FOCUS ON RURAL / LOCAL HUMAN DEVELOPMENT FOR BUILDING INDIAN TOURISM

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ABSTRACT

India’s share in the total global tourist arrivals and earnings still remains quite insignificantly low at less than 1% both in terms of the world arrivals and the percentage of share of tourism receipts despite having much larger share in terms of geography, better tourism products and still the more – better prospects of developing man made tourism. Tourism, as the ready tool for economic development, employment generation and equitable distribution of income needs to be applied for growth of neglected, remote and rural / backward areas possessing tourism potentials. Tourism in India will thus ensure significant development in terms of the infrastructure at the destinations, generate local employment, and induce multi sectoral overall growth of the economy and above all effect into the optimum share of global tourist arrivals and earnings that still remains elusive even after active interventions of couple of five year plans. The study also takes an analysis of huge forecasts for shortfalls in human resources and hence the need for development of local communities from the neglected / backward areas into the folds accounting for overall tourism growth.

INTRODUCTION

Tourism in India, offering large and diverse range of tourism products all across the length and breadth of the country, is an established contributor to the economy both in terms of revenue and employment. However, India’s share in the total global tourist arrivals and earnings still remains quite insignificantly low at less than 1% both in terms of share of the world arrivals and tourism receipts despite having much larger share in terms of geography, better tourism products and still the more – better prospects of developing man made tourism. Tourism has realized by many under developed / remote areas as the best instrument for growth of neglected, remote and rural / backward areas. Tourism, as the ready tool for economic development, employment generation and equitable distribution of income needs to be applied for growth of neglected, remote and rural / backward areas. Tourism, as the ready tool for economic development, employment generation and equitable distribution of income needs to be applied for growth of neglected, remote and rural / backward areas possessing tourism potentials. Tourism in India will thus ensure significant development in terms of the infrastructure at the destinations, generate local employment, and induce multi sectoral overall growth of the economy and above all effect into the optimum share of global tourist arrivals and earnings that still remains elusive. Tourism business is assumed as human industry because of its significant importance of manpower working in it. Every tourism enterprise deeply concerns on its human resource management recognizing the success of tourism business largely depends on its people who provide services. The human factor is the most significant one, since it is the people who have to use all other resources. The people in
tourism industry are service producers and service-providers as well. They are also managers for the service and planners who can create added-value for tourism product. However, when it comes to retailing the Tourism products, we fail to assimilate the human development or the local communities who are not only beneficiaries but are also the epitome of India's culture and ethos. Many destinations or tourism products lack an insufficient promotional activity for rural / underdeveloped areas although endowed with tourism product, the scarce relevance of these products as a cultural tourism destination, the seasonal nature of tourism itself, and insufficient hospitality infrastructure. That is clearly insufficient to provide for an expansion in the number of visitors. The question is that how local community could offer a viable solution for tourism development and removes its barriers in local communities? Answer to this question is by increasing the community capacity in tourism as Smith, N., Baugh-Littlejohns, L & Thompson, D. (2001) describe community capacity building as the "essence of development".

The development of such the areas for tourism requires the need to cater for the local community. Social and economic benefits must firstly benefit the local population and then tourism. Further Tourism can also serve as an instrument as an effective marketing for the underdeveloped / rural areas as well as generating employment for such areas. Dealing on this issue, Martha Frederick (1992), in the book, Tourism as a Rural Economic Development Tool: An Exploration of the Literature, gives an effective solution to the above mentioned problems. She considers that Tourism can be an important source of jobs for economically underdeveloped / rural areas. Tourism also not only offers business opportunities to local residents, but it can serve as a vehicle for marketing a place to potential residents and firms, as today’s tourist may return later to rejuvenate, retire or start a business locally. India currently, being home to the small firms in tourism industry, the discussion of Rhodri Thomas, Gareth Shaw, Stephen J. Page (2011), is apt to mention on why small firms are important from various points of view, all leading to the consolidation of the industry towards building from developing state to robust economy. Further, Jean-Luc Arregle, Michael A. Hitt, David G. Sirmon and Philippe Very (2007) in their research paper, develop and extend social capital theory by exploring the creation of organizational social capital within a highly pervasive, yet often overlooked organizational form: family firms. They argue that family firms are unique as they work as a single entity, at least two forms of social capital coexist: the family's and the firm's. Finally, they suggest the family firms’ insights are generalizable to several other types of organizations more so often with service orientation. Tourism certainly falls in this category where family firms or the local communities can be effectively utilized for retailing the Indian tourism beyond the borders of the country. Tourism, being the highly labour intensive activity, creates a high proportion of employment opportunities for low and semi skilled workers, particularly for poor (pro poor tourism), female (Women make up 70% of the labour force in tourism) and young workers (Report of the Working Group on Tourism, 12th Five-Year Plan, 2011). In India, the technical planning and assistance can prove crucial to tourism development success for many small communities with limited resources in the short run and may solve the long run shortfall of human resource development for growth in Indian tourism.

NEED ANALYSIS OF LOCAL COMMUNITIES IN INDIAN TOURISM GROWTH

Figuratively speaking in terms of Travel & Tourism in India, it contributes INR3,680.4bn (US$79.6 billion) or 8.8% of total of GDP in India in 2011 supporting 37,655,000 jobs (7.5% of total employment) in 2011 (Travel and Tourism 2011 World, WTTC, 2011). As per the
World Travel & Tourism Council (Travel and Tourism 2011 World, WTTC, 2011) estimates, tourism contributes almost US$6 trillion to the global economy, or 9% of global gross domestic product (GDP) in 2011. The sector supports 260 million jobs worldwide (100 million of whom work directly in the industry). The WTTC has identified India as one of the foremost growth centers in the world. Tourism in India is the third largest net earner of foreign exchange next to garments, gem and jewellery industry. India’s share in the total global tourist arrivals and earnings remained quite insignificant at 0.52% of the world arrivals and the percentage of share of tourism receipts for 2006 was 0.90% considering the fact that Year 2006 has been rated as a highly successful year for tourism in India in terms of high foreign tourist arrivals and the positive growth rate (Report of the Steering Committee on Tourism for the Eleventh Five-Year Plan, 2007-2012).

The trend for the Indian Travel & Tourism’s total contribution to the GDP and employment in over the decade has been on the constant rise as shown in Figure 1 & 2 that gives the decades trend based on the data from WTTC.

**FIGURE 1: TRAVEL & TOURISM TOTAL CONTRIBUTION TO GDP (INR BN.)**

![Graph showing trend of travel and tourism total contribution to GDP](http://www.wttc.org/research/economic-data-search-tool/, Downloaded on February 6, 2012)

Based on WTTC Economic Data

**FIGURE 2: TRAVEL & TOURISM TOTAL CONTRIBUTION TO EMPLOYMENT (’000)**

![Graph showing trend of travel and tourism total contribution to employment](http://www.wttc.org/research/economic-data-search-tool/, Downloaded on February 6, 2012)

Based on WTTC Economic Data
However when the percentage share for the data for the total contribution to the GDP vis-à-vis total contribution to employment were combined (Figure 3), an interesting trend became evident that signifies a higher trend of sector’s contribution to GDP than its employability; albeit in the same proportions.

**FIGURE 3: PERCENTAGE SHARE OF TOTAL CONTRIBUTION TO GDP AND EMPLOYMENT**

Based on WTTC Economic Data

Taking into the consideration of the simple analysis above, it is evident that generating employability and improving the quality for more than a quarter of population living below the poverty line today has become imperative for India to accelerate its economic growth. N. Vanhove (1980) in his research paper at the 1st World Congress of Social Economics, considers both the primary, direct effects of tourism on employment, and the secondary effects, composed of both indirect and induced employment. Tourism is considered in the context of economic base analysis and the employment multiplier is derived from this analysis examined together with the income multiplier. The U. N. Report (1999) for the Human Resource Development Requirements of the Tourism Sector in India agrees that the most significant feature of the tourism industry in India is its capacity to generate large-scale employment opportunities. Further it suggests for quantitative and qualitative build-up of human resources to meet the upcoming surge in demands.

India has a distinct advantage as a vast reservoir of skilled manpower coupled with huge regional disparity, greater poverty in non urban areas and above all greater migration of population to metropolitans and bigger cities. The tourism sector, displaying the multiplier effect, can be the best instrument for growth of neglected, remote and backward areas as well as factor for equitable distribution across the country.
There are number of studies that highlight the important role tourism can play in development, describing the potential benefits in purely economic terms. In contrast, we forget to focus on the positive effects that tourism can bring to quality of life issues in rural and underdeveloped areas, including a greater “sense of place” for rural / underdeveloped areas residents, an upgrading of local cultural facilities, or an enhancement of regional conservation efforts. Frequent mention is to be made of different strategies employed in rural tourism, including heritage tourism, nature-based tourism/ecotourism, and agritourism.

Considering the overview as per the Market Pulse report published by Ministry of Tourism (A Market Pulse Report, 2004); the Indian tourism sector is urgently required to drastically close the gap between existing supply and expected radical increase in annual demand of human resources in a very near future. Further, if we believe the WTTC data on Travel & Tourism that estimates the direct employment by the sector is 24,931,000 jobs (5.0% of total employment) in 2011 that is forecasted at 30,439,000 jobs (5.2%) by 2021. In terms of the total contribution of Travel & Tourism to employment, including jobs indirectly supported by the industry, is estimated at 37,655,000 jobs (7.5% of total employment) in 2011 that is forecasted to 47,480,000 jobs (8.1%) by 2021 (Travel and Tourism 2011 World, WTTC, 2011). The current scenario puts the employability at 5% or one in every 20 direct employment created by the tourism sector and in terms of considering the total employability of the sector at 7.5% or one in every 13.3 jobs being created by the tourism. These figures are nothing but an indication of direct relationship of tourism growth with increased employability by the sector. As already being established the local communities do hold the future growth of Indian tourism. The 12th Five-Year Plan (Report of the Working Group on Tourism, 12th Five-Year Plan, 2011) also looks forth to pro poor tourism for poverty reduction on one side as well as to develop high skills for the sector to grow considerably on the other. It is here worthwhile to look and emulate the successful stories of tourism growth through investments on and development of local communities as below

CASE STUDY 1: THE ASTRA COUNTRY INN - TRAINING FOR LOCAL ENTREPRENEURS: Astra Country Inn, Jamaica, has been promoting community tourism since 1978. Astra Country Inn has worked with surrounding communities to develop a wide variety of community-based products including the development of private homes and B&B accommodation, training of local guides, the development of various community-based tour attractions, and the development of local suppliers.

CASE STUDY 2: JUNGLE NAY RESORT AND SPA, DOMINICA - BUILDING CAPACITY OF LOCAL ENTREPRENEURS FROM THE START: Jungle Bay Resort is a new hotel that is still under construction. Phase I will consist of 50 rooms. The hotel is being constructed in southern Dominica, a traditional banana growing area with little prior experience of tourism. The project developers chose this site because of its rich environmental attributes, but also because they believed that the tourism industry could make some important contribution to the local economy. The developers have realised that they will need to rely on the local community for this venture to be a success. They also realised that the local community has little experience of tourism or business. The awareness and human resource capacity of the local community would therefore need to be strengthened if both hotel and community were to prosper.

CASE STUDY 3: CONSERVATION CORPORATION AFRICA - SUPPORT FOR SCHOOLING AND LOCAL ENTREPRENEURS: CCA has over 30 lodges in 6 African
countries. CCA has set up the Africa Foundation, which it supports annually with US$180,000. The Foundation which has a reserve fund of approx US$1.1 million, mainly from personal donations, supports a variety of capacity building and training projects (Dorothea Meyer, Caroline Ashley and Clive Poulney, 2004)

CONCLUSIONS – CHALLENGES AND SUGGESTIONS

Servicing the sector with skilled manpower becomes imperative and foremost challenge for the 12th Plan period (Report of the Working Group on Tourism, 12th Five-Year Plan 2012-2017). Earlier, the 11th Five Year Plan as an improvement to preceding plans added the development of Human Resources and Capacity Building. Six key strategic objectives were recommended by the 11th Five Year Plan (Report of the Steering Committee on Tourism for the Eleventh Five-Year Plan, 2007-2012) that included building the image of the profession as one of the major challenges to Human Resource Development for the Tourism Industry; that not only plagues the urban professionals but also non urban youths and local communities. The challenges faced by the local communities development in the growth of tourism in India can be summed up under as below broadly speaking constraints.

- A lack of community participation in development policy
- A lack of knowledge and awareness
- Power imbalances between governments and local communities
- Segmented and complex institutional arrangements
- Lack of financial resource
- Inadequate focus on human resource development at the community level

The various Plans however not only missed on generating an apex team of frontline tourism professionals who could induce directions and guidance to this regards; but also has missed upon for lack of structured and systematic human resource management plan outlay for Tourism. The professionals together with structured plan to develop and promote the tourism in underdeveloped or area with weak economy base, could have

(a) managed and developed tourism professionally and equitably across the country

(b) emulated successful countries achieving through man-made tourism despite of not having naturally gifted tourism potential

(c) created the positive image of tourism as instrument of development.

Above all, the policy planners should open to look to innovations for developing local communities’ human resources for the tourism sector by focusing on certain suggestive core strategies for Tourism in India as an instrument for growth of underdeveloped and rural areas, which include
1. Having a defined rural / pro poor tourism development policy: To chalk-out the rural / underdeveloped areas equitably all across the country, defining of rural tourism circuits, inducing incentives and investments

2. Identifying current and future skills and training needs: By developing an industry training strategy, designing and developing training programs, establishing occupational and program standards, promoting industry training and recruit trainees, promoting careers in tourism, marketing and promotion of programs to employers, promoting industry participation and engagement in training opportunities.

3. Establishing training and development trust funds: Community-based and community-driven, these trusts to be designed to put decisions about local tourism development in the hands of the communities themselves on public private partnership with the government regulators.

4. Focusing on the youth: By creating opportunities for youth locally by adopting a multi-disciplinary process with regard to career development opportunities, and removing cultural and social barriers that can prevent young people from working.

5. Development for local communities to tourism growth: · Establish occupational skills capacity building activities for tour operators, guides, accommodations management, cuisine preparation and transportation

6. Dovetail training programs and methodologies to create sustainable tourism products and services

7. Identify in consultation with NGOs, UN Organizations, etc. for at least one pilot project in each identified rural / underdeveloped areas for all states

Above all the seriousness of putting the Indian tourism to excellent standards is not only the vision but the key remains “Implementation” – Moving from vision to action.

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