



Sri Lanka's tourism industry hanging on to life lines for survival

Hotel schools should maintain standards

Q. Sri Lanka's tourism industry is looking forward to a new era in the post-war period, but tourist arrivals have not increased as anticipated. What is your view about it.

A. Arrivals have increased as per Sri Lanka Tourism statistics, but not as much as the country anticipated. There was a panel of advisers set up by the ministry to formulate targets and to identify various requirements arising out of that target. Perhaps they overestimated the growth potential. Just after the war came to an end, there was a surge in arrivals, and we in the industry naturally cashed in. The minimum room rates city hotels were increased season after season. But the hotels were in bad shape and did not match the rates that were charged. Besides the service levels were inadequate too. There was a general dissatisfaction going around. Another issue was that traditional markets were going through and still continue to go through an economic slowdown and depletion of potential guest's disposable income as a result. This made them look for more economical options and short haul destinations. I am sure about the marketing efforts Sri Lanka made in emerging markets, but the statistics are not very impressive.

Q. In your opinion, where has the country's tourism industry failed and what should be done to remedy the situation.

A. The tourism industry did not fail. If another industry like tea or garments went through the same severe strains and uncertainties that the tourism industry underwent for a prolonged period of 30 years, they may have failed. Many star class hotels however pulled through. So did travel agencies, service providers and a majority of major components of the industry. But it is correct to say that we did not grow in terms of quality and quantity. We did not renovate the hotels, neither did we add many new service or product extensions, or expand facilities. In other words, we did not evolve with time adequately, as our competitors did. We hung on to life lines that fed us just to survive. Our neighbours like the Maldives, India, and Thailand thrived during this period.

Q. Tourism industry veterans say that there is an acute shortage of trained personnel to service the burgeoning industry. Some have pointed out if this trend continues the day that we have to employ overseas personnel to fill vacancies in the hospitality industry would not be too far away.

A. I agree with them. We do have a crisis on our hands. First and foremost, we are not getting adequate numbers to fill up our entry level vacancies. The second factor is that even the people whom we do attract do not have the right profile. The third is that we have a large

number of dropouts at entry level personnel and the fourth is that some leave for overseas employment. But it has its own merits, because the majority of them come back to Sri Lanka after working in more up-to-date facilities and having gained the much needed international exposure. In addition to the foreign exchange earnings they make overseas that is remitted to Sri Lanka. Young people unwilling to take up long term careers and this is a challenge faced by many countries. But the issue of youngsters looking out for white collar jobs instead of skilled jobs is a huge challenge that is faced by many Sri Lankan industries such as construction and light engineering, apart from the tourism industry.

Q. The service standards have deteriorated to an unprecedented level and it is a far cry from what it was when tourism in the country was in its infancy and after a few decades after that.

A. This too has many dimensions. In the early 60s and 70s, there was unemployment in the country to a great extent and with the narrowing down of the economic options available to youngsters, there was abundant quality manpower available to be employed in the tourism sector. The nationalisation of the plantations sector, around this time and youngsters who would have otherwise opted to do creeping "opted for tourism industry jobs." After the open economy was introduced in 1977, many new career paths opened up for young people, along with globalization and opening up. Middle Eastern job opportunities, all added up to the options available to youngsters entering the employment market. The troubles for the tourist industry started in the '80s and the industry could not match the salaries, perks and stability that other industries were offering. This was the beginning of the downward trends that you mentioned. I also would like to mention that a large number of hoteliers migrated to Australia, Canada, New Zealand and other countries.

In the 60s and 70s, the hoteliers were less concerned about the number of employees they had in their ranks than at present. Payroll budget was not a major factor that had to be grappled with. But today, it is a major consideration. Labour is not cheap and quality labour is definitely quite expensive. As a result, the number of heads and the quality of people that a hotelier can deploy is a challenge. In the past 30 years or so, with all the uncertainty we had in the hotels, there was a culture to go easy on quality. This was mainly because of financial constraints. Today majority of hotels are trying their best to correct this situation, but it will take some time as unlike in the 60s and 70s, we will not have it easy to pick the people we want, with all the severe competi-

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tion we have from other industries and trades. the countries unemployment ratio is at 4% (male 2.8% & Female 6.2%, Year 2012) (Source Department of Census and Statistics Potential employees have enough and more choices).

Q. It will affect the industry very badly if not attended to soon. What should the authorities do to overcome the situation?

A. I would break down the causes to social and economical. Even if a hotel worker or an executive has a better income and lifestyle than a government employee, eg; Clark or a Supervisor, he/she would never get the same recognition that a government employee gets. Socially, government jobs and more conventional jobs such as doctors, engineers, lawyers, accountants, teachers etc; have a huge social importance over a tourism sector employee. This is particularly acute in the case of female tour guides, and hotel employees are finding it challenging to convince families, especially in times of marriage, that they are doing a professional job like anyone else. The social stigma attached to females in the tourism industry is severe in suburban and rural sectors. the government has to address these issues quickly, if not the situation will go from bad to worse. A campaign like 'Apu wenuwen ap' which was targeted at recruitment for the forces is something that I have in mind. The media would definitely play a big role. Economically, banks and other lending institutions are reluctant to recognize service charge as a part of a persons' income when deciding on housing or vehicle loans etc; although PAYE tax is deducted from the service charge EPF and ETF contributions are not made on service charge and therefore at the time of retirement, hotel employees are adversely impacted. Many employees have been on contract basis for years and as a result, find it difficult to obtain bank loans.

Q. The Ceylon Hotel School (now called the Sri Lanka Institute of Tourism and Hotel Management) is the premier hotel school in the country and it has produced graduates of a class of their own, who could match the best from overseas hotel schools. But over the years, standards at this institution have deteriorated. What should the authorities do to restore it to its former glory.



Ravi Magedara

"The Traveller" interviewed former senior lecturer of the Ceylon Hotel School and senior hotelier Ravi Magedara on the burning issues faced by Sri Lanka's tourism industry, particularly in the post-war period and its causes.

Magedara at present is a visiting lecturer at a number of recognized and prestigious hotel schools. He is a senior graduate of the Ceylon Hotel School and holds a Bachelor's degree in Social Science from the Open University. He has also studied at the Hague Hotel School in Netherlands as well as some other foreign hotel schools.

A. It is lot to do with kind of students and staff that is available. The hotel school has a big problem in attracting quality professionals into their cadre. Salaries are linked to the salaries cadres' commission to the salaries of University Lecturers and not necessarily to the source market of the tourist industry. I have already mentioned about the calibre of students that are seeking selection. Within the given constraints, SLITHM has made significant progress in recent times, and the PMS lab that they opened recently is a good example in this aspect.

Q. Politicization has been the bane of any industry and hospitality and tourism is no exception. There have been several instances where political interference has been the downfall of the industry and today it is on the increase.

A. It's nothing new. Politicisation has been there ever since I can remember. The intensity is more now, but then it's something that the country has to make do with.

Q. A large number of bogus hotel schools have mushroomed in the country, especially in Colombo, much to the detriment of the industry. These schools continue to flourish, fleecing parents and misleading the students, while the authorities turn a blind eye.

A. Standardization is the answer. Private training institutions need to be registered with the Tertiary & Vocational Educational Commission. Then TVEC should be given the necessary legal clout to monitor their standards. They should also be given the necessary resources (ie. funds and personnel) for monitoring, similar to the lines of Star Classification Committee. The recent initiative taken to formulate an industry sector skills council is indeed praiseworthy, as it seeks private public partnership in monitoring and directing training efforts of both public and private institutions.

Q. The authorities have no effective mechanism to monitor these schools which are blatantly violating the educational ethics and norms in the country.

A. The proposed industry sector skills council would be an effective answer. Informing and educating the public through is media, more frequently, is also an important exercise to keep the parents away from these racketeers.

Q. A majority of hotels in the country, including five stars, as well as restaurants at all levels have not shown much interest in improving their service standards. Some of the staff lack in etiquette, and basic knowledge of service.

A. I do think hotels are making an effort to improve service levels. However, due to constraints explained earlier, there are no quick fixes. I would suggest that the government grants tax incentives to the private sector organisations to run their own training facilities, (hotel and tourism training centers) in the provinces, especially in areas such as Kalpitiya, Passikudah, Trincomalee which are emerging resort areas.

Q. Some of these hotels and restaurants employ trainees and those who have completed ill-suited courses at the so-called hotel schools as temporary hands, without employing well trained and qualified staff as they have to pay better remuneration, EPF/ETF etc.

A. Perhaps some fly by night operators are up to it. But the majority of them are finding it difficult to get the right people in, into their fold. I have no doubt that reputed hotels and local chain hotels are doing their utmost to recruit people from the localities and train them for the vacancies that they have.

Q. In your opinion, what steps should be taken to develop Sri Lanka as a top tourist destination in the region and where have we failed.

A. We need to focus on creating value for money in our tourism product. We need to get our basics right. Then we can think of challenging the top destinations in the world. Community education on positive aspects of tourism as well as how best society can mitigate the negative aspects of tourism are important. No industry can survive without the support of its citizens. Of course, focused and creative marketing efforts are paramount.