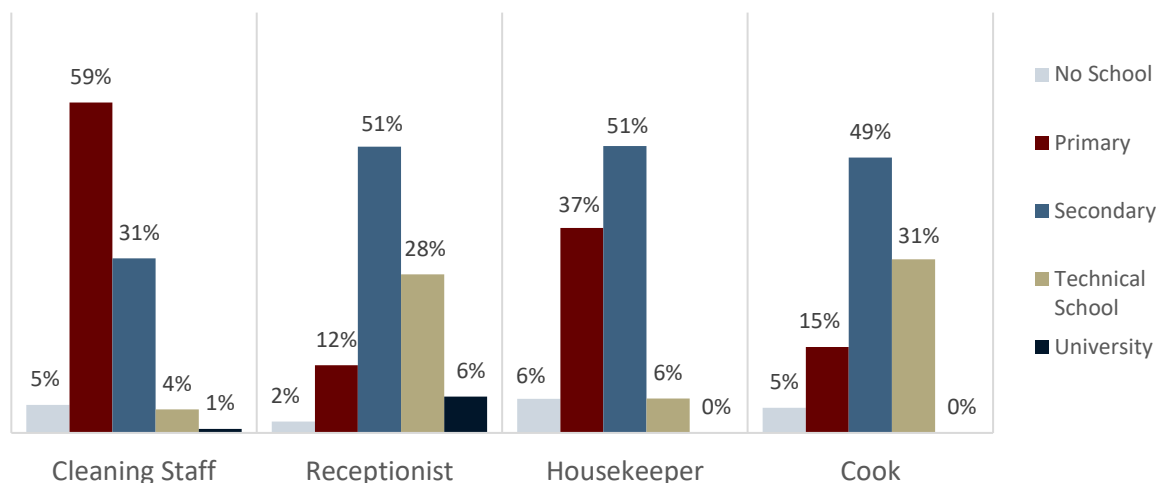
Exhibit 11. Minimum Required Academic Training, by Rate Type



When analyzing the academic training required for the four most common positions, we observe that, on average, receptionists require more education than any other positions: 51 percent of the establishments require secondary education, 28 percent a technical degree, and 6 percent a university degree. In contrast,

for the cleaning staff position, 59 percent of hotels require having completed primary education and only 31 percent require secondary education.

Exhibit 12. Minimum Required Academic Training, by Position



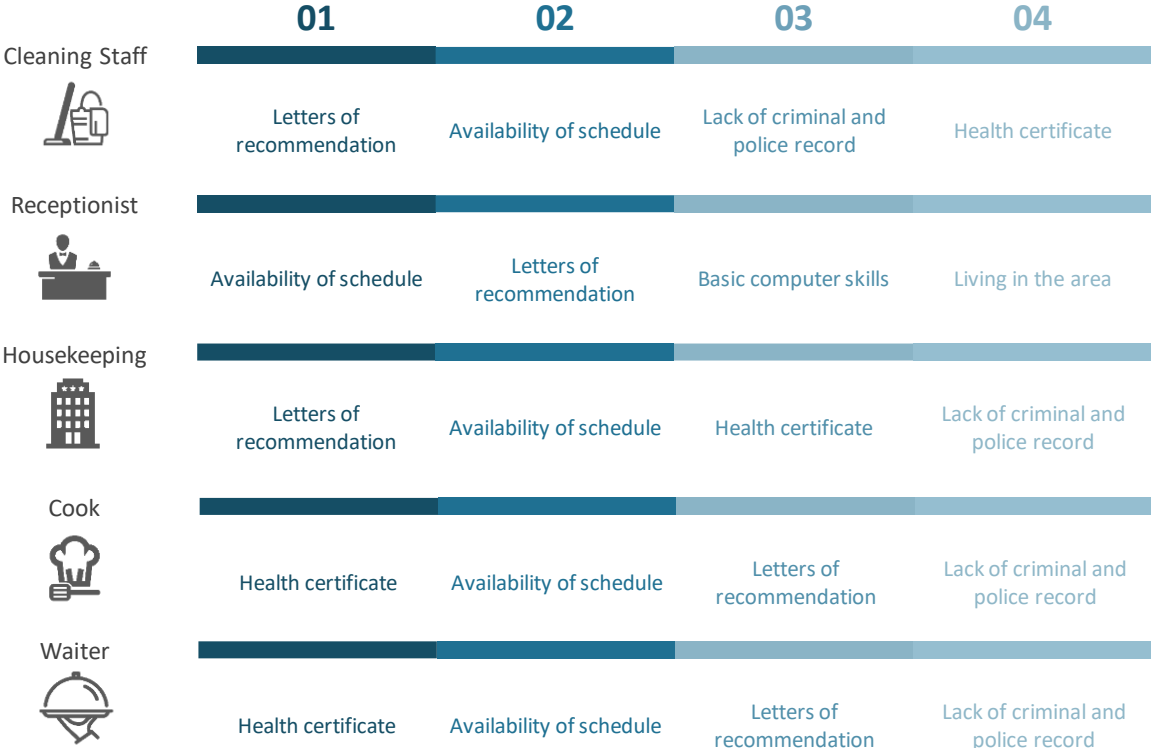
IMPAQ asked respondents to report on the most important skills for employees in different job positions. For receptionists and waiters, the most important competency was effective and clearly written and spoken communication. For housekeepers and cooks, the most important competencies were being proactive and able to work under pressure, while for cleaning staff required attention to detail. Other frequently mentioned skills were teamwork and willingness to learn (Exhibit 13).

Exhibit 13. Required Skills in Order of Importance, by Job Position



Exhibit 14 shows the requirements for each job position. Letters of recommendation were the most important requirements for cleaning staff and housekeepers, while health certificates were required for waiters and cooks. Other important requirements were availability of schedule and lack of criminal and police records. Only receptionists required basic computer skills.

Exhibit 14. Job Requirements in Order of Importance, by Position



Vacancies

After examining the characteristics of the most common positions in the industry, the IMPAQ team analyzed whether the surveyed establishments had vacancies in the 12 months prior to data collection. About 41 percent of establishments reported vacancies. Exhibit 15 shows the number of vacancies by department, disaggregated by rate, as well as average number of vacancies by department. The highest number of vacancies are concentrated in high-rate hotels with an average of 4.2 vacancies per establishment. In comparison, medium-rate hotels have an average of 1.9 vacancies per establishment, while low-rate hotels have 0.7. The highest number of vacancies was in the department of Guatemala, followed by Sacatepéquez.

Exhibit 15. Number of Job Vacancies, by Region and Rate Type

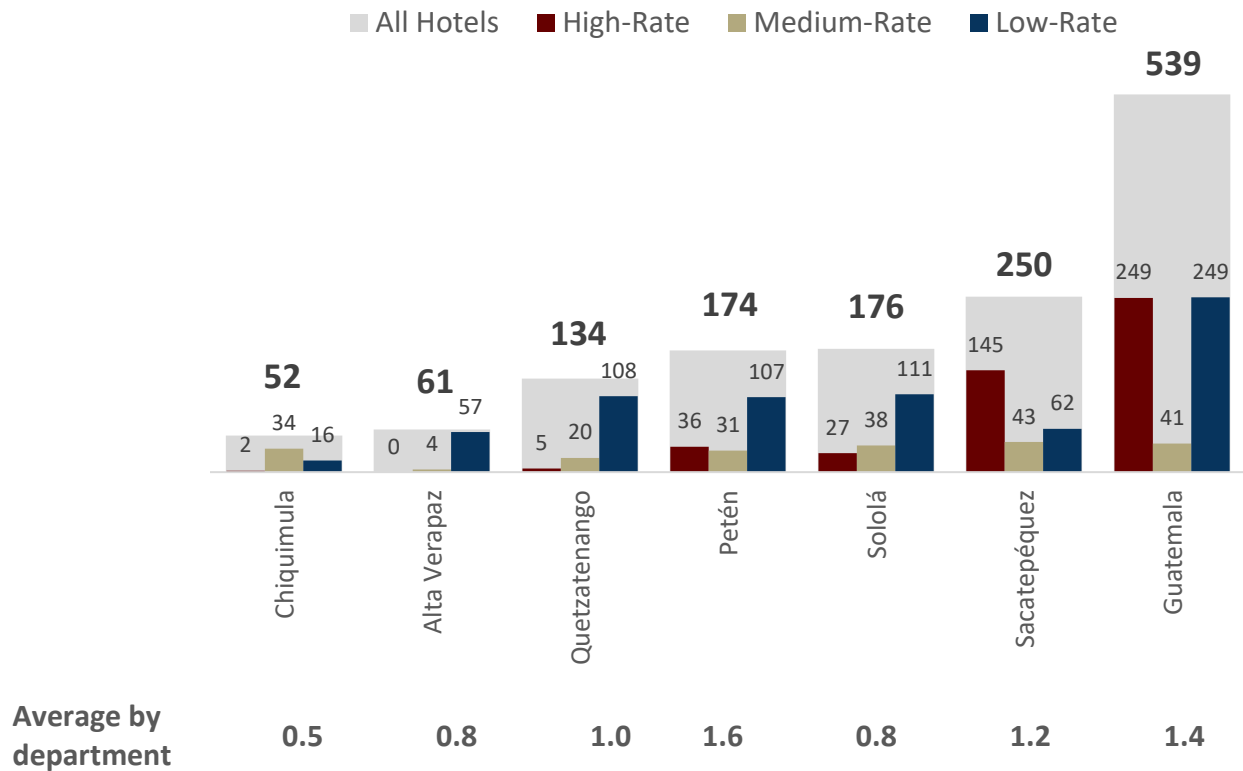


Exhibit 16 shows the density of vacancies by region, as well as the positions that had the highest number of vacancies arranged from the highest number of vacancies to the lowest. The positions of waiter, receptionist, cleaning staff and cook had the highest number of registered vacancies.

Exhibit 16. Vacancies, by Department



Changes in Personnel Demand

The results in this section highlight employer expectations for personnel needs in the next three years (between 2020 and 2022). As shown in Exhibit 17, 42 percent of establishments indicated that they would require more staff. When analyzing an increase in demand, 61 percent of high-rate hotels expect an increase in demand for personnel in existing positions. The demand is higher (67 percent) for medium-rate hotels, while only 37 percent of low-rate hotels anticipate an increase.

Exhibit 17. Proportion of Hotels Expecting Increased Staff Demand, by Rate Type

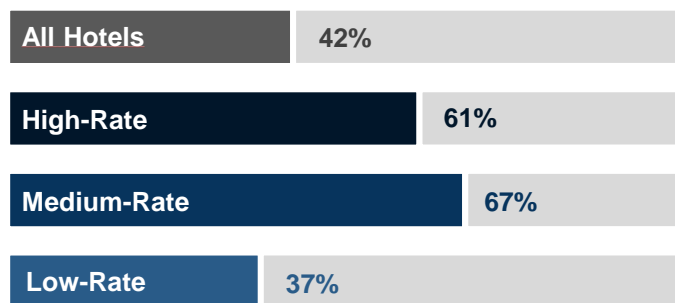
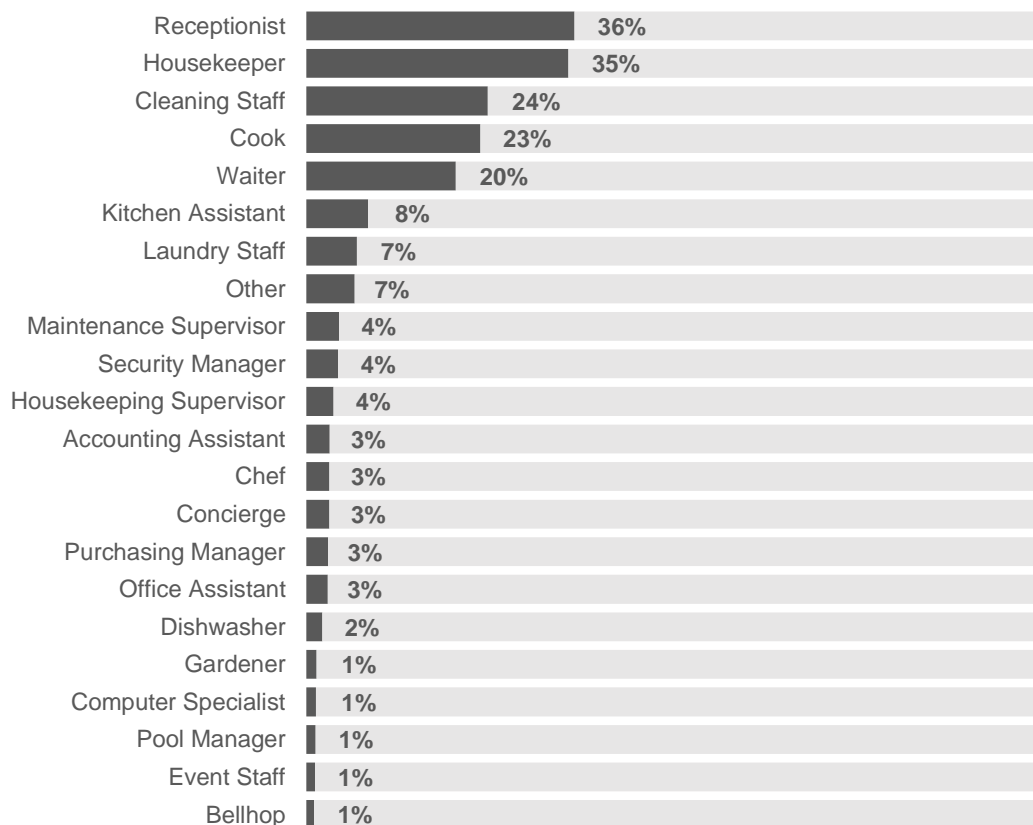


Exhibit 18 shows the positions that will experience the greatest demand for more personnel in the next three years. Establishments mentioned receptionists (36 percent), housekeepers (35 percent), cleaning staff (24 percent), cooks (23 percent) and waiters (20 percent) most frequently.

Interestingly, respondents mentioned a need for nontraditional occupations such as events staff, pool cleaners, and computer specialists. The mention of these less-common positions may hint at a future industry need.

Exhibit 18. Proportion of Hotels Expecting an Increase in Demand for Personnel in the Next Three Years, by Job Position



Annex

Weighting and Response Rate

The IMPAQ team obtained INGUAT's establishment registry for its sampling frame. The team classified hotels by region and size. The table below shows the universe of establishments.

Exhibit A1. Sampling Frame Stratified by Rate Type and Department

REGION	RATE TYPE			
	TOTAL	LOW	MEDIUM	HIGH
Guatemala	388	349	19	20
Sacatepéquez	216	104	43	69
Quetzaltenango	140	132	6	2
Alta Verapaz	72	66	6	0
Chiquimula	107	99	7	1
Petén	110	90	12	8
Sololá	219	190	19	10
TOTAL	1,251	1,029	112	110

The team initially drew a sample of 783 establishments. Due to sampling frame and field problems (no contact, ineligibility, rejection, etc.), the team also drew a complementary sample of 260 hotels (1,043 in total) to obtain an effective final sample of 682 hotels. The distribution by region and stratum is below.

Exhibit A2. Distribution of Sampling Frame by Stratum

REGIÓN	RATE TYPE			
	TOTAL	TOTAL	TOTAL	TOTAL
Guatemala	184	162	13	9
Sacatepéquez	130	57	24	49
Quetzaltenango	90	83	5	2
Alta Verapaz	51	46	5	0
Chiquimula	54	48	5	1
Petén	67	48	11	8
Sololá	106	79	17	10
TOTAL	682	523	79	80

The IMPAQ team uses weights to adjust for non-response, expanding the individual responses up to an estimate for the entire population. To adjust for non-response, we multiplied the initial weights by the ratio of the total number of selected establishments we intended to interview, among the number of these establishments that actually answered the interview.

Assuming that for each stratum the quotient between the effective sample size and the stratum size (n_h / N_h) is a proxy for the probability of selecting the sample units in each stratum, the calculation of the weights is obtained by the inverse of said probability (weight [Weight = N_h / n_h]). Exhibit A3 displays the weights by stratum.

Exhibit A3. Weights by stratum

REGION	RATE TYPE		
	TOTAL	TOTAL	TOTAL
Guatemala	2.2	1.5	2.2
Sacatepéquez	1.8	1.8	1.4
Quetzaltenango	1.6	1.2	1.0
Alta Verapaz	1.4	1.2	0.0
Chiquimula	2.1	1.4	1.0
Petén	1.9	1.1	1.0
Sololá	2.4	1.1	1.0

Response Rate

Aggregated codes

- I** = Completed Interview
- P** = Partial interview
- R** = Rejected or interrupted
- NC** = No contact
- O** = Others not interviewed
- OOS** = Out of sample⁹

Formula

The response rate (RR) is calculated as the number of complete interviews (I) divided by the number of interviews (complete + partial) plus the number of non-interviews (no contacts + rejections and interruptions + others). Note that OOS cases do not appear in the RR denominator, as they are unable to participate and indeed should not be included in the sample.

Response rate
$$RR = \frac{I}{(I + P + R + NC + O)}$$

⁹Out of sample (OOS): these establishments cannot be part of the sample by their nature. These include duplicates in the sample list, establishments that are out of business, establishments that have merged into another establishment and no longer exist on their own, and other establishments that have changed in nature so that they are no longer appropriate.