CHAPTER 1
Introductory Background of the Study
Chapter - 1

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This thesis introduces a research investigation that fervid aims to assess training culture in large-sized travel agencies at Delhi. The key objective of this research is to explore the influence of training culture on certain job behavioral variables viz. job performance, organizational commitment and turnover intention. The first chapter of the thesis commands the outline of the entire construct on a wider context in an extensive manner. In this chapter, Researcher endeavors to advance an exhaustive framework of the principle persistence for carrying out this study. A sneak peak of the research objectives has been presented alongwith the significance of this study in the contemporary environment. Outline of the thesis in which the work is intended to be accomplished has also been discussed in a profound way.

1.1 Background

"Learning without thought is labour lost. Thought without learning is intellectual death." Confucius.

Among the firm’s intangible resources, human capital is the most important and critical for competitive advantage but it is the most difficult to imitate. The present day situation encourages high level of attention to human resource development (HRD). It is increasingly perceived not only as a stable and reliable source of achieving business strategy, but also as a expedient of building core competence to promote organizational growth and sustainable competitive advantage (CA) in the organization (Watkins & Marsick, 1992; Deb, 2006; Torrington, Hall, & Taylor, 2008; Iandoli & Giuseppe, 2008; Jehanzeb & Bashir, 2013).

The development of human resource (HR) has assumed importance particularly after the Indian government’s focus on HRD in 1980s. It was further reinforced with the introduction of liberalized economy, followed by the globalization of world trade and global competition (Rao, 2008). An irresistible growth of change flows throughout the world of business, government and commerce. There is impact on organizations and their people from change generated externally, as well as by change generated within the organization as it pursues its performance objectives. The
need for capabilities both to handle the impact of change and take advantage of the
capabilities of change underpin an ever-growing need for learning for individuals,
teams and organizations (Mackey & Livsey, 2006). HR is now considered as the
human capital and much importance is given to the development and training of this
unique resource. The one area in HR that found global visibility is training. For this
purpose, every corporate entity needs ISO certification, which enjoins on the industry
to impart regular training to its workforce. Thus, training has taken the centre stage at
the beginning of the new millennium. Training has a direct relationship to HR’s
concern about human capital development and globalization of workforce (Rao,
2008). Hence, an organization that seeks a competitive advantage through human
resources must both acquire the “right” resources and then take the steps required to
leverage them.

With today’s volatile economic conditions, no organization can afford to
overlook the value of skilled, impulsive and groomed employees. In today’s global
scenario, when there are currency crises, only those organizations are going to survive
that train the most crucial assets i.e. human resource. To survive and flourish in
present day corporate world, companies should invest time and money in upgrading
the knowledge and skill of their employees constantly. For any company that stops
itself from changes, and does not give due weightage to training is definitely going to
shatter. Training has increased in importance in today’s environment where jobs are
complex and specifications of jobs change rapidly. Organizations that do not pay
proper heed towards imparting new skills to employees, may find themselves on the
back foot in rapidly changing competitive environment when talented employees
leave in frustration and other employees would find it difficult to beat rivals with new
products, sophisticated designs and improved way of selling. Chahal (2013) candidly
eulogizes, “training and development enables employees to develop skills and
competencies necessary to enhance bottom-line results for their organization”, these
importance have been frequently paraphrased by researchers alike Silva (1997),
McKillip (2001), Petridou and Spathis (2001), Gumuseli and Ergin (2002), Prangoska

In recent years, the concept of training culture (TC) has undergone attention
from HRD researchers. Apart from being a relatively new topic that provides
numerous research opportunities to the researcher, TC literature can also be attributed
to its importance in terms of a HRD practice. As has been widely reported in the literature, training investments often fail to deliver the desired and expected outcome because of unfavourable training culture of the concerned organization. Hence, through different approaches, researcher strenuously attempts to offer better exegesis of the training culture phenomenon and thus provide answers with regard to which factors can facilitate or impede expected outcomes from training investments.

In spite of huge expenditures on training of staff, there is little evidence whether a satisfactory level of training culture does inhere inside the organizations or not. For training culture to take place, trainees must apply, generalize, and maintain new knowledge and skills across different situations that could result in better performance of employees in the organization. The emerging viewpoint acknowledges that training is a multifaceted, complex process influenced by both environmental and individual factors (Bhati, 2007); therefore, a more in-depth understating of the factors that influence training culture is required. The present literature evidences certain training culture related variables; training design, training methods, supervisor role, trainees’ characteristics, training transfer, training evaluation, environmental factors (Subedi, 2006; Ismail, Sieng, Abdullah, Francis, 2010; Abdullah & Suring, 2011; Amidi & Jusoh, 2013; Wen & Lin, 2014), which will be covered in review part.

As far as the tourism sector is concerned, an affair for training has been developed over the year recognizing that human capital in the tourism industry cannot be viewed any longer as simply a cost element and its development has become an essential pre-requisite for success. New and mounting challenges and competitions in the global marketplace require adoption of appropriate strategies. It is the human element which sets one company apart from others; that good sale of organization’s products and services is only possible when the employees are properly trained for the task; hence all companies in this sector need to be sensitive to the needs of their customers. Thus, tourism organizations should train personnel by implementing various competency based training programs with care and the training needs of the employees should receive special attention.

In general, training culture is considered to have a positive effect in organizations by enhancing the skills and competencies of employees. In the present
scenario of globalization and liberalization, the intensity of competition increases day by day in all spheres of business, and Tourism Industry is no exception to it. While all the resources at the command of an organization can be imitated by the competitor to have an edge over the rivals, it is the HR which eludes the duplication due to its uniqueness. HR is not just a number game, it is the sum total of the inherited intelligence, acquired knowledge, learned skills and accumulated experiences over the years (Manisha, 2011). Denton (2001) elucidates, “almost all scholars would agree with the assertion that organizations must be able to learn.” Thus, organizations have to have imperative competence in its employees by instilling the seeds of favourable training culture.

Although there has been a dramatic resurgence in research on training, but researcher has not found studies investigating training culture in any organization empirically. As a result, there is a lack in constructs anchored in the assessment of training culture, hence the consequent is limited theory about training culture. This study took the perspective that training culture is all about developing and applying human capital in ways that make organizations more productive, and that learning and its transfer (application) are main processes in organizational development. Eventually Researcher speculated that training and the factors that support the transfer of training are part of a training culture that values the creation, sharing, and application of knowledge at the workplace.

In this study, Researcher further describes the results of efforts to develop grounded constructs of training culture based on existing literature, to develop a model of training culture in travel agencies, and to test the influence of training culture on job behavioural variables. Before analysis, Researcher briefly reviews the status of training culture related research, emphasizing the need for the development of employees need based constructs and measures grounded in the employees’ job behaviour. Then Researcher describes research methods and procedures, presents the results of the study, and discusses the significance of these results for understanding of training culture in travel agencies.

1.2 Training Culture: An Overview

In present day context; uncertainty, hazard and entanglement have became the most striking particle of most of the major organization. Organizations find it vexed to
stay competitive in globally integrated market. Therefore, it is imperative for the organizations to make their human resources competent because only those organizations are going to remain that train and retrain their workforce. Organizational growth, change and success eventually depend on the actions of human beings. A well groomed, updated and awarded employee in an organization is just like a close circuit hidden camera meaning thereby that employees are esteemed resource of the organization and it is the employees’ performance upon whom success or failure of the organization rely.

Schein (2010) succinctly highlighted “we are in an age of peril, especially from the potential dangers of rapidly increasing complexity in all of our technologies.” In addition, astoundingly, this brings our attention to focus on culture. In this turbulent environment there is an increasing acknowledgement that organizations need a culture that supports continuous training and development of employees within an organization. Establishing a favourable training culture can be sometimes a panacea to this chaos. TC can be seen as the drive to deal with contemporary issues in order to develop employees, promote training and development program and encourage self-learning. The rapid growth in knowledge, technology and scientific change combined with the organizations that will favour those employees who have a broad based and transferable set of behaviours and skills; these competencies can be sustained and developed inside the employees through continuous training. Continuous learning has become a necessity and training culture provides a basis for this to occur.

In a “training culture”, the assumptions is that the most important learning happens in events, such as courses, eLearning programs, workshops and conferences often in response to regulations/requirements and perceived staff inadequacies, often with little focus on the transfer of learning to work. The responsibly for employee learning resides with instructors and training managers, siloed to the training department, thus by its very nature is mostly formal. Consequently the focus is one that is top down, with the assumption that trainers drive learning (Miley, 2015). The learning and development function is evaluated on the basis of delivery of programs and materials usually. The number of courses offered to employees and number of employees attended these courses are particularly important to management. In a training culture the functions of training departments is centralized and in many cases
controls the resources for learning. Employees and their managers presume that if new competencies are required, they should focus on this centralized function.

Training culture of an organization significantly determines everything from design of training to its implementation, and to some extent employee’s performance and satisfaction after having a training program. An organization should always strives for maintaining a satisfactory level of favourable training culture. Employees’ growth and development, capability to transfer training and individual productivity are to some extent influenced by the culture of an organization. An organization should encourage learning at all levels among the employees to facilitate a favourable culture to training. This kind of culture will definitely create space for people to question, think, learn and constantly reform the things. Without any kind of doubt, this culture can prove to be an essential quality of excellent companies. If organization has a culture where creativity and continuous improvement are valued highly, learning will no doubt take a prominent place in that organization.

Moreover, it has been noted that training culture supports the acquisition of information; the distribution and sharing of learning and it reinforces and supports continuous learning and its application to organizational improvement. Such a culture is reflected by an organization-wide pattern of values and beliefs about the importance of training, its implementation and dissemination. These values and beliefs are based on observable and salient work context factors such as norms associated with training design, supervisors that support ongoing employee development, and managerial practices that facilitate efforts directed at change and innovation. These values and beliefs function to shape training culture associated with the acquisition and application of new knowledge and skills and are reflected in factors such as self learning, good performance, improved organizational commitment and beliefs about the value of change and improvement through training.

An organizational training culture becomes important in the consideration of employee performance, their organizational commitment, and in their retention because it makes an employee competent, aware and updated which enables him to anticipate and adapt to the dynamics of a changing environment. In fact, an organizational training culture has been characterized as one in which all organizational members’ value learning and strives for high performance through the
application of training they received. Available literature on training is therefore, in a situation, where the need to learn at an organizational level is widely accepted, yet there is little or no discussion on how organizations should achieve favourable training culture. What is clear, however, is that both practitioner-oriented and academic authors have begun to acknowledge that people and knowledge are key determinants of organizational effectiveness (Denton, 2001).

1.3 Travel Trade Sector: An Overview

According to Ministry of Tourism, Government of India (2004) there is nearly 6000 travel trade companies and firms comprising of tour operators, travel agents and tourist transporters. Approximately, 1500 are members of representative trade bodies, i.e. associations.

Table 1.1 shows the status of trade bodies operating in India and the number of travel and trade business approved under these trade bodies. Travel Agent Association of India (TAAI) witnessed the highest number of members i.e. 1000. While Indian Association of Tour Operator (IATO) has 855 members and Indian Tourist Transport Association (ITTA) reported 100 members. On the other hand Adventure Tour Operator Association (ATOA) reported least number of members i.e. 75.

According to Ministry of Tourism, Government of India (2004) the number of travel trade businesses could be increasing at an average of 7.5% per annum. The 27 cities covered by their primary research account for more than 95% of all travel trade businesses. In fact, all the TAAI members are present in these cities.

Table 1.1: Tour and Travel Business

<table>
<thead>
<tr>
<th>Trade Body</th>
<th>No. of Members</th>
</tr>
</thead>
<tbody>
<tr>
<td>Travel Agent Association of India TAAI</td>
<td>1000</td>
</tr>
<tr>
<td>Indian Association of Tour Operator IATO</td>
<td>855</td>
</tr>
<tr>
<td>Adventure Tour Operator Association ATOA</td>
<td>75</td>
</tr>
<tr>
<td>Indian Tourist Transport Association ITTA</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Ministry of Tourism, Government of India, 2004
1.3.1 Travel Trade Business across India

Tourism is one of the world's fastest burgeoning industries as well as the major source of foreign exchange earnings and employment for many developing countries. Travel and Tourism is the largest service sector in India (A brief report on Tourism in India, 2015). Tourism is vital to the well being of many countries, because of the fact that it generates income by the consumption of goods and services by tourists, expand the employment opportunity, enables infrastructure development and economic advancement. Millions are being spent by every country to make and promote their country a better tourist destination (Kakkar, & Sapna, 2012; Rath, Singh, & Lopes; Mir, 2014; Sharma & Nisha, 2015).

Tourism in India is broadly classified by its regions – North, East, West and South Indian tourism. Each part of India offers identifiable differences from the rest of the nation (A brief report on Tourism in India, 2013). Tourism in India has come into its own as a brand- India Tourism. The creation of niche tourism products like medical tourism, wellness tourism, religious circuits, adventure tourism, cruise tourism, and caravan tourism has served to widen the net of this sector (A brief report on Tourism in India, 2015).

Table 1.2 highlights the number of Tour and Travel units of each of the region in India in March 2010. In all, there are more than 8,000 Tour & Travel entities in India, spread across the four geographic regions. Travel agencies and tour operators account for 38% and 43% of them respectively. North and South account for almost two-thirds of all travel and tour entities in India. South region has the highest number of travel agencies i.e. 1018, while north region witnessed highest number of tour operator i.e. 116. Adventure tour operators are mostly found in north region. The reason may be weather and natural thrill of Northern India.
Table 1.2: Number of Tour & Travel Units in March 2010

<table>
<thead>
<tr>
<th>Region</th>
<th>Travel Agency</th>
<th>Tour Operator</th>
<th>Adventure Tour Operator</th>
<th>Tourist Transport Operator</th>
</tr>
</thead>
<tbody>
<tr>
<td>East</td>
<td>501</td>
<td>344</td>
<td>--</td>
<td>138</td>
</tr>
<tr>
<td>North</td>
<td>700</td>
<td>1595</td>
<td>112</td>
<td>392</td>
</tr>
<tr>
<td>South</td>
<td>1018</td>
<td>862</td>
<td>--</td>
<td>731</td>
</tr>
<tr>
<td>West</td>
<td>840</td>
<td>550</td>
<td>7</td>
<td>159</td>
</tr>
<tr>
<td>North East</td>
<td>13</td>
<td>116</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>All India</td>
<td>3072</td>
<td>3467</td>
<td>119</td>
<td>1420</td>
</tr>
</tbody>
</table>

Source: Ministry of Tourism, Government of India, 2012

1.3.2 Employment in Travel Trade Sector

Travel and tourism is the largest service industry in India. It is expected that the tourism sector’s contribution to the country’s gross domestic products (GDP) will grow at the rate of 7.8 per cent in the period 2013-2023. The India tourism sector has been flourishing in recent years due to the improved connectivity to and from the country. Also, a better lodging facility at the tourist destination has been a factor which has contributed to increase Foreign Tourist Arrivals (FTA) (A brief report on Tourism in India, 2015). The total contribution of Travel & Tourism to GDP was INR 7,642.5 billion (6.7% of GDP) in 2014 and to rise by 7.3% per annum to INR 16,587.2 billion (7.6% of GDP) in 2025. In 2014, the total contribution of Travel & Tourism to employment, including jobs indirectly supported by the industry, was 8.7% of total employment (36,695,500 jobs). This is expected to rise by 2.0% per annum to 45,566,000 jobs in 2025 (9.0% of total). India stands on 12th positions in world ranking of Travel and tourism’s total contribution to employment (WTTC, India, 2015). Nowadays tourism contributes in a major way to a country’s economy. Millions of dollars are spent by countries to make it a better tourist destination. FTAs during the Month of May 2015 were 5.11 lakh as compared to FTAs of 4.68 lakh during the Month of May 2014 and 4.17 lakh in May 2013. There had been a growth of 9.2% in May 2015 over May 2014 (Ministry of Tourism, 2015). Travel and trade
business is growing rapidly, providing ample opportunities to employment. According to Ministry of Tourism, Government of India (2012), approximately 14000 trained human resources needed in travel trade sector in India.

Table 1.3 succinctly exhibits the status of employment in travel and trade. North Region witnessed the highest number of travel and trade firms in 2010, i.e. 2799 followed by South Region. On the other hand North East reported the lowest number of travel and trade firms in 2010, i.e. 129.

<table>
<thead>
<tr>
<th></th>
<th>East</th>
<th>North</th>
<th>South</th>
<th>West</th>
<th>N East</th>
<th>All India</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Travel &amp; Tour Firms in 2010</td>
<td>983</td>
<td>2799</td>
<td>2611</td>
<td>1556</td>
<td>129</td>
<td>8078</td>
</tr>
<tr>
<td>Average Growth</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2</td>
</tr>
<tr>
<td>Total Employment</td>
<td>8054</td>
<td>31597</td>
<td>35792</td>
<td>20370</td>
<td>410</td>
<td>96223</td>
</tr>
<tr>
<td>Average Employment Intensity</td>
<td>10.5</td>
<td>12.6</td>
<td>14.0</td>
<td>14.0</td>
<td>2.0</td>
<td>1.2</td>
</tr>
<tr>
<td>Annual Demand for Manpower in 2010 Trained Manpower Output</td>
<td>NA</td>
<td>402</td>
<td>5989</td>
<td>7817</td>
<td>NA</td>
<td>14213</td>
</tr>
<tr>
<td>Trained Manpower Output (Student who graduated in 2009-2010)</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>17473</td>
</tr>
</tbody>
</table>

Source: Ministry of Tourism, Government of India, 2012

In India, Tour & Travel units employ more than 96,000 people across its different functions. In this tour operators share a highest ratio in providing employment opportunities to Indians i.e. 35.4 %, followed by travel agencies and tourist transport operator with the contribution of 32.85% and 30.6% respectively. Tour operators and adventure tour operator provide highest employment in north region of India, while travel agencies and tourist transport operator provide highest employment in south region. North east witnesses the least employment opportunities,
while North India reported highest employment opportunities by the overall travel trade business.

Table 1.4: Total Employees in March 2010 (Region Wise)

<table>
<thead>
<tr>
<th>Region</th>
<th>Travel Agency</th>
<th>Tour Operator</th>
<th>Adventure Tour Operator</th>
<th>Tourist Transport Operator</th>
</tr>
</thead>
<tbody>
<tr>
<td>East</td>
<td>4509</td>
<td>688</td>
<td>--</td>
<td>2857</td>
</tr>
<tr>
<td>North</td>
<td>8120</td>
<td>14355</td>
<td>1008</td>
<td>8114</td>
</tr>
<tr>
<td>South</td>
<td>10893</td>
<td>9913</td>
<td>--</td>
<td>14986</td>
</tr>
<tr>
<td>West</td>
<td>8064</td>
<td>8745</td>
<td>63</td>
<td>3498</td>
</tr>
<tr>
<td>North East</td>
<td>39</td>
<td>371</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>All India</td>
<td>31625</td>
<td>34072</td>
<td>1071</td>
<td>29455</td>
</tr>
</tbody>
</table>

Source: Ministry of Tourism, Government of India, 2012

1.3.2.1 Employment Pattern

Travel and trade business in India is growing at a fast rate, providing many opportunities to employment. According to Ministry of Tourism, Government of India (2012) on an average, a travel trade business employs 14-15 people. The key functions among travel agencies and tour operators are those of group tours, ticketing, administration and accounts. These account for 55% of all the employees in this sector. The tour section employees a substantial numbers of causal workers (to the extent of 20%).

Table 1.5 exhibits that the Tours and Ticketing departments employ half of the total employees. On the other hand Foreign Exchange and Facilitation departments reported the least employees’ employment, followed by Sales and Marketing department.
Table 1.5: Total Employees in March 2010 (Department Wise)

<table>
<thead>
<tr>
<th>Departments</th>
<th>Travel Agency</th>
<th>Tour Operator</th>
<th>Adventure Tour Operator</th>
<th>Tourist Transport Operator</th>
<th>% in Functional Domains</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration/</td>
<td>5628</td>
<td>4193</td>
<td>357</td>
<td>4436</td>
<td>15</td>
</tr>
<tr>
<td>Operation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ticketing</td>
<td>8788</td>
<td>8059</td>
<td>--</td>
<td>6565</td>
<td>24</td>
</tr>
<tr>
<td>Foreign Exchange</td>
<td>1205</td>
<td>2555</td>
<td>--</td>
<td>177</td>
<td>4</td>
</tr>
<tr>
<td>Tours</td>
<td>7789</td>
<td>11139</td>
<td>357</td>
<td>5678</td>
<td>26</td>
</tr>
<tr>
<td>Sales &amp; Marketing</td>
<td>2851</td>
<td>3866</td>
<td>238</td>
<td>1065</td>
<td>8</td>
</tr>
<tr>
<td>Accounts</td>
<td>3924</td>
<td>3145</td>
<td>119</td>
<td>10469</td>
<td>18</td>
</tr>
<tr>
<td>Facilitation</td>
<td>1440</td>
<td>1114</td>
<td>--</td>
<td>1065</td>
<td>4</td>
</tr>
<tr>
<td>Total</td>
<td><strong>31625</strong></td>
<td><strong>34072</strong></td>
<td><strong>1071</strong></td>
<td><strong>29455</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Source: Ministry of Tourism, Government of India, 2012

1.3.2.2 Employment Intensity

Figure 1.1 highlights the employment intensity of Travel Trade sector. Employment intensity is highest in Ticketing department, followed by Tour and then Accounts departments. On the other hand Foreign Exchange department witnessed the least intensity in employment as compared to others, followed by Sales and Marketing, and Operation departments. Ticketing and Tour departments account for more than half of the employment intensity.

The employment intensity varies across different types of travel trade businesses, as indicated in the Table 1.6. Travel agency that provides all services witnessed highest intensity in terms of employment i.e. 1660 employees per 100 companies, followed by tourist transporter i.e. 1600 employees per 100 Companies. On the other hand Travel Agency reported least employment i.e. 730 employees per 100 companies/ firms. Overall employment intensity is 1430 employee per 100 companies.
Figure 1.1: Employment Intensity

Source: Ministry of Tourism, Government of India, 2004

Table 1.6: Employees in Travel Trade Business

<table>
<thead>
<tr>
<th>Type of Travel Trade Business</th>
<th># Employee per 100 Companies/ Firms</th>
</tr>
</thead>
<tbody>
<tr>
<td>Travel agency that provides all services</td>
<td>1660</td>
</tr>
<tr>
<td>Travel Agency</td>
<td>730</td>
</tr>
<tr>
<td>Tourist Transporter</td>
<td>1600</td>
</tr>
<tr>
<td>Tour Operator</td>
<td>1180</td>
</tr>
<tr>
<td>Overall</td>
<td>1430</td>
</tr>
</tbody>
</table>

Source: Ministry of Tourism, Government of India, 2004

Number of Employees per 100 Units

Each travel agency, on an average, employs 8 people. The employment intensity of tourist transport operators is the highest at almost 21.
1.3.2.3 Employment Potential

According to the World Travel and Tourism Council (WTTC) India is believed to be one of the top most tourism spot from 2009–2018, having the highest 10 year growth potential. Only a slight improvement in these areas can result in a huge improvement in the tourist visits. India is a multi-cultured and multi-religious country with variant season across regions. Thus India offers a huge scope of witnessing new places, new cultures, new traditions, and new festivals. This is the reason why India is considered to be one of the most promising markets in tourism sector. Also, due to the shift in economy and a growing middle class in India is expecting a huge increase in the domestic tourism sector (Ministry of Tourism Government of India, 2007).

Figure 1.2: No. of Employees per 100 Units

Source: Ministry of Tourism, Government of India, 2012
<table>
<thead>
<tr>
<th>Functional Area</th>
<th>Number of Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ticketing</td>
<td>20,850</td>
</tr>
<tr>
<td>Accounts</td>
<td>12,150</td>
</tr>
<tr>
<td>Tours</td>
<td>12,850</td>
</tr>
<tr>
<td>Administration</td>
<td>10,400</td>
</tr>
<tr>
<td>Operation</td>
<td>9,500</td>
</tr>
<tr>
<td>Sales &amp; Marketing</td>
<td>4,750</td>
</tr>
<tr>
<td>Foreign Exchange</td>
<td>3,100</td>
</tr>
<tr>
<td>Others</td>
<td>9,900</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>83,500</strong></td>
</tr>
</tbody>
</table>

**Source:** Ministry of Tourism, Government of India, 2004

Generally, a travel agency has several departments to concentrate over a particular area of function. Its department mainly consists of administration/operation department, ticketing department, foreign exchange department, tour department, sales and marketing department and accounts departments. There are close to 83500 people working in travel trade related businesses. As indicated earlier, bulk of them are employed in the functional areas of ticketing, administration accounts, tours and operations. Table 1.7 cogently shows employment potential according to function of this business. Ticketing function reported highest employment potential i.e. of 24 %, followed by tours 15% and accounts 14%.While foreign exchange function witnessed the least employment potential 3.7 %, followed by sales and marketing.

**1.3.2.4 Employment Forecast**

The travel agencies interviewed by Ministry of Tourism indicated that the numbers of customers are increasing every year so fast. This represents a robust growth in the travel agents’ business. However, it was felt that although this business would increase definitely, employment would not increase proportionately. This is because the internet and other electronic technologies will reduce the employment intensity (Ministry of Tourism, Government of India, 2004). An employment forecast based on a conservative growth estimate is mentioned below.
Table 1.8: Employment Forecast

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Employment in Sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002</td>
<td>83,500</td>
</tr>
<tr>
<td>2010</td>
<td>148,500</td>
</tr>
<tr>
<td>2020</td>
<td>242,250</td>
</tr>
</tbody>
</table>

**Source:** Ministry of Tourism, Government of India, 2004

1.4 Statement of Problem

Tourism and Travel industry is developing at a remarkable rate. It has mushroomed tremendously in most recent couple of decades and has turned into a critical part in the economy of many nations. Thousands of people are wholly dependent upon this industry for their livelihood. In case of India, it has been acknowledged that tourism has come out as an instrument of income and employment generation, poverty alleviation and sustainable human development. According to WTTC (2015) Travel & Tourism directly supported 23,024,000 jobs that are 5.5% of total employment in the year 2014. Travel & Tourism’s contribution to total employment is expected to rise by 2.2% per annum to 29,020,000 jobs (5.7% of total employment) in 2023.

Eventually travel agencies in India have assumed high priority with the growth of tourism and the diversification of tourism activities. Indeed, the present-day tourism and travel is very much dependent upon the abundant functions of travel agencies; it is unthinkable for a tourist to plan for its tour without the consultancy of travel agencies. Ministry of Tourism, Government of India estimated that there are nearly 6000 travel trade companies and firms comprising of tour operators, travel agents and tourist transporters operating in India. Approximately, 1500 are members of representative trade bodies, i.e. associations. Travel agencies ensure smooth, comfortable and definite travel by taking all the responsibilities of making reservations and assist the passengers in completing all the formalities involved in the travel. The competitive scenario and mushrooming growth of service organization have invigorated the need to look beyond customer satisfaction towards customer retention, adhesion and commitment. Indeed, travel agencies are service organization, therefore it become incumbent to determine the exact way of tracking customer by
gratifying their needs and stay competitive in this volatile world. At this point it is very incumbent to have well trained, updated and skilled human resources so that all the operations and functioning of travel agencies can be managed effectively and efficiently.

Apart from this, an irresistible growth of change flows throughout the world of business. This transformation brought by globalization affects all industry in which travel agencies are not left out. In this transformation move, therefore, it is imperative for travel agencies to move along with the changing demands of the globalization process. Rapid technological changes require newer skills and knowledge in many areas. A trained, skilled and caliber employee meets all those requirements, satisfies its client in all aspects, and minimizes the chance of complaints from clients about the services offered. It is in this way imperative to inspect the genuine effect of training culture in travel agency on the grounds that this is an innovative and turbulent age and everyone is concerned about training, new technology and innovations.

Besides, the motivation to choose the large-sized travel agency and not to focus on small and medium-sized travel agency is that LSTA have separate HRD departments, their workforce is comparatively large, and it carries out multiple activities. Henceforth, with more workforces large-sized travel agencies have to concentrate more on the changing needs of the external and internal environment. Travel agencies are burgeoning business and expected to provide several employment opportunities to the Indian citizens. Thus, it is important for travel agencies to maintain necessary competence in their employees through maintaining favourable training culture. Hence, researcher did the necessary literature survey and on the basis of that hypotheses of the study have been formulated. Then these hypotheses have been tested so as to find out the influence that training culture has on certain job behavioral variables i.e. job performance, organizational commitment and turnover intention.

1.5 Rationale of the Study

The continual development in the field of HRD has led to a number of critical factors being highlighted in the literature, including training and development, knowledge management, learning organization, leadership etc. It has been observed that practitioners and researchers have now realized the importance of the cultural
aspects of training. It is widely acknowledged that development of employees depends not merely on training programs, but more broadly on the training culture of an organization, and that culture is simply a facilitator of training. Training culture is more than just delivering a training program and taking feedbacks from the trainees, it is a continuous process that requires commitment to acquire and disseminate knowledge, skills and attitude in the organization.

One problem that many organizations face today is that trainees are not applying to the workplace what they have learned during their training. Therefore, the investment on training is often perceived as a waste of time, resources, and money (Broad & Newstrom, 1992; Baldwin & Magjuka, 1997; Baldwin & Ford, 1988; Burke, 2001) and in some instances, this training may even have a negative impact on performance and productivity (Clark, 1989; Morrow, Jarrett, & Rupinsky, 1997). Such concerns triggered the current study, which identified the key constructs of training culture that will help to eliminate unproductive approaches to training and thereby assists in identification of effective training techniques and provides management with information on how to solve performance issues. It would also be useful to examine the training’s contribution, credibility, and value to the organization.

The past researchers have repeatedly pointed out training and its different perspective. Researchers highlighted that training has significant effects upon employee’s job behaviors, and many research studies have been conducted to determine the relationship between training and performance of employees (Appiah, 2010; Tanveer, Shaukat, Alvi & Munir, 2011; Afaq, Yusoff, Khan, Azam & Thukiman, 2011; Jagero, Komba & Mlingi, 2012; Singh & Mohanta, 2012; Amin, Saeed, Lodhi, Mizna, Simra, Iqbal & Tehreem, 2013; Ameeq & Hanif, 2013; Iqbal, Ahmad & Javaid, 2014). Similarly the relationship between training and turnover intention has been the focus are of many researchers (Egan, Yang & Bartlett, 2004; Shore, Tetrick, Lynch & Barksdale, 2006; Mohamad & Aizzat, 2006; Connie & David, 2009; Mehmood, 2012; Alhassan, 2012; Emami, Moradi, Idrus & Almutairi, 2012) throughout the world. Moreover, the view is that the study of training has gained ample importance in the literature of management and HRD but the area of training culture is less explored in Indian context. Therefore, this research will be a starting point to the body of knowledge by providing to the literature a new concept
and model on a subject which is not much focused by researchers and academicians. Moreover, investigation by the researchers found very little literature (Lather, Garg & Vikas, 2008; Lather, Garg & Vikas, 2011) relating to training in Travel agencies in India. Therefore, paucity of previous researches on this formidable extent has necessitated this imperative research study in Indian context.

An important aspect of the current study is an investigation of training culture that how does it influence job performance and organizational commitment. The influence of training culture on turnover intention of employees has also been investigated with the introduction of job performance and organizational commitment as a mediating variable, besides just finding out how far the administration is willing to empower and develop the skills and knowledge of their employees. It is hoped that this initial study will stimulate interest and debate. This can lead to a harmonized approach to training culture in this sector.

In sum, according to past researches, the perception of a training, job performance, and organizational commitment can affect one’s motivation and efforts that result in reducing turnover intention of employees. All of these factors have been the focus of a considerable amount of research over the past decades. However, relatively few empirical studies have been conducted on these factors specifically in travel agencies of India. Therefore, an attempt has been made to assess training culture in large-sized travel agencies by considering these job behavioural variables.

1.6 Research Objective

This study aims to fill the identified gaps emerging from a review of pertinent research (Chaper-2) in the areas of training culture and so the aim of the study is:

- To assess the concept of training culture (TC) in large-sized travel agencies by crystallizing a model containing constructs, mediators and outcome of TC.

Drawing on this, following specific objectives are formulated;

1. To study Training Culture (TC) and related constructs.
2. To evolve a measure of Training Culture (TC) for travel agencies in India.
3. To assess the influence of training culture on job performance, organizational commitment and turnover intention of employees of travel agencies under study.

4. To explore the mediating role of job performance and organizational commitment in the relationship between training culture and turnover intention.

5. To analyze the perception of employees on training culture across age, gender, educational qualification and work experience.

6. To propose measures for instilling Training Culture (TC) in travel agencies.

1.7 Research Questions

To achieve the above research objectives, this study seeks to deal with the following three main research questions:

1. Does training culture influence job performance, organizational commitment and turnover intention of employees working in LSTAs at Delhi and if so, then to what extent does it influence?

2. Do job performance and organizational commitment moderate in the relationship between training culture and turnover intention of employees working in LSTAs at Delhi and if so, then to what extent do they moderate?

3. Do significant differences exist among employees working in LSTAs at Delhi based on demographic characteristics with respect to Training Culture?

1.8 Significance of Study

The world today is the world of avant-garde changes. Quality of service has become the watchword in today's competitive scene, because when there is proper quality of services for the customers, it will lead to their satisfaction. In this contemporary working environment employees play a very essential role for virtually all kind of organizations. The role of training in human resource management practice has been continuously renewed and vigorously debated. It is a surely known fact that training enhances workers performance and productivity of the organizations (Sherman & Snell, 1998; Palo & Padhi, 2003; Ertemsir & Bal, 2012; Chahal, 2013; Ng, Ignace & Dastmalchian, 2011; Muzaffar, 2014). Training is an intervention
directed at improving an employee’s knowledge, skills, and attitudes in the workplace. Training, now a multi-billion-dollar industry, has been a constant focus area for managers of most of the organizations worldwide and is viewed as a powerful vehicle to improve performance (Baldwin & Ford, 1988). With the realization of the importance and various dimensions of training, the concept of training seems to encompass all the dimensions. Therefore recent past has witnessed emergence of use of new terms instead of mere term training such as, training and development, learning, learning culture, training culture etc.

The growth of the research studies has focused and highlighted the identification of service sector as a valid and justifiable area of study (Bhatti & Qureshi, 2007). For the service industry, trained, competent, expert and knowledgeable workers are the key for success (Kellie, 1999) are writ bold frequently in literature. Being service sector, travel and tourism professionals need to develop both hard as well as soft training skills among employees so as to maximize the effectiveness of employees. This is even more in the travel agency, which is all about people that how to handle them, how to get work from them and how to oversee them. However, for some years the situation is that just as if the travel agencies itself still does not have a clear and adequate operational framework for managing human resources. Training is being largely carried out in a haphazard and uncoordinated manner (Lather, Garg & Vikas, 2013), and several of its employees have not gone through any form of training nor there is any systematic process of staff development in place. These problems have led the researcher to ponder on some issues germane to the assessment of training culture in travel agencies in India.

Given these flurry, the proposed study presents a few significant attributes contributing to a greater understanding of the strategic role of training culture in travel agencies that are operating and competing in the knowledge-based economy. This study has been designed to explore relationship of training culture with certain job behavioral variables i.e. employee performance, organizational commitment and turnover intention of employees in travel agencies at Delhi and recommend suggestions to the problems identified as it relates training culture to employee performance, organizational commitment and turnover intention of employees in large-sized travel agencies at Delhi.
1.9 Methodology Overview of the Study

The primary objective of this study is to explore the relationship between training culture and certain job behavioural variables. Along these lines, the research design for this study follows a deductive approach, beginning with abstract, logical relationships among constructs in the literature review and theoretical framework, and proceeding towards concrete, empirical evidence. Employing a deductive approach, quantitative data analysis looks to set up facts, make predictions, and test hypotheses.

A questionnaire survey was administered to the employees of travel agencies under study at Delhi. It sought to probe the perception of employees on training culture constructs viz, training design, supervisor role, trainee characteristics, and on certain job behavioural variables like job performance, organizational commitment and turnover intention. A new scale on Training Culture was developed and validated because of the absence of construct on training culture. For measuring job performance, organizational commitment and turnover intention, existing established scales with good validity were employed. Data collection involves distribution of questionnaire to the employees of large-sized travel agencies at Delhi. Questionnaire has been administered via; Personal Administration and through Google drive on the web.

Multivariate statistics were employed to quantitatively dissect the information collected from the questionnaire survey. This procedure was considered suitable for the present study as it provided an analysis of the complicated data set and used multiple dependent and independent variables (Tabachnick & Fidell, 2007). First, the reliability and validity of the measurement scale was assessed using factor analysis including two sequential techniques Exploratory Factor Analysis (EFA) and Confirmatory Factor Analysis (CFA). Second, SEM analysis was employed to test the proposed hypotheses to answer the research questions concerning the relationship among variables. Additionally mediation analyses were performed to test the mediating effect of job performance and organizational commitment in the association between training culture and turnover intention.
1.10 Thesis Layout

The whole study has been divided into eight chapters along with a complete list of references and annexure, and each chapter is devoted to the subject matter as elaborated hereunder;

The **first chapter** gives a ‘Background of the study’ as a whole. It shed light on the novel concept of training culture. Besides, it provides an overview of travel and trade business. The details related to travel and trade business and number of travel trade companies alongwith its geographical spread has been witnessed. This chapter explains all important things which Researcher must understand and interpret before preceding this research. Furthermore, problem statement, methodological overview, research questions and research objectives of the proposed study have been discussed followed by significance of study and outline of the thesis.

The **second chapter** presents “Review of literature” related to proposed study. The literature included in the thesis consists of books, research papers and other material related to training culture. The review of literature also brings to the fore the gaps emerging from these works. The gap justifies the problem of research which this study has set for itself as no work has been done so far specifically on the topic of research under study.

**Chapter third** presents an overview of training culture in travel agencies. This chapter has been divided into two parts. First part deals with the concept of training culture, followed by increasing importance of TC and ways to instill TC in an organization. Second part deals with the present status of training culture in travel agencies. This chapter was incorporated in the thesis in order to ascertain the significance of training culture for travel agencies in India.

The **forth chapter** is about detailed theoretical framework and research methodology. It presents a conceptual framework for the research and deals with the research methods and techniques used. The research design of the study followed by questionnaire design and survey administration has been mentioned. A detailed process of TC Scale development is presented. Furthermore, the validity and reliability of instruments used for this research has also being tested in the chapter.
Chapter fifth derives the research results. It explored the analysis and interpretation of data collected and presents various statistical techniques of data analysis that were used to examine the hypotheses of the study. Various statistical tools are being used to drive the result of research. The study of relationship between variables has been done with the help of appropriate statistical tools in the same chapter. Demographic information has been presented in the form of tables, charts and graphs in detail, while hypotheses were tested by SEM Analysis, t-test, ANOVA, Kruskal-Wallis H Test etc.

Chapter sixth sums up findings, draws conclusions and gives suggestions which are based upon the results of this study. The discussion is based on the hypotheses tested in this study. The findings and suggestions will abet to incorporate necessary changes that are recommended to the practitioners, scholars and other stakeholders. The recommendations are expected to provide essential guidelines for administration and managers dealing with framing of HR policies and practices related to training culture.

Summary

From the prior discussion it can be concluded that travel and trade is a developing business and having bunches of potential to provide employment. The travel agencies are vital part of this travel and trade sector and contribute a noteworthy portion to its economic growth. Being a service industry, the human resources are vital resources in travel and trade sector. The functioning of other resources depends on the efficiency and quality of HR thus; travel agencies need a culture that advances constant development and all-inclusive growth of its employees. Although proponents of training have suggested that training cultures can substantially influence job behavioural variables, yet very little research has addressed this issue. Therefore this topic has been chosen. This study is critical as it augments what is known about training culture and its link to organizational outcomes viz; job performance, organizational commitment, and turnover intention.