

Hotels Losing Employees to Big Boys Coming to Singapore Learn Why?

Confidential interview about integrated resorts coming to Singapore

Within the span of one month, Sally (not her real name) saw five of her colleagues pack up and leave for "greener pastures".

"All of them told me they're going to work in the integrated resorts (IRs) because the pay there is higher," said the Chinese national who works as a chambermaid in one of the hotels along the Orchard shopping belt of Singapore.

In recent months, hotels here have lost a "significant" number of rank-and-file workers - especially in back-end departments like laundry, housekeeping and engineering - to the "big boys coming to town", Marina Bay Sands or Resorts World at Sentosa, industry players told MediaCorp.

While hotels declined to disclose exact numbers of workers who have left, a check with several hotels revealed that as much as 80 per cent of their former employees were headed for jobs at the IRs.

And while high turnover rates in the services sector has been a perennial problem for industry players, the situation is more dire now because of the lowered foreign worker quotas as of June this year.

In a bid to prevent Singapore companies from becoming over-reliant on foreign workers, and to boost local employment numbers, the government tightened conditions for hiring foreign workers on work permits.

Before the changes, businesses in the services sector could hire one China worker for every five locals it had on its payroll. Now, only one of out 10 can be a China worker. At least five must be locals while the other four can be foreigners from "traditional sources" like Malaysia.

Coupled with the fact that locals are continuing to shun service jobs, the outflow of manpower to the IRs is manifesting into a manpower crunch businesses had anticipated after the government tweaked the rules.

It is not just the reportedly fatter pay cheques on offer at the IRs that are proving a draw. Working for one of the "big boys", as one hotelier puts it, is an enticing prospect few would resist.

"Many workers would seek the thrill of working in these essentially 'new' sectors in the local hospitality industry," she said. "You've got to admit it's hard to turn down because it'll be such an eye-opener."

Luckily for the hotels, those making the move are not from the middle or senior management, for now.

A hotel human resource manager, who declined to be named, noted that retaining existing staff and replacing those who have left is becoming trickier.

"Adjusting the wages doesn't necessarily solve the problem. Even if it's high enough to attract locals, not everyone is able to withstand the really tough work or long hours," she said.

"In essence, an existing problem has been worsened because there are not enough available workers to go around."

Even if there's an unexpected influx of locals into the industry, industry players say it could be some time - after workers undergo the relevant training - before they are ready to do the jobs.

As a result, hotels are now "placing more attention than ever" on succession planning and career development.

Workers are briefed on how they can move up the ranks, and suitable candidates are more quickly made to understudy their supervisors.

"The market will correct itself eventually, but we're hoping we can cope with the situation till then," said a hotel human resource manager.