



# 'Atithi Devo Bhavah'

"A Guest Is God"

Hospitality Industry And Hotel Management Institute

"Highs And Lows"

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## PROLOGUE

India, since the very beginning, has been known for its warmth and hospitality. Every Indian home, regardless of its economic status, has been a place where a guest always feels at home.

Our Nation has an ingrained consciousness of eclectic cultural absorption. We are blessed to be the terminus of an East-West, North-South combine of the International hospitality industry. Six decades of Independence have seen the evolution of the Indian Hospitality industry. The last ten years have seen a mushrooming of the Hotel industry by leaps and bounds thanks mainly to India's economic growth and global recognition of its enormous untapped potential.

## EMERGING CULINARY AND HOSPITALITY SCENARIO

Technology and communication have shrunk the globe. People have ready access to other cultures, habits, food habits and behaviour. Humanity has a unique opportunity to learn and teach the best from several parts of the world.

Society has evolved from eating to relishing food. The "cook" has become a "CHEF", the "waiter" a "STEWART". Hotels are now part of the Hospitality industry.

A blend of art and science, technology and tradition are taking place in catering, cooking, presentation, service with dietary and palate considerations. This has given the industry status and significance. In fact, traditional individual Indian hospitality is on the way to become institutionalized. More and more Indians are eating outside. Foreigners enjoy and relish our cuisine, both vegetarian and non vegetarian.



## BACKDROP

"Atithi devo bhavah" (Guest is God) has been one of central tenets of Indian culture since time immemorial. Hospitality is about making the guests feel completely at home. Today, this sector is one of the fastest growing sectors in India. It is expected to grow at the rate of 8% between now and 2025. Many international hotels including Sheraton, Hyatt, Radisson, Meridien, Four Seasons Regent, and Marriott International are already established in the Indian markets and are still expanding. ITC hotels, Indian Hotels Company Ltd (the Taj group), East India hotels (Oberoi group), Asian hotels Ltd, Hotel Leela Venture and Hotel Corporation of India have matured as leaders providing healthy and comparable standards of competition.

Tourism is also now factored as a catalyst in the further development of hospitality industry.

## STOCK TAKING TIME

An important factor is that food and hospitality are mostly agnostic to Economics in terms of quality and service. While numbers may fluctuate, expectations always remain high when it comes to dining and drinking. People want to feel that the money they have spent is really worth their while.

All that requires to be done is to introspectively look at our highs and lows in hotel management and carve out a practical way ahead with all stake holders committed towards this highly opportune moment that would yield us significant dividends. More importantly, it would give our tourism a major fillip. Most importantly, it would help our countrymen rediscover our land's valuable heritage of a multi cuisine richness of taste and aroma. This would give real credence to "Atithi Devo Bhavah" both at home and to our visitors.

Facets of interest of the Indian Hotel Industry

Interesting facets given below are part of the stock taking exercise to enable us to consider a pragmatic way ahead:

- India is an ideal destination for tourists. Approximately 4.4 million tourists visit India every year. Thus the growth prospects are very high.
- More and more Indians are eating out with 20 to 30 percent annual growth.
- The industry is more dependent on metropolitan cities as they account for 75% to 80% of the revenues, with Delhi and Mumbai being on top.
- The average room rate (ARR) and occupancy rate (OC) are the two most critical factors that determine profitability. ARR depends on location, brand image, star rating, quality of facilities and services offered. The occupancy rate depends on other seasonal factors.



- (e) In the hotel sector, a number of multinationals have strengthened their presence. Indian hotel chains are also expanding internationally. A combination of all these factors could result in a strong emergence of budget hotels, which could potentially lower costs.
- (f) The segments of the industry broadly come under
- i. Budget hotels that cater for Indians and hitch hiking tourists with limited money
  - ii. Heritage hotels that are in fact modified palaces, forts, large family homes and traditional dwellings of rural India. They are relatively less expensive and give the visitors a glimpse of the past.
  - iii. Five star and five star deluxe that are mostly metro based catering for foreign visitors, upper end tourists, high Indian official etc. 35 % of the hotel industry is accounted by this.
  - iv. Unclassified and an organized private hotel/motel groups at comparative low prices are spread across the country and account for about 20 to 25 % of the industry.

#### Hotel Management Institutes and Manpower needs

It is broadly estimated that there are currently about 80,000 professionally trained persons working in the hospitality and catering industry in India in all categories of hotels.

Based on our random survey there is an immediate requirement of over 15000 additional trained personnel in the star category hotels in India, which includes over 2700 managers, over 2500 supervisors and over 1000 staff members.

The average staff turnover in starred hotels is around 25 to 40 %. This turn over adversely affects hotel management aspects due to lack of continuity, consistency and consequent need of constant retraining

Field survey shows that not more than 60 per cent of diploma/ degree holding students are joining the Indian hospitality industry, though the numbers passing out from diploma/degree courses match with the demand side statistics collected. This is primarily due to poor CTC and sub standard working conditions and lack of reasonable HR practices as is obtaining in other professions.

#### Aptitude and traits

Hotel management requires people friendly people with outgoing personality. The job demands the person to be easy to work with but one who demands both quality as well as effective output. The customer is king and is always right—is the only approach. Manual dexterity, stamina, pleasant and cheerful disposition are all givens in the job. An ability to remember names and faces would be a definite plus. Having basic essential knowledge on all aspects of hotel management is a must even if the person is trained on a single vertical. A constant desire to learn and self develop would give the person significant added advantages. Methodical approach, good visualization skills and an ability to innovate are skill sets that would yield positive response from clients as well as management.

The diversity of experience in hotel management is greater than in any other profession. Hotel industry involves combination of various skills like management, food and beverage service, housekeeping, front office operation, sales and marketing and accounting. Today, the rise in corporate activity (leading to greater number of business trips) as well as the wish to travel on holidays has made the hotel industry a very competitive one



National Council for Hotel Management and Catering Technology (NCHMCT), a statutory body is responsible for establishment and prescription of standards/norms for the courses offered at the institutes of hotel management.

All India Council for Technical Education (AICTE), a statutory body of the Government of India, regulates quality of institutions offering hotel management and catering technology courses

#### Courses in Hotel Management are

- BHM - Bachelor of Hotel Management
- DHM - Diploma in Hotel Management
- BHMCT - Bachelor of Hotel Management and Catering Technology
- DHMCT - Diploma in Hotel Management and Catering Technology
- PGDHM - Post Graduate Diploma in Hotel Management

The main areas of work in a hotel are as follows :

1. General Operations: The main responsibilities of this department include supervision, co-ordination and administration of all other departments as well as overall financial control.
2. Front Office: It is the centre of all activities. Major tasks performed here include: providing information, making room reservations and taking care of check-ins and check-outs, besides the duties performed by the Personnel Department of any company.
3. Sales & Marketing: This department keeps in touch with travel agents and tour operators as well as other potential corporate clients in order to sell hotel facilities. This department also normally handles Advertising and Public Relations.
4. Food & Beverage: This department is the hub of the hotel industry and is responsible for all the food that is prepared and served in the hotel.
5. House Keeping: The main function of the housekeeping department is to make sure that all rooms are kept in order and all the needs of the guests are met.

“It must be remembered that this is perhaps one vocation wherein the impact of the training is immediately felt and impacted on the field” - This, hence, needs to be remembered by all stake holders



## Highlights of the Status of Hospitality Management Education covering weaknesses and strengths

### Concerns

Despite its evolution there are considerable concerns about the status of hotel Management education. Major concerns are:

- (a) Profitability objective of a majority of private schools results in short changing the curriculum needs of the industry. Only theoretical education gets imparted without any practical training.
- (b) Hotel management as a career continues to be almost the last priority for most students who join this profession after being rejected elsewhere. Even post training and certification most students get into ancillary jobs like call centres, aviation positions, banks, shipping, ticketing etc.
- (c) Many hotels consider students from the hotel management schools as disposable and cheap labour. This has a direct bearing on self esteem and consequently high turnover.
- (d) An important factor is the reluctance of most hotels to give the new job aspirants comprehensive training across the full spectrum of their specialization.
- (e) The lack of standardized pay packets and perquisites. This has a direct bearing on retention.

### Summary of weaknesses

Market survey does indicate that most hotel management institutes seem to follow an unstated policy of low fees, mediocre faculty, sub standard lab/practical facilities, poor infrastructure and less than attractive environs. Institutes affiliated to AICTE and universities do have to adhere to mandated fees and are better than many private colleges.

Teachers often belong to the group that was unable to secure careers in the hotel industry and hence willing to work for lower pay packets. In some cases, the pay was as low as 8,000 to 10,000 rupees per month.

This has resulted in a situation where many students passing out from the institutions are not considered employable by the hotel industry. Consequently, students who join these schools are those who could not get admission in good colleges, either for normal degrees or professional courses. It is indeed an all round unhappy situation for the industry.

Ironically, at the same time, most hotel management schools seem to make substantive profits as can be seen from their book of accounts.

### Strengths

Many good Institutes of Hotel management have emerged and are emerging. Some have institutionalized arrangements with reputed International hospitality management schools and leading hotel chains. The survey on hotel management highlights quality of faculty, infrastructure, curriculum, practical training and placements of students from IHMs and other leading institutes in India.

GHRDC survey and interaction does highlight that there has indeed been a qualitative improvement across the full range of infrastructure, faculty, practical training and spread of curriculum

Most students who graduate from good schools are assured good placements with comparable pay packets. These schools have also tie-ups with hotels and placement agencies.

Feedback from a graduate student on what an ideal Hotel Management school should be is given below as a sample:

The college should have unique features like excellent and well experienced faculty, modernized lab facilities, a well stocked library and sound infrastructure.



Sound training, theoretical and practical knowledge must be given equal importance and taught in an effective manner. Training must cover every department starting from the front office to housekeeping.

The Institute environment should enable the students to feel that they are working in a hotel. The curriculum must aim to give students exposure to the present world. Trainees must be made aware of the importance of body language, speaking skills, talent and many more. In our college, every possible case was taught to us.

Apart from the vertical education, cultural activities like annual day, sports meet, functions to celebrate festivals also need to be conducted for overall talent development.

The schools must also conduct mock interview sessions to improve skills and make trainees well aware of the procedure to face the interviews. In addition, students must also be sent to outside hotels for on-job exposure training and interviews as part of the overall curriculum/syllabi. This will help them gain valuable pointers as well practical tips on the job. There must be practical confidence building measures with good feedback arrangements.

### Way ahead

Positive change will occur only with a change in the mindset of all stake holders, particularly the officials of Universities, AICTE and the Hotel industry. Some important steps would be:

- Increase in the pay packet of faculty to comparable levels
- Raising tuition fees by 10 to 15%.

Setting up institutionalized mechanisms to bring the industry and hotel management institutes closer on a regular basis through seminars and workshops.

Reviewing the curriculum as well as practical training programmes to increase awareness of vital felt needs.

### EPILOGUE

India, despite all constraints discussed above, is inexorably on its way to becoming an educational terminal in the area of hospitality management provided we are able to maintain the momentum and continue to strive to improve our standards and quality of inputs. The entry of foreign degree programmes that are being run in collaboration with private corporate houses or reputed starred hotels is a major quality boost. Though tuition and allied charges are on the higher side, the standard and quality of input, robustness and modernity of infrastructure would elevate the datum of teaching and learning across most institutes. In turn, it is bound to have a salutary effect on the quality of entry level students. Consequently, their acceptance as valuable HR assets by the industry would become a given.

India shall also achieve global standards sooner than later. This is our fervent hope.