

Working in the travel trade: the facts

Travel agents are the frontline contact with existing and potential customers, they are the guardians of a brand's image. Although staff in the travel industry take enormous pride in what they do, survey after survey, reveals that low pay, feeling undervalued, and the lack of a career prospects, results in a 30% turnover in staff a year.

High rates of attrition lead to demotivated, underachieving staff and that means fewer sales. There is a solution: employers who put travel agents at the core of their business will survive in a competitive market that sells 57 million package holidays a year because they add value to business.

TSSA is keen to see businesses grow from strength to strength, but if staff are treated as a throw-away commodity, this is bad for business as a few companies have belatedly observed. Unfortunately, feedback from employees in surveys, the travel press, and our own membership is that low wages don't pay the mortgage, and lack of career prospects and being undervalued do nothing for staff morale.

It doesn't have to be like these as some notable exceptions in the travel business testify. If morale is boosted, pay brought to a decent living wage, and staff valued for their skills – as called for in TSSA's travel charter – this can only be good for both business and staff.

A fair reward

Low pay is perhaps the sector's biggest problem from the employees' point of view, But it isn't just the absolute level of pay; it's the uncertainty as to how pay is determined and other basic terms and conditions, like leave and work breaks.

- 84% of TSSA members surveyed were dissatisfied with pay.¹
- Over one-third earned less than £8,599 and nearly a quarter between £8,600 and £10,000.¹
- A manager with 18 years experience earned just £21,000.¹
- Levels of pay has stagnated and in some cases declined over the past two years while the cost of living has gone in the opposite direction.²
- Starting salaries for travel agents in London are on average, £11,500, less than half the UK average wage.²
- Pay levels in the travel industry are up to 18% lower than other sectors, except for senior managers.³
- Commission payments have also plummeted. In 2003 they averaged 8.9% of salary, this year the figure was 3.5%. Only half the respondents paid commission to travel consultants in 2004, compared with three-quarters in 2003.³

- Only 79% of participants offer a company pension scheme compared with 95% in other sectors. The survey was based on 36 respondents, representing 5,119 employees.⁴
- 71% of TSSA members surveyed did not know how their starting salary was determined.¹
- 53% of those surveyed worked more than two extra hours in an average week, with 24% working more than four extra hours in an average week.¹
- More than 50% of managers worked at least four extra hours a week.¹
- Half of those surveyed were not reward for their extra hours of work.¹
- 40% of members surveyed took their lunch break once or never during an average week.¹
- The average holiday entitlement in Britain is 25 days, but in travel it is only 20 days.⁵

Dignity at work

Financial reward isn't the only reason we work; it's the same in the travel trade. Employees want to be treated with respect, and enjoy some dignity in their workplace. This means listening to their views, treating all staff equally and valuing their contribution.

- Women continue to lag behind men in the pay league. At the bottom end of the pay scales, women's hourly earnings are typically 92% of men's, while at the top end, the figures falls to 79%.⁵
- Women comprise only 10% of directors; the shopfloor workforce is overwhelmingly female.⁶
- Twenty of the top 350 FTSE companies are travel companies, but none of them have a woman at the top.⁶
- 48% of a travel workers say that claim morale has slumped because of the loss of colleagues through cutbacks.⁷
- 72% of TSSA members in First Choice said they wanted their employer to work with the union to improve condition for staff working in First Choice. When managers were asked, this figure rose to 82%.¹
- 93% of travel agents asked in a poll said they would back a TSSA campaign to establish a code of practice on minimum pay and conditions.⁸

Careers, not just jobs

For too many working in the travel trade, they have a job, rather than a career. This lack of tangible prospects is linked to the uneven provision of training. Most employees want more training than they currently receive; many employers do not understand the importance of that training to individual performance and motivation.

- 72% argued that training would enhance their performance.¹
- Over three-quarters - 76.5% - of employees believe their pay does not adequately reflect their skills.⁷
- Almost 70% of respondents would consider transporting their retail expertise to another industry given the chance of a few extra quid.⁷
- The average return on investment in one of our consultants is 400% - they save 400% more than they cost.⁹
- PricewaterhouseCoopers found that travel companies that invest the most in training are also the most profitable.¹⁰

Sources

- 1 Survey of TSSA members in First Choice, Queen Mary College, University of London, 2003
- 2 AA Appointments 2004 Salary Survey
- 3 Croner Reward and ABTA Travel Industry Survey (*Travel Weekly*, 5 January 2004)
- 4 Croner Reward and ABTA Travel Industry Survey (*Travel Weekly*, 5 January 2004)
- 5 Institute of Travel and Tourism survey by Incomes Data Services/Simpson Recruitment/Argyle Recruitment (*Travel Weekly*, 9 June 2003)
- 6 ABTA research, cited by Tourism Society (*Travel Weekly*, 5 July 2004)
- 7 *Travel Weekly* survey (31 May 2004)
- 8 *Travel trade Gazette* poll of 200 travel agents, 2002
- 9 Guild of Business Travel Agents (*Travel Weekly*, 2 February 2004)
- 10 *Travel Weekly*, 28 May 04