## INDEX

### Chapter 2: Literature Review

<table>
<thead>
<tr>
<th>S.No</th>
<th>Content</th>
<th>Page No</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Introduction</td>
<td>7</td>
</tr>
<tr>
<td>2.1</td>
<td>Hospitality Industry</td>
<td>8</td>
</tr>
<tr>
<td>2.1.1</td>
<td>Development of Hospitality Industry in India</td>
<td>10</td>
</tr>
<tr>
<td>2.1.2</td>
<td>Classification of Hotels</td>
<td>14</td>
</tr>
<tr>
<td>2.1.3</td>
<td>Recent Trends in Tourism and Hospitality Industry in India</td>
<td>17</td>
</tr>
<tr>
<td>2.1.4</td>
<td>Significance of Hospitality Industry</td>
<td>20</td>
</tr>
<tr>
<td>2.1.5</td>
<td>Problems of Hospitality Industry in India</td>
<td>21</td>
</tr>
<tr>
<td>2.1.6</td>
<td>Prospectus of Hospitality Industry in India</td>
<td>25</td>
</tr>
<tr>
<td>2.1.7</td>
<td>Hospitality Industry in Pune</td>
<td>29</td>
</tr>
<tr>
<td>2.1.8</td>
<td>Functioning of Hospitality Units</td>
<td>33</td>
</tr>
<tr>
<td>2.1.9</td>
<td>Major Departments in Hotel</td>
<td>34</td>
</tr>
<tr>
<td>2.1.10</td>
<td>Major Departments in Hotel</td>
<td>34</td>
</tr>
<tr>
<td>2.2</td>
<td>Training Practices and Process</td>
<td>44</td>
</tr>
<tr>
<td>2.2.1</td>
<td>Importance of Training and Development</td>
<td>48</td>
</tr>
<tr>
<td>2.2.2</td>
<td>Training Process Model</td>
<td>52</td>
</tr>
<tr>
<td>2.2.3</td>
<td>Training Need Identification</td>
<td>54</td>
</tr>
<tr>
<td>2.2.4</td>
<td>Training Design</td>
<td>57</td>
</tr>
<tr>
<td>2.2.5</td>
<td>Training Implementation</td>
<td>62</td>
</tr>
<tr>
<td>2.2.5.1</td>
<td>Types of Training</td>
<td>66</td>
</tr>
<tr>
<td>2.2.5.2</td>
<td>Methods of Training</td>
<td>74</td>
</tr>
<tr>
<td>2.2.6</td>
<td>Evaluation of Training</td>
<td>82</td>
</tr>
<tr>
<td>2.2.7</td>
<td>Other Aspects Relating to Training</td>
<td>87</td>
</tr>
<tr>
<td>2.2.8</td>
<td>Organising Training function</td>
<td>92</td>
</tr>
<tr>
<td>2.2.9</td>
<td>Future of Training</td>
<td>95</td>
</tr>
</tbody>
</table>

Ph. D Thesis Suruchi Pandey submitted to TMV
“Hospitality is an art of making guests feel welcome”

- Anonymous
Chapter 2: Literature Review

This Chapter is the literature review on two aspects of the present study:

- Hospitality Industry
- Training Practices and Processes

It is generally observed that literature highlighted peculiarity of the industry but does not adequately addresses the holistic training and development requirements in the hospitality industry units. For eg identification of needs, training design, types of training, methods of training, evaluation of training.

In order to maintain the balance in the literature review 40 % of the review is related to hospitality industry in general and its functioning and 60% is devoted towards training practices and processes in general and specific to Hospitality Industry.
2.1. **Hospitality Industry**

Global Investments in hospitality Sector has shown an increasing trends over last few years. *Asia is Viewed as Top Global Prospect for Hospitality Investment.*

Emerging markets in Asia are unseating Europe as the epicenter of new hospitality investment and development while investors in the United States are switching their focus from the acquisition of existing hotels to developing new properties.  

According to the Ernst & Young Hospitality Investment Survey, which surveyed more than 300 investors and industry executives worldwide, capitalization rates for hotel properties are expected to stabilize and possibly even increase over the short-to-mid-term in the US. Even with the dramatic shift in the debt markets over the last few months, hotel industry sector fundamentals continue to be strong.  

**Hospitality Industry in India**

The history of the hotel industry is as old as the history of tourism and travel industry. In fact, both are two sides of the same coin. Both are complementary to each other. Hotel is an establishment which provides food, shelter and other amenities for comfort and convenience of the visitors with a view to make profit (Chakravarti, B.K). Hotel is a commercial establishment and intends to provide visitors with lodging, food and related services with a view to please them so as to build goodwill and to let them carry happy memories.

---

3. Ernst & Young survey reveals likely targets for hospitality investment in 2008.

4. Brian Tress of Ernst & Young's Hospitality Advisory Services Group

Ph. D Thesis Suruchi Pandey submitted to TMV
In general, a "hotel" is defined as a public establishment offering visitors against payment two basic services i.e. accommodation and catering (Ghosh, Biswanath). However, during the last few years great changes have taken place in the scope of hotel industry. During 6th century BC, hotels were known as "inns" or "dharamshalas" and were providing only food and overnight stay facilities. At that point of time the standard of an inn was quite normal with earth or stone floor, common bedroom and simple food. As travel became easier, inns grew in size and number. The spirit of competition raised the standard of inns.

Industrial revolution and trade expansion resulted into increase in the number of visitors crossing international border. In this era, room furnishing and catering received greater attention. Emphasis was made on accommodation with spacious assembly hall and dinning hall for organising functions and parties etc. But the real growth of the modern hotels started in the last decade of the eighteenth century with the establishment of City Hotel in New York. After that a large number of hotels of various types and grades came into existence in different countries to meet the requirements of different categories of visitors.

Modern hotels provide a number of services to the visitors. The services vary according to the aim, location, type, size and grade of the hotel. As per Negi Jagmohan, Generally, the important activities of a hotel include –


Ph. D Thesis Suruchi Pandey  submittd to TMV
After 2nd world war, there were several distinct trends in the hotel industry. First, hotel industry became highly profitable mainly because of auxiliary services. Another feature was the growth of hotel chains. In most chain operations, some hotels are owned by the corporation while others are leased for operation to the group having experience in hotel business. The high cost of land in the heart of the city often forced a successful hotel to maintain auxiliary shops such as drug stores, flower shops, haberdashery and dress shops, beauty saloons and news stands to serve both hotel guests and the city residents who live or work near the hotel. Although such shops may be staffed and operated by the hotel but usually these are leased out to outside concerns (American People Encyclopaedia).

### 2.1.1 Development of Hospitality Industry in India

The concept of travel and halting facilities is quite old in India. In ancient times, people used to travel for pilgrimage or business purposes. For ages, India has been known for its hospitality. Endowed with rich historic heritage, cultural diversity, natural resources and geographical advantage, India remained a big attraction for foreigners. In ancient times, the need of travellers for food and accommodation was met mainly by hospitable householders which are still in existence in interior areas of the country. Domestic tourists were looked after by the pandas or priests. They used to accommodate their clients in dharamshalas or in their own houses at places of pilgrimage like Banaras, Haridwar, Puri and Mathura etc. In general, the attitude of the ancient Indians towards visitors was influenced by the 'Atithi Devo Bhavah'. It means guest is like God and should be treated accordingly (R.N. Kaul).

These few lines amply indicate the importance which was given to guests in olden times. Improvements in the transport and communication facilities resulted in the establishment of inns and taverns in main cities of the country.
In the eighteenth century, there were plenty of taverns in the country (a tavern mean an archaic or literary inn) where travellers from long distances took shelter and food. During this period, a number of dharamshalas were built by Kings for encouraging travel all over the country. Apart from dharamshalas, "Sarais" were introduced by the Muslim rulers which provided the best possible facilities like food, accommodation etc. to travellers (R.N. Kaul).

After this, the British came to India and Sarais took the form of western style hotels in the important cities of India like Mumbai and Kolkata. During this period, on one hand, we find western style hotels for foreigners and on the other, Indian style hotels for the people belonging to upper and middle class income groups. The old type dharamshalas were still having their importance to serve the needs and requirements of the poor classes (Negi Jagmohan).

In the nineteenth century, western style residential hotels were developed in India by British and Swiss families mainly for their own use or for foreign visitors. Mr. Pallonjee Pestonjee is called as the pioneer of the western style hotel in India who opened the first – western style hotel under the name of British Hotel in Mumbai in 1840. By the end of the nineteenth century, many western style hotels were established in India. These hotels were very much popular for their efficient management, unsurpassed cuisine and the excellence of beers and wines (Negi Jagmohan).

The twentieth century may be called as the beginning of star hotels in India. In this century, big and modern hotels came into existence on account of the advent of big businessmen and new entrepreneurs (Negi Jagmohan). Affluent tourists also contributed a lot to the development of star culture. The major star hotels in India are in private sector. The high profile hotels include The Indian Hotels Company Ltd., East India Hotels Ltd., ITC Hotels Ltd., Bharat Hotels Ltd., Asian Hotels Ltd., Hotel Leela venture Ltd. and Jay Pee Hotels Ltd. etc. The only public sector enterprise is India Tourism Development Corporation Ltd. which runs country’s largest accommodation chain, The
Ashoka Group of Hotels. The hotel industry in India is making a remarkable progress in private sector. The hotels have shown distinct improvement in operating techniques, catering and service.

Prior to the 1980’s the Indian hotel industry was a nascent and slow growing industry primarily consisting of relatively static, single hotel companies. However, the Asian games in 1982 and the subsequent partial liberalization of the Indian economy generated tourism interest in India with significant benefits accruing to the hotel and tourism sector in terms of improved demand patterns. The fortunes of the hotel industry are tied to the fortunes of tourism and the general business climate in the country which is why the economic liberalization initiatives implemented since 1991, led to a soaring demand and supply gap in the hotel industry. This enabled Indian hotel companies to increase their average room realizations (ARR) by almost 50% between April 1994 and April 1997 and still enjoy extremely high occupancies of above 80% for most of this period. During this time the ARR’s of Indian 5 Star hotels were comparable to those prevailing in Singapore and Hong Kong and were among the highest in the region.

Hotel Industry in India has witnessed tremendous boom in recent years. Hotel Industry is inextricably linked to the tourism industry and the growth in the Indian tourism industry has fuelled the growth of Indian hotel industry. The thriving economy and increased business opportunities in India have acted as a boon for Indian hotel industry. The arrival of low cost airlines and the associated price wars have given domestic tourists a host of options. The 'Incredible India' destination campaign and the recently launched 'Atithi Devo Bhavah' (ADB) campaign have also helped in the growth of domestic and international tourism and consequently the hotel industry.

Over recent years government has taken several steps to boost travel & tourism which have benefited hotel industry in India. These include the abolishment of the inland air travel tax of 15%; reduction in excise duty on
aviation turbine fuel to 8%; and removal of a number of restrictions on outbound chartered flights, including those relating to frequency and size of aircraft. The government's recent decision to treat convention centres as part of core infrastructure, allowing the government to provide critical funding for the large capital investment that may be required has also fuelled the demand for hotel rooms.

The opening up of the aviation industry in India has exciting opportunities for hotel industry as it relies on airlines to transport 80% of international arrivals. The government's decision to substantially upgrade 28 regional airports in smaller towns and privatization & expansion of Delhi and Mumbai airport will improve the business prospects of hotel industry in India. Substantial investments in tourism infrastructure are essential for Indian hotel industry to achieve its potential. The upgrading of national highways connecting various parts of India has opened new avenues for the development of budget hotels in India. Taking advantage of this opportunity Tata group and another hotel chain called 'Homotel' have entered this business segment.

Online report on a website reveals that Hotel Industry in India currently has supply of 110,000 rooms and there is a shortage of 150,000 rooms fuelling hotel room rates across India. According to estimates demand is going to exceed supply by at least 100% over the next 2 years (by 2012). Five-star hotels in metro cities allot same room, more than once a day to different guests, receiving almost 24-hour rates from both guests against 6-8 hours usage. With demand-supply disparity, hotel rates in India are likely to rise by 25% annually and occupancy by 80%, over the next two years. This will affect the competitiveness of India as a cost-effective tourist destination. To overcome, this shortage Indian hotel industry is adding about 60,000 quality rooms, currently in different stages of planning and development, which should be ready by 2012. Hotel Industry in India also set to got a fillip with Delhi hosting 2010 Commonwealth Games. Government has approved 300

---

5 http://www.iloveindia.com/economy-of-india/hotel-industry.htm

Ph. D Thesis Suruchi Pandey submitted to TMV
hotel projects, nearly half of which are in the luxury range. The future scenario of Indian hotel industry looks extremely rosy. It is expected that the budget and mid-market hotel segment will witness huge growth and expansion while the luxury segment will continue to perform extremely well over the next few years.

The hospitality industry is a 3.5 trillion dollar service sector within the global economy. It is expected to grow at the rate of 8% between 2008 and 2016. Many international hotel brands including Sheraton, Hyatt, Radisson, Meridien, Four Seasons Regent, and Marriott International are already established in the Indian markets and are still expanding. Increase in average room rent for the entire hotel industry over the previous year was 35 %.

Characteristics Of Hospitality Industry: (C. Bhattacherjee 2005)

- **Perishability**: If the full capacity of the services is not utilized the services becomes perishable.
- **Variability**: The quality of service varies to great extent.
- **Inseperability**: Service is inseperable form the provider.
- **Intangibility**: Hospitality is intangible but hotel industry in tangible you can touch, taste and feel the product.

In Indian context there is quite a lot of interdependence of **Tourism Sector** and **Hospitality Sector**

2.1.2 Classifications of Hotels:

A hotel is an establishment that provides paid lodging, usually on a short-term basis. -Kasavana, M L and Brooks, R M (1995)

India’s hotel industry comprises the following four main categories. (Chakravarti, B.K.)
**Star hotels**: This category is based on the standards of location, facilities, infrastructure and amenities provided. Star rating is given by HRACC (The Hotel & Restaurant Approval & Classification Committee of Ministry of tourism, India). They form 30% of the industry size. The star ratings are Five Star Deluxe, Five Star, Four Star, Three Star, Two Star and One Star. The first 2 types are usually located in business areas of metro cities and cater to foreign tourists, business travellers, top government officials and political brass, offering luxury at a high price.

The next 2 types are in tier II cities and tourist destinations preferred by mid-level executives and leisure tourists. The last 2 types are found in smaller cities and around tourist spots, preferred by domestic tourists. Reputed Indian veterans include ITC, Indian Hotels Company (Taj group), East India Hotels (Oberoi group), Hotel Leela Venture and ITDC hotels. Foreign hospitality players include Marriott, Radisson, Sheraton, Meriden, Hyatt, Four Seasons Regent, Carlson group, Jumeirah and Mandarin Oriental and Dubai’s Istithmar luxury hotels,

**Heritage hotels**: This category is on the basis of the nature. They operate from forts, palaces, castles, jungle and river lodges and heritage buildings. These are ideally suited for vacations, relatively affordable and fun places. The classification includes Heritage Classic, constructed between 1920 and 1935, Heritage Grand, existing before 1920, and Heritage, set up around 1935 to 1950. Most Indian hotel groups mentioned above operate Heritage hotels at historical sites across India. The other types in this category includes beach resorts, wildlife resorts.

**Budget hotels**: They’re usually preferred by domestic travellers seeking economical accommodation. These are reasonably priced, offer limited luxury, seasonal discounts and decent services. Some new global entrants include UK’s Dawnay Day and Whitbread Premier Travel Inn, Shangri-la, Aman resorts, Golden Tulip budget hotels, Fairfield inn, Country inns and suites,
Courtyard by Marriott, Hometel, Ibis and Kamfotel among others. Budget hotels are preferred by business travellers contributing to greater ARR (average room rate) than leisure travellers. Increased demand and healthy occupancy has fuelled the growth of budget hotels in a short time.

**Unclassified hotels**: They're motels spread across the country. They form 19% of the industry size. Low price is their only USP (unique selling proposition).

Some other such categories include: Airport Hotels, Ecotels, Service Apartments, Timeshare, Modular Hotel, Forest Apartments, Agriculture destination resort, condotel, holiday homes, Spas (residential, urban, ayurvedic, Medi, Chocoloate etc)

**Classification of Hotel (Hotel School of Hague Classification)**
2.1.3. Recent Trends in Indian Tourism and Hospitality Industry

The Asian games in 1982 provided an opportunity to travel agents and tour operators to market India abroad and they grabbed it well. Encouraged by some incentives announced by government, five star hotels began growing all over the India. All these helped a lot in the healthy growth of tourism in our country. In fact, tourism business and hotel business go side by side and both are complementary to each other. In India, both approved and unapproved hotels are found but approved hotels have an edge over unapproved hotels in several respects. Hotels are granted approval from the department of tourism, Government of India at project stage and then are classified in one of the star categories. It is voluntary for a hotel to get approved status from the government, but only approved hotels can avail the various income tax incentives, import licences and other approvals.

There were 1300 approved and 477 unapproved hotels offering 98515 rooms in 2004 as against 1285 approved and 452 unapproved hotels offering 95722 rooms in 2003. The Indian hotel business is focused largely on foreign tourists with almost 70 percent business coming from this segment. The key operating characteristics of the hotel business are the occupancy rate and the average room rate. The room rates depend on the class, location and the image of the hotel. The occupancy rate is dependent primarily on the seasonal arrivals as well as the location of the hotel. Occupancy level of 70 to 80 per cent is considered good by industry standards. Average occupancy in India was 59.7 per cent in 2004 as against 54.8 per cent in 2003 and average room rate was Rs.2689 in 2004 as against Rs.2004 in 2003 (FH&RA). The position has been improving continuously.
The hotel industry and the 5-star hotels in particular are concentrated in the four metros, especially in Mumbai and Delhi. As many as 75 per cent of the 5 star deluxe rooms, 47 per cent of the 5 star ordinary rooms and approx 35 per cent of all the registered rooms are in the four metros. Due to phenomenal increase in tourism activities, the hotel business has grown beyond expectations. This is particularly true about international tourism and star hotel business.

At present about 789 million tourists are crossing international boarder every year and they are spending nearly 685 billion US Dollars. This figure was just 100 million in 1964. The figure is likely to swell to 1 billion by 2010 and 1.5 billion by 2020 as per projection by world tourism organisation. International tourists here in India were 3.5 million in 2004 as against 2.78 million tourists in 2003. Foreign exchange earnings from these tourists were about 23000 crores of rupees in 2004 as against Rs.16429 crores in 2003. During the year 2005, about 4 million foreign tourists came here and India earned 5 billion US Dollars from them. In the first 6 months of the year 2006, about 2.16 million foreign tourists visited India and foreign exchange earnings from these were 13441 crores of rupees. It is expected that this growth will continue during the

Ph. D Thesis Suruchi Pandey submitted to TMV
next couple of years if no adverse incident happens in India or the South East Region. According to an estimate of CII, the number of foreign tourists visiting India is likely to increase to 50 million by 2020. As per estimates of Ministry of Tourism, 1,50,000 hotel rooms of different categories are required to be added to the existing available rooms in the next couple of years to accommodate all the foreign tourists and this will involve an investment of Rs. 35,000 crores. Obviously, there is a good scope for hotel business all over the world including India and these estimates will boost hotel business in India.

The key factors spawning India’s hospitality industry growth are a booming economy and steady political scene, soaring service industry, FDI inflow, infrastructure growth and a boost for the tourism sector due to government funding. An estimated 4.4 million tourists are expected to visit India with an annual average growth rate of 12% in the next few years. The domestic tourist market is also flourishing. The commonwealth games in 2010 has also added to the demand for quality accommodation.

The hospitality and leisure industry comprises of mostly chains/multiple business units, widely scattered across the globe. With the advent of the Internet and the latest technologies, the industry is facing a constantly changing business environment requiring immediate and proactive adaptability in operations, customer relationship management and back office processes. Products and service offerings differentiation has been diminishing leading to consumers demanding fast and highly personalized services.
2.1.4. Significance of Hospitality Industry

Tourism and hospitality industry may help underdeveloped/developing countries more in resolving their various problems as this industry today has emerged as one of the fastest growing industries in terms of capital invested, foreign exchange earnings and providing jobs. In India, it is considered as highly labour intensive service industry, where the employment-investment ratio is higher than any other industry. One of the India's biggest problems is to find ways to employ its ever-growing population. Travel and tourism directly creates employment opportunities in hotels, restaurants, airlines, travel agencies, passenger ships, and as a result of the spread effect creates jobs in industries like construction, telecommunication, manufacturing and the retail trader.

According to Ministry of Tourism, an investment of Rupees one million in the hotel and restaurant sector may create 89 jobs as against 44 jobs in agriculture sector and 12.5 jobs in the manufacturing sector. Investment required to create one job in manufacturing sector is around Rupees.79,000 whereas in hospitality industry it is only Rupees11,200. At present about 20 million persons are directly or indirectly employed in tourism related industry and this figure is likely to increase to 40 million by 2020. It amply proves the job potential of hospitality industry in India.
2.1.5. **Problems of Hospitality Industry in India**

Developing countries like India have failed to develop tourism and hotel industry to its potential due to one reason or the other. Indian share in tourism business at global level is far below than its capacity to develop this industry.

Data available from the World Tourism Organisation available till 2003 shows France continued to maintain top slot with almost 75 million international tourists in 2003. Spain and USA consolidate the second and third position having 52.5 million and 40.4 million foreign tourists respectively. Even smaller countries like Singapore, Indonesia and Thailand etc. are doing much better business than India from tourism. It is because of the number of problems faced by tourism and hotel industry in India.

The hotel industry in India is facing a number of problems such as low occupancy rate, increasing competition, high taxes, increasing cost, fuel shortage, low profitability and so forth. Similarly, on the one hand, it is alleged that there is shortage of rooms to meet the varied requirements of different categories of tourists and visitors while on the other hand room occupancy rate is very low here in India. It was 59.7 per cent in 2004 as against 54.8 per cent in 2003. Hotels are compelled to give liberal discount to the potential customers particularly during the lean period.

Further, average expenditure of those who get commercial accommodation is comparatively low due to one reason or the other. Similarly, prevailing tax rates such as service tax, excise duty and custom duty on imported luxury car, beer, liquor etc. are very high. All these factors adversely affect the profitability of the hotels. This is particularly true about 5-star hotels in India. Thus, on the one hand, heavy investment is required in hotel business while on the other hand profitability in this business is adversely affected by the aforesaid constraints.
These problems can be discussed under the following heads:

1. **Problem of Seasonality**
   Hotel is indeed a seasonal business. There is seldom 100 per cent occupancy except in peak season. In India on an average, it is 59.7 per cent. Therefore, a hotel cannot use its property fully and it accounts for low income. The problem is aggravated in case occupancy is adversely affected owing to bad weather or any other reason such as slump in business, international crisis or disturbances etc. Food cannot be stored due to its perishable nature. Similarly, hotel staff cannot be reduced temporarily at the time of poor demand of rooms. All these account for poor earnings.

2. **High Consumer Expectations**
   Consumer satisfaction is key to success for hotel industry. In these days, consumers are well informed and their expectations go on changing very frequently. Therefore, satisfying a consumer is a most challenging task as it depends not only on tangible but on intangible factors as well. The best of room comfort and the choicest products of culinary art fail to satisfy some people. Services have to be highly personalised in this industry. This makes the hotel industry the most difficult one from the marketing point of view.

3. **Low Profitability**
   Revenue mainly comes from the rooms and sale of food & beverage in the hotel industry. Average occupancy level and average room rate have been found very low as indicated in table 1.2. However, slight increase has been noted in both in 2003-04. But it is not sufficient to increase the profitability level of the hotel industry upto mark. Further, on one hand food & beverage revenue is low while on the other hand food & beverage cost as well as labour cost is high as shown by below table which affect the profitability of the hotel industry adversely.
Table: Indian Hotel Industry Position

<table>
<thead>
<tr>
<th>Year</th>
<th>AOL (%)</th>
<th>ARR (Rs.)</th>
<th>RR (%)</th>
<th>F&amp;B Rev. (%)</th>
<th>F&amp;B Cost (%)</th>
<th>Labour Cost(%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1994-95</td>
<td>60.5</td>
<td>2410</td>
<td>49.81</td>
<td>37.29</td>
<td>35.9</td>
<td>18.77</td>
</tr>
<tr>
<td>1995-96</td>
<td>62.3</td>
<td>2520</td>
<td>51.70</td>
<td>34.63</td>
<td>34.68</td>
<td>16.88</td>
</tr>
<tr>
<td>1996-97</td>
<td>62.9</td>
<td>2560</td>
<td>52.41</td>
<td>34.36</td>
<td>35.93</td>
<td>16.97</td>
</tr>
<tr>
<td>1997-98</td>
<td>56.2</td>
<td>2330</td>
<td>50.87</td>
<td>35.64</td>
<td>32.51</td>
<td>18.58</td>
</tr>
<tr>
<td>1998-99</td>
<td>52.4</td>
<td>2530</td>
<td>48.68</td>
<td>36.85</td>
<td>33.68</td>
<td>21.29</td>
</tr>
<tr>
<td>1999-2000</td>
<td>51.7</td>
<td>2123</td>
<td>48.11</td>
<td>36.21</td>
<td>33.48</td>
<td>23.56</td>
</tr>
<tr>
<td>2000-01</td>
<td>55.6</td>
<td>2046</td>
<td>47.63</td>
<td>36.95</td>
<td>31.95</td>
<td>23.17</td>
</tr>
<tr>
<td>2001-02</td>
<td>53.2</td>
<td>2058</td>
<td>46.55</td>
<td>35.58</td>
<td>33.00</td>
<td>24.44</td>
</tr>
<tr>
<td>2002-03</td>
<td>54.8</td>
<td>2004</td>
<td>44.44</td>
<td>38.34</td>
<td>33.47</td>
<td>23.79</td>
</tr>
<tr>
<td>2003-04</td>
<td>59.7</td>
<td>2689</td>
<td>46.60</td>
<td>35.65</td>
<td>36.26</td>
<td>21.87</td>
</tr>
</tbody>
</table>

Source: Annual Reports, Questionnaire and FHRAI Hotel Industry Survey 2004-05.
AOL: Average Occupancy Level
ARR: Average Room Rate
RR: Rooms Revenue
F&B Rev: Food & Beverage Revenue
F&B Cost: Food & Beverage Cost

There are some other reasons which may be held responsible for the low profitability of the hotel industry in India such as heightened competition, global uncertainty, changing technology, low efficiency, high power and fuel cost, poor sales and marketing programmes etc.

4. High Direct and Indirect Taxes
The hotel industry is unfavourably treated from taxation point of view. Hotels do not get tax benefits as enjoyed by other industrial enterprises. Rebates in corporate income tax, service tax, custom duty, municipal taxes etc. are offered to other industries. The hotel industry does not get these benefits.
Despite its slow return on investment. Therefore, the industry cannot keep pace with inevitable changes in market trends.

5. Problems of Raising Funds
Most of the hotels are built in the heart of towns where land is very costly. Further, cost of constructing a new hotel building or renovating an existing facility is also very high. Therefore, huge capital is required to complete construction or to renovate the existing one. It is indeed very difficult to mobilise huge funds from various sources. The poor financial viability of the hotel industry has further aggravated the position.
The solution of these problems needs a very high degree of managerial skill and expertise.

Some Other Challenges of Hospitality Industry in India are:

- Shortage of skilled employees
- Retaining quality work force
- Shortage of rooms
- Intense competition and creating brand ‘India’.
- Manual back-end
- Human resource development
- Large part of the industry is in unorganized sector.
- Lost locational advantage
2.1.6 Prospects of Hospitality Industry in India

The prospects of an industry depend upon the economic, social, political, scientific and technological changes which are taking place in the universe. The hotel industry is very much sensitive and change in any sphere of the universe or in any branch of human activity will immediately reflect upon this industry.

The techniques, ideas, modes and methods of operation undergo continual alteration in hotel business. The emerging worldwide scenario is very conducive for the growth of tourism and hospitality industry. This is due to worldwide education and industrial development leading to greater enlightenment, increased earnings of individuals, economic growth of tourists producing nations, medical science’s progress leading to longer life, improved infrastructure of communications and improved transport means etc. Similarly increase in holidays, vacations with pay policy of the government and other employers, increase in pay, extra ordinary revolution in the means of transportation including aeroplanes and steadily reduction in airlines fares have given a boost to the domestic tourism and hotel business in India.

The future of Indian hospitality and tourism industry seems to be very positive due to increased flow of business and leisure travellers. India’s initiative in hosting Commonwealth Games in 2010 and co-hosting the Cricket World Cup in 2011 and has multiple plans to promote yoga and meditation, rural tourism, sports tourism, medical tourism, adventure tourism etc. Thus, Indian hoteliers should try to develop world class infrastructure and facilities for games to make India the “Destination Next”. India has unparalleled potential for growth and development of the tourism industry. Endowed with rich historic heritage, cultural diversity and geographical advantage, it could be developed as a leading tourist destination. India can boast of the Himalayas for mountain tourism, the 1500 km. long coastline for beach tourism, temples, forts, palaces, monuments and ruins for historical tourism, over 400 national
parks and sanctuaries for wild life tourism, people with diverse languages, fine arts and tradition for cultural tourism and Rajasthan for desert tourism. Foreign tourists have special attractions in India for centuries and Indian hospitality is a legend by itself. Apart from ancient culture and civilization, the diverse natural beauty of India can hardly be seen elsewhere in the world. The traditional stereotyped image of India as a cultural destination is being replaced with the image of diversified tourism products after liberalisation and tourism has been declared as an industry. Both central and state governments have identified tourism as a priority sector. Therefore in coming years, tourism may emerge as a major foreign exchange earner and employment generating industry. However, the hotel and tourism industry has been declared a high priority industry for foreign investment. But, to make tourism industry globally competitive there is a need to create adequate infrastructure. Government should also provide this industry the infrastructure status and income tax, custom duty, sales tax and excise duty benefits. Hugh investment is required to improve communication, transport and accommodation facilities for various categories of tourists. Therefore, apart from government investment, large-scale private investment is also required. In a nutshell, It may be said that there is a lot of potential for the growth of tourism industry in the country and this will boost hotel business too. The demand of hotel rooms is expected to increase in future and the supply is expected to grow faster to meet the increased demand. Therefore, tourism and hospitality industry has a lot of potential for large-scale investment, employment and earnings.

In recent times any discussion on the hotel industry only veers around the falling occupancy rates and average room rates and the trying times that the Indian hotel industry is going through. It is expected that in the metro cities, after three to four years, the hotel industry is expected to face major problems on the supply side. Major hotel chains have unveiled plans to expand into the three to four star segments in smaller towns. As the growth in metro cities
approaches stagnation, hotel chains are looking at the smaller towns segments for future growth.

India’s booming hospitality industry has transformed into a veritable basket of the choicest of rooms, food and beverage, health and business facilities, travel packages and everything that you can think of. New global entrants are vying with existing local players to provide world-class services at prices suited to every pocket.

The spurt in India’s tourism industry growth has had a ripple effect on its hospitality sector. Rising income levels and spending power combined with the governments open sky policy have provided a major thrust.

**Hospitality: A Wide Array of Career Options**

Hospitality and the hotel management industry offer a wide array of exciting career options. Trainees in hospitality management have employment options in areas apart from hotels and restaurants like aviation, travel agencies, shipping, public relations and corporate communication.

The hospitality industry in India is projected to grow at a rate of 8.8% from 2007 to 2016. This makes India the second-fastest growing tourism market in the world. With India becoming a favourite tourist destination, it is estimated that the tourism sector will account for nearly 5.3% of GDP and 5.4% of total employment (source article in Hindustan times).

The statistics above highlight an enormous requirement for people trained in the hospitality sector. Superior specialized training is the need of the day.

**Hospitality Industry – Demand and Supply**

Ph. D Thesis Suruchi Pandey submittd to TMV
There are more than 100,000 rooms (all categories put together) expected to be added up in the Indian Hospitality Market by the year 2011. Average Employee to Room ratio across luxury hotels is 1.8:1, therefore creating an additional requirement of over 118,000 trained professionals by the year 2010.

By 2011, manpower requirement in Delhi alone will be around 31,398 compared to 12,303 now (according to the leading National Dailies) Small and budget hotels have flat organisation and need more multi-skilled employees at associate level and fewer managers. Therefore, 80% of the required staff would be kitchen staff, food service associates, front desk assistants, concierge staff, bellboys, room boys / room maids etc.

The industry offers more career options than most: “No matter what kind of work we enjoy and wherever our aptitudes lie, there is a segment of the industry that can use ours talents.” says Hospitality HR.

The work is varied: - Because hotels and restaurants are complete production, distribution and service units, and managers are involved in a broad array of activities. There are many opportunities to be creative: - Hotels and restaurants managers might design new products to meet the needs of their guests; produce training programs for employees; or implement challenging advertising, sales promotions and marketing plans.

Interesting hospitality openings encompass various fields of like:

- Hotel & Restaurant Management
- Airline Catering and Cabin Services
- Club Management
- Cruise Hospitality Management
- Hospital Administration and Catering
• Institutional Management (supervising canteens in college, schools, factories, company guest houses etc.)
• Catering departments of railways, banks, armed forces, shipping companies etc.
• Hotel and catering institutes
• Resorts and Spas
• Diplomatic business and Palaces
• Fitness and Health facilities
• Casinos
• Sports venues
• Hospitality consulting companies
• Forest Lodges
• Guest Houses

2.1.7 Hospitality Industry and Pune

The Indian hospitality Industry, over the last three years has been witnessing a remarkable phase in performance and has continue the same in the former part of the year 2008 -09. One of the key reasons for the increase in demand for hotel room in the country was boom in the overall economy and substantial growth in sectors like information technology, telecom banking and finance, insurance construction, retail and real estate. However, the global economic downturn and the Mumbai attacks adversely affected the increase in domestic travel and it is expected to be one of the major drivers of growth in the short to medium term. With the economy of the country improving and a simultaneous effort by the government to upgrade and improve the existing road, airport and other infrastructure we can expect India to recover faster than most countries across the globe.
All India occupancy was 63.1% and average room rate of rupees 4,487 vis a vis Pune has 65.5% occupancy and average room Rate of rupees 4951/- for the year 2008-9. 6.

The same FH&RA report also disclosed that Pune five star deluxe, five star and four star properties have:

- Average total Number of rooms: 102
- Average Occupancy per hotel per annum: 63.8%
- Average Rate per hotel: 7,043 Rupees
- Average Net Income per hotel per occupied room: 515973 Rupees
- Average Net Income % of total revenue: 22.5%
- Average Net Income per occupied room: 2.370

Pune hospitality industry market segment is almost 80% from business travellers foreign and domestic. Foreign travellers are from across globe but European, Germany, UK, US national dominate this percentage. Month wise occupancy is by and large uniform for Pune except February having high occupancy and December having lowest occupancy rate.

The previous reports of FH&RA has predicted that Pune market would decline in both occupancies and average rates; this trend has been very visible in the current year. The city has seen a large influx of new hotels and many more are scheduled to enter the market in coming future. The lackluster performance has been further accentuated by these hotels being built outside the city and in close proximity to specific feeder markets which neither generate enough demand for rooms to support these developments nor subsists such a high supply in a relatively short period of time. The FH&RA report expects the performance of this market to remain dampened in the short to medium term.

---

6 FH&RA Indian Hotel Industry Survey 2008-09

Ph. D Thesis Suruchi Pandey submittd to TMV
**Average Number of Total Employees Per Hotel as per the City**  
*(Permanent/ Contract/ Full Time/ Part Time)*

<table>
<thead>
<tr>
<th>Composition</th>
<th>Bangaloo re</th>
<th>Chennai</th>
<th>Goa</th>
<th>Kolkata</th>
<th>Mumbai</th>
<th>New Delhi</th>
<th>NCR</th>
<th>Pune</th>
</tr>
</thead>
<tbody>
<tr>
<td>composition</td>
<td>five star</td>
<td>4,3</td>
<td>2 star</td>
<td>3,2 star</td>
<td>five star</td>
<td>4,3 star</td>
<td>2 star</td>
<td>3,2 star</td>
</tr>
<tr>
<td>No Response</td>
<td>8</td>
<td>24</td>
<td>8</td>
<td>24</td>
<td>9</td>
<td>16</td>
<td>6</td>
<td>21</td>
</tr>
<tr>
<td>Managers</td>
<td>M</td>
<td>51</td>
<td>8.0</td>
<td>32.4</td>
<td>11.3</td>
<td>41.8</td>
<td>8.6</td>
<td>45.3</td>
</tr>
<tr>
<td></td>
<td>F</td>
<td>14.2</td>
<td>1.2</td>
<td>5.8</td>
<td>1.3</td>
<td>10.8</td>
<td>2.8</td>
<td>12.0</td>
</tr>
<tr>
<td>Supervisors</td>
<td>M</td>
<td>64.8</td>
<td>10.3</td>
<td>35.4</td>
<td>17.4</td>
<td>31.7</td>
<td>8.9</td>
<td>37.8</td>
</tr>
<tr>
<td></td>
<td>F</td>
<td>6.6</td>
<td>1.2</td>
<td>8.9</td>
<td>1.8</td>
<td>8.6</td>
<td>3.7</td>
<td>7.3</td>
</tr>
<tr>
<td>Staff</td>
<td>M</td>
<td>24.5</td>
<td>77.3</td>
<td>23.0</td>
<td>10.6</td>
<td>22.8</td>
<td>8.7</td>
<td>19.8</td>
</tr>
<tr>
<td></td>
<td>F</td>
<td>23.6</td>
<td>5.3</td>
<td>22.3</td>
<td>8.4</td>
<td>32.10</td>
<td>10.0</td>
<td>27.4</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>40.5</td>
<td>10.3</td>
<td>33.0</td>
<td>14.1</td>
<td>35.11</td>
<td>11.1</td>
<td>32.4</td>
</tr>
<tr>
<td>Average No of Employee per room</td>
<td>2.2</td>
<td>1.7</td>
<td>2.1</td>
<td>2.3</td>
<td>2.0</td>
<td>1.7</td>
<td>2.0</td>
<td>1.2</td>
</tr>
</tbody>
</table>

*five star also includes five star deluxe properties.*

The above table is statistics presenting Number of employees at various levels in different cities.
## Average Percentage of Trained Employees Per Hotel *

<table>
<thead>
<tr>
<th>Composition</th>
<th>Bangalore</th>
<th>Chennai</th>
<th>Goa</th>
<th>Kolkata</th>
<th>Mumbai</th>
<th>New Delhi</th>
<th>NCR</th>
<th>Pune</th>
</tr>
</thead>
<tbody>
<tr>
<td>compositio n</td>
<td>five star</td>
<td>4,3,2 star</td>
<td>five four star</td>
<td>3,2 star</td>
<td>five</td>
<td>4,3 star</td>
<td>five four star</td>
<td>3,2 star</td>
</tr>
<tr>
<td>No of Response</td>
<td>8</td>
<td>14</td>
<td>7</td>
<td>18</td>
<td>8</td>
<td>12</td>
<td>6</td>
<td>8</td>
</tr>
<tr>
<td>Managers</td>
<td>86.1</td>
<td>76.4</td>
<td>98.1</td>
<td>91.1</td>
<td>77.1</td>
<td>84.0</td>
<td>100</td>
<td>96.9</td>
</tr>
<tr>
<td>Supervisors</td>
<td>78.4</td>
<td>68.3</td>
<td>95.7</td>
<td>77.9</td>
<td>53.6</td>
<td>74.5</td>
<td>85.0</td>
<td>81.3</td>
</tr>
<tr>
<td>Staff</td>
<td>52.5</td>
<td>62.4</td>
<td>89.4</td>
<td>71.2</td>
<td>60.0</td>
<td>49.3</td>
<td>72.0</td>
<td>51.3</td>
</tr>
<tr>
<td>Total Avg. Trained Employees *</td>
<td>72.3</td>
<td>69.0</td>
<td>94.4</td>
<td>80.1</td>
<td>63.5</td>
<td>69.3</td>
<td>80.9</td>
<td>77.5</td>
</tr>
<tr>
<td>Total Avg. Untrained employees</td>
<td>27.7</td>
<td>31.0</td>
<td>5.6</td>
<td>19.9</td>
<td>36.5</td>
<td>30.7</td>
<td>19.2</td>
<td>22.5</td>
</tr>
</tbody>
</table>

* Trained Employees includes those with a minimum one year certificate course from a hotel management or equivalent institution; however some hotels may have included those with short term (in house) training.

** five star also includes five star deluxe properties.

The above table presents percentage of trained and untrained employees’ city wise. This makes it very clear that After Goa Pune and Bangalore (27%) are having maximum percentage of untrained employees even in five star properties.
2.1.8 Functioning of Hospitality Unit:

The resident manager has operational responsibility for the entire hotel except for food and beverage. The Room manager has lesser responsibility. Where there is a complete staff, the Rooms manager is assisted by a junior manager and/ or a front office manager. The latter focuses chiefly on the operational areas of the physical front desk. The distinctions are less sharp today because front office staff were reduced dramatically as hotel organisations restructured during the dark days of the early to mid 1990s.

Numerous middle management positions were cut as a result and many titles were collapsed into one. The new structure that was created has remained and with it the merger of titles and responsibilities. Hotels offset the diminished management structure by enlarging the scope of employee authority and responsibility. There was new empowerment of guest service agent. The front office organisation does not reflect this loss of supervisory staff because many positions are now being reinstated as the lodging industry enters a strong period of recovery.

The room department is not an independent unit but is one heavily dependent on other departments within the hotel. Notwithstanding that interdependence, the front office is the most important unit of the hotel. Various hotels can and do function without food and beverage facilities. Marketing is often taken on by the manager of a small hotel. Some hotels get along without departments of human resources. Others outsource their payrolls and accounting systems. Not so with the front office. The very definition of hotel as a purveyor of rooms necessitates the presence of the rooms division, which is most evident in two functions: The front desk and housekeeping.
2.1.9. **Major Departments within a Big Hotel**

The departments are classified on accounts of its function as Core or Support. These include:

- Rooms Division or Accommodations
- Food & Beverage Operations
- Marketing and Sales
- Front Office/ Bell Desk
- Human Resources and Training
- Production or Kitchen
- Finance and Purchases
- Security and Safety
- Engineering and Maintenance

**Food and Beverages**

F & B deals mainly with food and beverage service allied activities. Different divisions are there in F & B like Restaurants, Speciality Restaurants, Coffee Shop (24 hrs.), Bar, Banquets, Room service etc. Apart from that they have Utility services (Cleaning).

**Front Office Department:**

The front office is the command post for processing reservations, registering guests, settling guest accounts (cashiering), and checking out guests. Front desk agents also handle the distribution of guestroom keys and mail, messages or other information for guests. The most visible part of the front office area is of course the front desk. The front desk can be a counter or, in some luxury hotels, an actual desk where a guest can sit down and register.

**Housekeeping Department:**

The housekeeping department is another important department in hospitality world. Housekeeping is responsible for cleaning the hotel’s guestrooms and public areas. This department has the largest staff, consisting of an assistant housekeeper, room inspectors, room attendants, a houseperson crew, linen

Ph. D Thesis Suruchi Pandey submitted to TMV
room attendants and personnel in charge of employee uniforms. They may also have their own laundry and valet service. Hotels with laundry and valet equipment may use it only for hotel linens and uniforms and send guest clothing to an outside service where it can be handled with specialized equipment.

**Food Production Department:-**
Food production deals with the preparations of food items. It is basically engaged in preparing those dish, which are ordered by the guest and afterwards is catered by the F&B department. Cuisine like Indian, Continental, Thai, Italian, Konkani (Coastal Sea Food), South Indian, Chinese, Mexican, etc. Different Chefs are appointed for the specialty cuisine.

**Marketing & Sales Department:-**
Sales and marketing has become one of the most vital functions of the hotel business and an integral part of modern hotel management. It includes packaging for selling, sales promotion, advertising and public relations. The marketing division is charged with the responsibility of keeping the rooms in the hotel occupied at the right price and with the right mix of guests.

**Engineering and Maintenance Department:-**
The energy crisis throughout the world has given a great importance to the engineering department of a hotel. This department provides on the day-to-day basis the utility services, electricity, hot water, steams, air-conditioning and other services and is responsible for repair and maintenance of the equipment, furniture and fixtures in the hotel. The engineering department has an important role in satisfying the guest-demand and helping to maintain the profit level of the hotel. The cleaning, up-keep, repair, replacement, installation and maintenance of property and its furnishing, machinery and equipment are the joint responsibilities of Engineering/Maintenance and the Housekeeping Department.

Ph. D Thesis Suruchi Pandey submitted to TMV
Finance, Accounting and Control Department:-
A hotel’s accounting department is responsible for keeping track of the many business transactions that occur in the hotel. The accounting department does more than simply keep the books-financial management is perhaps a more appropriate description of what the accounting department does. Whereas the control department is concern with cost control guidelines by way of reducing in investment, reduction in operating cost, control of food service costs, control of beverage costs, labour cost control, etc.

Safety and Security Department:-
The security of guests, employees, personal property and the hotel itself is an overriding concern for today’s hoteliers. In the past, most security precautions concentrated on the prevention of theft from guests and the hotel. However, today such violent crimes as murder and rape have become a problem for some hotels. Unfortunately, crime rates in most major’s cities are rising. Hence today security department also concentrate on these additional criminal activities too.

Administration Department:-
Top organisational members usually supervise the Administration Department in a hotel. This department is responsible for all the work connected with administration, personnel, manpower, employee’s welfare, medical, health and security.

Human Resource Development:-
This department started getting importance only few decades before in hotel industry and within a short span of time it has become a very important part of the organisation. It plays the role of facilitator between the bargainable cadre and non-bargainable cadre. This department is the topic of discussion. The practice, which this department and their staff perform, is going to be learned in the light of present study.

Ph. D Thesis Suruchi Pandey submittd to TMV
Researcher can conclude from the review of Hospitality Industry, its growth and characteristics that this industry is very peculiar and driven mainly by the people who are serving for the industry. The training of such employees makes the difference in the service of the hospitality unit. This service is the only experience that a customer carries with himself. Hospitality is an intangible experience. The success of this industry depends on capable and trained employees. Hence training in hospitality industry is an important aspect of its success and growth. Training in hospitality industry is also a crucial function of its managers.

“The factor that caused guests to be most involved in the purchase decision (and therefore more interested in the hotel) was its employees – Cornell Study.”
2.1.10 Human Resources in Hospitality Industry

Human resources in hospitality industry, just like in any other enterprise, is one of the single biggest cost. Furthermore, it is the efficient workforce in hospitality industry, whose timely and good services to customers have great bearing on the business of hotel and restaurants. Between the enterprise and customer, human resource establishes first contact. Therefore effective management of human resource is of vital importance for the success of enterprise.

Common perceptions of management practices in the hotel industry typically include work intensification, high labour turnover, lack of training and poor career prospects, and casual terms and conditions of employment. The present study is with due caution of such perceptions. Some of the global studies in this area were explored as part of literature review.

Kusluvan (2003) in his study on “Managing employee attitudes and behaviours in the tourism and hospitality Industry” advised : Employees are one of the most , if not most important resources or assets for tourism and hospitality organisations in their endeavor to provide excellent service, meet and exceed consumer expectations, achieve competitive advantage and exceptional organisational performance.

Kusluvan (2003) also observed that normative HR practices have largely not been implemented in industry, although some improvements have begun to be noted, once again in larger organisations, For example recruitment and selection is largely conducted intuitively and unprofessionally, orientation and training has largely been neglected for both management and the employees, although this is starting to improve some what in larger organisations in which service quality and consumer satisfaction have been recognized as important; there continues to be lack of opportunity for promotion and career development although evidence of the use of internal labour markets has
begun to be found, the industry continues to be notorious for its low wages and lack of benefits, particularly at lower organisational levels; results of empowerment and employee participation are mixed – with some studies finding increasing relates and others suggesting managers are becoming increasingly hierarchical and autocratic and the industry can be characterized by a poor leadership style with managers largely being described as poorly equipped to manage professionally and as exhibiting unbridled individualism, although a more consultative approach has begun to be observed in some chain hotels.

In comparison to employees in other industries, hospitality industry employees were much more content with their lot. She reported that they show a stronger level of endorsement for the way they are managed. are more likely to be proud to tell people to tell people who they work for and display an impression of overall job satisfaction. There is also evolving role of HR managers in hospitality Industry, there are more personnel specialist with formal human resource qualifications in the hospitality industry compared to other industries’. However this has been attributed in part to the industries high turnover rate, which in turn has been associated with a number of the industry characteristics previously described including poor working conditions and poor HRM practices and focusing on labor as a cost to be minimized. What is not clear is why hospitality employees are more likely to endorse the way they are managed than their non hospitality counterparts. More focus is also needed with respect to the implications of organisational demographics, internationalism and cross culturalism of HRM research and practice.

The impact of training and development has also come under review. Lashley (2002) conducted a study on the cost and benefits of training at one organisation in order to test the utility of a model for helping identity such outcomes. He noted that despite the fact that a significant proportion of the literature advocates investing in training and development activities, there had been little empirical evidence that doing so will actually lead to increased

Ph. D Thesis Suruchi Pandey    submittd to TMV
organisational effectiveness. Further he acknowledged that generating such evidence is difficult. It is difficult to isolate training as the key independent variable in managing a business unit which leads to specific gains in business performance. Is it training which is leading to improvements in productivity, for example, or are changes the result of improved employee motivation because the employee values training? What effect does the employment environment make?

Lashley (2002) concluded that it was ‘not possible to measure precisely any resultant financial benefits associated with expenditure on training’ but that benefits such as ‘improvement in service quality, staff satisfaction, and functional flexibility’ along with improvements in turnover and productivity, could be identified through qualitative means.

**Introduction to Human Resource Department of hotel industry**

In hotel industry the job of HR manager can be compare with the job of conductor, whose job is to instruct and direct all of the various musicians so that they can perform well together. But before a conductor can direct a beautiful performance, all of the individual musicians must be able to play their instruments well. What kind of performance could one expect if the violinists did not know how to play their instruments or the flutists could not read music?

So it is in the hospitality industry, before a manager can direct and shape employee’s individual contributions into an efficient whole, he or she must first turn employees into competent workers who know how to do their jobs. Employees are the musicians of the orchestra that the members of the audience-the-guests-have come to watch performance. If employees are not skilled at their jobs, then the performance they give will get bad reviews. Just as an orchestra can have a fine musical score from a great composer and still perform poorly because of incompetent musicians, so a hotel can have a
finest standard recipes, service procedures and quality standards and still have dissatisfied guests because of poor employee performance.

That is why properly managing human resources is so important. No other industry provides so much contact between employees and customers and so many opportunities to either reinforce a positive experience or create a negative one.

The five-star hotels hires and involves number of employees in different jobs and in different fields there is dire need to look and control on them. No doubt different department’s heads are present to look their department employee, but HRD is a place, which supervise and effectively communicate with these departments head and communicate with the top management. Thus there function is very large and diverse as compared with respect to different department’s heads.

In most of the hotels the Human Resource policies are put in writing. These policies are distributed to key and responsible executive to provide guidance and ensure consistent application. Periodically the HRD review these policies.

For Example: In Ramada international the following policies are put on the notice board as well as each employee bear a tag starting “I am” which generate a sense of motivation as well as sense of personal feeling towards the organisation.

**Policies of Ramada International**

- I am proud
- I am Excited
- I am Empowered
- I am Ramada International

**Areas of Human Resource policies**

Ph. D Thesis Suruchi Pandey submitted to TMV
The Human Resource policies are concerned with each of the following areas:-

- Employment
- Recruitment
- Interview
- Psychological and Aptitude tests
- Selection
- Medical Examination
- Administration and Transfers
- Promotions and Termination
- Responsibilities for adherence to indiscrimination laws
- Education and Training
- Orientation of new employees
- Educational needs for employees
- Training programmes
- Development Opportunities
- Communications
- Health and Safety
- Occupational health
- Emergency medical care
- Safety programme
- Preventive Medicine
- Employee’s Services
- Cafeteria
- Vending Machine
- Employee’s Lounge
- Lockers
- Counselling
- Suggestion Scheme
FHARI Annual Report 2009-2010) revealed the average staff turnover in 5 star deluxe hotels in India is 24.14 per cent. The Indian hospitality Industry is characterized by a weak internal labour market. There is a stream of 10,000 hospitality students graduating every year (Ministry of HRD, Government of India) from various public and private institutions. However, the management trainee positions are merely restricted to about 100-150. Most graduates join as operations trainees and then wait for another few years to become management trainees. The working condition in most hotels in India apart from top luxury brands leaves a lot to be desired. The attrition rates are high.

Ph. D Thesis Suruchi Pandey submitted to TMV
Long work hours with low compensation, motivates employee to look for greener pastures. Many of the multinational brands act as a training ground for interns who later take up more lucrative assignments elsewhere. The reason for shifting jobs are slight increments in salary, the work environment lacks openness and sharing of concerns by employees is seldom the norm. The employee to room ratio is extremely high. Hotels deploy more people rather than investing in a multi-skilled task force.
2.2 Training Process and Practices

“Lack of trained manpower is the single most limiting factor for growth of the hospitality industry.”

Training refers to the planned effort by a company to facilitate employees learning of job-related competencies, which include knowledge, skills, or behaviours that are critical for successful job performance.

"Training is the systematic modification of behaviour through learning which occurs as a result of education, instruction, development and planned experience" (Armstrong 1999)

"A planned process to modify attitude, knowledge or skill behaviour through learning experience to achieve effective performance in an activity or range of activities. Its purpose, on the work situation, is to develop the abilities of the individual and to satisfy the current and future manpower needs of the organisation". (UK Manpower services commission, 1981)

While Armstrong’s definition is concise, the definition given by the UK manpower services commission gives a better insight to training by not only explaining what training is but also giving the reason for training practices to be implemented. Sometimes there is confusion between the terms "Education" & "Training" because there is a degree of inter-relationship. This relationship can be best understood by considering Education as dealing with the imparting of knowledge whereas Training is directed towards changing of behaviour and attitude.

Armstrong states that the fundamental aim of training is to help organisations achieve their purpose by adding to their key resources i.e. the people they employee. Investing in training means that employees will be able to perform better and empower themselves to make use of their natural abilities.
Knowledge, Skills and Attitude

Training means the planned and organized activity to impart skills, techniques and methodologies to employers and their employees to assist them in establishing and maintaining employment and a place of employment that is safe and healthful.

Education is concerned with increasing general knowledge and understanding of an employee’s total environment. A course on hospitality management, human relations, Bar tending, Retail management is education.

---

7 Knowledge, Skills and Attitude, Training and Development concept and practice, S.K. Bhatia, Page 6

Ph. D Thesis Suruchi Pandey submitted to TMV
Learning is broad one which includes both training and education. Learning is observable modification of behaviour as a result of some experience.

Development has a broader meaning. It’s aim is to grow or improve the overall personality of an individual. It is continuous process and is on the initiative from individual. Development is to meet an individual’s future needs. Efforts towards development often depend on personal drive and ambition. It helps individuals’ in progress towards maturity and actualisation of their potential capacities.

Any training and development programme must contain inputs which enable the participants to gain skills, learn theoretical concepts and help acquire vision to look into the distant future. In addition to these, there is a need to give ethical orientation, emphasise on attitudinal changes and stress upon decision making and problem solving abilities.

Development is whole process by which employee learns, grows, improves his abilities to perform variety of roles within and outside the organisation. He acquires socially desirable attitudes and values.

Management Education and Management development is aimed at improving one’s abilities to perform professional management tasks. It involves learning on the job through experience, formal training programmes and several other approaches including self development.

Well trained, knowledgeable employees are a valuable resource for any business. Training is one element corporate consider when looking to advance people and offer promotions. Although many employees recognize the high value those in management place on training and development, some employees are still reluctant to be trained. Training and Development offers more than just increased knowledge. It offers the added advantage of networking and drawing from others experiences. Training is valuable to both
the employer and employees. Increased knowledge and skill makes the employee more productive in the workplace and thus more valuable.

In today's economy, if business isn't learning, then it is going to fall behind. And a business learns as its people learn. Employees are the ones that produce, refine, protect, deliver and manage products or service every day, year in, year out. With the rapid pace and international reach of the 21st century marketplace, continual learning is critical to business's continued success. Therefore the business organisations should pay utmost importance to how the training activity is carried out, right from the need identification (at the organisational, functional, and individual level) along with a proper established system of evaluation that evaluated the effectiveness of training needs at an immediate level, job level and outcome level.

The goal of training is for employees to master the knowledge, skills & behaviours emphasized in training programs & to apply them to their day-to-day activities. ‘…there can be no single statement of what the role of a training specialist should be. It is conditioned by a combination of the objective necessities in his firm, subjective and personal elements brought out by the attitudes of managers, and his own conception of his role and personal skills – he and the job help to make each other.’

T. Leduchowicz

When employee is placed on the job, he or she needs training to perform his or her duties effectively. Employees must be trained to operate machines, reduce scraps and avoid accidents. Supervisors, managers and executives also need to be developed in order to enable them acquire growth and maturity in thinking and actions. Training and development constitute an ongoing process in any organisation.

Training Objectives

Ph. D Thesis Suruchi Pandey submittd to TMV
The principal objective of training and development division is to make sure the availability of a skilled and willing workforce to an organisation.

The main objectives of training are to (Armstrong, 1999):

- Develop competencies of employees to improve their performance.
- Help people to grow within the organisation in order that as far as possible, its future Human resources can be met from within.
- Reduce the learning time for employees starting in new jobs on appointment, transfer or promotion, and ensure that they become fully competent as quickly and economically as possible.

2.2.1 Importance of Training and Development:

Training and development programme, helps remove performance deficiencies in employees. This is particularly true when 1) the deficiency is caused by a lack of ability rather than a lack of motivation to perform, 2) the individuals involved have the aptitude and motivation needed to learn how to do the job better, and 3) supervisors and peers are supportive of the desired behaviours.

There is a greater stability, flexibility and capacity for growth in an organisation and training contributes to employee stability in at least two ways. Employees become efficient after undergoing training. Efficient employees contribute to the growth of the organisation. Growth renders stability to the workforce. Further, trained employees tend to stay with the organisation. They seldom leave the company. Training makes the employee versatile in operations. All-rounder can be transferred to any new jobs. Flexibility is, therefore, ensured. Growth indicates prosperity, which is reflected in increased profits from year to year. Who else but well-trained employees can contribute to the prosperity of the enterprise?
Accidents, scrap and damage to machinery and equipment can be avoided or minimised through training. Even dissatisfaction, complaints, absenteeism, and turnover can be reduced if employees are trained well.

Future needs for employees will be met through training and development programmes. Organisations take fresh diploma holders or graduates as apprentices or management trainees. They are absorbed after course completion. Training serves as an effective source of recruitment. Training is an investment in human resources with a promise of better returns in future.

A company's training and development pays dividends to the employees and the organisation. Though no single training programme yields all the benefits discussed above, the organisation, which devotes itself to training and development, enhances its human capabilities and strengthen its competitive edge. At the same time, the employees' personal and career goals are furthered, generally adding to his or her abilities and value of the employer. Ultimately, the objectives of the human resource department are also furthered.

Training offers following benefit to hospitality unit.

- **Benefits to Trainee**
  - Prepares employees to do their jobs
  - Improves self-confidence
  - Improves motivation
  - Improves morale
  - Prepares for promotion
  - Reduces tension and stress
  - Provides an opportunity to succeed

- **Benefits to the Property**
  - Increases productivity

Ph. D Thesis Suruchi Pandey submitted to TMV
- Benefits to Guests
  - Provides high-quality products
  - Provides high-quality services
  - Makes their visit more pleasant
  - Makes them feel they are getting their money’s worth
  - Provides a safer visit

It would be unreal to assume that everything is positive for organisations that invest in training programmes for their employees. They can fall prey to other organisations that have no training policy and depend on poaching. As a direct result of a no training policy the latter can offer attractive remuneration to poach staff resulting in inflationary staff costs.

The reason companies are able to entice staff away may be due to the fact that many employed within the Hospitality industry are very employable because they are multi-skilled which means that they are qualified for a number of positions. (For E.g. Jury's Hotels, UK employs workers who will be able to work within food & beverage and accommodation department’s etc). It must also be remembered that absence of employees from the workplace while on training can adversely affect productivity levels in the short term. In a recent survey Look Who's Training now (2000) "The main reasons for not
training beyond induction were: lack of time; difficulty in providing cover for staff and staff not staying long enough to be trained"

The importance of training to the hospitality industry has been highlighted by Peterson & Hicks (1996). According to Peterson & Hicks (1996) training is vital because of the unavoidable changes that occur in organisations. To achieve continuing progress successful organisations will reprogram themselves and retrain their employees accordingly, e.g. to gain a competitive edge over their competitors by improving service quality in their hotel etc. Peterson & Hicks (1996) are also adamant that those organisations that are successful at present but continue unchanged and become complacent will be in for a big shock. They argue that training is a continuous process and that people’s skills need to be continually updated to avoid becoming obsolete just like technologies which become outdated if development is not ongoing.

To conclude, training can be a valuable tool for the organisation and the manager, provided it is the right tool to solve the problem or address the identified issues. Right support must be provided by the management for the training to be effective.
2.2.2 Training Process:

Training Process is an integral part of human resource management and organisation. The figure below outlines inter related steps in training process.

Model for Training Process (S. K Bhatia)

1. Organisation Vision and perspective Plans
   - Mission
   - Strategies
   - Objectives
   - Divisional Business Plan

2. Assessment of Training Needs

3. Setting up Training objectives and developing training policy and plan

4. Designing training Programmes

5. Implementation of Training Programmes

6. Evaluation of results and feedback for action

The systematic approach to training will follow the above process. These stages in model are further discussed in detail with other steps involved in implementing the model.
2.2.3 Step I) Training Needs Identification

Training is an integral part of any organisation. Training is about knowing where you stand (no matter how good or bad the current situation looks) at present, and where you will be after some point of time. Training is about the acquisition of knowledge, skills, and abilities (KSA) through professional development.

The first phase of training is needs evaluations or needs assessment. All trainings should only be conducted to meet specific identified training needs. There is a cost associated with the trainings. That makes needs assessments critical to developing relevant and effective training programs. A training need exists when there is a gap between what is required of an employee to perform their work competently and what they actually know.

There is no single method for identifying training need. There are number of procedures in general use as well as systems unique to organisations. Each method has its own advantages and disadvantages. The idea is to find out the best in every organisation and take it forward to be more effective in training.

The results of training needs analysis will highlight the subject matter needed to be covered during the training course. The knowledge and skills gained during the training will increase abilities and allow our employees to perform their jobs at an acceptable level. The needs assessment is quite simple and obvious. For example, when a new information system is introduced, it is assumed that no one has the knowledge to operate it and the training need is noted. However if the organisation was switching systems, the need may not be so obvious. By conducting training needs analysis we target the group that needs to be trained as well as hone in on exactly what training is required. The conditions under which HRD activity will occur or In other words reasons for doing training needs assessment are:

Ph. D Thesis Suruchi Pandey submittd to TMV
• To determine gap in SKA:
  \[ \text{SKA} = \text{Skills, Knowledge & Attitude} \]
  \[ \text{Gap} = \text{What they know minus What they need to know} \]

• To determine whether training is needed
• To determine causes of poor performance
• To determine content and scope of training
• To determine desired training outcomes
• To provide a basis of measurement
• To determine conditions under which HRD activity will take place
• To gain management support

**Steps in the Needs Assessment Process**

Training Need Assessment also follows a step wise process.

**Step One: Identify Problem Needs**
- Determine organisational context
- Perform gap analysis
- Set objectives

**Step Two: Determine Design of Needs Analysis**
- Method selection criteria

**Step Three: Collect Data**
- Conduct interviews
- Questionnaires and Surveys
- Observe people at work

**Step Four: Analyze Data**
- Initial Analysis
- Determine solutions/recommendations
Step Five: Provide Feedback

Write report and make oral presentation
Determine next step – Training needed?

Step Six: Develop Action Plan

Once this formal needs assessment process is completed the information is used as the basis for training design, development and evaluation. However managers continue to assess attitudes, knowledge and skill level of participants prior to each session. Different employees may have different requirements.

The Need assessment process can be as detailed and involved as needed. Factors to consider when considering the level of detail are time, money, number of people involved, criticalness of skill, anticipated return on investment, resources available, etc. A comparison of some of the factors between in-depth and a mini assessment follows.

<table>
<thead>
<tr>
<th></th>
<th>In-depth</th>
<th>Mini</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type of Information</td>
<td>Quantitative</td>
<td>Qualitative</td>
</tr>
<tr>
<td>Methods</td>
<td>Multi-tiered approach</td>
<td>Interviews</td>
</tr>
<tr>
<td></td>
<td>Surveys</td>
<td>Focus groups</td>
</tr>
<tr>
<td></td>
<td>Observation</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Interviews</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Focus groups</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Document reviews</td>
<td></td>
</tr>
<tr>
<td>Scope</td>
<td>Widespread organisational</td>
<td>Fewer people involved</td>
</tr>
<tr>
<td></td>
<td>involvement</td>
<td>Short term focus</td>
</tr>
<tr>
<td></td>
<td>Broad ranging objectives</td>
<td></td>
</tr>
<tr>
<td>Length</td>
<td>Several months to a year</td>
<td>Few days to a week</td>
</tr>
<tr>
<td>Cost</td>
<td>Expensive</td>
<td>Inexpensive</td>
</tr>
<tr>
<td>Focus</td>
<td>Linked to defined outputs</td>
<td>Immediate, quick results</td>
</tr>
<tr>
<td>Exposure/Visibility</td>
<td>High profile and risk</td>
<td>Lower risk</td>
</tr>
</tbody>
</table>
2.2.4. Step II) Training Design

Training Design is an art as well as a science. As a science, it takes into account the purpose the organisation wants the training to achieve, appropriate principles from learning theory, and pragmatic considerations, such as cost and organisational sponsorship. As an art the instructional designer provides creative solutions for learning needs.

**ADDIE Model**

ADDIE provides a structure or framework for Instructional design of a training program. Later many practitioners/researchers have made changes in the version to suit the instruction system design.

![ADDIE Model Diagram]

The ADDIE model refers to Analyze, Design, Develop, Implement and Evaluate. Furthermore, provides a step-by-step process that helps instructional designers plan and create training programs with a framework in order to make sure that their instructional products are effective and that their processes are as efficient as they can possibly be.

Ph. D Thesis Suruchi Pandey submitted to TMV
1. Analyze
   - Who is the audience and what are their characteristics?
   - Did we identify the new behavioral outcome?
   - What types of learning constraints exist?
   - What are the delivery options?
   - What are the online pedagogical considerations?
   - What is the timeline for project completion?

2. Design
   - Documentation of the project's instructional, visual and technical design strategy
   - Apply instructional strategies according to the intended behavioral outcomes by domain (cognitive, affective, psychomotor).
   - Create storyboards
   - Design the user interface and user experience
   - Prototype creation
   - Apply visual design (graphic design)

3. Development
   - List activities that will help the students learn the task.
   - Select the delivery method such as tapes, handouts, etc.
   - Review existing material so that you do not reinvent the wheel.
   - Develop the instructional courseware.
   - Synthesize the courseware into a viable training program.
   - Validate the instruction to ensure it accomplishes all goals and objectives.

4. Implement
   - During the implementation phase, a procedure for training the facilitators and the learners is developed.
   - The facilitators’ training should cover the course curriculum, learning outcomes, method of delivery, and testing procedures.
   - Preparation of the learners include training them on new tools (software or hardware), student registration.

Ph. D Thesis Suruchi Pandey submitted to TMV
This is also the phase where the project manager ensures that the books, hands on equipment, tools, CD-ROMs and software are in place, and that the learning application or website is functional.

5. Evaluation
   - Review and evaluate each phase (analyze, design, develop, implement) to ensure it is accomplishing what it is supposed to.
   - Perform external evaluations, e.g. observe that the learner on the job can actually perform the tasks that were trained.
   - Revise training system to make it better.

The design of the training program can be undertaken only when a clear training objective has been produced. The training objective clears what goal has to be achieved by the end of training program i.e. what the trainees are expected to be able to do at the end of their training. Training objectives assist trainers to design the training program.

**Specific Learning Objectives**
The course/intervention learning objectives are drawn from the results of training needs investigation. It’s critical to keep these objectives in our minds as well as in the front of the training plan. Most of the training programs are not effective because of failure to carry the precise intent of the learning objectives agreed with line managers into the training design.

**Objectives Should Be:**

**SMART**
- **Specific**, State desired results in detail
- **Measurable** (observable), Use verbs that describe what trainees will learn
- **Action**, Describe an action that the trainee will perform
- **Realistic**, Achievable
- **Time frame**, How long will it take the trainees to learn the skill?
Other Considerations while designing training:

**The Trainer** – Before starting a training program, a trainer analyzes his technical, interpersonal, judgmental skills in order to deliver quality content to trainers.

**The Trainees** – A good training design requires close scrutiny of the trainees and their profiles. Age, experience, needs and expectations of the trainees are some of the important factors that affect training design.

**Cost of Training** – It is one of the most important considerations in designing a training programme. A training programme involves cost of different types. These may be in the form of direct expenses incurred in training, cost of training material to be provided, arrangement of physical facilities and refreshment, etc. Besides these expenses the organisation has to bear indirect cost in the form of loss of production during training period. Ideally, a training programme must be able to generate more revenues than the cost involved.

**Training Climate** – A good training climate comprises of ambience, tone, feelings, positive perception for training program, etc. Therefore, when the climate is favourable nothing goes wrong but when the climate is unfavourable, almost everything goes wrong.

**Trainees’ Learning Style** – the learning style, age, experience, educational background of trainees must be kept in mind in order to get the right pitch to the design of the program.

**Training Strategies** – Once the training objective has been identified, the trainer translates it into specific training areas and modules. The trainer prepares the priority list of about what must be included, what could be included.
Training Topics – After formulating a strategy, trainer decides upon the content to be delivered. Trainers break the content into headings, topics, and modules. These topics and modules are then classified into information, knowledge, skills, and attitudes.

Sequence the contents – Contents are then sequenced in a following manner:
• From simple to complex
• Topics are arranged in terms of their relative importance
• From known to unknown
• From specific to general
• Dependent relationship

Training Tactics – Once the objectives and the strategy of the training program becomes clear, trainer comes in the position to select most appropriate tactics or methods or techniques. The method selection depends on the following factors:
• Trainees' background
• Time allocated
• Style preference of trainer
• Level of competence of trainer
• Availability of facilities and resources, etc

Support Facilities – It can be segregated into printed and audio visual. The various requirements in a training program are white boards, flip charts, markers, etc.

Constraints – The various constraints for the training are:
• Time
• Accommodation, facilities and their availability
• Furnishings and equipments
• Budget
• Design of the training, etc
2.2.5 Step III) Training Implementation

To put training program into effect according to definite plan or procedure is called training implementation. Training implementation is the hardest part of the system because one wrong step can lead to the failure of whole training program. Even the best training program will fail due to one wrong action. Training implementation can be segregated into:

- Practical administrative arrangements
- Carrying out of the training

Once the staff, course, content, equipments, topics are ready, the training is implemented. Completing training design does not mean that the work is done because implementation phase requires continual adjusting, redesigning, and refining. Preparation is the most important factor to taste the success. Therefore, following are the factors that are kept in mind while implementing training program:

**The Trainer** – The trainer need to be prepared mentally before the delivery of content. Trainer prepares materials and activities well in advance. The trainer also set grounds before meeting with participants by making sure that he is comfortable with course content and is flexible in his approach.

**Role of Trainer and Learning Styles:**
Andragogy and pedagogy refer to teaching styles used to expose individuals to new skills, knowledge and attitudes. Each style differs in assumptions about the learners and about the instructor. An understanding of learning theories is critical to the success of training and provides guidance in the assessment, development, implementation and evaluation of training activity. Individuals differ markedly in the ways they learn. These differences include individuals learning styles that may be behavioural, cognitive or humanistic or some combination of all three.

Ph. D Thesis Suruchi Pandey submitted to TMV
“Learning how to learn” is essential for organisational success as we move further into the 21st century and as new information makes previously acquired knowledge obsolete, it is critical that trainers be equipped with the skills, knowledge and attitudes to cope with the pressures these demands will certainly bring. Knowing the trainees learning style, understanding learning theories and the contexts within which each are most effective and evaluating training results are all hall marks of the effective trainers.

Below figure summarizes these Learning styles

<table>
<thead>
<tr>
<th>Elements</th>
<th>Behaviourist</th>
<th>Cognitivist</th>
<th>Humanist</th>
</tr>
</thead>
<tbody>
<tr>
<td>Learning Process View</td>
<td>Behavioural Changes</td>
<td>Internal mental process action</td>
<td>Personal potential fulfilment</td>
</tr>
<tr>
<td>Learning locus</td>
<td>External</td>
<td>Internal</td>
<td>Affective and cognitive</td>
</tr>
<tr>
<td>Education’s purpose</td>
<td>Behaviour change</td>
<td>Capacity to learn</td>
<td>Self actualisations and autonomous</td>
</tr>
<tr>
<td>Role of instructor</td>
<td>Sets environment</td>
<td>Structures content of learning</td>
<td>Facilitates whole person development</td>
</tr>
<tr>
<td>Adult learning connection</td>
<td>Behavioural objectives, competency based training, skill development training</td>
<td>Cognitive development, memory and learning how to learn</td>
<td>Andragogy, mentoring, locus of control and self directed learning</td>
</tr>
</tbody>
</table>

Finally, Individuals respond in accordance with their perception and reactions to motivation. The individual may be driven by external factors such as direct leadership, coercion and threats, which may prove effective for one who is externally motivated. However, to an inner directed person, this same type of motivation may result in just the opposite reaction and thus, be counter productive. Likewise, those who are inner directed and respond well
to encouragement and higher levels of responsibility would blossom in corporate environment of a sharing and caring nature. What serves to motivate one person is not necessarily the same thing that will also be able to assess individual learning needs, as well as the learning style of the trainee. No one theory will fit every training experience due to the complexity of human nature, the content and the context of the tasks to be learned, and the environment within which training occurs and is to be applied. It is critical for the trainer to be aware of these theories and issues in order to make the most effective bridge between trainer and trainee. Learning in its most effective context may never be completely identified and isolated. We do know however that for effective learning to occur the fit between learner, the content of the material to be acquired, the environment and the instructor or trainer must be as congruent as possible. Learning and motivation theories provide this guidance.

**Physical set-up** – Good physical set up is pre-requisite for effective and successful training program because it makes the first impression on participants. Classrooms should not be very small or big but as nearly square as possible. This will bring people together both physically and psychologically. Also, right amount of space should be allocated to every participant.

**Establishing rapport with participants** – There are various ways by which a trainer can establish good rapport with trainees by:

• Greeting participants – simple way to ease those initial tense moments
• Encouraging informal conversation
• Remembering their first name
• Pairing up the learners and have them familiarized with one another
• Listening carefully to trainees’ comments and opinions
• Telling the learners by what name the trainer wants to be addressed
• Getting to class before the arrival of learners
• Starting the class promptly at the scheduled time
• Using familiar examples
• Varying his instructional techniques
• Using the alternate approach if one seems to bog down

In general programme implementation involves action on the following lines:

• Deciding the location and organizing training and other facilities.
• Scheduling the training programme.
• Conducting the programme.
• Monitoring the progress of the trainees.

Training programs are usually based on Gagne’s Nine Events of Instruction:

• Gain attention
• Inform learners of objectives
• Stimulate recall of prior learning
• Present the content
• Provide "learning guidance"
• Elicit performance (practice)
• Provide feedback
• Assess performance
• Enhance retention and transfer to the job
2.2.5.1 Types of Training

There are many approaches to categorise types of training. The focus here is on the types of training that are commonly used in present-day organisations, in specific to the hospitality industry.

1. Skills training: A skill is the learned capacity to carry out pre-determined results often with the minimum outlay of time, energy, or both. This type of training is most common in organisations. The process here is fairly simple. The need for training in basic skills (such as reading, writing, computing, speaking, listening, problem solving, managing oneself, knowing how to learn, working as part of a team, leading others) is identified through assessment. Specific training objectives are set and training content is developed to meet those objectives. Several methods are available for imparting these basic skills in modern organisations (such as lectures, apprenticeship, on-the-job, coaching etc.). Before employing these methods, managers should:

- Explain how the training will help the trainees in their jobs.
- Relate the training to the trainees' goals.
- Respect and consider participant responses and use these as a resource.
- Encourage trainees to learn by doing.
- Give feedback on progress toward meeting learning objectives.

2. Induction training

Induction training is important as it enables a new recruit to become productive as quickly as possible. It can avoid costly mistakes by recruits not knowing the procedures or techniques of their new jobs. The length of induction training will vary from job to job and will depend on the complexity of the job, the size of the business and the level or position of the job within the business. The following areas may be included in induction training:
• Learning about the duties of the job
• Meeting new colleagues
• Seeing the layout the premises
• Learning the values and aims of the business
• Learning about the internal workings and policies of the business

The main purpose of induction is to relieve the new employee from possible anxiety and make him or her feel at home on the job.

These orientation programmes are carried out formally as well as individually/collectively in the hotels. These programmes are carried from 1 week – 2 weak. The topics, which are covered in induction programme are given in the following table:

### Organisational Issues

<table>
<thead>
<tr>
<th>History of employer</th>
<th>Product line or services provided</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organisation of employer</td>
<td>Overview of production process</td>
</tr>
<tr>
<td>Names &amp; titles of key executives</td>
<td>Company policies &amp; rules</td>
</tr>
<tr>
<td>Employee’s title &amp; department</td>
<td>Disciplinary regulations</td>
</tr>
<tr>
<td>Layout of physical facilities</td>
<td>Employee handbook</td>
</tr>
<tr>
<td>Probationary period</td>
<td>Safety procedure &amp; enforcement</td>
</tr>
</tbody>
</table>

### Employee Benefits

<table>
<thead>
<tr>
<th>Pay scales and pay days</th>
<th>Insurance benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vacations and holidays</td>
<td>Retirement programme</td>
</tr>
<tr>
<td>Rest breaks</td>
<td>Employer-provided services to employees</td>
</tr>
<tr>
<td>Training &amp; education benefits</td>
<td>Rehabilitation programmes</td>
</tr>
<tr>
<td>Counseling</td>
<td></td>
</tr>
</tbody>
</table>

### Introduction

<table>
<thead>
<tr>
<th>To supervisor</th>
<th>To co-workers</th>
</tr>
</thead>
<tbody>
<tr>
<td>To trainers</td>
<td>To employee counsellor</td>
</tr>
</tbody>
</table>

### Job Duties

<table>
<thead>
<tr>
<th>Job location</th>
<th>Overview of job</th>
</tr>
</thead>
<tbody>
<tr>
<td>Job tasks</td>
<td>Job objectives</td>
</tr>
<tr>
<td>Job safety requirements</td>
<td>Relationship to other jobs</td>
</tr>
</tbody>
</table>
After orientation comes placement. Placement refers to the assignment of a new employee to his or her job. The job of HR is simple where the job is independent, but where the jobs are sequential or pooled, HR specialists use assessment classification model for placing newly hired employees. For example the job of placing a waiter to its position is quite simpler as compared with that of the placing the employee at managerial level. The job of placing a waiter to its position is called an independent job but the job of placing employee at managerial level can be considered as sequential or pooled job.

3. Apprentice Ship Training

Most craft workers such as plumbers and carpenters are trained through formal apprenticeship programmes. Apprentices are trainees who spend a prescribed amount of time working with an experienced guide, coach or trainer. Assistantships and internships are similar to apprenticeships because they also demand high levels of participation from the trainee. An internship is a kind of on-the-job training that usually combines job training with classroom instruction in trade schools, colleges or universities. Coaching, as explained above, is similar to apprenticeship because the coach attempts to provide a model for the trainee to copy. One important disadvantage of the apprenticeship methods is the uniform period of training offered to trainees. People have different abilities and learn at varied rates. Those who learn fast may quit the programme in frustration. Slow learners may need additional training time. It is also likely that in these days of rapid changes in technology, old skills may get outdated quickly. Trainees who spend years learning specific skills may find, upon completion of their programmes, that the job skills they acquired are no longer appropriate.

Apprenticeship training programme tends towards more education than on-the-job training or vestibule schools, in that knowledge and skill in doing a craft or a series of related jobs are involved. The governments of various countries
have passed laws and made it obligatory on the part of employer to provide apprenticeship training

Apprentice training is one of the kinds of training taking place in an organisation. This actually is an on-the-job training. The apprentices get stipend during training period. Sometimes they are offered jobs after the completion of training. Most of the Hotels have internship trainees for 6 months duration. These trainees are final year student of hotel management institutes. The training provides hands on experience to the trainees and to hotelier’s seasonal supply of manpower requirements. Good hotels also pay some amount of stipend to internship trainees during this duration; in few cases they are also provided to food and accommodation from hotels

**Government of Maharashtra Employment Promotion Programme for Educated Unemployed Training Scheme**

Unemployment among the educated youths in the state is of great concern for the state government. The problem as you know is a gigantic one. The state government hopes to solve this problem with public/ corporate cooperation. For this it has formulated a scheme which on one hand helps you to draw your workers from among the relatively more educated job seekers and mould them as you would by giving them suitable training on the job and on the other, it helps the educated unemployed to stand on their own feet. The unique feature of this scheme is that the monthly stipend to trainees is paid by the Government.

The main objective of the programme is that educated unemployed person should be given on the job training or such other practical training so as to make it possible for them to stand on their own feet and that they may be assisted through stipends during this period and thereafter enabled to obtain gainful employment in organized sector. The employment promotion programme aims at changing the attitude of the young people instead of

Ph. D Thesis Suruchi Pandey submitted to TMV
carrying on a frustrating search for the white collar or other jobs, they will have
to be encouraged to take up jobs such as operatives or shop floor jobs.
The present programme aims at helping by:

- Training for acquisition and up gradation of skills.
- Training will be imparted to educated unemployed for acquisitions and up gradation of skills in the following areas:
- Production, assemble designing quality control, planning and maintenance any manufacturing concern or a service industry.
- Handicraft
- Accounts, typing, stenography, storekeeping, time keeping, telex and telephone operating, data processing on computers.
- These are not exhaustive but indicative.

**Duration of Training:**
The duration of training is restricted to a period of six months only in the course of which the candidate will receive a stipend ranging between Rs 300 to Rs 1000 per month according to level of education.

**Mode of recruitment:**
The recruitment of the scheme for acquisition and up gradation of skills should be done exclusively from candidates submitted by Employment Exchanges. The programme restricted to only local persons, i.e. those who have been residing in Maharashtra for a period of 15 years or more similarly this benefit will be available only once, under this scheme.

**Organisational Arrangements:**
The employers who participate in the training programme should pay monthly stipend to the trainees, initially and then submit their claims for reimbursement to the appropriate employment officer from their district.

**Use of forms:**
With a view to have uniformity in the procedure to be followed by the employer for notification of training slots and for claiming the stipend standard forms have been prescribed.

Any law with respect to labour shall not apply to or in relation to such apprentices.

4. **Refresher Training**: Rapid changes in technology may force companies to go in for this kind of training. By organising short-term courses which incorporate the latest developments in a particular field, the company may keep its employees up-to-date and ready to take on emerging challenges.

It is conducted at regular intervals by taking the help of outside consultants who specialise in a particular descriptive.

5. **Cross-functional Training**: Cross-functional Training involves training employees to perform operations in areas other than their assigned job. This is also referred as Multi skills training or Multi tasking. There are many approaches to cross functional training. Job rotation can be used to provide a Manager in one functional area with a broader perspective than he would otherwise have. Departments can exchange personnel for a certain period so that each employee understands how other departments are functioning. High performing workers can act as peer trainers and help employees develop skills in another area of operation. Cross functional training provides the following benefits to an organisation (and the workers as well)

   (1) Workers gain rich experience in handling diverse jobs; they become more adaptable and versatile
   (2) They can better engineer their own career paths
   (3) They not only know their job well but also understand how others are able to perform under a different set of constraints
   (4) A broader perspective increases workers' understanding of the business and reduces the need for supervision

Ph. D Thesis Suruchi Pandey submittd to TMV
(5) when workers can fill in for other workers who are absent, it is easier to use flexible scheduling, which is increasingly in demand as more employees want to spend more time with their families.

Many Hotels are practising Cross functional training.

6. Team Training: Team training generally covers two areas; content tasks and group processes. Content tasks specify the team’s goals such as cost control and problem solving. Group processes reflect the way members function as a team - for example how they interact with each other, how they sort out differences, how they participate etc. Companies are investing heavy amounts, now days, in training new employees to listen to each other and to cooperate. They are using outdoor experiential training techniques to develop teamwork and team spirit among their employees (such as scaling a mountain, preparing recipes for colleagues at a restaurant, sailing through uncharted waters, crossing a jungle etc.). The training basically throws light on (i) how members should communicate with each other (ii) how they have to cooperate and get ahead (iii) how they should deal with conflict-full situations (iv) how they should find their way, using collective wisdom and experience to good advantage.

7. Diversity Training: Diversity training considers all of the diverse dimensions in the workplace ¬race, gender, age, disabilities, lifestyles, culture, education, ideas and backgrounds - while designing a training programme. It aims to create better cross-cultural sensitivity with the aim of fostering more harmonious and fruitful working relationships among a firm’s employees.

The programme covers two things: (i) awareness building, which helps employees appreciate the key benefits of diversity, and (ii) skill building, which offers the knowledge, skills and abilities required for working with people having varied backgrounds.

Ph. D Thesis Suruchi Pandey submittd to TMV
8. Literacy Training: Inability to write, speak and work well with others could often come in the way of discharging duties, especially at the lower levels. Workers, in such situations, may fail to understand safety messages, appreciate the importance of sticking to rules, and commit avoidable mistakes. Functional illiteracy (low skill level in a particular content area) may be a serious impediment to a firm's productivity and competitiveness. Functional literacy programmes focus on the basic skills required to perform a job adequately and capitalise on most workers' motivation to get help in a particular area. Tutorial programmes, home assignments, reading and writing exercises, simple mathematical tests, etc., are generally used in all company in-house programmes meant to improve the literacy levels of employees with weak reading, writing or arithmetic skills.

There are many customised and tailor made training programmes suiting to the requirements of the company as creativity training, consumer behaviours, selling skills etc.
2.2.5.2 Methods of Training

Various training methods are used to train employees. As days go by, newer methods gain entry into the field. The methods now being used are either on-the-job or off-the-job methods. On-the-job methods refer to those that are applied in the workplace, while the employees are actually working. Off-the-job methods are used away from the workplaces.

There are various methods of training. The choice of the methods depends upon several factors like cost of training, number of workers, depth of knowledge required, background of the trainees, and purpose of training and so on.

Training methods are usually classified by the location of instruction. On the job training is provided when the workers are taught relevant knowledge, skills and abilities at the actual workplace; off-the-job training, on the other hand, requires that trainees learn at a location other than the real work spot. Armstrong (1999), Boella (1996) and Go, Monachello and Baum (1996) are in agreement that there are three main places were training can take place. In company on the job, in Company off the job, and external training, each having its advantages and disadvantages that merit discussion and interpretation.

1. On the Job Training (OJT)

On-the-job training is an important way in which people acquire relevant knowledge and skills at work. Here it is important to make the distinction between training and learning – this is critical to the effective design and delivery of training in organisations. In relation to the Hospitality Industry for the best part, staff work is carried out in direct contact with customers. "For this reason much of the training of new staff has to be performed "on the job" so that the experience of dealing with its customers can be obtained. On
the job training therefore plays a vital part in the industries approach to training" (Boella, 1996)

For example Domino Pizza where approximately 85% of training is OJT delivered by store managers using standardise module developed by corporate training office. OJT is used extensively by Ramada Inn, which has developed an OJT training aid. This training aid helps trainees by making them aware of the training objectives the benefits to themselves and the benefits to the company and the customer in performing the task. It also provides trainee with the sequence of steps that should be followed to perform the task correctly as well as a list of tools, materials and equipment required to do the task. Finally the training aid provides an evaluation form for providing feedback to the trainee. (Examples adopted from Go et al 1996)

Used right OJT can form an important component in skills training as well as in orientation or induction training for new employees. In a recent survey Look Who’s Training Now (2000) stated that "The most common route at over one third of all training incidents was on the job training provided by an internal provider and leading to no qualification"

Training is an instructor-led, content based intervention, leading to desired changes in behaviour. Learning is a self-directed, work-based process, leading to increased adaptive potential of the learners.

However, using the well-established term, on-the-job training (OJT) can be defined as an activity undertaken at the workplace which is designed to improve an individual’s skills or knowledge. OJT is a well-established and well-used intervention designed to enhance individual skills and capabilities with the characteristics of:

- being delivered on a one-to-one basis and taking place at the trainee’s place of work
requiring time to take place, including potential periods when there is little or no useful output of products or services
being specified, planned and structured activity.

OJT used to be colloquially called ‘sitting next to Nellie’ – learning through watching and observing someone with more experience performing a task. However, the largest survey ever undertaken in the UK indicated that about half of the total training delivered across all industries and sectors consisted of OJT.

One of the surveys on the theme Who learns at work? showed the value placed on OJT by learners.

- OJT was the preferred method of learning.
- 46% of the respondents of the most recent survey indicated ‘being shown how to do things then practising them’ as their best method.
- Hardly anyone found OJT and learning from colleagues the least appealing method.
- Generally learners prefer active rather than passive learning and few people prefer learning in isolation.

OJT is dependent upon the trainer having sufficient knowledge and expertise to impart to the trainee. OJT is important and the quality of OJT can be considerably improved through effective design.

The advantages of using on-the-job training

- Training can be delivered at the optimum time: for example immediately before a job is to be performed ‘for real’ in the workplace.
- The trainee will have opportunities to practice immediately.
- The trainee will have immediate feedback.
- Training is delivered by colleagues and can go someway to integrate the trainee into the team.

The disadvantages of using on-the-job training

Ph. D Thesis Suruchi Pandey submittd to TMV
• There is a tendency to fit OJT in when it is convenient for office routine rather than at the optimum time for learning.
• The training may be given piecemeal and not properly planned, and the trainee gains a fragmented picture of the organisation.
• Too much training can be delivered in one session leading to ‘information overload’ and trainee fatigue.
• The trainer may not have sufficient knowledge of the process or expertise in instructional techniques (a ‘train the trainer’ course may be appropriate).
• If immediate practice is not accompanied by feedback the trainee can feel abandoned after the initial experience.

On the job Training: How is works?

Under this method, the responsibility to import training to workers is given to the immediate supervisor who knows exactly what is to be taught to the trainee for better performance or to some outside instructor who is specialist in the field. Under this method following systems may be included:

Training by Supervisor: Supervisor in charge is responsible for training of the operative staff under this system. The supervisor supervises and instructs the employee while on work. Sometimes, he even demonstrates the system of working to the employee. This enables the supervisor and the employee to understand each other better.

Under study system: Under this system, a senior and experienced workman is assigned the job of teaching the new employee as his under-study. The trainee under this system loses his motivation and morale if the person under whom he is working does not take interest in him. A common version of such training is the three-position plan. Under this a man learns from the man above him and teaches the one below him. This system is more suitable in the circumstances where the trainer requires an assistant.
**Position rotation:**
Under this system, the employee is periodically rotated from one job to another instead of sticking to one job just to acquire the general background and knowledge of the functioning of job. Its major objective is to broaden the background of the trainee in various positions of the job.

Few types of On-site Training/ - On-the-Job Training
- Apprentice Training
- Coaching/mentoring
- Job Rotation
- Job Instruction Training (JIT)
- Syndicate Method
- Job Enlargement

**2. Off-the-Job Methods**

Under this method of training, the trainee is separated from the job situation and his attention is focused upon learning the material related to his future job performance. Since the trainee is not distracted by job requirements, he can focus his entire concentration on learning the job rather than spending his time in performing it. There is an opportunity for freedom of expression for the trainees. Off-the-job training methods are as follows:

Go et al (1996) suggests that the distinguishing factor of In House Off the Job Training from other types of off the job training is that: "In house off the job training is conducted away from the physical location were the job is actually carried out but still on company premises"

Armstrong (1999) also believes that this type of training is the best way to acquire advanced manual, office, customer service or selling skills and to learn about company procedures and products. It also increases the trainee’s identification with the organisation. The availability of equipment and trained
trainers helps in that the basic skills are acquired much quicker and often more economically.

There are a number of methods and techniques available with the choice depending on what is to be imparted. The main method (Adopted from Boella, 1996) guidelines are as follows,

1. **Talks** are best used for imparting knowledge such as company history and policies, legal matters, regulations, recipes, and an outline of methods and procedures. In giving a talk, progress must be checked frequently by use of questions and answers.
2. **Discussions** are best used to elaborate on and to consolidate what has been imparted by other techniques.
3. **Lectures** often mean little more than talking at trainees and are therefore to be avoided as there is usually little trainee participation.
4. **Case studies, projects, business games** are best used to illustrate and to consolidate principles of management such as planning, analytical techniques, etc.
5. **Role-playing** is best used to develop social skills such as receiving guests, handling customer complaints, selling, interviewing or instructional techniques. Ideally this should be supported by video tape recordings, if possible.
6. **Films, charts, and other visual aids** should not normally be used as instructional techniques by themselves, but should support talks, discussions, case studies and role-playing. Films on a variety of hotel and catering subjects are available from several training organisations.
7. **Programmed texts, Interactive videos, I CD** satisfy many of the principles of learning. In addition, individuals can use them at any convenient time — not requiring the presence of an instructor. They cannot, of course, be used to teach some things such as manual skills and they can be very expensive to design.

Ph. D Thesis Suruchi Pandey submitted to TMV
As with any system there are always going to be disadvantages which Armstrong (1999) goes on to state. Trainees sometimes find it hard to transfer the skills and knowledge learned on courses to the work place. Additionally managers and team leaders transferring from training situation to real life may find things more complex.

The problem here tends to be that their training deals with motivation and leadership theories, which deal with the mind. This makes it much harder to get across, as the connection between what people learn say in the classroom may not always be apparent. This is why “Strenuous efforts have to be made to ensure that learners perceive the reality of what they are learning and are expected to develop and implement action plans for putting it into practice”

The action learning approach/concept was developed by Revans (1989) in order to overcome such problems.

**Advantages of off-the-job training:**
- Use of specialist trainers and accommodation
- Employee can focus on the training - and not be distracted by work
- Opportunity to mix with employees from other businesses

**Disadvantages of off-the-job training:**
- Employee needs to be motivated to learn
- May not be directly relevant to the employee's job
- Costs (transport, course fees, examination fees, materials, accommodation)

**External — Off the job Training**

- This form of training may involve employees being released to attend a local college or university for either short term or formal certified programs i.e. National Vocational Qualifications (NVQS) etc. Go et al

Ph. D Thesis Suruchi Pandey submittd to TMV
(1996) suggests training can either be tailored to organisations specific needs or it may focus on special disciplines related to both the Hospitality & Tourism Industry. External training can also cover more technical or management topics which are beneficial for the development of managers or team leaders, technical and social knowledge and skills as suggested by Armstrong (1999).

- Other forms of external training could be special courses & conferences run by other organisations other than educational institutions. Another quite favourable approach used by larger organisations, which Go et al (1996) suggested, are work-based placements and projects at different locations within the parent organisation or other organisations. For those people who have the opportunity to participate in external training courses it allows them to broaden their horizons as they are exposed to peers from different organisations.

- As with most forms of training the transfer of learning into practice is more difficult than the two previous types of training mentioned. Another major concern is that the effectiveness of external training will be determined by how quickly the knowledge and skills acquired are used; Armstrong (1999) states if not used immediately the learning acquired may evaporate quickly. Finally due to the wide variety of courses available it may be hard for organisations to pick the most relevant to meet their objectives.

The methods are carefully chosen keeping in mind what has to be learned i.e attitude, skills and knowledge and learning styles of the participants.
2.2.6. Step IV) Evaluation of Training Programme:

“Any thing that cannot be measured cannot be improved.” Peter Drucker

To justify its existence training must be cost effective: the pay off must be related to the costs involved. The evaluation process is really a measure of this effectiveness.

Hamblin (1974) defines evaluating training as "Any attempt to obtain information (feedback) of the effects of a training programme and to assess the value of the training in the light of that information"

Training evaluation is defined as a systematic collection of descriptive and judgemental information necessary to make effective training decisions related to selection, adoption, value and modification various instructional activities.

For evaluation Udai Pareek (1997) proposed trevacube model that specifies three aspects for evaluation dimensions: (evaluation of contextual aspects inputs reactions and outputs), design (longitudinal, ex post facto, matched group, comparative surveys) and techniques (secondary source data, measurement with instruments, reaction or response instruments and observations). Virmani. B.R, and Seth P (1998) said that evaluation of training must be consistent with the purpose, objectives and goal of the training activity. They proposed three stages:

**Pre Training Evaluation:** This would not only help the management and the trainee in indentifying the training needs but also help the trainers become acquainted with the diverse training needs of the participants.

**Context and Input Evaluation:** This would help to assess whether the training programme/ Course input are in conformity with the objectives of the programmes and have the desired effect on the participant.

Ph. D Thesis Suruchi Pandey submittd to TMV
**Post Training Evaluation**: Consisted of the reaction level, learning evaluation, job improvement plan, on job evaluation and follow up after six months/ one year.

Models and Framework of Evaluation

By evaluating the effectiveness of training Torrington & Hall (1998) and Go et al (1996) both believe that it is one of the most unsatisfactory aspects of training, with many organisations believing that training ends once the delivery of the training program is complete. The belief that training ends once delivery is completed has two consequences:

- It defeats what has been stated earlier in the chapter that training is a continuous process throughout employees working life.
- Secondly and more importantly it will result in the failure to measure whether the training program has met the objectives set out before hand and whether it has developed/ induced a positive behavioural change.

Both Torrington & Hall (1998) and Go et al (1996) believe that, evaluation is vital in determining how successful the training program has been and for the organisation it is vital to be able to demonstrate value for money.

The evaluation process is very straightforward when the output of training is clear as suggested by Torrington & Hall (1998).

Armstrong (1999) states by implementing an evaluation process the organisation will have a degree of control and that it is therefore important that the entire training program is evaluated because:

- It is important to assess whether the training program has met the objectives set out at the planning stage.
- Finally it is important to indicate where improvements or changes are required in order to ensure that the training will be more effective.

Ph. D Thesis Suruchi Pandey submittd to TMV
Complications arise when it comes to evaluating the success of a management-training programme of social skills and development where outputs are hard to measure. Torrington & Hall (1998) believe that while difficult, evaluation should still be carried out.

**Evaluation of Training Costs:**

Evaluation of training costs compares the costs incurred in conducting an HRD programme to the benefits received by the organisation, & can involve two categories of activities: cost benefit evaluations & cost effectiveness evaluation. Cost benefit analysis involves comparing the monetary costs of training to the benefits received in no monetary terms, like improvement in attitudes, safety & health. Cost effectiveness analysis focuses on the financial benefits accrued from training, such as increases in quality & profits, & reduction in waste & processing time.

**Evaluating Training and Results**

In the evaluation of training programs Kirkpatrick (1994) suggest there are four levels of evaluation:

![Four Levels of Training Diagram]

**Four Levels of Training:**

- Reactions
- Learning
- Transfer
- Results

---

Ph. D Thesis Suruchi Pandey submittd to TMV
Level 1 Evaluation – Reactions:

Evaluation at this level measures how participants in a training program react to it. It attempts to answer questions regarding the participants' perceptions - Did they like it? Was the material relevant to their work? This type of evaluation is often called a “smile sheet.”

According to Kirkpatrick, every program should at least be evaluated at this level to provide for the improvement of a training program. In addition, the participants' reactions have important consequences for learning (level two). Although a positive reaction does not guarantee learning, a negative reaction almost certainly reduces its possibility.

Level 2 Evaluation – Learning : eg.

To assess the amount of learning that has occurred due to a training program, level two evaluations often use tests conducted before training (pre test) and after training (post test).

Level 3 Evaluation – Transfer

This level measures the transfer that has occurred in learners' behaviour due to the training program. Evaluating at this level attempts to answer the question - Are the newly acquired skills, knowledge, or attitude being used in the work environment of the learner?

Level 4 Evaluation- Results .eg.

Ph. D Thesis Suruchi Pandey submittd to TMV
This level measures the success of the program in terms that managers and executives can understand - increased production, improved quality, decreased costs, reduced frequency of accidents, increased sales, and even higher profits or return on investment.

Evaluating results is obviously easier when they can be quantified. However, it is not always easy to prove the contribution to improved results made by training as distinct from other factors and as Kirkpatrick says "Be satisfied with evidence, because proof is usually impossible to get"

Effective way of evaluating the tangible returns of a Training program is through calculation of ROI (return on Investment). The monetary benefits of the program are compared with the cost of the program. The methods used to convert data should be reported. The ROI calculation for a training program is identical to the ROI ratio for any other business investment:

ROI may also be calculated by:

\[
\text{ROI (\%)} = \left(\frac{\text{benefits} - \text{costs}}{\text{costs}}\right) \times 100
\]

There are four parties involved in evaluating the result of any training: Trainer, Trainee, Training and Development department and Line Manager.

- The Trainee gives a feedback on whether the course has met personal expectations and met the learning objectives set at the beginning of the Programme.
- The Trainer’s concern is to confirm whether the training program has been effective or not.

Ph. D Thesis Suruchi Pandey submittd to TMV
• Training and Development Department or the HR Department analyzes whether the course has made the best use of the resources available.
• The Line manager checks whether the time that trainee has spent in attending training had shown some positive results like, improvement in his /her knowledge, skills or attitude.

This explains the entire process of training as practiced in most of the organisations across industry across globe.

2.2.7. Other Issues Relating Training

This part of literature review is focusing on some other issues involved in managing training function.

Factors of Effective Training Programme:

The training programme can be made effective and successful if the following points are considered.

Conformity with the objectives: Training must be based on the need of a particular department. It must be in accordance with the policy and aims of the department, which it serves, on the basis of job requirements and audit of personal needs compared with operational requirements will help to determine the specific training needs of individual employees. This evaluation should form a well defined set of performance standards towards which each trainee should be directed.

Knowledge and attitudes: Every person should be adequately knowledgeable about the man and materials of the organisation concerned. However, it must be directed to create right attitudes towards the policies of the management. In many training programmes, the creation of the right attitudes is very essential for the development of people. An attempt should
be made to determine whether the trainee has the required intelligence, maturity and motivation to successfully complete the training programme.

**Continuous participation:** The training programme should be planned so that it is related to the trainee’s previous experience and background. This background should be used as foundation for new developments and new behaviour. This is only possible when training is considered as a never-ending process, which never ceases in an organisation. Training must arouse active interest and willingness to cooperate.

**Rewards and Incentives:** In order to satisfy the needs of social approval of the trainee, the management should give sufficient information about the reward whether monetary or non-monetary to the trainees. The trainees should be helped to see the need for training by making them aware of the personal benefits they can achieve through better performance. They should be helped to discover the rewards and satisfaction that might be available to them through changes in behaviour. As the trainee acquires new knowledge and skills and applies them in job situation, he should be properly rewarded for efforts taken by him.

**Support of top management:** The favourable attitude of the top management to the routine process for growth of the managerial cadres’ as well operative level of employees is of paramount importance for the success of a training programme. Attempt should be made to create organisational conditions that are conducive to a good learning environment. The need for the change should be clarified.

**Combination of training methods:** The various methods of training have their relative merits and demerits. It is difficult to claim that a particular method is the best method. According to suitability of the method and the trainees, the appropriate method for a specific training programme should be selected. If
necessary, combination of training methods should be selected so that variety is permitted and as many of the senses as possible are utilised.

**Flexibility:** The trainer should observe the responses of trainees as a result of his stimuli. Asking questions or allowing him to the job according to his direction can observe the responses of the trainee. It should be remembered that all the trainees do not exhibit their progress at same level. It is because of individual differences, the foundation stone of industrial psychology. Hence, flexibility should be allowed in judging of the rate progress in the training programme.

**Involvement of trainees:** Training programme are directed towards fulfillment of certain basic needs of individuals in an organisations, so that they can turn out to be better suited for the discharge of their present or future responsibilities. So, the personal involvement or active participation or the trainee should be brought in to the training programme. He should be provided with the opportunity to practice the newly learnt behaviour norms. It is only possible when involvement, proper listening, participation and reinforcement of principles is given prime importance.

Other factors:
- Regular constructive feedback
- Period of training
- Personal assistance
- Proper selection of trainees.

There are certain points, if implemented and followed sincerely and honestly, will prove the training programme to be a fruitful job. Thus it can be said that sincerity and devotion is needed from the trainees and the training department.

Ph. D Thesis Suruchi Pandey submittd to TMV
The Legal Aspects of Training

One of the most exciting things about training is the opportunity to contribute to the development of people and organisation. But neither the organisation nor the trainer can focus only on what they want to do. As a key player within the human resource function, The trainer has a particular responsibility to ensure that training and development opportunities are designed and delivered in accordance with the prevailing legal requirements and good professional practice.

The following situations can make an employer vulnerable to legal actions and harm the company’s reputation:

- Failing to provide training
- Incurring employee Injury during a training activity
- Incurring Injuries to employees or others outside a training session
- Incurring Breach of confidentiality or defamation
- Reproducing and Using copyrighted material in training classes without permission
- Excluding women, minorities and older employees from training programs
- Not ensuring equal treatment of all employees while in training
- Requiring employees to attend programs that might be offensive
- Revealing discriminatory information during a training session
- Not accommodating trainee with disabilities
- Incorrectly reporting training as an expense or failing to report training reimbursement as Income
- Data protection and Right to Information
The training Budget

Creating and controlling a budget for training is a major administrative responsibility for the training manager. The budget covers all the phases of the training cycle.

The actual budget the funds request granted in response to this request reflects the organisation’s appetite for training, how much of its resources it is prepared to devote to training as the means for its people to learn what they need. It is thus crucially important that training management work hard and continuously to position training in the minds of its internal customers as support for learning not merely as the source of classroom programs; not just as the department where teaching is done, but as the management resource that helps employees learn what the organisation needs them to learn and helps that learning occur faster, cheaper, easier and better.

When budget cutbacks occur, the received, cynical wisdom among trainers is that training money is the first thing to get cut. This is often true. It is also often only half the story. Cuts to the training budget are frequently followed by another phenomenon. Later on after the cutbacks are over if the organisation needs people to learn something if there is clear need for training the rupees for it will somehow be found. They may come from a manager’s discretionary fund, but the rupees will be found! The unmistakable lesson in this is that when learning is clearly seen to be needed, it will be funded. Needless to say the time for training management to argue that its function is to enable and maximize learning is not when budget cuts are announced. The point should be made constantly on a non crisis basis, and above all should be backed up by a track record that makes the argument more strongly than any words can.

Budget categories:

Ph. D Thesis Suruchi Pandey submitted to TMV
There are no hard and fast rules concerning the proper budget categories for training. Organisations define and set up categories in a wide variety of ways. The following list of budget categories are those used in a recent calendar year for the annual budget of a typical training department. However the list that follows is a representative sample of types of expenses a manager of training needs to provide for in training department.

Sample training budget categories:

- Salaries
- Benefits
- Staff Development
- Recruiting
- Consultants
- Furniture and Equipment
- Occupancy
- Marketing
- Communications
- Supplies
- Postages
- Travel
- Entertainment

### 2.2.8 Organizing the training function

It has been said that a training professional must be both a priest and a prophet. The former would provide good counsel to the individual employee; the latter would be able to predict market, technological and organisational development. As a counsellor and a business strategist, training professional works from inside the organisation to ensure that the organisation has a well trained and motivated workforce. To do this it is important to have articulated
a training philosophy and mission on which to build an operating structure for training organisation.

A Training Philosophy and Mission

A philosophy is a system of values. A mission is an activity that is to be carried out. A corporate philosophy for the training department originates at the executive level. Training departments are typically based on one or more of the following philosophies.

According to Armstrong (1999) there are three broad approaches to training open to organisations. Some adopt a lassie-faire approach believing that employees will find out what to do for themselves or through others. (E.g. If skill shortages were to be encountered, they would rectify the situation by poaching staff from other organisations that invest in training). Secondly other organisations may invest in training in good times, but in bad times training budgets will be the first to be cut. Thirdly organisations that adopt a positive training philosophy do so because they are convinced that they live in a world where competitive advantage is achieved by having higher quality people than the opposition. This goal cannot be achieved if managers do not invest in developing the skills and competencies of their employees. It is important for employees to also realise that organisations are showing an act of faith by creating opportunities for further education and enhancement of their skills. This is the proactive approach rather than reactive approach designating training as a continuous and on-going process within the organisation.

1. To prepare employees to develop specific skills necessary to perform effectively in their current job assignments.
2. To build skills and impart knowledge that will make employees more effective in a variety of possible job roles.
3. To prepare employees to take on broader or more demanding job assignments in the future.
4. To help employees recognize and realize their full potential as human beings.

These philosophies are ordered from the most concrete to the most abstract under the first philosophy to prepare employees to develop specific skills necessary to perform effectively in their current job assignment; training resources would be directed at operational training activities that impact worker behaviour. Results would be measurable and would affect the organisations’ outcome and profits.

A training department takes on an informational and strategic role when its philosophy is akin to numbers two and three above. To build skills and impart knowledge that will make employees more effective in a variety of possible job roles and to prepare employees to take on broader or more demanding job assignments in the future. Ideally training efforts within these roles are rewarding to both the organisation and the employee. The most successful programs match what the organisation needs with what employees want to learn.

An organisation primarily espousing solely the fourth philosophy, to help employees recognize and realize their full potential as human being, would have a mission similar to the nation’s educational system. No training department should base itself on employee education to the exclusion of operational, informational, and strategic training. However strategic training programs have added value to employees as those skills contribute to personal mastery and are transferable to any number of different jobs.

A training department’s mission statement is a much more concrete version of its philosophy. The mission statement offers an explanation as to why a training department is organized in a certain way, what the staff does, and how services are delivered. Note that these specific activities set the stage for
what the training department actually does. The mission statement typically falls under one or more of the following descriptions:

1. To establish a basic curriculum of programs and courses that management can access to ensure that employees can do their jobs.
2. To anticipate changing conditions (internal & external) and provide programs to help employees cope with those changes.
3. To provide expertise in analyzing performance problems and devise appropriate solutions.
4. To provide programs that will improve productivity.
5. To respond to request from individual managers/ supervisors for employee training and development

2.2.9 Future of Training:

There is shift in world economy from manufacturing to service orientation (Howard, Fullerton1999). These jobs are characterized by an increase in the clients rather than interacting primarily with co workers and things (Klein & Hall 1988). This is also having implications for training. In service jobs, people to people interaction is critical and people need to be trained for those skills. We are all discovering that teaching interpersonal skills creates the same kinds of challenges as teaching employees how to work with products coming off the assembly line. This is especially the case given the diversity of the workforce and the need for people to work with others who may come from backgrounds with different value systems.

PWC survey on Managing Tomorrow’s People, The future of work to 2020, mentioned changes in people management characteristics including Learning and development challenges in 2020.

The survey indicated three patterns in Learning and development

1. Begins at school. Focus on skills for the job – metrics driven.

Ph. D Thesis Suruchi Pandey submittd to TMV
2. Holistic approach to learning – much provided in-house. But secondments and paid sabbaticals for worthy causes are common.


It is now appropriate to reflect on the concepts involved in a training programme:

- Training is holistic i.e. training; is an integral part of all operational areas within a business rather than a separate function.

- Training occurs all of the time and not just during formal training periods. Through good supervision and management the correcting of incorrect techniques or procedures should occur immediately to ensure the employee in question receives the necessary training.

- Training must be systematic & consistent. If not training becomes devalued and little used, especially if standards demanded are not being met in everyday activities.

- Planning of training is vital and requires attention to detail and careful organisation.

- Training is a vital developmental tool in developing the careers of young people within the Hospitality Industry.

Today training is used as a motivator and can be used as a means of countering labour turnover and attracting good job candidates as more and more young people are now asking whether organisations have a training policy in place.

Finally Boella (1996) believes that training is a tool management should use to increase employees efficiency. It also enables the underlying goals to be achieved by equipping its personnel with the "Competencies, knowledge,
skills and attitudes necessary to achieve whatever realistic aspirations they have in their work by enabling them, through increased competence and confidence to earn more and if desired promotion"
2.3 Conclusion from literature review:

Training and development programme has enabled the employees to do their job more efficiently and effectively. Training and development programme has helped an organisation to prepare employees for a higher-level job, enable employee to use his skill, knowledge, ability to the fullest extent, to improve knowledge skill, efficiency of an employee and to obtain the maximum individual development, to prepare a worker to undertake different jobs if another person is absent, to secure the optimum contribution from employee.

In a Hospitality Industry Unit different kinds of training programmes are carried out.

**Induction training** is treated as must and is crucial to make employees aware of organisations culture, services, practices and customer interface.

Once employee joins the company, he has to undergo training, which includes **position rotation**. An organisation consists of various departments like Front Office, Bell Desk, Kitchen, Room Service, Foods and Beverages etc. Under this system of training employee has to acquire the general background and knowledge of the functioning of each department. This kind of training helps to introduce an employee to all departments and understand role of each department.

Sometimes employee who is going to abroad for office work has to undergo training to learn the **culture** of a particular country.

Safety managers undergo different training programmes and they then train the employees. **Safety training** is very essential in an organisation. Also for managers and executives there are training and development programmes. Training in safety, health and hygiene keeps a special relevance in this
Industry. Hazard Analysis Critical Control Point (HACCP) training is must in hotel industry.

**Soft Skills**, Communication skills, behavioural skills, meeting / greetings and customer care also occupy a major share in training activities in hospitality industry units.

In depth literature review from various sources as reference books, Journals, Magazines, online library, internet has been done on training and development as well as Hospitality Industry. Limitation of latest data and literature in the field of training and development in hospitality industry was realized during literature review. Present study is an attempt to bring about status report on training activities in hospitality industry.

It is very evident from the literature review that hospitality industry is growing very fast. There are various factors which reveal the fact as Recruitment Trends, Partnership with Management, Hotel Management Training Institute, Travel Trends, Increasing number of brands including international chains, Investments by foreign venture capitalist. However the gap in the literature reveals experimentation in the field of training and development in the industry. This is a growing phenomenon and there is no specific model being followed for training and development in hospitality industry. Though some efforts are being carried out by large and medium size organisations.

Experiments in the field of training and development are made on ad hoc basis. It is evident that manpower turnover is quite high in this industry that may also be the reason why consistent efforts are not available/ evident.

The review of literature on training and development reveals that the training and development activities must go through at least three stages of development:

Ph. D Thesis Suruchi Pandey submittd to TMV
• In-depth Induction training provided to new joinees. Induction seems to be the only process by which training is imparted systematically in most of the organisations.

• Technical and functional training is usually offered at functional level to improve productivity as training is treated as the only method to increase productivity and efficiency. However it is more on “on the job” basis and frequently it is related to the events and daily briefing.

• Training should be observed as integrated part of HR which begins from induction and ends with planning for retirement. Obviously hospitality being young industry, it has not yet reached the third stages.

The review of literature also reveals lack of information on any standard process on training activities in hospitality industry. Such process and procedures specific to particular size and type of hospitality industry unit is not yet available. Though there is possibility that in advance countries big organisations depending only on the revenue from hospitality must be making experiments in the area but information on paper is not available for study and reference purpose.

Thus it is clear that in-depth study of training in hospitality industry is required considering the variety of sizes hospitality units operate. Some standardise process and procedure which could be utilise for five star hotel units. This has thrown challenge on researcher to know what has been done and what needs to be done. The present study makes an attempt to understand the environment and practices of training in five star hotels. The current research is an attempt to study the status of training in hospitality industry as a contributory factor for the growth of the industry in selected five star hospitality industry units in Pune.

It was a challenge for the researcher to make an in-depth study of three selected five star hospitality units with reference to training and development.
activities. However the challenges are adequately met by observing the appropriate research methodology which is fully discussed in the next chapter. The next chapter outlines the research methodology for completing the objectives of the research data collection.