Country Presentation on Private sector and Human Capital Development in Tourism in Sri Lanka

10 UNWTO Asia/Pacific Executive Training Program on Tourism policy and Strategy

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Introduction

- **Background**
  - Need of the Private sector in Human Capital Development in Tourism in Sri Lanka
  - Private sector role in Human Capital Development in Tourism in Sri Lanka
  - Evolution of Tourism Education of Sri Lanka
  - The reasons for the demand in Private sector tourism education
  - Problems related to the Private sector tourism education
  - The future of private sector tourism education in Sri Lanka
  - National good Practices in Human Capital Development in the Hospitality Management/Hotel sector
After 30 years of deplorable war situation in Sri Lanka has turned out to be extensively recognized as wonder of Asia, wondering both foreign and domestic tourists with the promise of an incomparable cultural and gastronomic experience.

Furthermore Sri Lanka's booming tourist industry is surrounding a considerable smash in varying the nature of the economy in the post clash development process. Many economic expert predict that this positive amplification will spread to other economic sectors and result in enhancing the country's macro-economic recitation.
Need of the Private sector in Human Capital Development in Tourism in Sri Lanka

- Lack of capacity
- Lack of sufficient expertise lecturers
- Hard to change the curricular as per industry requirements
- Lack of international recognition
- Strict rules & regulations, etc..
  - Lecture times
  - Uniforms
  - Payment schemes
Present situation in Human Capital Development in Tourism in Sri Lanka:

*Public sector and as well as Private sector are positively working towards to achieve the objective.

*Public Sector: Presently no Policy document but documentation process in progress

*Private Sector: Presently no Policy document but that documentation process also in progress
Private sector role in Human Capital Development in Tourism in Sri Lanka

- Private sector started to contribute to the Tourism Education proactively since 2010
- Boom in Sri Lanka tourism after the war
  - New hotel chains: Hyatt, Shangri La, Marriott, Sheraton, etc.
  - Increased arrivals
- High migrant ratio of the skilled employees
- More flexible approaches in teaching & learning process
- Customized courses for different requirements
Evolution of Tourism Education of Sri Lanka

- **1966**: Sri Lanka Institute of Tourism & Hotel Management
  - Certificate
  - Diploma
  - Higher Diploma

- **1980**: Tourism Management Degree by Faculty of Management & Finance, University of Colombo

- **1996**: 
  - B.Sc. Special Degree in Tourism Management, Sabaragamuwa University of Sri Lanka
  - B.Sc. Special Degree in Hospitality Management, Rajarata University of Sri Lanka

- **2011**: B.Sc. Special Degree in Hospitality, Tourism & Events Management, Uwa Wellassa University of Sri Lanka
Evolution of Tourism Education of Sri Lanka
Cont.

- **2011**: B.A. Degree in Tourism & Cultural Resources Management, University of Kelaniya
- **2015**: B.B.A. Degree in Hospitality & Leisure Management, University of Colombo

External Courses offered by the Public Universities

- Diploma in Travel & Tourism Economics and Hotel Management, University of Colombo
- Postgraduate Diploma Leading Master in Tourism Economics and Hotel Management, University of Colombo
The reasons for the demand in Private sector
### Total Employment (2015 – 2020)

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Arrivals Mil</td>
<td>1.81</td>
<td>2.22</td>
<td>2.63</td>
<td>3.05</td>
<td>3.46</td>
<td>4.0</td>
</tr>
<tr>
<td>Total using Hotels etc.</td>
<td>1.46</td>
<td>1.8</td>
<td>2.13</td>
<td>2.47</td>
<td>2.8</td>
<td>3.24</td>
</tr>
<tr>
<td>Employed directly in Hotels &amp; Restaurants</td>
<td>132,442</td>
<td>161,002</td>
<td>184,688</td>
<td>204,923</td>
<td>222,586</td>
<td>242,853</td>
</tr>
<tr>
<td>Travel Agents &amp; Tour Operators</td>
<td>9,691</td>
<td>10,525</td>
<td>11,217</td>
<td>11,808</td>
<td>12,323</td>
<td>12,915</td>
</tr>
<tr>
<td>Airlines</td>
<td>6,327</td>
<td>6,872</td>
<td>7,323</td>
<td>7,709</td>
<td>8,046</td>
<td>8,432</td>
</tr>
<tr>
<td>Agencies providing Recreational Facilities</td>
<td>872</td>
<td>947</td>
<td>1,009</td>
<td>1,062</td>
<td>1,109</td>
<td>1,162</td>
</tr>
<tr>
<td>Tourist Shops</td>
<td>1,791</td>
<td>1,945</td>
<td>2,073</td>
<td>2,182</td>
<td>2,277</td>
<td>2,386</td>
</tr>
<tr>
<td>Guides</td>
<td>4,711</td>
<td>5,117</td>
<td>5,453</td>
<td>5,740</td>
<td>5,991</td>
<td>6,279</td>
</tr>
<tr>
<td>National Tourist Organization</td>
<td>637</td>
<td>692</td>
<td>738</td>
<td>777</td>
<td>811</td>
<td>849</td>
</tr>
<tr>
<td>State Sector</td>
<td>2,393</td>
<td>2,599</td>
<td>2,770</td>
<td>2,916</td>
<td>3,043</td>
<td>3,189</td>
</tr>
<tr>
<td>Total Direct Employment</td>
<td>158,864</td>
<td>189,698</td>
<td>215,270</td>
<td>237,115</td>
<td>256,185</td>
<td>278,065</td>
</tr>
</tbody>
</table>

Sri Lanka Institute of Tourism & Hotel Management
## BREAKDOWN OF INCREMENTAL HEAD COUNT REQUIREMENTS

### 2016-2017 (AVERAGE)

Directly in Hotels and Restaurants

<table>
<thead>
<tr>
<th>Staff Required</th>
<th>Percentage</th>
<th>Required</th>
</tr>
</thead>
<tbody>
<tr>
<td>Managerial</td>
<td>05%</td>
<td>1,168</td>
</tr>
<tr>
<td>Supervisory</td>
<td>10%</td>
<td>2,336</td>
</tr>
<tr>
<td>Operational</td>
<td>85%</td>
<td>19,856</td>
</tr>
</tbody>
</table>

Total 100% 23,360

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## NEW STAFF REQUIREMENT
### 2016-2017

<table>
<thead>
<tr>
<th>Hotel under Construction</th>
<th>%</th>
<th>Hotels</th>
<th>Rooms</th>
<th>Staff/Room Ratio</th>
<th>Staff Required</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class 5</td>
<td>10%</td>
<td>5</td>
<td>1,063</td>
<td>3</td>
<td>3,189</td>
</tr>
<tr>
<td>Class 4</td>
<td>28%</td>
<td>22</td>
<td>3,080</td>
<td>2.2</td>
<td>6,776</td>
</tr>
<tr>
<td>Class 3</td>
<td>44%</td>
<td>68</td>
<td>4,807</td>
<td>1.8</td>
<td>8,653</td>
</tr>
<tr>
<td>Class 2</td>
<td>13%</td>
<td>50</td>
<td>1,418</td>
<td>1.3</td>
<td>1,843</td>
</tr>
<tr>
<td>Class 1</td>
<td>1%</td>
<td>7</td>
<td>103</td>
<td>1.3</td>
<td>134</td>
</tr>
<tr>
<td>Boutique</td>
<td>5%</td>
<td>27</td>
<td>502</td>
<td>3.5</td>
<td>1,757</td>
</tr>
<tr>
<td><strong>Hotels Providing class</strong></td>
<td>94%</td>
<td>179</td>
<td>10,973</td>
<td>2.04</td>
<td>22,352</td>
</tr>
<tr>
<td><strong>Hotels not reporting Class</strong></td>
<td>6%</td>
<td>18</td>
<td>672</td>
<td>1.5</td>
<td>1,008</td>
</tr>
<tr>
<td><strong>Total Hotels</strong></td>
<td>100%</td>
<td>197</td>
<td>11,645</td>
<td>2.01</td>
<td>23,360</td>
</tr>
</tbody>
</table>
Courses offered by the private sector

- Certificate Level
- Confederation of Tourism & Hospitality (CTH) courses
- EDEXELL Courses
- City & Guilds Courses
- Diploma Level
- Advanced Diploma Level
- Higher National Diploma (HND) (UK)
- Degree Level
- Post-graduate Level
- Master’s Level
Institutes offering Tourism & Hospitality Courses

- National School of Business Management (Semi-gov)
- Management & Science University
- PATHE Academy
- SINEC Maritime University
- SLIIT
- FTMS Global
- Thames College
- E-soft
- Hotel Schools (there are many)
Problems related to the Private sector tourism education

- No proper monitoring mechanism
- Inadequate qualified lecturers
  - Ex. Diploma holders- lecturing to undergraduate & post-graduate level students
- Poor facilities
- Low quality practical sessions
- Excessive number of students in class rooms
- Violation of terms & agreements
- Profit Motive
The future of private sector tourism education in Sri Lanka

- Growing no matter the drawbacks
- High investment in facility development
- Increased recognition of the Industry
- Increased demand
- Leading hotels starting the courses
- Blessing of the government
Examples of National good Practices in Human Capital Development in the Hospitality Management/Hotel sector

This is one area of Human capital development where Sri Lanka has given priority during the last few years to meet the demand created in the hotel trade. A greater stress has been placed by both the public sector and the private sector institutions in this regard.

Some examples of such intensified human capital development good practices could be summarized as follows-

a) Government of Sri Lanka under it’s ministry of Human Resources Development through National Institute of Industrial and vocational Training (NAITA) conduct apprentice programs in collaboration with Hotel industry specially those young person’s not having opportunities or funds to enter recognized Hotel schools.
b) Sri Lanka Institute of Tourism and Hotel Management (SLITHM) under the ministry of Tourism is the foremost institutions that invest time, energy and expertise to have developed talent in hotel management. It has developed talented professionals to the industry during past four & half decades.

c) University of Colombo’s program launched a year back leading to a post graduate diploma/masters’ level for those already in the industry also could be considered a good initiative for further talent development of industry personnel.

d) A few private sector training institutes have recently embarked providing diploma level hotel management courses in collaboration with recognized Institutes/universities in developed countries.
e) One of the most effective good practices of human capital development by the private sector in the hotel Industry is the “In house” human capital development initiatives.

f) Another successful human capital development program is to recruit management trainees, through an effective selection process and providing them in exposure in total hotel operations.

g) In couple of five star hotels managed by an International chain has moved further by providing opportunities for employees with higher potential to follow “on line” skills and competency development courses provided from their online university.
THANK YOU

Sri Lanka Institute of Tourism & Hotel Management