

Chapte

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The Hospitality Industry and You

WHAT IS HOSPITALITY?

- Many peoples' definition of hospitality extends only to restaurants and hotels
- In reality, it goes far beyond this and includes any organization that provides food, shelter and other services to people away from home
- When viewed in this light, the hospitality industry can be quite large and far reaching
- Also, the numerous career opportunities become readily apparent

WHAT IS HOSPITALITY?

- Students considering entering the field of hospitality should take into consideration all of the types of businesses that hospitality encompasses but also, the various career streams in functional areas across segments (such as accounting, finance, marketing, human resources, etc.)
- One of the common threads that binds all segments together is the service orientation that exists – one must possess this in order to be successful

WHAT IS HOSPITALITY?

- An interesting note: Over the last 10 years, other types of businesses have begun to recognize the unique combination of skills that hospitality students possess – the combination of sound business and management along with a service orientation
- As a result, other industries have begun to recruit hospitality graduates including health care and retail

WHAT IS HOSPITALITY?

- This is a particularly exciting time to be associated with the industry given the ample career opportunities, the economy, new developments, emerging markets, internationalization of companies and concepts, etc.
- The industry faces certain challenges, too, which will be discussed throughout the course

PRIMARY SECTORS

So, what are some of the primary sectors within the hospitality industry? They include:

- Lodging (not just limited to traditional hotels)
- Foodservice (not just limited to restaurants)
- Gaming operations
- Private clubs
- Theme parks
- Destination management companies

PRIMARY SECTORS (CONTINUED)

- Meetings and conventions (planning and operations)
- Managed park environments (natural)
- Resorts
- Senior living
- Managed services
- Consulting services

THE MANAGER'S ROLE

The role of the manager is critical in creating the environment in which the following will occur:

- Making the guest feel welcome
- Making things work for the guest
- Maintaining a profitable (or “fiscally responsible”) operation

A degree in hospitality management is designed to allow students to be effective in these areas

HOW TO PREPARE FOR A CAREER IN THE HOSPITALITY INDUSTRY

- Work your way up through an organization
 - No guarantee
 - Only learn one way
- Earn a general degree or degree in the liberal arts
 - May not provide as quick, or direct, access to opportunities
- Earn a general business or management degree
 - Provides the good sound business knowledge but may not be specific enough

WHY DO STUDENTS STUDY HOSPITALITY MANAGEMENT?

- Personal work experience
- Family background
- Contact with other students
- Enjoy people, food, travel, etc.
- Opportunities for employment and advancement
- Desire to own their own business
- Desire to be independent

EMPLOYMENT OPPORTUNITIES

- Most segments of the hospitality industry are projected for continued growth in the number of management positions
- Opportunity to advance as companies grow
- Some segments are greatly outpacing the average
- New and emerging segments of the industry
- Growth in franchise opportunities
- Increasing interest in food and travel as population ages

COMBINING EDUCATION AND WORK EXPERIENCE

- The prevailing philosophy in hospitality education is that the best way to the top is through a strategic combination of education and experience
- The education component is self-explanatory – it is the result of past results and future expectations
- The experience component is two-fold
 - Some of the opportunities will come from the department through internships, etc.
 - Other opportunities will come from your own initiatives looking for summer jobs and part time work—be strategic about how you choose your jobs and how you progress

COMBINING EDUCATION AND WORK EXPERIENCE

- Not all learning comes strictly from classroom learning and/or on-the job learning
- There are other opportunities for learning about your chosen profession.

These include:

- Field trips
- Student projects
- Student clubs
- Sales blitzes



STUDENT CLUBS

- Eta Sigma Delta, International Hospitality Management Society
 - As a traditional honor society, it meets the standards of the Association of College Honor Societies; hospitality students in their junior year with a 3.0 or better grade point average are eligible for membership
- Others: Wine clubs, Restaurant associations, Club managers associations, Travel and Tourism Research Association, etc.

LEARNING STRATEGIES FOR THE WORKPLACE

- Try to understand the organization
 - Formal organization
 - Informal organization
- Try to understand the physical plant
 - Work flow
 - Guest flow
- Try to understand the different functional areas
 - Back-of-the-house
 - Front-of-the-house
 - Try to work in each

GETTING A JOB

- Newspapers (not!)
- Web sources
- Friends
- Family
- University placement office
- Job postings
- Networking
- Cold calling

WHAT DO EMPLOYERS LOOK FOR?

- Dedication and commitment
- Desire to serve others
- Decision making skills
- Communication skills
- Experience
- Involvement
- Technical skills
- *See An Employer's View.....*

GOALS AND OBJECTIVES

- Income
- Professional status
- Potential job satisfaction
- Skilled jobs v. unskilled jobs
- Others considerations: Hours, Level of responsibility, Work environment, Mentoring

OUTLOOK FOR HOSPITALITY

The outlook for the industry is very positive but there are several trends/factors that are affecting how the industry operates and the products and services that are offered to customers



OUTLOOK FOR HOSPITALITY

The effects of September 11th and other recent events have resulted in:

- Travel restrictions
- Safety and security issues
- Cost of operations
- Government regulations
- Destinations that have been affected

OUTLOOK FOR HOSPITALITY

Polarization

- Limited Service versus Service Intensive organizations
- Has led to growth in certain segments of the industry (luxury hotels, limited service restaurants)
- Has generally been positive for the industry as a whole as well as for consumers

OUTLOOK FOR HOSPITALITY

Accelerating Competition

- Competition across segments has increased dramatically
- International competition has also increased
- Competition had led to more emphasis on creating specialized niches and better management practices
- Factors include: Cost of money and demand for specific services

OUTLOOK FOR HOSPITALITY

Service is the Difference

- Service is more and more what brings customers back (or prevents them from returning)
- Companies that provide excellent service inevitably lead their segments
- Not limited to hospitality

OUTLOOK FOR HOSPITALITY

Value Consciousness

- Customers are getting smarter and more selective
- Customers look for value in all hospitality experiences and purchases
- Value doesn't mean the lowest price
- Customers also tend to balance time and money spent

OUTLOOK FOR HOSPITALITY

Technology

- The hospitality industry has been slow in terms of adapting to new technologies but the industry has made some inroads
- Perhaps the segment that is the most advanced is the airline industry, both in terms of on-line interaction with customers as well as up-to-the-minute pricing
- New technologies are being introduced every year

OUTLOOK FOR HOSPITALITY

Empowerment

- Empowerment is the act of providing additional levels of responsibility to both employees and managers
- This has been the result of cost cutting efforts but also as a result of trying to improve customer satisfaction
- It has been able to happen because of the new “breed” of employees as well as improved technology and communication

OUTLOOK FOR HOSPITALITY

Diversity

- Hospitality organizations are becoming more diverse in response to changes in society as well as demographic shifts and becoming more aware of the importance of a diverse organization
- Many companies have established themselves as leaders in this area

OUTLOOK FOR HOSPITALITY

Concern with Security

- Concern for personal security and safety has resulted in destinations, organizations and society in general attempting to provide a greater level of safety for travelers
- Examples include airline marshals, hotel security forces, cameras, and increased education

OUTLOOK FOR HOSPITALITY

Concern with Sanitation

- Increases in food-borne illness has resulted in a raised concern on the part of consumers
- Raised concerns in the US probably began with the Jack-in-the Box incident in the 1970s
- More recent incidents have also raised questions about the quality of the food supply and even the water supply (e.g., bottled water)

OUTLOOK FOR HOSPITALITY

Sustainability

- Going “green” is not new, but it reflects industry-wide focus on corporate responsibility
- Most hotels encourage guests to reuse towels and many have embraced low-cost changes such as lighting
- Guests prefer to support businesses that are concerned about the industry

OUTLOOK FOR HOSPITALITY

Globalization (Last but not least)

- Globalization is perhaps one of the greatest factors affecting the industry as it impacts every facet of operations including:
 - Competition
 - Work force
 - Travel patterns
 - Company alliances, etc.