Chapter 1: Introduction

The Chapter one is introduction of Hospitality Industry and Training function. This chapter is introduction of the growth of hospitality industry in India and relevance of training function in its growth.

“If you wish to plan for a year sow seeds,

If you wish to plan for ten years plant trees,

If you wish to plan for a life time develop men”

*Chinese Proverb*

1.1

Importance of training and development can be highlighted from the above proverb. Employee development is the process whereby people learn the skills, knowledge, attitudes and behaviors needed in order to perform their job effectively.

With growing economy, organisations are reaping the benefits and growing with faster pace. The growth rate of an organisation is likely to be limited more by its people than by any other factor.

Today most of the organizations operate in a business environment where uncertainty, risk and complexity in the external environment have become a fact of life. Pressure of international competition and market globalization are forcing Indian organizations to match global standards. What ever their structure or business strategy, organizations are realising that it is the performance of their human assets that can make a difference between success and failure. With increasing emphasis on technology, quality and

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service we are moving away from mechanized workforce to an intellectualized one and thus need competent and self directed employees to assume responsibility as per the changing demands of the work situations. As such no organization can ignore the learning and development needs of its employees without seriously effective their performance in a rapidly changing society. Employee training and development are not only an activity that is desirable but also an activity that an organisation must commit resource to, if it is to maintain a viable and knowledgeable work force. (Ashutosh Pande and S. K. Bhatia)

1.2

About Hospitality and Training

It is boom time for India's Tourism and Hospitality sector. Driven by a surge in business traveller arrivals and a soaring interest in the country, India has emerged as a leading tourist destination. The world's leading travel and tourism journal, “Conde Nast Traveller”, ranked India amongst top 4 preferred holiday destinations in the world.

The importance of tourism for the Indian economy is evident from the fact that it contributed to 5.9 per cent of the Gross Domestic Product and provided employment to 41.8 million people. To unlock the huge potential in this sector, the Government has taken various initiatives for the development of this sector and one of them is encouragement to hospitality sector.

Hospitality is an industry of Private sector service Providers, although the public sector has a significant role to play in infrastructure areas either directly or through Public- Private Partnership mode. It is a multi-sectoral activity characterized by multiple services provided by a range of suppliers. It is quite similar to manufacturing industry, where the supply chain is as important as the end product. The related sectors include airlines, Surface transport, travel agency, tour operator, basic infrastructure and facilitation systems, etc. Thus, the growth of hospitality cannot be attained unless the issues related to all the sectors are addressed simultaneously (Lockwood, Medlik 2001).

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Another important feature of the hospitality industry, which is of particular significance to India, is its contribution to national integration and preservation of natural as well as cultural environments and enrichment of the social and cultural lives of people. Over 382 million domestic tourists visiting different parts of the country every year return with a better understanding of the people living in different regions of the country. They have a better appreciation of the cultural diversity of India. Thus, hospitality industry has been recognized as an important instrument for sustainable human development including Poverty elimination, Environmental regeneration, job creation; and Advancement of women and other disadvantaged groups.

One can go on and on explaining Hospitality Industry, a precise explanation / definition can be as follows (as described in online hospitality dictionary): 'Hospitality Industry is an umbrella term for a broad variety of service industries including, but not limited to, hotels, food service, casinos, and tourism.' Usually Hospitality Industry is understood to include hotels, restaurants and like establishments only. Thus these become a part of tourism sector or industry.

Hospitality refers to the relationship process between a guest and a host, and it also refers to the act or practice of being hospitable, that is, the reception and entertainment of guests, visitors, or strangers, with liberality and goodwill. Hospitality frequently refers to the hospitality industry jobs for hotels, restaurants, casinos, catering, resorts, clubs and any other service position that deals with tourists.

Semantic definitions include those in dictionaries, thus hospitality is the friendly and generous reception and entertainment of guests or stranger or kindness in welcoming strangers or guests.

Tideman observes ‘hospitality is the method of production by which the needs of the proposed guest are satisfied to the utmost and that means a supply of
goods and services in a quantity and quality desired by the guest and at a price that is acceptable to him so that he feels the product is worth the price.'

Jones argues that 'hospitality is made up of two distinct services the provision of sustenance for people eating away from home. ' Cassee sees hospitality as 'a harmonious mixture of tangible and intangible components – food, beverages, beds, ambience and environment and behaviour of staff.' Further modified by Cassee and Reuland to 'a hormonious mixture food, beverages, beds, shelter, physical environment and behaviour and attitude of people.'

Hospitality is also known as the act of generously providing care and kindness to whomever is in need.

For Research purpose we take the definition of Hospitality Industry as Industry which is earning its major revenue by offering hospitality to its Guests/ Customers.

Attitudes and attention to training has changed greatly in the last 50yrs. Historically training applied more to manual and trade skills often effected through apprenticeships. In more recent years much more emphasis has come about in behavioural training. With the aid of modern technology the training expertise itself has been greatly developed and improved to cover all aspects of modern business & industry.

Training of Employees in this Industry has a special role in this industry as this has direct impact on quality of services and satisfaction of customers.

The importance of training in the hospitality industry has been highlighted by many researchers in previous study. According to Peterson & Hicks training is vital because of the unavoidable changes that occur in organisations. To achieve continuing progress successful organisations will reprogram

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themselves and retrain their employees accordingly, e.g. to gain a competitive edge over their competitors by improving service quality in their hotel etc. He also warns organisation for consequences of not training, those organisations that are successful at present but continue unchanged and become complacent will be in for a big shock.

Training is a continuous process and that people’s skills need to be continually updated to avoid becoming obsolete just like technologies which become outdated if development is not ongoing.

The effect of training at the top filters downward throughout the entire organisation where well trained staff build stronger teams of employees, in turn leading to better financial results.

Gob believes that Hospitality operators are generally strong believers in management and employees training and are prepared to invest in effective training programmes. One example is, "In the early 90s, the Mirage Hotel & Casino in Las Vegas and ARAMARK spent over $5.5 and $25 million respectively on training. These financial commitments were made in hope of producing capable managers that can deal with new and uncertain challenges"

The importance of management training is reiterated by John Russell, president of HFS’s Hospitality division, who stated in the October 1996 issue of Hotel & Motel Management, "The chains that survive will be the ones that focus on training".

“We can’t pre check service or sample it production and consumption are simultaneous. Those few moments of service delivery are a company’s make or break point when reputation is either confirmed or denied. And the outcome in our industry normally depends on front line employees: door men, bellmen, waiters, housekeepers – the lowest paid
people, and often, in too many companies, the least motivated. Most companies hire for experience and appearance, how the applicants fit the company image. We hire for attitude. We want people who like other people and are, therefore, more motivated to serve them. Competence we can teach. Attitude is ingrained.”

Isadore Sharp, Chairman & CEO, Four Seasons.

The above statement makes it so clear how employees in hotel industry are peculiar in attitude and skills as compared to other industry. Role of human resources and training is also reflected in the above statement.

Present study is undertaken to explore and prepare “Status Report on training Activities in Selected Hospitality Industry Units in Pune”.

This chapter presented overview of How Hospitality Industry is growing and Training is an important activity contributing in the growth process.

The next chapter is based on literature review on Hospitality Industry and Trends in Training and Development.

\[ \text{Status report is preconditioned form of evaluation of training effort in any organization. Presently, In the absence of such status report on training in hospitality industry, researcher has embarked on the status report as follow.} \]

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