



Where are we going to find the right calibre of people?

**Pay scales that reward everyone with the same meagre salaries will produce the same old meagre service**

**A**SIA'S hospitality industry is heading for one of the biggest economic booms since North America industrialised in the late 19<sup>th</sup> century. We are on the threshold of an unrivalled period of growth and development. But our focus must not be on the short-term images of civet-cat massacres and body bags full of dead chickens.

Although health scares and terror threats continue to haunt the industry, the big strategic picture of sustained growth for the hospitality sector is nothing short of amazing – and that must be where we direct our resources.

Predictions by the World Tourism Organization (WTO) anticipate a global annual growth rate for visitor arrivals in East Asia and the Pacific of more than 4% this year.

It predicts that China will become the world's top destination by 2020 with 130 million arrivals annually, with Hong Kong ranked at number five, with 57 million visitors annually.

China is also expected to be a significant source of outbound travel, ranking number four in the world's top outbound countries by 2020.

Jobs in travel and tourism – both direct and indirect – are predicted to increase by more than 33 million for the region by 2010.

Macau continues to assert itself with its mega casino developments, Hong Kong is getting Disney, Beijing the Olympics and Shanghai EXPO 2010.

So, despite occasional health scares and hiccups, the growth pattern for the region over the next 20 years looks extremely promising. In Hong Kong alone, 10,000 new hotel rooms are scheduled by 2005.

But behind the extremely rosy figures, there lies a major question: where will the staff come from?

Existing training institutions produce graduates with managerial-level aspirations, but where are the customer-contact, bilingual staff going to be found to meet this expected tourism growth?

We know that customer satisfaction and loyalty are derived from interactions with staff – our marketers know this, and build the “staff-service factor” into their advertising campaigns.

The service credo espoused in hotel ads conjures up images of staff whose service delivery will be faultless. Add to this

Asia's reputation for service excellence, and we have a major challenge over the next 15 years to recruit, train and retain suitable people who want to work in this demanding industry and meet the expectations of our customers.

Hoteliers in China over the past 15 years have reported how their top frontline staff have been poached by their own guests visiting China on business and looking for presentable, bilingual, computer-literate staffers for their own joint ventures.

Anyone who has ever opened a hotel knows what is required to have a team of several hundred staff, all trained and equipped to deliver the required service standards.

The situation in Hong Kong provides a good example, but is by no means unique. According to the *Hotel Industry Manpower Survey Report 2001–2002*, 48% of staff in Hong Kong receive less than five days of internal training – and nearly 13% receive no training whatsoever.

The industry recognises the problems of maintaining proper service quality, and that a major deficiency is language ability in both English and Putonghua.

You can add to this the training needs of:

- Service attitude;
- Job-specific skills and knowledge;
- Hygiene and safety;
- Manners and etiquette;
- Personal grooming; and
- Pride, professionalism and passion.

### Training problems

There is a growing need for proper staff training, but we do not even have the resources to tackle our existing training problems.

Few hotels and restaurants are able to boast staff that are as pristine in their service delivery as are the hard fittings and soft furnishings of the establishment.

We would never tolerate a stained or torn table cloth, but waiters who don't know the soup of the day or can't explain the menu items are common place. This is far worse than a piece of torn linen – and much more difficult to fix.

I recently had lunch with a newly appointed GM, who expressed concern over the service quality in his hotel.

He explained that, during his predecessor's time, all the staff had been thoroughly trained – consultants had been brought in and the hotel had undergone a major re-training exercise, a virtual repeat of the pre-opening training done years

ago. Yet, despite all this effort, service is still a problem. This highlights one of the fundamental principles of training: if the behaviour hasn't changed, then the training hasn't happened.

With an existing hotel, a reliable measure of service standards can be achieved by conducting a survey of customer satisfaction. This should involve not merely the returned guest questionnaires (these are usually from a minority of guests who either have affectionate feelings for particular members of staff or have had an experience from *Faulty Towers*).

The active soliciting, tracking and analysis of customers' perceptions of service standards provides a useful measure of the problem, but an employee-satisfaction survey can also indicate further problem areas.

This should be followed by a training-intervention programme that can be designed to address any problems, using the simple guide:

- They don't know what is *required* means they *need information*;
- They *don't know how* to do it means they need *job-specific training*; and
- They do not *want* to do it means they require *motivation* and *pride*.

If, after the training intervention, the customer-satisfaction ratings have not risen to the targeted measure, then the training simply hasn't happened.

Motivation and, by extension, performance in Asia Pacific is linked to reward or pay. In most countries in the region, hotel service staff are dealing with basic needs, so pay is a major motivator.

A compensation system that recognises and rewards those who perform and penalises those that do not perform will get people's attention and positively affect their behaviour. Pride and passion are terms sometimes used to explain why excellent performance occurs, and it is true that – where excellent service is occurring – pride and passion will be found.

However, this pride/passion effect is a by-product or a side effect that occurs when the reward systems and the training have caused the behaviour.

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- See also *IH&RA Report*, page 43

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