CHAPTER III

HUMAN RESOURCE DEVELOPMENT IN THE
TOURISM INDUSTRY: LITERATURE REVIEW

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"You can dream, create, design and build the most wonderful places in the world. But it requires people to make the dream a reality".

Walt Disney

Studies on tourism in India are very few and far between, and predominantly impact oriented (Shackley, 1996; Singh, 1989; Singh and Singh, 1999; Madan and Rawat, 2000; Chaturvedi, 2002; Kuniyal, 2002; Gardner et al, 2002).

Similarly, a few research as well as general studies have been made over the years, with regard to the problems and prospects of human resource development in the tourism industry in the world and India in particular. The researcher has made an effort to review some of the important works having a great bearing on the present study.


The books, research papers and articles relating to the present study have been reviewed separately in the chronological order in the succeeding pages.

3.1: HUMAN RESOURCE DEVELOPMENT (HRD) - Historical Background

Human Resource Development (HRD) is a relatively new term, but not a new concept. The original roots of HRD can be traced directly to the earliest form of training, often referred to as vocational education, provided by the apprenticeship system in colonial America in the eighteenth century (Miller, 1987⁸; Nadler and Nadler, 1989⁹)

Historically, the development of HRD can be traced from training and instructional design, to training and development, to employee development, to human resource development. Perhaps the main advance of HRD as a field of academic study has taken roots in the USA pioneered initially by the American Society for Training and Development (ASTD), and taken further forward by its academic offshoot - the Academy of Human Resource Development (AHRD).


New technology, globalization, drive for quality, cost containment, market volatility, workforce diversity, the importance of knowledge capital, and the speed of change acted as the precursors of Strategic Human Resource Development in progressive and result oriented organisations of both developed and developing economies. These trends posed both challenge and opportunity for organisations to earn and sustain competitive advantage through developing multi-skilled, flexible and committed work force (Yadapadithaya PS. 1998)\(^{10}\).

### 3.2: HRD - CONCEPTUAL ANALYSIS

The basic elements associated with the concept of HRD are education, training, development, and learning.

*Education* is defined by Harrison, R. (2000)\(^{11}\) in his article titled ‘Employee Development’ as, “activities which aim to develop the knowledge, skills, moral values and understanding required in all aspects of life rather than a knowledge and skill relating to only a limited field of activity”.

The basic purpose of education is to develop in an integrated way an individual’s intellectual capacity (training the mind), conceptual and social understanding, and work performance.

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**Training** is learning that is provided in order to improve performance of an individual to improve performance in the present job. Megginson et al, (1993)\(^{12}\) in their book ‘Human Resource development’ said, training is ‘a relatively systematic attempt to transfer knowledge or skills from one who knows or can do to one who does not know or cannot do’. Training is a planned process to modify attitude, knowledge or skill behavior through learning experience to achieve effective performance in an activity or range of activities. Its purpose in the work situation is to develop the activities of the individual and satisfy the current and future needs of the organization.

**Development** is used to denote learning experiences of any kind, whereby individuals and groups acquire enhanced knowledge, skills, values or behaviour. According to Megginson et al, (1993)\(^ {13}\), ‘Development is a long-term process designed to enhance personal potential and effectiveness’. Harrison, (2000)\(^ {14}\) said the outcome of development unfold through time, rather than immediately, and they tend to be long-lasting.

**Learning** means a relatively permanent change in behaviour that occurs as a result of practice and experience (Bass and Vaughan, 1967)\(^ {15}\). It refers to the process of unlearning what has been wrongly learnt over the years, relearning new things which are relevant for the future needs, and getting oneself committed to the continuous process of learning and development.

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13. Ibid. 12.

14. Ibid. 11.

Conceptually **Human Resource Development (HRD)** is a broader term. It is still in the intellectual shadows of Human Resource Management (HRM). Many academicians, researcher and practitioners have attempted to define the concept of HRD.

Harbison, Frederick and Charles A Myers (1964)\(^{16}\) in their book ‘Education, Manpower and Economic Growth, said HRD is the process of increasing knowledge, skills and capabilities of all the people in a given society.

Nadler (1970)\(^{17}\), while clarifying the concept of HRD, explained and said, ‘HRD was originally conceived as a composite term specifically incorporating three types of vocational learning activity that would contribute to making individuals more effective at more: a) **training**, focusing on immediate changes in job performance; b) **education**, geared towards intermediate changes in individual capabilities; and c) **development** concerned with long-term improvement in the individual worker. Nadler defined HRD as a “series of organized activities conducted within a specific time and designed to produce behavioral change”. In 1980, Nadler\(^{18}\) defined the scope of HRD as,” the entire range of educational, training, and development facilities available in an organization that enhance the learning processes essential to an organization’s capacity to change”.

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McLagan (1983)\textsuperscript{19}, while explaining the scope of HRD, defined HRD as, “the integrated use of training and development, career development, and organization development to improve individual and organizational performance”. In response to the changing HRD practice, Nadler and Nadler (1989)\textsuperscript{20} offered a revised version of HRD as, “organized learning experience provided for employees within a specified period of time to bring about the possibility of performance improvement and/or personal growth”.

TV Rao (1990)\textsuperscript{21}, in his book titled ‘The HRD Missionary’ explained HRD as ‘a continuous process to ensure the development of employee competencies, dynamism, motivation and effectiveness in a systematic and planned way’. According to him, it is the process of enabling people to make things happen. It deals both with the process of competency development in people and creation of conditions (through public policy, programmes and other interventions) to help people apply these competencies for their own benefit and for that of others.

B. L. Maheshwari and Dharni P. Sinha (1991)\textsuperscript{22} in their book “Management of Change through Human Resource Development”, gave the meaning of HRD in operational terms as, “building capability, commitment, and culture”. They explained the concept of HRD as the development of skills, through action learning and continuing education. They said while developing Human Resource,


one has to generate commitment among the people, a desire to excel, a desire to achieve, a desire to perform, a desire based on optimism, positivism, and pragmatism. It is also an exercise in culture building, creating an awareness of what is ideal and real, what is desirable and feasible, moving from energy to synergy, from competition to co-operation, from concern for self to concern for others, organization and society. It is also creating a culture of performance, quality and productivity.

While explaining the need and importance of HRD in all organizations, Thomson Rosemary and Mabey Christopher (1994)\(^{23}\) argued that HRM and HRD need to be fully embedded in the policy and strategy of the organization if they are going to be effective. Company that invests in training its work force is also likely to develop policies designed to retain and motivate them to use their skills to the utmost, thereby maximizing the return on investment.

G. R. Krishna (1994)\(^{24}\) in his paper on ‘Towards a philosophy of HRD’, presented the concept of HRD as interpreted by UNO, the World Bank and its affiliates as “HRD is a process in a country or in the organizations for imparting new skills, new techniques and new attitudes in the human beings (including the employees), which in turn will improve their performance, motivation and productivity, thus leading to the increased wages and earning and thereby to the higher standards of living which ultimately culminate in the improved quality of life of human resources”. Thus in this context HRD has social, economic and cultural connotations.


Swanson (1995)\textsuperscript{25} in his article, defined HRD as, "a process of developing and unleashing human expertise through organization development and personal training and development for the purpose of improving performance" are perhaps more focused but certainly narrower and more functional in scope.

Kuldeep Singh, TV Rao, and Nair (1996)\textsuperscript{26} explained the term HRD as, "HRD does mean increasing the personal power of people through the development of competencies and potential". Gourlay (2000)\textsuperscript{27}, while attempting to clarify the nature of HRD states that 'it focuses on theory and practice relating to training, development, and learning within organizations, both for individuals and in the context of business strategy and organizational competence formation'.

M.M. Bagali (2004)\textsuperscript{28}, in his article ‘Human Resource Development’, in the Udayavani Special Supplement, highlighted the importance of HRD in all business enterprises. He wrote, companies that enjoy enduring success have a high value for human resources and its development, and it is the human resources that send the message to each that management cares and sees human resources as a valued asset.


To add, he said, in pursuit of continued excellence and the urge to stay top in the business makes organization adopt various innovative strategies in its endure to develop and manage human resources. It is necessary that these strategies match global standards. Of all the areas of functioning in the organization, human resource development and management is of utmost importance and organization placing an increasing importance to human resource development and management reflects organizational success for a longer span of time.

HRD is multi-disciplinary in nature and draws heavy influence from other related disciplines such as adult-education, instructional design and performance technology, psychology, business and economics, sociology, cultural anthropology, organization theory and communications, philosophy, axiology (the study of values), and human relations theories.

3.3: HRD IN THE TOURISM INDUSTRY

Research on tourism industries by Harrington, D and Akehurst, G. (1966)\(^{29}\) observed that the industry is lagging in terms of professionalism. There is no evidence of any kind of ‘HRD’ approach being followed by the travel agencies. He continued to say that Travel/Tour companies need tourism professionals specializing in different operational and managerial functions-tour planning and research, travel information, destination services, ticketing and reservation, marketing and sales, finance and accounts, Conferences and Conventions and so forth. Therefore, the companies recruitment policy may be not only to focus on functional expertise but on attitudes and approaches that fit their corporate goals and culture.

McLntosh, R.W. (1977)\textsuperscript{30}, while arguing the importance of HRD in tourism, said, "the finest physical facilities can be provided but if the tourist feels that he is not welcome, the investment will be worthless". A favourable attitude towards the visitor can be created through good programmes of public information and propaganda. Courses at tourist hospitality schools for all persons who have direct contact with visitors are a very successful technique.

Magum (1977)\textsuperscript{31} discovered that reward management is always the critical component of employee management in the tourism sector. He said if the rewards offered are to attract the right staff and to retain them, then they must be constructed on a sound basis, be seen by all to be fair and equitable and have a built-in system that allows for periodic review, as well as a means of increasing the rewards in proportion to the efforts made.

Thomas F. Powers (1979)\textsuperscript{32} argues that tourism is a field where stock in trade is personal service, the success of the whole enterprise often rests on the kind of employee and how he or she performs a certain job. The public contact employee must be chosen with special care. Again R N Kaul (1985)\textsuperscript{33} highlighted the need for education and training in the tourism industry and argued that introduction of new facilities into new areas, expansion, diversification, technological innovation, sophistication and upgrading existing facilities and standards, call for not only inducting large number of people but also better qualified and highly trained personnel into the various sectors of the tourism industry.

\textsuperscript{30} Robert W. McLntosh (1977). \textit{Tourism Principles, practices, philosophies}, Indianola Avenue, Columbus, Ohio, 2\textsuperscript{nd} edition.


M Selvem (1989)\textsuperscript{34} observed from his study on tourism industry in India that the efficient and professional Management of tourism sector is an obvious pre-requisite of successful tourism management. He said tourists will be able to make their tour memorable and purposeful only when they understand clearly what they see. Tour will become memorable if tourists are guided by professional guides.

Turnover culture and low job satisfaction are the major problem of HRM in tourism sector. In a statistical study carried out by Buick (1990)\textsuperscript{35} observed that there is a definite correlation between training and low staff turn over. Improving skills and knowledge would encourage employees to stay at a tourism property and employees would leave if they were not involved in a long-range training programme.

Simon and Enz's (1990)\textsuperscript{36} survey showed that career development and training was one of the top three indicators of job satisfaction and motivation in tourism industry. Thus, there seems to be an overwhelming case for training and development as an aid to employee retention. Ritchie (1993)\textsuperscript{37} argues that one key issue is a lack of tourism sector consensus as to the need for sector-specific educational provision. Tourism educational programmes are more general in nature than clear vocational in nature. Ritchie's argument highlights the need for specific tourism skills, which are required in different sectors of the tourism industry.


The studies conducted by Price et al, (1994)\textsuperscript{38} have shown that personnel specialists are more in evidence in the hotel and catering sector than any other sectors of the tourism industry. They attribute a skill shortage within the industry to the legacy of years of short-term management and lack of investment in people.

Comrade, Woods and Ninemier (1994)\textsuperscript{39} argued that training is accepted as a technique for improving employee productivity, work quality and customers perception of an organization.

S.M. Jha (1994)\textsuperscript{40}, in his book ‘Service Marketing’ argues that the travel agents, tourist guides, hotel personnel etc cannot act and behave properly, if they lack proper education and training. He suggested social skills, human relations skills and communication skills which may be imparted to the tourism sector employees to deal with the tourists.

While highlighting the importance of people in the tourism sector Baum T (1995)\textsuperscript{41} presents Tourism, ‘as a people industry, it is the perceptions, attitudes, value system, sensitivity, ideologies, and expectations of the people involved in its development will decide the way tourism take place. If tourism industry has to be developed as a sustainable tourism development, the starting point will have to be the human resource domain.


\textsuperscript{40} S.M. Jha (1994). Services Marketing, Himalaya Publishing House, Bombay.

The book written by Singh Bhawdeep and Prem Kumar (1995) highlights the need for a specific HRD practices in the tourism industry. They present that increased demand for various tourist facilities calls for increased human resources to manage this multi-sectoral labour intensive industry. To send a well satisfied tourist to his/her originating place a well trained human force is required. For this, a well chalked out development programme on scientific basis is required.

The 1995 International Tourism Labour Market Conference stated that there is shortage of skilled labour in the tourism industries. The Conference observed tourism workforce is highly, "uneducated, unmotivated, untrained, unskilled, and unproductive". The conference highlighted that the difficulty in recruitment for the industry was due to the unattractive payment and working hours.

Tourism industry in the world wide is faced with numerous problems of Human Resources Development. In this regard, Choy (1995) observed that for many sub-sectors in tourism and hospitality, and in most developed countries, the negative employment image of the sector is a major issue and barrier to the recruitment and retention of quality and well educated employees. Similar opinion is given by the study conducted by Wood (1995) that 'both industry employees and wider society view tourism labour as relatively low status, mainly because of the personal service nature of the work involved'. However, the situation in some developing countries is


rather different in that international tourism offers a high status and secure employment environment when compared to alternatives in both the primary and manufacturing sectors.

Dr. Mira Seth (1996)\textsuperscript{45} in her article on 'Tourism in India: Some Thrust Areas' justified the importance of human resource development in tourism. She said, no doubt infrastructure has to be augmented on a much larger scale than hither to but the real thrust to tourism will come only through human resource development as skilled persons are needed at all levels.

Baun T (1996)\textsuperscript{46} maintains that industry structuring and human resource provision as they currently exist in the tourism industry will give rise to general personnel and specific skill shortage in many European countries in the future.

The research conducted by Riley (1996)\textsuperscript{47} observed that heterogeneous and wide range of employing organizations, seasonality and fluctuations in the demand for employment in the tourism sector may not provide long-term and sustained opportunities to those who take employment in this sector. These act as a major barrier to the recruitment of quality personnel into work in the tourism sector.


The overall picture of employment conditions in the tourism industry is one of adhoc, informal and lacking professional standards. Low wages and poor working conditions are the main reasons for high labour turnover in the tourism industry. In this regard Mullin’s (1996)\(^\text{48}\) study suggested good economic rewards as one of the techniques for motivation to work. Regarding working conditions, Capowski (1996)\(^\text{49}\) stated that flexible work options improve retention, increase morale, enhance customer service and boost productivity. The study revealed that intrinsic motivators are the most important factors that affect on employee’s satisfaction and dissatisfaction. These motivators include opportunities for advancement, recognition of performance, management’s treatment of employees, responsibility, opportunities for developing friendship and a good relationship with the supervisor.

The study by Baum Tom, Amoah Vanessa, and Spivack Sheryl (1997)\(^\text{50}\) developed an argument that human resource management is more than a strategic and operational concern for companies competing within the hospitality market place. It considers human resource management as a strategic dimension within the wider enhancement of quality and market positioning of tourism at the level of organizations, specific destinations, regions within countries or whole

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nations. The study advanced that the tourism and hospitality industry, from the perspective of all its stakeholders (public sector, private sector, visitors and host community), benefits from the close integration of human resource, labour market and education policies, with those policies relating to, and imparting on, the tourism and hospitality sector. The same study observed that the tourism and hospitality sector, in all locations, has a close relationship with the labour market environment from which it draws its skills and consequently depends on its workforce for the delivery of service and product standards to meet existing and anticipated demand from its visitor marketplace. This relationship is, on the one hand, one of dependency in that the wake-up of the local workforce has a direct influence on the standards and character of the tourist offering which can be prepared and presented to visitors. If local art and craft skills are not developed within the education system or at the community level, it will not be possible to offer this dimension to visitors. This study strongly felt the need for integration of local labour market and local skills as a strategic human resource development for the tourism industry.

Spivack (1997) reports a number of what she calls "skill development issues" derived from anticipated changes within the tourism and hospitality sector, and which prioritized as central to education and training needs in the future. These were,

- Managers will need to develop more skills in human resource management, particularly in knowing how to build an enthusiastic workforce.

• With continued internationalization of business, all levels of management will need more training, especially in interpersonal and multicultural skills.

• Environmental awareness and conservation techniques will become an essential part of tourism education at all levels.

• The expansion of franchises among transnational firms will accelerate the need for international-level quality of service and skill standards.

• Public health issues, such as AIDS, that relate to the delivery of tourist products and services will become an essential part of tourism education at all levels.

• Supervisors will need to learn more high-level management skills such as forecasting and strategic planning.

The Spivack’s study also considered and prioritized key training issues for the future. According to her study, at an education and training level;

• Schools of tourism and hospitality management will need to strengthen their curriculum content that deals with business administration skills.

• Managers will need more training to direct a growing contract-based, part-time and possibly job-sharing workforce.

• With continued technological change, alternative methods of training and education (such as distance learning, multimedia interactive training, etc.) will markedly replace traditional education.

• In the future, industry will itself assume increasing responsibility for in-house training of employees at all levels, and rely less on formal education.
Employees with formal education in tourism and hospitality management studies generally perform better than colleagues who lack such education.

Companies will increasingly encourage and pay for continuing education for their employees to ensure employee commitment and retention.

International employee exchange programmes at all levels of employment will become essential.

The study conducted by Wood (1997)\textsuperscript{52} observed that the rewards and benefits structure of the tourism and hospitality industries can act as a barrier to the recruitment and retention of quality employees. Gunnigle (1997)\textsuperscript{53} opine that reward management is a critical component of the workforce management strategies, particularly in helping to attract and retain employees and also in influencing performance and behaviour at work. Research also indicates that those organizations that give the most rewards tend to attract and retain the most people but, arguably, not always the best people.

Thomas N Garavan (1997)\textsuperscript{54} argued that achieving improvements in customer service is regarded as a major challenge facing tourism and hospitality sector. Service quality has major implications for the quality of human resources and specifically for training and developmental


activities. Focuses on the human resource dimension, specifically the behaviours which hinder or facilitate transactions between people in a service agreement. The author emphasized the training in inter-personal skills for providing quality service in the tourism sector.

S.C. Bagri (1997)\textsuperscript{55} presented in his article on 'Human Resource Development for Tourism Industry in India', the findings of the study undertaken by the school of Travel Industry Management of the University of Hawai in 1992 at the request of WTTC and the American Express Foundation. The objective of the study was to mainly identify tourism education and training needs for the industry. The findings mainly indicate that the major problems and perhaps solution to human resource concerns in all countries call for greater co-operative efforts between the public and private sectors to overcome barriers. Without coming in close contact with each other, the problems of human resources development will not be solved. The study indicated that while labor supply is a continuing concern, the most serious issue is not the number of workers in the labour force but the lack of workers with appropriate skills. The labour shortage coupled with the lack of trained personnel will pose major barriers for the continued growth of tourism in a foreseeable future.

The First World Travel and Tourism summit, held in 1997 in Vilamoura, Portugal\textsuperscript{56}, recognized that travel and tourism create an unparalleled number of entry-level jobs for young people and women and provides part-time or seasonal employment for people seeking flexible


\textsuperscript{56} Vilamoura Declaration, WTTC, 1\textsuperscript{st} August, 1997 at www.ilo.org.
working arrangements. Women with their innate sensitivity, sense of hospitality and courtesy are best suited for the tourism industry. The proportion of women employed in the tourism industry needs to be enhanced greatly through the removal of social stigmas and artificial controls imposed by labour laws, and through the spread of tourism through the country side. The Vilamoura Summit called for the reduction of rigid practices in labour markets to encourage greater staff mobility, productivity and innovation in a progressive employment environment, with emphasis on a flexible market economy, avoiding protectionist regulation.

Nicolae M. Heerschap\(^{57}\) in his article on ‘Employment in Tourism: Facing the Facts’, highlights that employment generated by tourism is as diverse as the different industries, ranging from high quality professional and managerial to low skilled shop-floor jobs. However, in some of the major branches of tourism related industries there are clear obstacles to attracting and retaining workers. This especially applies in the situation of growing labour shortages. Long, antisocial working hours, low pay, unstable, seasonal employment, low job status etc. make employment within the tourism industry appear unattractive to many. Besides the recognition as a potential job creator, tourism is also seen as a people’s industry in all its aspects. Increased international competition between tourism destinations and changes in consumer’s needs require more and more attention to quality in products and services, and hence to quality in human resources; which is one of the major assets of this industry.

\(^{57}\) Nicolae M. Heerschap, Employment in Tourism: Facing the Facts, developed in collaboration with OECD secretariat at www.oecd.org.
In order to adapt to and compete in new markets, it is essential for tourism to invest in the quality of managers and staff. However, the will to invest in education and vocational training in some of the major branches of the tourism industry is relatively low compared to other industries. Too often, human resource planning in tourism is based on short term thinking. This especially applies for small and medium-sized enterprises, which constitute the largest part of the tourism industry.

Turnover culture is a major constraint of HRD in tourism sector. According to Oliver (1998)\(^5^8\), high labour turnover is usually a function of negative job attitudes, low job satisfaction, combined with an ability to secure employment elsewhere. Mendosa (1998)\(^5^9\) in Farrell Kathleen's (2001) article highlights that although money can certainly play a part in turnover rates, what usually causes people to leave is a break down in their relationship with their supervisor. It indicates that humane and friendly treatment from the boss can reduce the labour turnover rates in the tourism industry.

A survey was conducted in 1999 on the Tourism Industries of Canada by the Far Northeast Training Board and Nychuk Marketing, communications and Research. The survey observed that there is a pressing need for training especially for the front line employees of the tourism industry. But the very nature of tourism industries does not make training and maintaining qualified staff very easy.


The survey\textsuperscript{60} revealed four major factors that affect employer’s and employee’s receptiveness to formal job-related training:

a. Seasonality is a major factor in tourism. Casual form of employment offered during peak demand period, results in a high turnover rate and creates a constant need to train new employees. Therefore, most of the tourism industries have their own forms of training i.e., in-house and on the job training.

b. Most of these are small businesses employing less than twenty employees. This is additional reason why little or no formal training is offered and why employers opt for on-the-job training.

c. Tourism is a work force base industry, the companies offer many part-time and low paying jobs. This poses an additional challenge when it comes to training.

d. There are a considerable number of students employed in the tourism industries which means a changing workforce. This employment is temporary and tends not to attach much importance to formal job related training. Therefore, the survey felt there is a need to review the mechanisms for the delivery and the management of tourism related training programs to make them more affordable and accessible. Perhaps, there is a need to promote the advantages of a well trained workforce within the tourism industries.

\textsuperscript{60} Survey of the Tourism Industries (1999), conducted by the Far Northeast Training Board and Nychuk Marketing, communications and Research at www.oecd.org.
Baum Tom (1999)\(^{61}\) in his book presents that with the technological and communicational capacity to deliver common product standards on a global basis, tourism sector providers need to focus on the delivery of service quality in order to attain a competitive edge. In order to achieve this, investment in all stages of human resource management is essential—recruitment, selection, training and on going development. Baum Tom also felt that one of the difficulties for tourism and hospitality education is that it is expected to dance to the tune of a fragmented and heterogeneous sector where there are few commonly defined needs at a technical or knowledge level.

Timo Nils and Davidson Michael (1999)\(^{62}\) highlighted the key features of the employment in the tourism industry as are low pay, low trade union density, gendered jobs, weak internal labour markets, low skill formation, low level of HRM professional practices and a reliance on a culture of casualisation. They continued by saying that the general approach of the management of these industries shows little commitment to a human resource management ideal which views labour as ‘human assets’. Rather, the approach is based on treating labour as a cost with management adoption of cost minimization practices.


business environment, only a successful travel/tour company will change to meet competitive threats and opportunities to match the needs of a new travel market, and will bring flexibility, creativity, innovation, determination and professionalism into its operations.

Research conducted by Prof. Fuad M. Awad and Prof. Said Ladke (2000) on Tourism Workforce Development for Cluster Competitiveness on the Lebanese Tourism highlighted the need for HRD in Tourism industries. They observed that tourism is a labour intensive, people-based industry. When tourists visit a destination or attraction, they 'buy' not only the physical amenities and attractions, but also the skills and services of the tourism employees. For this reason, human resource development should be a pre-eminent concern of tourism professionals. Findings of the research were that workforce is one of the main factors of competitiveness in the new global tourism market. Well developed tourism training programs can boost employee productivity and thus industry competitiveness in two ways:

- Job specific training- provides employees with the technical skills necessary to perform their jobs more efficiently.

- General skills training provide skills that enhance the service and performance of the industry.

The research done by Farrell Kathleen (2001)\(^\text{65}\) has shown that there is high labour turnover in the tourism industry. The study observed that retention of employees in the tourism sector is the real cause for concern. While a certain level of mobility is desirable in the tourism industry, there seems to be a problem of attracting people to work in the industry and to remain in it. In many countries, the growth of tourism, as an industry, is severely limited by the lack of adequately trained personnel. In addition, high turnover affects the quality of the service and incurs large replacement and recruitment costs together with employee morale problems. There is evidence that pay and working conditions are becoming ethical issues. Low level of pay is the number one reason for leaving the industry.

Again Farrell Kathleen of the opinion that a firm upholds its reputation as a good employer provided employees need to be assured that career development and training is available to them. Career development is vital if the organization is to buy the support and commitment of employees to the business. Career opportunities are very poor in the tourism industry. Job security and opportunities for job enrichment is only for a very small segment of the workforce. In other words, human capital does not seem to be highly valued in the tourism sector. The researcher argues that human resource issues are barriers to the human resource development in the tourism industry.

Becherel Lionel and Cooper Chris (2002)\textsuperscript{66}, in their book, highlighted the need for language skills to be possessed by the tourism employees to guide the tourists. The authors argued that in tourism enterprises, services are produced where they are consumed. The production of the tourism services where they are consumed has great implications for training—such as the provision of language skills.

Challenges and policies regarding human resources in tourism were discussed at a conference\textsuperscript{67} organized jointly by the Ministry of Tourism, Turkey and the Organization for Economic Co-operation and Development (OECD) Tourism Committee in Cappadocia, Turkey. One hundred delegates from industry, governments, international organizations and tourism and training institutions from OECD members and non-member countries attended the conference. This conference felt that tourism is one of the largest and most dynamic industries, plays a key role in the socio-economic development of OECD as well as of a number of developing countries. It was also felt that as a labour intensive industry, tourism offers many opportunities for employment in the economy. Therefore, human resources are a key element for ensuring sustainable development in tourism and for increasing the competitiveness of the sector. But, the conference observed that the


development of human resources in tourism is subject to a number of obstacles. Recruiting and retaining a qualified workforce remains a challenging task for many large and small enterprises due to the characteristics of the tourism labour market (seasonality, working conditions, and high segmentation of the sector). Many of the tourism enterprises are not investing enough in human resources training and development.

To overcome obstacles in the development of human resources in tourism, the conference made the following recommendations:

- To support sustained and quality growth in tourism, all efforts regarding human resources development should be customer oriented.

- To maximize the creation of lasting and high quality jobs, governments, industry, workers representatives, education and training organizations, should co-operate to better assess the future needs for and of skilled labour, find ways to avoid a growing shortage of skilled labour in certain occupations and more generally to promote the image of employment in the tourism industry.

- To increase the productivity and competitiveness of the sector, the qualifications of employees should be enhanced in coherence with market needs and the level of development of the country; new skills required by the industry should be integrated in the tourism curriculum of the future (Communication and problem solving skills, information and communication technologies, sustainability or management skills);
• To help enterprises, in particular small ones, with capacity building in human resources development, best practices should be disseminated (in the area of career promotion schemes, recognition of vocational training, foreign workers programmes, etc) and networks associating large enterprises, small ones, workers representatives and local authorities should be encouraged.

• To improve the understanding of the functioning of the tourism labour market and support policy and business initiatives, governments, the industry and international organizations should further develop instruments to measure quantitative and qualitative information related to human resources in tourism; specific analysis should be undertaken at international level (for example, in the area of mobility, career development, seasonality or return on investment in training).

Ashraf Hussain and Mathur Pooja (2003)\textsuperscript{68} say that today, the tourism industry is becoming more and more competitive and challenging in the international tourism market. In the scenario of globalization, competition among global players of tourism related service industries is unavoidable. The global village concept considerably increased the expectation of people from all spheres. In such a situation only organizations capable of creating a competitive edge can continue their achievement. The apt way to reach such competitive edge in field is through HRD. HRD is fast becoming a new competitive factor for the tourism industry.

Panda and Mishra (2003) are of the opinion that travel and tourism industry will continue to be a good business if professionally run, integrating the latest innovations and technology and understanding the needs of the consumer to deliver quality products and services.

M M Goel (2003), in his presentation, supports the essentials for excellence in professionals in the tourism industry. He said to realize the full potential of tourism a foreign exchange earner as well as a human resource development activity, we need sincere, dedicated and enthusiastic manpower.

Mohinder Chand and Vinay Chauhan (2003), in their chapter on ‘Travel Agency HRD Practices” An Investigation’, highlighted that service quality is the number one factor that contributes to the success or failure of a travel agency. Quality of service is directly related to employee performance. Thus, a travel/tour company has no choice as between ‘HRD or Non-HRD’. The only choice is to adopt HRD practices that will make it different from its competitors.


The study of various qualitative works highlighted the absence of systematic approach for human resource management and development in the tourism industry. The studies have identified heterogeneous wide range of organisations, employing low skilled, low paid, untrained, unmotivated, low status, unproductive workforce and negative employment image which are the major barriers for human resource development in the tourism sector. It is observed that Human Resource Management and Development need to be fully embedded in the policy and strategy of the tourism organisations if they are going to be effective and competitive. Researchers and scholars are of the opinion that investment in all stages of human resource management and development is essential in this sector. Tourism industry must evolve a human resource management system on a scientific basis and adopt human resource development practices that fit the needs of the industry. The industry must be managed by tourism professionals in order to be competitive and to grab the fruits of the sector in the international market. It is evident that no comprehensive and authoritative study has been conducted in India and Karnataka in particular on human resource issues of the tourism sector so far. There is also a need to develop appropriate models for HRD and for conducting an indepth study on its existing status covering all the elements. Therefore, it is useful and relevant to undertake a comprehensive study on problems and prospects of human resource development in the tourism industry to offer some suggestions to evolve a suitable policies and practices on human resource development in the industry.

The review of earlier works of various researchers and scholars have not only enriched knowledge but also helped the researcher to fit the objectives of the present study and to formulate certain hypotheses, to be deeply probed into.