

**PEOPLE DEVELOPMENT PRACTICES AND TOURISM DELIVERY
PERFORMANCE: A STUDY WITH SPECIAL REFERENCE TO
PUBLIC SECTOR TOURISM AGENCIES IN KERALA**

*Thesis submitted to the Faculty of Commerce, Mahatma Gandhi University
in partial fulfillment of the requirements for the award of the
Degree of Doctor of Philosophy in Commerce*

By

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Under the Supervision of

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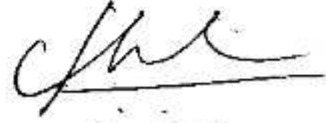
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KERALA (INDIA)**

March 2013

DECLARATION

I, MURALI. E, hereby declare that this thesis entitled "**PEOPLE DEVELOPMENT PRACTICES AND TOURISM DELIVERY PERFORMANCE: A STUDY WITH SPECIAL REFERENCE TO PUBLIC SECTOR TOURISM AGENCIES IN KERALA**" is a bonafide record of research work done by me during the course of research and that the thesis has not previously formed the basis for the award of any degree, diploma, associateship, fellowship or other similar title or recognition.

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CERTIFICATE

Certified that this thesis entitled "**PEOPLE DEVELOPMENT PRACTICES AND TOURISM DELIVERY PERFORMANCE: A STUDY WITH SPECIAL REFERENCE TO PUBLIC SECTOR TOURISM AGENCIES IN KERALA**" is a bonafide record of research work done by Sri. Murali. E under my guidance and supervision during the course of research and that it has not previously formed the basis for the award of any degree, diploma, associateship, fellowship or other similar title or recognition.

He is permitted to submit the thesis to the University.

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ABSTRACT

The State of Kerala is considered as the 'God's Own Country'. By realizing the significance of the sector, a number of public and private sector agencies are functioning in the development of tourism in Kerala. From a close analysis, it is revealed that the Department of Tourism, (DoT) and Kerala Tourism Development Corporation Ltd (KTDC) are the two key public sector agencies in the forefront of the development of tourism in Kerala.

Tourism is very much a people based industry where one group of people (host) serves other group (guest). Therefore, significance of people factor is to be well acknowledged while designing and developing the marketing mix. In this back drop, the present study titled "People Development Practices and Tourism Delivery Performance: A Study with Special Reference to Public Sector Tourism Agencies in Kerala" has been undertaken. The extent of practice of the some select measures in developing the people at both supplying and receiving end of tourism delivery is analyzed in the study. Similarly the investigation into actual performance of service people and tourists involved in tourism delivery has also been made. Both primary and secondary data have been used for the study. The primary data have been collected from 375 tourists and 80 service people by administering two sets of pre-tested structured interview schedules. For data analysis, descriptive and inferential statistical tools have been used.

The findings of the study reveal that the extent of practice of select measures by public sector are not found to be given the veritable satisfaction to the beneficiaries as envisaged by the authorities. The performance of people of both the sides of tourism delivery, namely service people and tourists has to be improved for the successful and sustainable tourism development of the State.

PREFACE

Tourism is one of the largest industries in the world. It has to play a dominant role in the economies of most of the developing countries including India. A number of tourist destinations provide a large variety of tourism products. Economic diversification and technological improvement has created a very conducive environment for tourism development. Tourism acts as a driving force for employment generation, poverty alleviation and social harmony.

The Government of India has taken concerted steps in the promotion and development of tourism industry at national, regional and local levels such as identification of travel circuits, liberalized charter policy, provision of various financial and non-financial incentives, publicize the traditions, fair and festivals, conducting surveys, setting tourism committees, developing human resources, introduction of innovative marketing strategies, strengthening tourism product, development of infrastructure and superstructure, and so forth.

Tourism is a constantly growing industry and it has considerable potential in Kerala. A balanced climate, green vegetation, natural tourist spots, fully literate population etc. can be considered as Kerala's strength in tourism. Kerala, the southern State of India, has been referred to as a paradise for tourists by the media worldwide. A gradual growth in both foreign and domestic tourist arrivals has happened in the last decade. This is mainly due to the diversification and enrichment of existing tourism products and the addition of more innovative tourism products.

Tourism in Kerala is really a round the year phenomenon. Public sector is the flagship of tourism industry in Kerala. Though a number of public sector agencies are involved in the development of tourism in the State, the DoT,

Government of Kerala and KTDC are the two agencies which play a great role in this promising sector of Kerala.

Unlike any other industry, tourism is considered to be the most sensitive service industry where meeting of different cultures take place. Tourism is very much a people based industry where one group of people (host) serves other group (guest). Therefore, significance of people factor is to be well acknowledged while designing and developing the marketing mix. People element in tourism applies to interaction and relationships between visitors or tourists, employees of tourism organisations and at the destination level, the host community. The interactions and relationships between these key 'people' groups will impact significantly on the level of product satisfaction experienced by the visitor, the satisfaction of the employee and the degree to which tourism is either accepted or rejected in the host destination. As the people element constitutes an important dimension in the management of tourism services in their role both as performers of services and as customers, the present study concentrates on the front line service people and tourists receiving their services. The approach of the public sector tourism agencies in developing the performance of service people and tourists and the perceived performance of both these people groups in the context of tourism industry in Kerala are the focus of the study.

The objectives of the study cover the extent of practice of select measures by the public sector tourism agencies in developing the performance of their service people and the tourists involved in the tourism delivery. The objectives of study also cover the actual performance of both service people and tourists involved in tourism delivery. The perceptions of service people and tourists are taken for analyzing the objectives. The primary data have been collected from 375 tourists and 80 service people by administering two sets of pre-tested structured interview schedules. The secondary data collected from various published and un-published sources mainly from 2001 to 2011 have been used for the study. For data analysis, descriptive statistical tools like

Percentage, Annual Growth Rate, Arithmetic Mean, Geometric Mean, and inferential tools such as Chi-square test, Mann-Whitney U test, Kruskal- Wallis H test, and Binomial Test have been used.

The report of the study is organized in six chapters. Chapter one gives an introduction which contains the review of literature, the statement of the problem, the significance of the study, the scope of the study, the objectives of the study, hypotheses, variables used for the study, methodology, period of the study and limitations of the study. Chapter two provides a theoretical frame by linking various related concepts on the study. The Chapter three discusses the tourism development in India and Kerala and also the initiatives of public sector in developing tourism in the country. Chapter four presents the opinion of service people in public sector agencies regarding the extent of practice of select measures in developing their service performance. This chapter also bestows the views of both service people and tourists on the extent of adoption of select measures by the tourism agencies in developing the performance of tourists visiting Kerala. Chapter five portrays the perception of service people and tourists with regard to the level of their actual performance in tourism delivery. Chapter six being the last chapter contains a summary of findings, suggestions and conclusion of the study.

It is hoped that the findings of the study would be beneficial to the public sector authorities, policy makers, and the potential tourists for delivering sustainable tourism in Kerala.

Murali. E

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Murali. E

LIST OF TABLES

| No. | Title | Page No. |
|------|--|----------|
| 1.1 | Details Regarding the Selection of Sample Tourists | 39 |
| 1.2 | Details Regarding the Selection of Sample Service People | 39 |
| 3.1 | Global Economic Contributions of Travel and Tourism between 2000 and 2010 | 76 |
| 3.2 | Ten year Trend Projection of the Contribution of Travel and Tourism Industry | 76 |
| 3.3 | Contribution of Travel and Tourism to Indian Economy | 78 |
| 3.4 | Foreign Tourist Arrivals in India during 2000-2011 (in Millions) | 79 |
| 3.5 | Foreign Exchange Earnings from Tourism in India from 2000 to 2011 | 80 |
| 3.6 | India's Share and Position in International Tourist Arrivals from 2000 to 2011 | 80 |
| 3.7 | India's Share and Position in International Tourism Receipts from 2000 to 2011 | 81 |
| 3.8 | Visits of Indian National Abroad from 2000 to 2011 | 82 |
| 3.9 | Domestic Tourist Visits in India from 2000 to 2011 | 83 |
| 3.10 | Financial Performance of ITDC from 2004-2005 to 2011-2012 (Rs in Crores) | 89 |
| 3.11 | Estimated Employment Impacts of Travel and Tourism in Kerala in Comparison with National and Global levels | 102 |
| 3.12 | Estimated Economic Contribution of Travel and Tourism to Kerala in Comparison with National and World Levels | 103 |
| 3.13 | Trends in Domestic and Foreign Tourist Arrivals into Kerala from 2001 to 2011 | 104 |
| 3.14 | Earnings from Tourism from 2001-2011 (Rs. in Crores) | 105 |
| 3.15 | Total Income and Net Profit of KTDC from 2001- 2002 to 2009-2010 (Rs. in Lakhs) | 109 |
| 3.16 | The Occupancy of Tourists in Various Properties of KTDC from 2006-2007 to 2010-2011 | 111 |
| 3.17 | The Number of Tourists Visited Thenmala and Revenue Generated from 2000-2001 to 2010-2011 | 112 |

| | | |
|------|--|-----|
| 4.1 | Gender Distribution of Sample Service People | 117 |
| 4.2 | Age Distribution of Sample Service People | 117 |
| 4.3 | Distribution of Sample Service People on the Basis of Their Marital Status | 118 |
| 4.4 | Distribution of Sample Service People on the Basis of Their Proficiency in Languages | 118 |
| 4.5 | Income Distribution of Sample Service People | 119 |
| 4.6 | Distribution of Sample Service People According to Their Tourism Education | 119 |
| 4.7 | Distribution of Sample Service People on the Basis of their Service Category | 120 |
| 4.8 | Distribution of Sample Service People on the Basis of Their Employment Status | 120 |
| 4.9 | Distribution of Sample Service People on the Basis of Their Experience in Tourism Industry | 121 |
| 4.10 | Distribution of Sample Service People on the Basis of Their Association with Trade Unions | 122 |
| 4.11 | Gender Distribution of Sample Tourists | 122 |
| 4.12 | Age Distribution of Sample Tourists | 123 |
| 4.13 | Distribution of Sample Tourists on the Basis of Their Occupational Status | 124 |
| 4.14 | Distribution of Sample Tourists According to Their Region of Origin | 125 |
| 4.15 | Distribution of Sample Tourists According to Their Monthly Income | 126 |
| 4.16 | Distribution of Sample Tourists According to Their Educational Qualification | 126 |
| 4.17 | Distribution of Tourists on the basis of Their Sources of Information about Kerala | 127 |
| 4.18 | Distribution of Sample Tourists According to Purpose of Their Tour | 128 |
| 4.19 | Distribution of Sample Tourists on the Basis of their Tour Companion | 128 |
| 4.20 | Distribution of Sample Tourists According to Type of Their Tour | 129 |
| 4.21 | Distribution of Sample Tourists According to Coverage of Destinations in their Tour | 129 |

| | | |
|------|--|-----|
| 4.22 | Satisfaction of Service People on Present Practice of Recruitment in Their Organizations | 133 |
| 4.23 | Satisfaction of Service People on the Present Practice of Functional Skill Development in Their Organizations | 135 |
| 4.24 | Satisfaction of Service People on the Present Practice of Social Skill Development in their Organizations | 136 |
| 4.25 | Satisfaction of Service People on Present Work Schedule in Their Organizations | 137 |
| 4.26 | Satisfaction of Service People on Monetary Compensation from Their Organizations | 138 |
| 4.27 | Satisfaction of Service People on Recognition of Good Service in Their Organizations | 140 |
| 4.28 | Most Preferred Source in Service Related Advices of Service People | 141 |
| 4.29 | Satisfaction of Service People on Team Work in Their Organizations | 141 |
| 4.30 | Satisfaction of Service People on Grievance Handling in their Organizations | 143 |
| 4.31 | Satisfaction of Service People on Infrastructure for Work in Their Organizations | 144 |
| 4.32 | Satisfaction of Service People on Functioning of Trade Union in Their Organizations | 146 |
| 4.33 | Satisfaction of Service People and the Performance Development Measures - Results of Binomial Test | 147 |
| 4.34 | Association between Gender and Satisfaction of Service People on Measures in Developing their Performance | 148 |
| 4.35 | Association between Employment Status and Satisfaction of Service People on Measures in Developing their Performance | 149 |
| 4.36 | Association between Service Category and Satisfaction of Service People on Measures in Developing their Performance | 150 |
| 4.37 | Level of Confidence of Service People on Their Own Skills | 151 |
| 4.38 | Level of Confidence of Service people in Their own Skills on the Basis of Gender, Employment and Service Category | 152 |
| 4.39 | Association between Level of Confidence of Service People on Their Own Skills and Independent Variables | 152 |

| | | |
|------|--|-----|
| 4.40 | Key Motivator of Sample Service People in Their Functional Skill Development | 153 |
| 4.41 | Perception of Service People as to Key Motivator in Functional Skill Development based on Selected Independent Variables | 154 |
| 4.42 | Association between Perception of Service People as to Key Motivator in Functional Skill Development and Independent Variables | 154 |
| 4.43 | Key Motivator of Sample Service People in Their Social Skill Development | 155 |
| 4.44 | Perception of Service People as to Key Motivator in Social Skill Development Based on Selected Independent Variables | 156 |
| 4.45 | Association between Perception of Service People as to Key Motivator in Social Skill Development and Independent Variables | 156 |
| 4.46 | Measures of Public Sector Tourism Agencies towards Usage of Tourism Resources-Perception of Service People | 158 |
| 4.47 | Measures of Public Sector Tourism Agencies towards Usage of Tourism Resources-Perception of Foreign Tourists | 159 |
| 4.48 | Measures of Public Sector Tourism Agencies towards Usage of Tourism Resources-Perception of Domestic Tourists | 160 |
| 4.49 | Intra People Group Analysis of Perceptions as to Measures of Public Sector tourism Agencies towards Usage of Tourism Resources | 161 |
| 4.50 | Comparison of Perceptions of People Groups on Measures of Public Sector tourism Agencies towards Usage of Tourism Resources | 162 |
| 4.51 | Measures of Public Sector Tourism Agencies towards Tourists' Safety - Perception of Service People | 163 |
| 4.52 | Measures of Public Sector Tourism Agencies towards Tourists' Safety - Perception of Foreign Tourists | 164 |
| 4.53 | Measures of Public Sector Tourism Agencies towards Tourist Safety -Perception of Domestic Tourists | 165 |
| 4.54 | Intra People Group Analysis of Perceptions as to the Measures of Public Sector Tourism Agencies towards Tourists' Safety | 166 |

| | | |
|------|--|-----|
| 4.55 | Comparison of Perceptions of People Groups on Measures of Public Sector Tourism Agencies towards Tourists' Safety. | 167 |
| 4.56 | Measures of Public Sector Tourism Agencies towards Conserving Environment-Perception of service people | 168 |
| 4.57 | Measures of Public Sector Tourism Agencies towards Conserving Environment - Perception of Foreign Tourists | 169 |
| 4.58 | Measures of Public Sector Tourism Agencies towards Conserving Environment - Perception of Domestic Tourists | 170 |
| 4.59 | Intra People Group Analysis of Perceptions as to the Measures of Public Sector Tourism Agencies towards Conserving Environment | 171 |
| 4.60 | Comparison of Perceptions of People Groups on Measures of Public Sector Tourism Agencies towards Conserving Environment. | 172 |
| 5.1 | Results of Factor Analysis of Tourists' Satisfaction Score on Performance Attributes of Service People | 174 |
| 5.2 | Satisfaction Level of Foreign Tourists on Vocational Attributes of Service People | 176 |
| 5.3 | Satisfaction Level of Domestic Tourists on Vocational Attributes of Service People | 177 |
| 5.4 | Opinion of Service People on Their Vocational Attributes | 179 |
| 5.5 | Satisfaction Level of Foreign Tourists on the Behavioural Attributes of Service People | 180 |
| 5.6 | Satisfaction Level of Domestic Tourists on the Behavioural Attributes of Service People | 182 |
| 5.7 | Opinion of Service People on Their Behavioural Attributes | 184 |
| 5.8 | Service Performance Attributes - Kruskal-Wallis H Test Results | 184 |
| 5.9 | Comparison of Mean Scores of People Groups on Vocational Attributes of Service People | 185 |
| 5.10 | Comparison of Opinion of People Groups on Vocational Attributes of Service People - Mann-Whitney U Test Results | 186 |
| 5.11 | Comparison of Mean Scores of People Groups on Behavioural Attributes of Service People | 187 |

| | | |
|------|--|-----|
| 5.28 | Performance Level of Domestic Tourists in Environmental Conservation Activities - Perception of Tourists | 204 |
| 5.29 | Performance Level of Foreign Tourists in Environmental Conservation Activities-Perception of Service People | 205 |
| 5.30 | Performance Level of Foreign Tourists in Environmental Conservation Activities-Perception of Tourists | 206 |
| 5.31 | Intra Group Analysis of Perceptions of Service People and Tourists on Tourists' Performance in Environmental Conservation Activities-Binomial Test Results | 207 |
| 5.32 | Inter Group Comparison of Perceptions on Tourists' Performance in Environmental Conservation Activities | 208 |

LIST OF FIGURES

| Sl. No. | Title | Page No. |
|---------|---|----------|
| 3.1 | Inbound and Outbound Tourism - Indian Scenario (2000 - 2011) | 82 |
| 3.2 | Ratio of Domestic to Foreign Tourist Arrivals in Kerala (2001 - 2011) | 104 |
| 3.3 | Revenue from Tourism in Kerala (2001 - 2011) | 106 |
| 4.1 | Experience of Service people (in years) | 121 |
| 4.2 | Occupation of Tourists | 124 |
| 4.3 | Origin of Foreign and Domestic Tourists | 125 |

LIST OF ANNEXURES

| Sl. No. | Title | Page No. |
|---------|--|----------|
| 1 | Survey Schedule for Service People | 229-232 |
| 2 | Survey Schedule for Tourists | 233-236 |
| 3 | District Wise Growth in Tourist Arrivals in Kerala in 2008 | 237 |
| 4 | Details of Selection of District Wise Sample KTDC Hotels | 238 |
| 5 | Details of Selection of District Wise Sample TIOs | 239 |
| 6 | Total Number of Employees in KTDC and TIOs of DoT, GOK as on 31-3-2010 | 240 |

ABBREVIATIONS

| | |
|--------|--|
| AICTE | All India Council for Technical Education |
| AIHTM | Ashok Institute of Hospitality and Tourism Management |
| AITD | Ashok International Trade Division |
| ATT | Ashok Travels and Tours |
| BRDC | Bakel Resort Development Corporation |
| CAGR | Compound Annual Growth Rate |
| DoT | Department of Tourism |
| DTPC | District Tourism Promotion Council |
| EDC | Eco Development Committee |
| FCI | Food Craft Institute |
| GDP | Gross Domestic Product |
| GM | Geometric Mean |
| GoI | Government of India |
| GoK | Government of Kerala |
| HRM | Human Resources Management |
| IATO | International Air Transport Organisation |
| ICC | Indian Chamber of Commerce |
| IHM | Institute of Hotel Management |
| IISM | Indian Institute of Skiing and Mountaineering |
| IITTM | Indian Institute for Tourism and Travel Management |
| ITB | International Tourism Board |
| KITTS | Kerala Institute of Tourism and Travel Studies |
| KTDC | Kerala Tourism Development Corporation |
| MoT | Ministry of Tourism |
| NCHMCT | National Council for Hotel Management and Catering Technology |
| NIWS | National Institute of Water Sports |

| | |
|-------|---|
| PATA | Pacific Asia Travel Association |
| SIHM | State Institute of Hospitality Management |
| TAAI | Travel Agents' Association of India |
| TIO | Tourist Information Office |
| TRKL | Tourist Resort Kerala Ltd |
| UNWTO | United Nations World Tourism Organisation |
| USD | US Dollar |
| VSS | Vana Samrakshana Samithy |
| WEF | World Economic Forum |
| WTTC | World Travel and Tourism Council |