



## **Tourism and Hospitality Training Demand Profile Project**

**May, 2004**

### **Introduction**

Recognising the critical importance of human resource to the strength of the Tasmanian Tourism and Hospitality Industry, the Tourism Council of Tasmania (TCT) commissioned research into the future needs of the industry.

A Steering Committee with representation from TCT, Industry bodies and individuals, Registered Training Organisations, Tourism Tasmania, Unions and the Office of Post Compulsory Education and Training, oversaw the project.

The core objectives of the project were:

1. To assess the current status of training and skill issues in the Tasmanian Tourism and Hospitality Industry; and
2. To develop a Training Demand Model that would help predict industry training and skills needs over the forthcoming two to five years.

Under the guidance of the Steering Committee, consultants were engaged to perform an extensive initial industry survey, together with analysis of existing sources of industry information.

There have been two key outcomes from the project:

1. A "first cut" Training Demand Model has been developed. This is intended to provide predictions of skills and training needs by sector and region, when a number of variables are entered. While showing significant promise, it is the Committee's view that this Model should be further refined through additional industry surveys over the next twelve months before being used as a predictive tool.
2. A set of recommendations for key sectors involved in the delivery and funding of training have been developed. The Committee hopes that these recommendations will be carefully addressed by Registered Training Organisations and policymakers in order to more closely align training processes with industry needs.

Attached is a summary of the research findings and recommendations.

# **Executive Summary**

## **Scope**

This training demand profile outlines the training needs of the Tasmanian Tourism and Hospitality industry within broad sectors covered by the National Hospitality, Tourism and Caravan Industry Training Packages. Given the difficulty in separating between the tourism and hospitality workforce, the term 'industry' in this summary refers to both sectors as a whole. Approximately 18,300 people are employed in the industry, the overwhelming majority in small (less than 20 employees) and very small (less than 5) businesses.

## **Current Skill Shortages**

### **General**

Given the improved access, level of industry growth, shift in demand, and emerging sophistication of the traveller, skill shortages need to be addressed forthwith so that customer service demands can be met in both metropolitan and regional areas.

Project research suggests that the shortage of chefs is pressing in regional areas and is compounded by the 'leakage' out of the industry of experienced cooks, which is indicative of issues outside of training. Managers with business, leadership, and human resource skills at AQTF levels 5 and 6 are required and that, while there is no shortage of willing candidates, food and beverage attendants with sufficient skill levels and a genuine career orientation are in short supply. Candidates with gaming licences and TAB and Keno skills are also in short supply, and given the increasing popularity and developing demand for eco-tourism activities, tour guides with interpretive skills are in demand.

Survey respondents were unanimous that there is a lack of customer service skills and of a 'service culture' in the labour market, despite many candidates having the required practical skills and formal qualifications. There is a general deficiency in understanding the demands of the hospitality and tourism workplace, leading to attrition from hospitality and tourism occupations, especially at functional or operational levels. Even trained staff may be unprepared for the workplace, with implications training providers to portray the industry and its demands as close to 'reality' as possible.

### **Hospitality**

Employment growth, the need for basic skills, and high attrition is creating training demand. Criticism of service standards has prompted a focus on customer service and 'soft skills'. The typical owner operator in this sector faces challenges associated with the cost, both monetary and time, of training. Regional employers are demanding more training delivery 'on their doorstep'.

Traditionally, the market for training has been school leavers, students (casual workers, job seekers/unemployed/'second job' seekers, and existing employees for new apprenticeships; however, research indicates that candidates in the traditional age bracket will be fewer and attractiveness of other industries may shift the focus to older workers across the board. Training must appeal to those older workers.

### **Commercial Cookery**

Growth, high attrition, and job interest is driving training demand in this sector, however there is still an almost perpetual shortage of qualified cooks/chefs. Those with business skills or suited to an executive position are in short supply. The

expectations of new entrants to the occupation need to be realistic as it is demanding and places them under pressure to perform in difficult conditions at unsociable hours. Training needs to be more 'hands on', exposing students to broader practical experience. A concerted effort should be made to continue training existing cooks to Certificate IV and beyond in order to address the managerial skills shortage. While school leavers and new entrants are the main target markets, structural changes in population and growth in regional areas suggest that a wider pool of people should be attracted to the industry.

## **Meetings and Events**

Anecdotal evidence suggests that this market has grown by 62% in the two years to date. The supply of people seeking training is increasing as the sector becomes more attractive to prospective entrants and because of the pathway through Certificate III. Skills such as project management are required to package large events and affiliated ancillary services together, and general business skills are required to ensure profitability of the services.

The meeting and events industry requires flexible training from the National Training Package through on line delivery, workplace assessment, as well as mentoring of current workers seeking skill development. Currently, the numbers of people being trained, approximately 24 per year, are sufficient to meet industry needs.

## **Guiding**

Demand for staff is seasonal but as the shoulder season contracts, employment opportunities are extending. Basic outdoor and first aid skills are no longer total competency in this occupation as more sophisticated visitors seek holistic experiences that are not just factual commentary, but include context, 'stories', and entertainment. Training has become more specific and specialised with emphasis on interpretation skills as well as general outdoor/recreational guiding competencies. Eco tourism and access to 'wilderness attractions' has increased demand for interpretation skills for those not directly involved, such as in food and beverage, outdoor recreation, and coach driving, in guiding.

While seasonality and the transient nature of the business makes projections difficult, research suggests that the current 60 Drysdale Institute students per year are sufficient to meet demand; however, existing employees will increase the demand for flexible training.

## **Eco Tourism**

This sector is increasing in Tasmania as it is globally, with new eco tourism experiences and improvements to the delivery of services and experiences. While often existing in regional areas and employing local people, the sector is under pressure to meet visitor demands for customer service and interpretive experiences. The skills base required by enterprises is often not available, and the interpersonal and basic customer service skills required to provide the tourism product need to be improved. Training providers need to take flexible and non-institutional based training to the customer and must customise their training to the needs of each enterprise. The skills requirements of this disparate industry sector are varied; therefore, the full flexibility of industry training packages, including interpretive skills and other hospitality and tourism functional units, will be required to provide competent, multi-skilled employees.

## **Caravan and Holiday Parks**

The majority of these businesses are family owned and use casual labour to augment their workforce. The shifting demographic, our aging population, and the

improved access via Spirit(s) of Tasmania will continue to increase the demand for this accommodation. Growth in the number of parks, especially in regional areas, and recognition of the need for increased professionalism, particularly in business and management and sector specific skills, is encouraging many operators who may have moved into the industry as a lifestyle change, to consider professional development opportunities and training for a qualification.

## **Travel**

This sector may have an oversupply of trained travel agent/consultants for the numbers of jobs available in Tasmania. Currently the target market is school leavers seeking employment in the travel sector and those seeking a career in travel; however, the increased interest in professional development is bringing existing employees and employers to the training market. Industry representatives suggest that while current training delivery is mostly satisfactory, the expectations of many graduates are unrealistically high.

## **VET in Schools**

Some 560 school students enrol in these programs, with anecdotal evidence suggesting that most programs have a strong tourism base as tourism is perceived to offer broader employment opportunities. Although colleges have their own networks supporting VET in Schools and are gaining limited input from industry enterprises, there is little structured involvement from industry representative bodies. However, all representative bodies have indicated that involvement would be forthcoming, if requested.

## **Drysdale Institute**

There is a strong message from industry to TAFE Tasmania's public Registered Training Organisation to play a stronger role in meeting both increasing and newly emerging training needs. To achieve this, Drysdale Institute must ensure that its delivery profile is aligned to industry needs, and also enhance its training delivery model by providing flexible delivery options that are accessible to current employees across the full range of activities and locations, as well as to new entrants to the industry.

Drysdale Institute needs to address problems commonly identified by the industry, including the difficulty of access, cost, and the rigidity by which training is structured and delivered. A committed approach to training and development for the industry will require creativity, within the requirements of the national training packages.

## **Key Improvement Areas**

### **Skill Shortages**

Skill shortages need to be addressed urgently; otherwise, operators will be unable to manage demand, to provide appropriate experiences, and to capitalise on future visitation, leading to a damaged reputation. We need the skills base to deliver both a more professional industry, one that is attuned to the needs of its guests/visitors, and better-managed businesses to improve the opportunity for employment and profit.

### **Customer Service**

Customer service is an enormous concern and it is an industry imperative that, both state and industry wide, customer service skills are improved. Drysdale Institute has a key role in a comprehensive strategy to address both the management of customer service, as well as customer service training. Employers, managers and owner operators must encourage a 'culture of service'.

### **Planning**

As discussed throughout this document, training demand will continue to increase with industry growth and both medium and long-term demand requires ongoing monitoring using the training demand model developed in conjunction with this project. This will ensure that forward planning takes account of variations in the delivery profile, as well as staff and infrastructure needs.

### **Flexibility**

Drysdale Institute must identify the training needs of individual enterprises, customise training from the training packages to meet the functional outcome for the individual and the enterprise and not just the qualification outcome, and offer flexible learning options. Training partnerships and collaborative delivery and assessment activities are highly valued; however, there is an urgent need for quality training outcomes in regional areas to better support the development of industry clusters, hubs and routes, and individual developments.

## **Recommendations**

### **General Training Response for Industry Sectors**

#### *Pre-Employment Student Selection & Induction*

- Select students with a genuine desire to work in a dynamic and demanding industry;
- Offer a realistic induction to and experience of the demands of the industry by including more work experience/ work placement;
- Ensure that new entrants understand the demands of the industry, including personal presentation and demeanour, and the service response customers expect;
- Communicate realistic entry level and career progression expectations.

#### *Pre-Employment Training*

- Encourage a long term commitment to the industry by realistic induction to the demands of the industry, through more work experience/ work placement;
- Promote the traditional apprentice system where appropriate to facilitate career progression and on the job experience with periodic institutional training;
- Make better use of the training package by customising the training content and delivery mode to the needs of the learner and marketing qualifications and training as both a completion stage for new entrants into the industry and as a development opportunity into management for existing employees.
- Move to a 'cluster' arrangement to ensure relevance of training to workplace demands and promote transference into the workplace.
- Ensure that customer service and 'soft skills' are delivered and assessed;
- Build on practical skills to develop a 'culture' of service, so that new entrants have an appreciation of service delivery as a holistic experience;
- Ensure relevance of training to the workplace;
- Develop interpersonal and teamwork skills, in particular the ability to perform practical tasks with confidence whilst communicating effectively with customers and colleagues;
- Develop literacy and numeracy skills to a functional level to overcome the general lack of ability to adequately perform workplace written communication and functional maths tasks.

#### *Industry Training*

- Customise content and delivery to the needs of the enterprise and learner;
- Implement a mentoring approach to the delivery of management skills and encourage more 'life long learning' for self employed managers;
- Continue to build training partnerships with the industry;
- Review funding arrangements to encourage 'life long learning' to career chefs/cooks beyond Certificate III;
- Offer employers, especially in regions, flexible options through short, sharp focused 'bundles' of units delivered through portfolio assessment, on line, and face to face.
- Up-skill operators to levels required of their staff to encourage professionalism and to better meet Tourism 21 strategies through ETTEP and traineeship funding;

- Engage industry operator and registered training organisation support for the national training package;
- Provide enhanced access to training for existing employees and employers through flexible delivery strategies where development opportunities are sought.

## **Drysdale Institute**

### *Planning*

- Ensure that the industry demand forecast model is an integrated element of Drysdale Institute's profile, staff, and infrastructure forward planning process;
- Analyse the demands on infrastructure in the medium to long term, and use the existing infrastructure outside normal term times on a more consistent basis.

### *Flexibility*

- Implement flexible delivery options under the training packages where appropriate;
- Facilitate access of regional operators to training through regional learning centres, including partnerships with enterprises and enterprise clusters to increase the efficacy of training in groups;
- Ensure that recognition of current competencies process are both simple to use and easily accessible, and encourage mentoring opportunities for those looking to gain recognition of skills through a portfolio of evidence;
- Provide more holistic delivery and assessment opportunities by 'clustering' units;
- Offer units or sets of units as stand alone development opportunities where full qualifications are not warranted or required.

### *Customer Service*

- Ensure all new entrants are clear on the value of customer service to the industry;
- Select students with a genuine desire to work in a dynamic and demanding industry;
- Offer a realistic induction to and experience of the demands of the industry by including more work experience/ work placement;
- Communicate realistic entry level and career progression expectations;
- Develop customer service infrastructure needs, for example, supporting processes, servicescape issues, and marketing congruence at Certificate III level and beyond;
- Ensure that the impact of human resource management and marketing on the customer service function is understood at management level.
- Support the accreditation approach through the partnership with the TCCI to provide audits and recommendations to operators on customer service issues.

### *Skill Shortages*

- Ensure that Frontline Management Initiative training continues with wider access;
- Facilitate better access to training at certificate levels IV and above for owner/operators through better funding;
- Provide flexible delivery and mentoring for mature aged learners, as currently achieved by the ETTEP program.

## **VET in Schools**

- Involve industry and school stakeholders in a communication process through a third party in order to increase the commitment to and awareness from industry;
- Ensure that teachers in VET programs have a thorough understanding of the vocational demands of industry and its operators;
- Implement a more rigorous approach to assessment in work placements to ensure that employers who provide work placements and auspiced assessment for a nationally recognised qualification are aware of their responsibilities;
- Provide sufficient industry work placements to allow the development of competence;
- Ensure that all assessments guarantee the competencies so that enterprises employing students on the strength of qualification find that the new employee is able to perform the tasks for which they have been deemed competent;
- Develop interpersonal and communications skills to a greater functional degree in order to support the development of a 'culture of service';
- Provide literacy and numeracy support to prepare students for the workplace
- Ensure that core and foundation units are treated with the full rigor that they deserve;
- Consider the inclusion of relevant tourism units in non-tourism specific courses in order to meet the demand for more interpretive skills.

## **Proposed Further Actions**

1. A Steering Committee is established by TCT to ensure that the recommendations of this Project are adequately communicated and to drive satisfactory outcomes for Industry in each of the key areas identified;
2. The Office of Post-Compulsory Education and training (OPCET) to incorporate the training demand profile findings and report back to Industry parties by June 2004 of its strategies for responding to training demand;
3. The Drysdale Institute is asked to provide an initial response to the recommendations to the Steering Committee in June 2004, and a further presentation in September 2004 of progress in implementing the changes envisaged in this report;
4. OPCET is to liaise with Industry to implementing changes envisaged in this report as pertain to VET in Schools;
5. During 2004, the Steering Committee to monitor progress by the VET sector in responding to the training needs of the Tourism and Hospitality enterprises in Tasmania and report progress to the State's Tourism and Hospitality peak bodies in the second quarter of 2005;
6. The TCT to work with training stakeholders to develop and agree a strategic framework for meeting Tourism and Hospitality Industry Skill Development needs.