

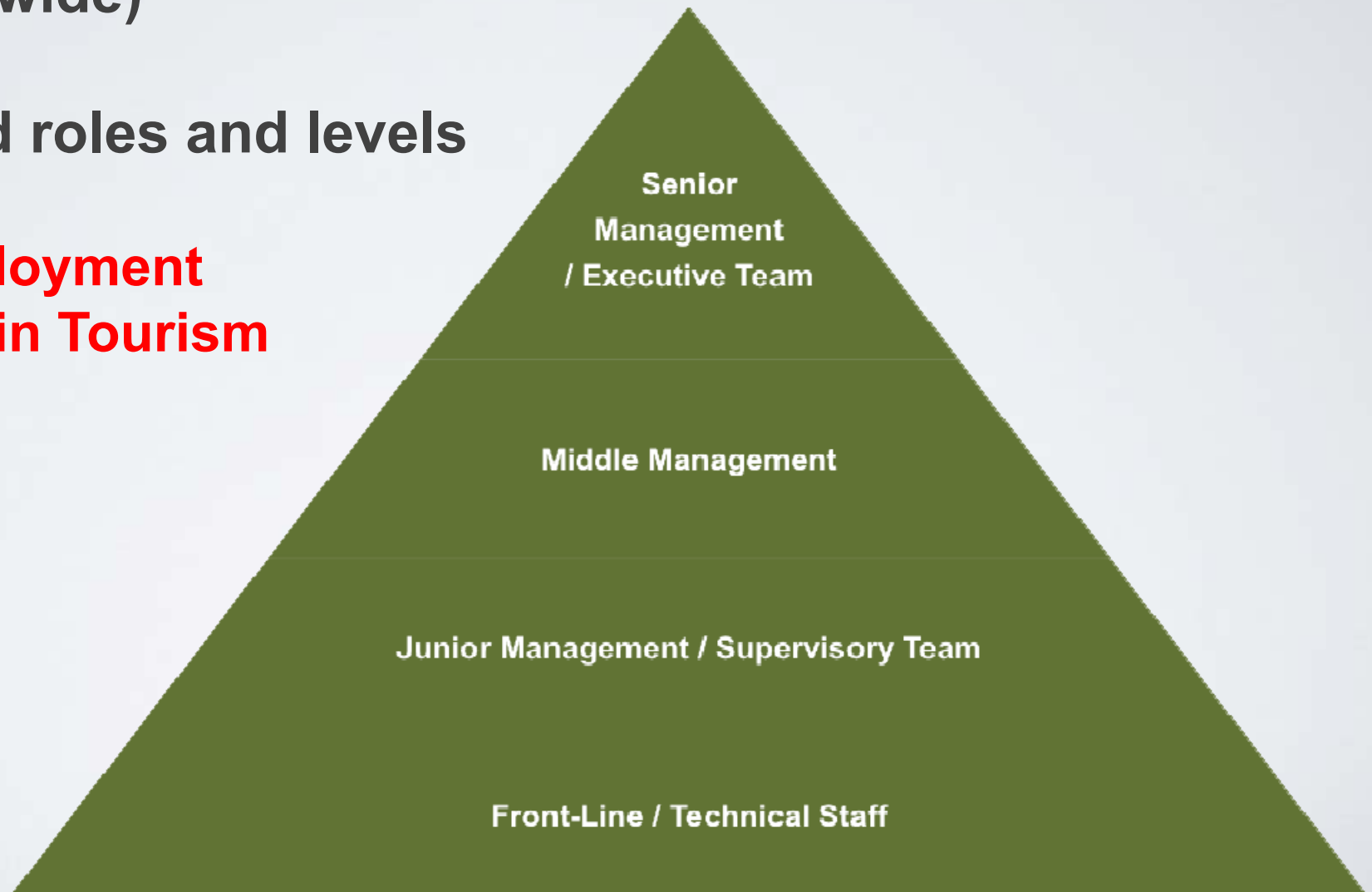


# **THE IMPORTANCE OF HUMAN CAPITAL FOR TOURISM**

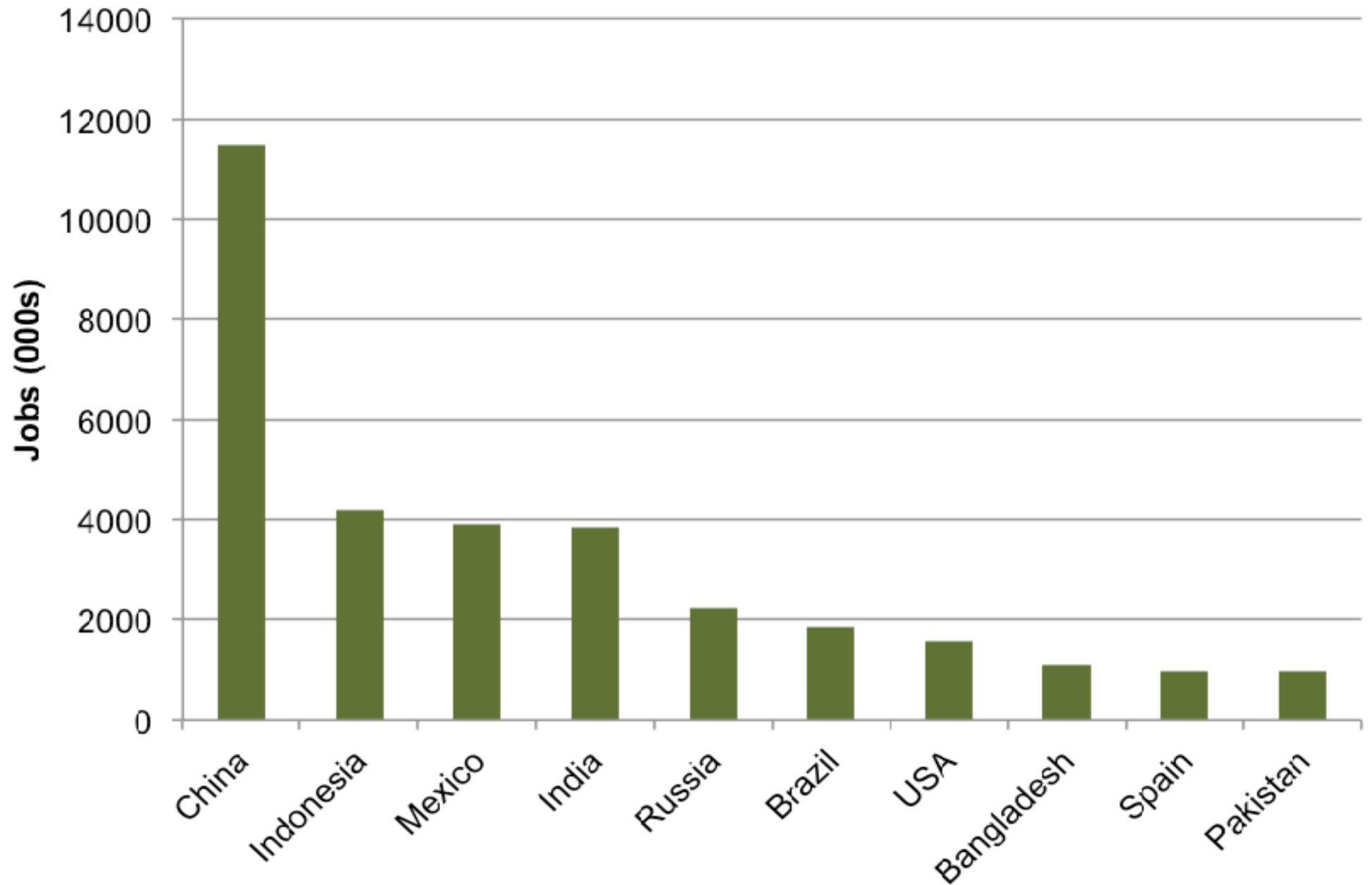
# Global tourism is a major employer

- Tourism employs very large numbers (11-12 million worldwide)
- Varied roles and levels

## The Employment Pyramid in Tourism



# World Rankings for Tourism Employment



## Focus on **Quality** of Human Capacity

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- Global recognition that the **quality** of tourism employees is critical for competitiveness – for both enterprises and destinations
- High quality employees **DO MAKE A DIFFERENCE**
- Destinations that invest strategically in their tourism workforce – Ireland, Singapore, Malaysia

## Focus on **Quality** of Human Capacity

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- **Companies that recognise the value of similar investment – Marriott/ Ritz-Carlton, Southwest Airlines**
- **A focus on quality requires an **integrated approach** to Human Capital, attending to all dimensions of Human Resource Management (HRM)**

# Key Features of **Integrated HRM**

## **Effective....**

- Recruitment**
- Training**
- Career development**
- Rewards and benefits**
- General management style**

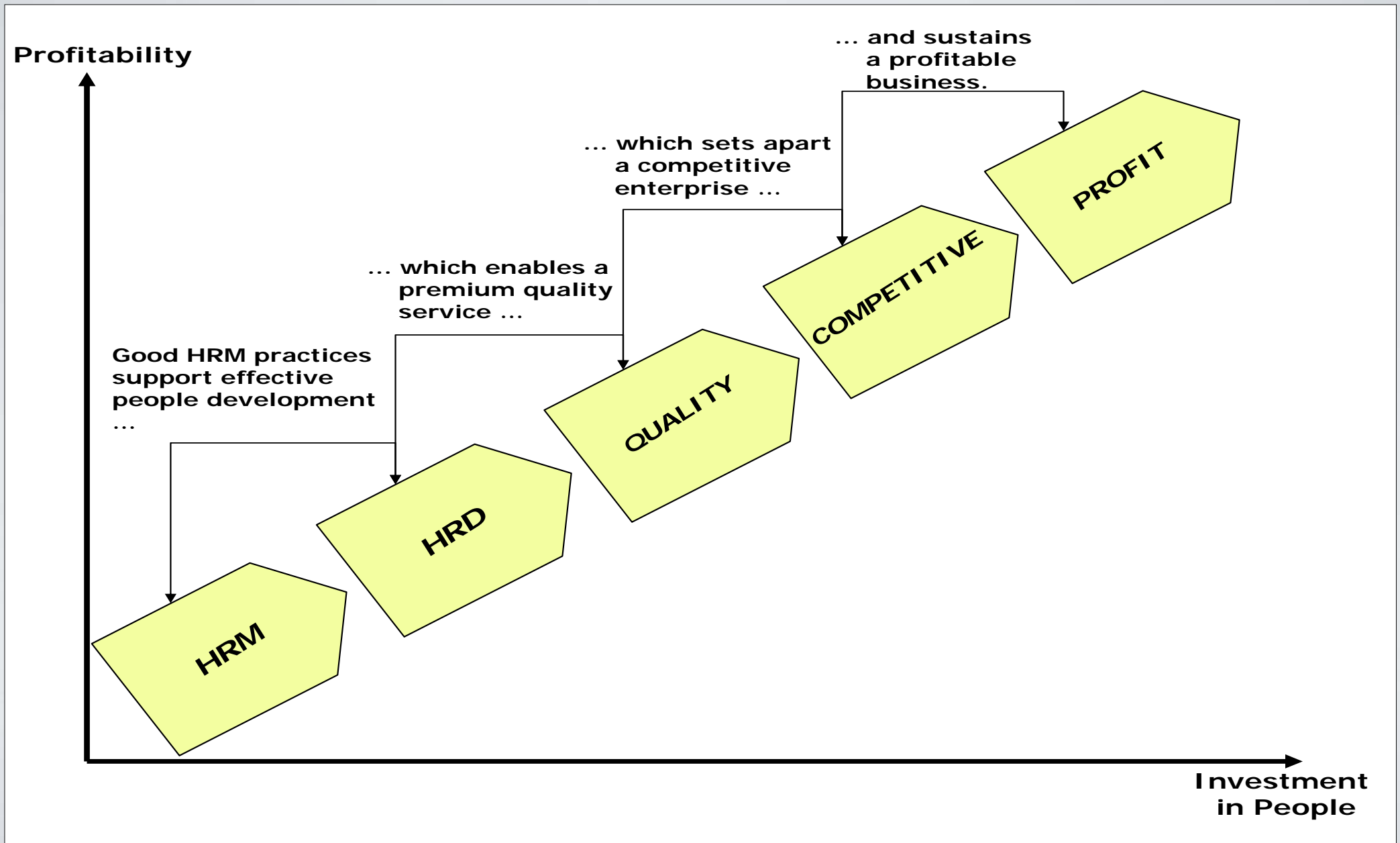
# Key Features of **Integrated HRM**

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At the heart of a thriving tourism system are ***institutional and programme arrangements*** which effectively support ***multi-level, effective*** and ***sustainable*** vocational and professional training for and within the industry.



# Human Resource Management (HRM) and Human Resource Development (HRD) as **Key Elements in Business Profitability**



# The Tourism Service Profit Chain (TSPC)



# TSPC: Highlighting the Importance of Human Capital for Tourism

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- ❑ **A committed and engaged people are core to the success** of any tourism enterprise, destination or country;
- ❑ The key to achieving a committed and engaged workforce is through **investment in people** through skills development and the provision of ‘decent work’;

# TSPC: Highlighting the Importance of Human Capital for Tourism

**This skilled workforce, constantly reinforced in terms of skills updating and developing new skills, delivers a high quality tourism experiences to visitors**



**❑ Creates increased visitor satisfaction**



**❑ Increased customer satisfaction leads to greater spend during a visit**



**❑ Increases the chances of repeat visitation and business profitability**

# Factors and Trends Affecting the Development of Tourism Skills and Human Resource Capacity

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## □ **New**

- Occupational Profiles,
- Skills Requirements
- Skills Gaps

## □ The **Changing Profile** of the Employee

## □ **Effective HRD Practices**

# **Partnership Approach** to Human Capital Development

- **Government and related public agencies**
- **Educational and training providers, both public and private**
- **Private sector enterprises and the professional associations which represent hotels, travel agents, chefs, tour guides etc.**
- **Current employees within the hospitality and tourism industry**
- **Local community interests and the students and families who participate in the training**
- **International bodies which may include Non-Governmental Organizations (NGOs), and donor agencies**

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**Thank you**

**Q & A?**

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