



Hospitality Businesses Implement Uber-Like Tactics To Address Worker Shortages

Insights

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When it rains, it pours. If you think back roughly nine years ago, at the crippling height of the economic downturn, employers were laying off workers en masse across all industries. Fast forward to 2017, and they can't get enough of them. The concern has clearly shifted from no jobs to no workers. What's even more ironic is that industries that were releasing the most workers during the recession – namely, hospitality businesses such as restaurants and hotels – are now struggling to now find employees to fill vacant positions. According to the Bureau of Labor Statistics, one third of the 388 metropolitan areas that it tracks report unemployment at below 4 percent.

Where there's a need, creative entrepreneurs have a proposed solution to tout. Companies like Philadelphia-based Jobletics and PeopleMatter (via its affiliated service named Husl) are taking Uber's on-demand model and providing hospitality businesses with the ability to summon an hourly worker as easily as they would catch a ride using a ride-sharing app. The services will allow employers to pick up workers both on advanced notice and in situations where a regular employee calls in sick. The workers would be paid through and employed by the staffing company, not the employer. Likewise, the staffing company handles all HR and payroll issues.

Potentially, platforms like Jobletics and Husl could revolutionize the way that industries fill their workforce, beyond simply the hospitality industry. These services allow for the most efficient use of the American workforce's potential; they connect individuals who are willing to work but refrain from doing so because no employer is willing to accommodate their sporadic desire to work a few scattered shifts in an hourly position at a time of their choosing.

There is a more pessimistic view, and that is these businesses could have little to no appreciable long-term impact on the current problems. If the labor shortage is actually caused by the simple fact that there are more jobs open than there are bodies available to fill them, there's nothing that a digital platform could do to solve the issue. As these businesses develop and thrive in various industries, we'll begin to see whether they have the desired effect on the job shortage or whether they are simply a convenient new trend.