Tourism is a highly desirable human activity deserving encouragement of all the peoples and government. It is the totality of the relationship and phenomena arising from the travel and stay of strangers, provided the stay does not imply the establishment of permanent residence and is not connected with remunerated activity. India abounds in tourism potential in all spheres, be it historical and cultural, hills and forests, other places of scenic beauty, wild life, hot springs or be it fairs, festivals and people.

As a worthwhile human activity tourism concerns a special role in the State which it fulfills in accordance with its own perceptions and depending upon its political, economic and geographical structure. Each state has its own idea of the nature, scope, objectives and implications of tourism which it envisages to achieve through the promotion of tourism in the country.

Of all the places that attract a large number of domestic and foreign tourists in India, Himachal Pradesh is one of the foremost. The nature has blessed this land with highly diversified natural beauty besides invaluable treasure of archaeological remnants.
Keeping in view, the heavy influx of tourists into Himachal Pradesh it was very difficult for the Department of Tourism and Hospitality to cope with the enhanced volume of work. Thus, the need for another organisation was felt in the year 1971. Consequently, Himachal Pradesh Tourism Development Corporation Limited, Shimla (H.P.T.D.C.) was established under the Companies Act 1956, on 1st September, 1972.

Study of the Management of this Corporation is the framework of this research work. A brief Summing-up of each of the chapters of this study follows:

CHAPTER-I deals with the Statement of the problem which also includes the survey of the existing literature, delimitation of the subject, objectives and scope of the study, significance of the study, hypothesis, data, source and limitations and methodology adopted. A brief sequence of the study has been given at the close of the chapter.

CHAPTER-II is based on theoretical framework adopted for the Study and analysis of the problem. It deals with the concept of travel and tourism, main features, historical perspective and background of tourism in general, and particularly tourism in Himachal Pradesh. The potential for tourism in Himachal have also been indicated and the establishment of the Himachal Pradesh Tourism Development Corporation Ltd., (H.P.T.D.C.) in the State has been explained.
CHAPTER-III explain organisational structure of the H.P.T.D. Corporation at headquarters office, with its statutory provisions with regard to the Board of Directors, the Chairman, the Vice-Chairman, Managing Director, Managers & Assistant Managers.

CHAPTER-IV explains the organisational structure of the field-units i.e. the Complexes of the H.P.T.D. Corporation. Each of the Complex has been introduced with its geographical location and tourist significance. Then the organisational structure of each of the units has been introduced and discussed.

CHAPTER-V deals with commercial and promotional activities of the H.P.T.D. Corporation to achieve its objective i.e. promotion of tourism in the State and services for the tourists. Accommodation, catering, transport, sports and recreation, package tourism, advertising and publicity and religious pilgrimage are the main subjects covered.

CHAPTER-VI is an effort to analyse the personnel administration of the H.P.T.D. Corporation. This involves manpower planning, classification of job, recruitment, selection, placement, training-procedure, promotion system, management-staff relations wages and salary structure in the H.P.T.D. Corporation.

The factual information has been analysed in the context of responses generated through questionnaire serves upon the managers and workers of the Corporation.

CHAPTER-VII deals with various procedures adopted in the
financial management of the H.P.T.D. Corporation. This entails sources of finance of the Corporation, budget and budgetary processes, accounting, auditing and financial control over the Corporation.

CHAPTER-VIII is based on a survey of the tourists to get feed-back of their opinion regarding the services and facilities provided by H.P.T.D. Corporation in its various Complexes. This questionnaire covers the socio-economic profile of the tourist including age, sex, individual income, family income, purpose of visit, preference for tour type, accommodation type preferred and the source that helped them in opting to tour Himachal Pradesh. A fairly elaborate conclusions were drawn on the basis of the data generated.

CHAPTER-IX is the final chapter of this study. It gives the summary, conclusions and policy-implications of the analysis and discussions of each of the chapter of this study.

Appendices have four main sections. In the first part the important publicity material of the H.P.T.D. Corporation has been given to provide an insight into the diverse activities of the Corporation. The second part contains all the three questionnaires served upon the officers, workers of the Corporation, and the tourists who visited Himachal Pradesh. Consolidated decadel budget proposals of the H.P.T.D. Corporation have been given in Third part, and lastly, a selected bibliography has been given.
Conclusions:

Analysis of various aspects of management of the H.P.T.D. Corporation begins from Chapter III, and extends up to Chapter VIII. The conclusions arrived at the end of each of the Chapters and their sections are being chronologically given as hereunder:

(i) It is observed that the basic structure of the H.P.T.D. Corporation has been conceived on very logical considerations. The broader directions of the political chief executive fully controlled and coordinated by the whole-time executive head serves as a sound basis for this organisation. The seven important divisions at the headquarters office work as a sound structure at the conceptual and broader policies levels. The field-units are the operational organs that translate the conceptual and perceived objectives into functional realities. It is important to note that the powers are delegated to the field-units i.e. complexes and sub-delegated to their sub-units. It is equally important to ensure that these delegated powers are properly utilised at various levels. It is generally observed that most of the Managers and Assistant Managers of the Complexes generally utilise their powers properly and to the best advantage of the complex. It is also observed that they generally keep the Managing Director informed and posted about all the major matters, though formally not required to do so. In practice, since the Managers and Assistant Managers are
in constant touch with the Managing Director personally or otherwise, it is, perhaps, difficult for them not to make mention of important matters to the latter. It is, thus, evident that the headquarters office exercise full and effective control over field offices and provides them with useful guidance through the measures of various reports, meetings, returns, evaluation and appraisal reports and personal contacts.

(ii) Though by its very nature catering by a government agency can rarely be a profitable proposition for various factors such as employee satisfaction, quality material and quality service. That is only while competing with private agencies, the public agencies generally incur losses. Alternatively they function in non-competitive fields, and stay over-water either through government subsidies or through monopoly high rates. The figures available for the Corporation, however, show that though it has not shown remarkable profits in terms of net gains, but while being in the open and competitive market the catering units of the Corporation are certainly working as a check and also as a model for the private agencies to maintain a certain standard while pursuing the goal of profit.

(iii) Tourist Transport is entirely the government activity in the State. Therefore, there is no competition or comparison. But the general observations are, which are also corroborated through a questionnaire served to the tourist, that under given
circumstances the tourist transport provided by the Corporation is doing a useful work in opening up interiors of Himachal Pradesh for those of the tourists who otherwise would have contended themselves by visiting the major regional towns only. There is, however, an urgent need for the improvement of sanitation, efficiency and punctuality of these services besides their reliability in the hilly terrain of Himachal Pradesh.

(iv) Corporation is making concerted efforts, besides providing solid facilities for tourism, in creating tourism consciousness and setting Himachal as a tourist attraction through its literature, brochures, advertisements and other publicity material. Thus, the Corporation, apart from its commercial activities is engaged in an important social obligation of promoting tourism as one of the endeavours of socio-economic upliftment of the country.

(v) The over-all investment of the H.P.T.D. Corporation for the production of tourism in Himachal Pradesh during the period 1980-1990 was around 50 per cent. The share of Government of India and that of the private agencies has been much less. It is, then, clear that the Corporation has undertaken the promotion, growth and expansion of tourism in the State as a serious endeavour and a challenging job for the general well-being of the State and the country.

(vi) Starting with 530 employees in the year 1972-73 there were 2332 employees in the year 1987-88. It is clear that the
number and functions of the Complexes and their sub-units increased creating thereby a corresponding need for the greater and greater manpower year after year. This 340 per cent increase in the number of employees in the course of 15 years is fully corroborated by the activities, budgetary provisions and the increase in the number of tourists and their activities in the State during the years under reference.

(vii) In the H.P.T.D. Corporation the recruitment of personnel is made through the twin methods of indirect recruitment, i.e. through promotion or deputation, and direct recruitment, i.e. by an open selection. Most of the posts in Class II and Class III categories are filled up through promotion and a few like Assistant Engineers and Junior Engineers are filled up by deputation. The post of Company Secretary and some posts of Class II and Class III are filled up through direct recruitment also.

(viii) Not even a single post in the class IV category was filled up through the indirect procedure. Being at the lowest step of the ladder, there is no question of promotion, and any one opting to go on deputation from a regular government job to a Corporation is also out of question unless there is some promotion or such other professional rise involved.

(ix) The response of the Officers and workers with regard to the recruitment policy of the H.P.T.D. Corporation was by and large a general approval of it. Roughly 3/4 of both the
categories of employees expressed their satisfaction. However, those who disagreed insisted that instead of deputation, which leaves ample room for pick and choose at the level of political or higher administrative levels of the Corporation, they wanted the recruitment to be made through an autonomous and an independent body for fair, non-biased and really useful recruitment.

Similarly, the response to the Selection procedure of the Corporation both of the officers and other employees was a mixed one. More than half of the officers were satisfied whereas more than half of the other employees expressed their dissatisfaction. Many of the officers, however, insisted that the selection should be based on written test only. Personal interviews, according to them, should be given less weightage indicating thereby an element of lack of faith in the Selection Committees for their fairness. Similarly, other employees also insisted that while giving due weightage to the educational qualifications, written test should be the only deciding factor in selection. Many feared that personal interviews encouraged political interference and nepotism. It should either be totally dispersed with or marginalised.

There is a fairly elaborate provision of pre-service and in-service training to the officers and other employees of the Corporation yet more than 50% of the Officers and around 3/4 of the other employees expressed their dissatisfaction. They insisted that there was a crying need for greater and wider opportunities for management development through concerted
refresher courses, such as, according to them, needed training to be extended to the entire managerial level.

(xii) More than 3/4 of the officers expressed their satisfaction about the promotion policy of the Corporation which was generally guided by the principle of seniority-cum-merit. Those who were not satisfied wanted that a composite set of seniority, merit and departmental examinations should be the basis for promotion policy. Conversely about 70% of the other employees were not satisfied and opined that the merit of an employee should not be judged on the basis of his interview score only at the time of selection. Rather the merit should be tested through departmental examinations. Some of them felt that the promotions were generally made on personal considerations of the officers and politicians rather than on merit or seniority basis.

(xiii) The Corporation follows the Government of Himachal Pradesh in all aspects of the wages, allowances and retirement benefits. In this respect the rules and procedures are strictly followed but still about 40% of the officers and more than 3/4 of the other employees expressed their dissatisfaction with the wage structure and other benefits. They wanted more allowances and such other benefits in view of specialised nature of their jobs. They, however, did not advance any convincing arguments in support of this demand.

(xiv) About 90% of the employees agreed that there was a direct inter-relation between salary and efficiency. They were
of the opinion that with the increase in their salary their satisfaction will also increase, and so will increase their efficiency and the success of the Corporation. But 10% of the employees did not agree saying that there was no relationship between salary and efficiency. According to them it was the work environment, the attitude of officers and a satisfying experience on job which gave greater job satisfaction to an employee. Salary, according to them, was no doubt the basic motivation for any one to join an employment but that was not the only and the most important factor for job satisfaction.

(xv) With regard to the workers' opinion about relations between management and workers nearly 90% workers asserted the existence of cordial relations. Theoretically it was also accepted according to well-laid policy of the H.P.T.D. Corporation and the avowed objectives of the employees union that it was the duty of both the management and staff representatives in the Corporation to keep the staff informed of facts and results which will assist in giving them a sense of purpose and unity. Still over 10% asserted that cordial relations did not exist in the Corporation. Both sets of employees, those expressing their satisfaction and those expressing lack of it, however, did not specify the reasons and grounds for their set of opinion.

(xvi) Outright grant-in-aid is not a sound method of financing
public enterprise, such as a tourism industry, which should be based on sound commercial ground. It makes an organisation lax, extravagant and wasteful under these dispensation. Loans that carry interest are a much sounder proposition, reminding the managers all the time about their obligations. In the H.P.T.D. Corporation both the measures are adopted. Grant-in-aid too has been forthcoming particularly for promotional and social responsibilities of the Corporation. A grant-in-aid of Rs. 5 lakh in 1974-75 increased to Rs. 18 lakh in 1985-86 and the amount has been steadily on an increase.

(xvii) Plan allocation too has been an important factor. From a paltry sum of Rs. 2.08 lakh in Second Five-year Plan (1956-61) the outlay increased to 16.0 lakh in the Seventh Plan (1985-90). This was an increase of 7692 per cent on the initial outlay, though in the context of the total plan outlay for Himachal Pradesh allocation for H.P.T.D. Corporation during all the seven Five-year Plans has ranged between the minimum of 0.13 per cent in 1956-61 and the maximum of 1.39 per cent in 1974-78.

(xviii) The H.P.T.D. Corporation also raised loans from the State Bank of India, United Commercial Bank, State Bank of Patiala, and H.P. Mineral and Industrial Development Corporation on commercial terms.

(xix) Capital receipts in the budget have three major sources, i.e. share capital contribution by the government, surplus on
revenue accounts, and recoveries on loans and advances. Share capital has been the major and reliable source. On the expenditure side carry forward schemes, technically new schemes, new schemes, other schemes, and outlay on transport have been the major heads. The deficit in capital outlay have been very heavy year after year. The deficit ranged between a minimum of Rs. 93.98 lakh in 1988 and a maximum of Rs.192.78 in 1984. The reasons are not far to seek. In view of heavy investments designed to lay a sound foundation for the industry by way of building hotels and cafeterias, in installing air-conditioners, in purchasing delux-coaches, in acquiring lands, and in maintaining, renovating, electrifying and furnishing various buildings of the complexes, this deficit is quite justified, notwithstanding wasteful expenditure for which public sector undertakings are well-known. The entire deficit on capital expenditure has to be made up through institutional finances, therefore, there seems to be no disabling liability of the heavy deficits on the working of the Corporation. This works in turn for the good and bad of the Corporation, good because it permits the Corporation unhampered operations, growth and expansion, and bad, that it robs the management of incentive, initiative and improvisation to save as much as possible, a hall-mark of private enterprises.

(xx) The position with regard to revenue turn-over and outlay in the Corporation budget has not been much different. Though except for the years 1980, 1987 and 1988 all the other years during the period 1979-88 have shown a profit. That profit,
however, has been marginal ranging between a maximum of Rs.8.48 lakh in 1982 as against a minimum of Rs.3.33 lakh in 1979. The deficit during the three years or 1980, 1987 and 1988 at Rs.4.45 lakh, 70.24 lakh and 60.20 lakh respectively gives an over-all deficit of Rs.100.54 lakh during the period 1979-1988.

(xxii) Revenue expenditure break-up is available under direct expenses, establishment charges and contingencies. Each of the component has two sections—commercial and promotional. It is this promotional obligation of tourism which does not permit the Corporation to become totally profit-making or even self-sustaining proposition.

(xxii) Accounting, auditing (statutory, audit of accounts, audit of property) are all undertaken on the same principles and procedures as provided for other Public Sector undertakings in the Constitution of India. The Comptroller and Auditor General of India, regional auditors and local auditors have full control over the financial procedures of the Corporation.

(xxiii) Similarly, financial procedures such as the internal financial control, budgetary control, performance budgeting, cost control, financial statements, inventory control, internal audit and management information system are the common financial practices adopted and implemented in the H.P.T.D. Corporation, Shimla as provided for other government establishments and other public sector enterprises.
(xxiv) Only 4.75 per cent children below the age of 16 and 25.25 per cent of females visited Himachal Pradesh out of a total sample of 400 during the year 1987. The low percentage of children and women can be explained in typical Indian social context. Women and young children, even those around 12-16 years of age do not, or, are not permitted to travel unaccompanied. This is sufficient reason for the low percentage of these categories. Girls and boys unaccompanied by their elders can only go in educational class tours. Then, in view of the under-developed work-and-leisure culture, the quota of working women being lesser than men, males may take it as natural to have a brief respite in tour along with their friends after a hectic active professional session. Professional women being fewer, and the chances of their unaccompanied tour and travel being absent, the picture of lower percentage becomes clear.

Economic reasons are also significant. Man generally bearing the purse-strings, it is he who has to decide who has to go and who not to. Lack of facilities in most of our tourist resorts for big families, and the costly nature of these wherever available, also discourages much of the family travel.

The largest number of young males and females among the tourists, however, indicates a growing trend of young couples, or newly-wed honeymooners going to hill stations.

In analysing the economy of tourism, it is surprising to see that the highest percentage of tourists came from the
category having their family income below 12000/- per year. This could be explained from two angles. A large proportion of young unaccompanied males with lower incomes combined tourism with some government and private business, most of the Himachal hill stations being district or tehsil headquarters, and Shimla as the State headquarters. Even with a brief visit they will naturally swell the tourist.

The second factor relates to our social environment. Lower middle class with breaking joint families and evolving single-family units is yet the most deprived class psychologically, and burdened class financially. Thus, an effort to have a brief escape from the domestic monetary for lower and middle level middle class young men on their slender budgets can be explained through this phenomena.

This and the above section hints at the need for greater consciousness and effort on the part of H.P.T.D. Corporation to provide for simple, cheap but comfortable family suits with beddings, utensils and gas connections, like U.S.S.R., where the working class families stay, cook, rest and enjoy at the minimum expenses.

(xxvi) Pleasure and leisure or holidaying has been the most important motivating factor to visit Himachal with 36.85% tourists. Official business immediately followed with 23.31%. The sports and cultural events came at the lowest step of the cultural events came at the lowest step of the ladder with
barely 1.36% tourists. It has two sets of presumptions—the most productive age-group needs and can afford the leisure and pleasure, and again has the facility to combine leisure with business. The number of those who came to their friends and relatives, though not insignificant, is not large either. It indicates both the pulls and simultaneously breaking process of the conventionalities.

With regard to sports, it is evident that the events like skiing, Ice-skating, hang-gliding, Himalayan Safari, etc., are only once-a-year events, and that these are meant only for a very specialised category of privileged sections of our society, and are available at a few locations only.

Pilgrimage continues to be in India a big tourist draw. A newer tendency is evident in most of the Indian pilgrims to mix pilgrimage with sight-seeing, rest, leisure and holidaying.

(xxvii) The largest number of tourists came from the lowest income group of below Rs.12000/- per year. At the surface also this is quite natural because this happens to be the base of our social pyramid, or the section with largest numbers. This is a healthy sign of Indian tourism gradually coming of age. Though coming a slender budgets for brief periods, staying in cheaper hotels, and combining pleasure with business and pilgrimage, the predominance of this class is a pointer for
changing scenario. The tourism is no more going to remain the
preserve of high-brow bureaucrats, princes and rich merchants
alone. Our tourists resorts are being swarmed by low-income
and middle-income common men, and this is a projection for a
warning signal also for a fast growing need of tourism infra-
-structure for the common man.

(xxviii) Package tourism is becoming more and more popular day
by day for the conventional pilgrims and modern tourists. This
mode which utilises professionalism in transportation, food,
stay and sight-seeing frees the tourists of his sense of
insecurity, wastage of time, money and energy. This mode has
a great potential in having a few hours - tour to a long duration
tour to one place, a cluster of places, or the whole region or
the State. It can be so arranged that private places of stay,
private eating places, private cafes and refreshment shops
besides private transporters and all the agencies of the
Corporation can pool their resources to take the tourists from
one place to another, provide them with cheap but safe and
comfortable stay, food and other facilities at pre-specified
places, times and rates, and, thus, making touring more
convenient, comfortable, cheap and popular.

(xxix) There are generally two categories of places of stay,
the expensive hotels, and inexpensive hotels, hostels, guest
houses, tourist bungalows, youth hostel and camp. Even a third
category of free dharamshalas, inns, places of stay attached
This survey broadly covered the expensive and inexpensive categories. A total number of 193 tourists opted to stay in both expensive and inexpensive hotels. Out of these 81 or 42% opted to stay in expensive hotels with daily tariff of Rs.100/- or more. Only 8 (9.88%) opted for the costliest, i.e. those available for Rs.500/- per day or above. It is evident that a significant proportion of tourists are steadily opting to stay in expensive and inexpensive hotels despite the availability of Serais, dharamshalas and such other free accommodations or facilities to stay with relatives and friends. This indicates that Indian tourism is coming of age in the modern sense, when the tourist is imbibing the basic concept of leisure, pleasure and holidaying, free from the social, familial, religious and such other bindings. Pilgrimage and visiting friends and relatives has been our very old tradition. Paying for and staying in hotels and expecting more and more facilities by paying for it, and thereby drawing psychological, emotional and ego satisfaction are the immediate corollaries of this new concept. Without going in the merits and demerits of both these systems, it is evident that hotel culture is the culmination of independent single-family norm, a must for the modern urban and professional life pattern which cannot afford the luxuries of a joint family or rural-tribal pattern. Thus, greater and greater patronization of hotels explains a quest for independence, and going in for costly stay, if possible, shows an urge for leisure and pleasure, may be for a short while only, after a hectic work-schedule.
To a question to indicate the source of information and motivation to visit Himachal Pradesh, three major sources were listed — Their own knowledge and experience about the State, the advertisements and such other literature published by the H.P.T.D. Corporation; and finally those who had already visited Himachal Pradesh and had some pleasant and satisfying experience there both of the place and people, who took care of them.

Policy Implications:

The focus of the study was predefined and limited. In the course of study some of the such policy implications have become evident which may be of some information and use for the theoreticians, practitioners of management, administration, and particularly the officers of the H.P.T.D. Corporation, Shimla. Some of such policy implications are as listed below:

(i) It is in the interest of the Corporation that while exercising due control for quality and tariff, private institutions may also be encouraged to flourish to substitute, and make up for the inadequacies of the Corporation.

(ii) The Corporation should give highest priority to attract the tourists in mountaineering, winter sports, fishing, State monuments, Sites and Shrines, folk
traditions and customs, pilgrimages, festivals and should see a steady growth in the number of new tourist resorts development.

(iii) There is an urgent need for the improvement of sanitation and efficiency in catering, transport and accommodation services provided by the Corporation.

(iv) Outright grant-in-aid is not a sound method of financing public enterprise, such as a tourism industry, which should be based on sound commercial ground. It makes an organisation lax, extravagant and wasteful under these dispensation. Loans that carry interest are much sounder proposition, reminding the managers all the time about their obligations.

(v) There is a need for greater consciousness and effort on the part of H.P.T.D. Corporation to provide for simple, cheap but comfortable family suits with bedding, utensils and gas connections, like U.S.S.R., where the working class families stay, cook, rest and enjoy at the minimum expenses.