Tourism Industry : New Managerial Practices & Techonology Implementation (India)

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Abstract— Tourism industry with its second position in all industries after petroleum is now with the new strategic horizons to explore the resources and optimize the available options of tourism. Increasingly, organizations and destinations, which need to compete, will be forced to manage. Unless the current tourism industry improves its competitiveness, by utilizing the emerging innovative management methods and IT skills, there is a danger for exogenous players to enter the marketplace, jeopardizing the position of the existing ones. Only creative and innovative suppliers will be able to survive the competition in the new millennium. This paper provides a framework for the utilization of managerial practices and technology in tourism by adopting a strategic perspective. A continuous business process re-engineering is proposed in order to ensure that a wide range of prerequisites such as vision, rational organization, commitment and training are in place, so they can enable destinations and principals to capitalize on the unprecedented opportunities emerging through managerial practices and new technology.

"A vision is not a project report or a plan target. It is an articulation of the desired end results in broader terms."
A. P. J. Abdul Kalam

Keywords- Smart Key, Remote Transaction Book, computerized reservation systems (CRS), Amadeus, PARAS.

Introduction

What is tourism? Oxford dictionary defines *tourism* as the commercial organization and operation of holidays and visits to places of interest. *Tourist is a person who travels for pleasure*. The word *Tourist* does not encompass all kinds of persons who are on tour. The meaning of the word *tour* includes:
(a) A journey for pleasure in which several different places are covered.
(b) A short trip to view or inspect something.

Structure of Tourism Industry

Tourism industry is a combination of Hospitality (a combination of businesses related to accommodation and dining) and Travel Industry (businesses providing transportation services (to tourists) through different modes). Other than these, there are numerous other businesses, which offer their services and products to the tourists and form a 'part' of the tourism industry. The chart given below indicates the vast and complex structure of Tourism Industry –

Components of Tourism Industry

ACCOMODATION

Hotels & Motels	Apartments
Camps	Guest House
Hostels	Lodge
Bed and Breakfast	House Boats
Resorts	

ATTRACTIONS

Natural	Cultural	Educational
Monuments	Events	Medical
Social	Professional	

TOUR OPERATORS

Incoming	Outgoing	Cruises
Day tours and sightseeing Tours	Adventure Tours	Religious
Educational tours	Special Interest	

BUSINESS TOURISM

Incentive	Meeting
Events	
Exploring New Possibilities	Meeting Organizers
Event Organizers	Conference Organizers

CARRIERS

Airlines	Roadways	Railways
Ships	Cruises	

Rent-a-cars and other vehicle hiring
Local transportation (includes city-buses, auto/taxi, boats, trams, local trains etc)

DISTRIBUTION, COORDINATION AND FACILITATING SERVICES

Government Agencies (at all levels)	Packaging
agents Guides	Tour

Managers   Ticketing Agents
        Tour Wholesalers
Holiday Sellers   Industry
Associations
Machinery and equipment hiring and leasing

RETAIL SERVICES
Art and Crafts   Garments   Souvenir
Books   Medicine   Luggage
All other retail shops used by tourists

DINING
At hotels (all kinds)   Local Restaurants
Roadside joints Cafeterias
All retail counters serving food and beverages

OTHER SUPPORT SERVICES
Insurance (travel, life, medical, luggage etc) Recreational
services
Communication Services (Phone, fax, Internet, Postal
services etc)
Banking Services

In India there is a potential of different products
under the industry are as follows;

•Adventure Tourism
•Pilgrimage Tourism
•Nature & Wildlife Tourism
•Recreation & Leisure Tourism
•Cultural Tourism

Tourism is essentially an expression of natural
human instinct for experience, education and
entertainment. Indian tourism sector is one of
the most crucial sectors of the economy in the
country. It is not only a significant contributor to
GDP and foreign exchange reserve of the
country, but also it provides widespread
employment. Tourism sector can also be
considered the backbone for allied sectors, like
hospitality, civil aviation, and transport. Today
21.2 crore people around the globe are
employed in travel trade and tourism. The rate
of international arrivals in India in recent years
has been to the tune of about 19 lakh arrivals per
year.
With untapped share of tourism industry and
available opportunities, India can obtain its
remarkable position among the largest players in
the top countries. With ample scope and
employment opportunities, the provided services
by Indian firms in the field of tourism are

inadequate. On the basis of available statistics,
the working potential's training facilities can be
safely said to be totally inadequate. To make the
New Tourism Policy result oriented,
implementation need to be monitored by a High
Powered Committee under the Chairmanship of
Chief Secretary. A Management Information
System needs to be set up to assist the
Committee to make available information on
various aspects of implementation on a
continuous basis. The Committee also needs
review the policy from time to time.

Technology & Tourism

The developments in computer and
communication technologies have made it
possible to have rental cars with computerized
driving directions and self-service video-
terminals at rental counters in high traffic
airports. Fully automated rental transaction
systems National's "Smart Key" machine and
Budget's "Remote Transaction Book" came into
existence. Yet another major contribution of
technological developments in computers and
communication systems to tourism is the
computerized reservation systems (CRS). These
systems can now inform subscribers about
schedules, fares and seat availability, issue
tickets and boarding passes, record bookings,
maintain waiting lists, display preferred airlines
or classes, search for the lowest fare available or
the first available non-stop flight and calculate
fares for domestic and international itineraries.
The system can also make reservations for other
services like hotels, car rentals, cruises,
railways, tours, boat charters, theaters and
sporting events.

Objective of the Study

Objective behind the study are as follows;

- To analyze the current potential available
  to be tapped by Indian firms in the field
  of tourism.
- To study the technological enhancement
  and managerial practices used and
  initiated for the industry up-lift.

Important facts about tourism (2010)

Page 14

India
No. of foreign tourist arrival in India - 5.58 million (P)
Annual growth rate - 8.1%
No. of Indian Nationals departure from India -   2.07 million (P)
Annual growth rate - 9.0%
Foreign Exchange Earnings from tourism - US $ 14.19Billion (P)
Annual growth rate - 24.6%

World
No. of International tourist arrival - 940 million (P)
Annual growth rate - 6.6%
International Tourism Receipts - US $919 Billion (P)
Annual growth rate - 8.0%

India's Position in the World
Share of India in International Tourist arrival - 0.59%
India's Rank in world tourist arrival - 40
Share of India in International Tourism Receipts - 1.54%
India's Rank in world Tourism Receipts – 16

Foreign Tourist Arrivals (FTAs) in India, 1997-2011

Year	FTAs in India (in millions)	Percentage (%) change over the previous year
1997	2.37	3.8
1998	2.36	-0.7
1999	2.48	5.2
2000	2.65	6.7
2001	2.54	-4.2
2002	2.38	-6.0
2003	2.73	14.3
2004	3.46	26.3
2005	3.92	13.3
2006	4.45	13.5
2007	5.08	14.3
2008	5.28	4.0
2009	5.17	-2.2
2010	5.58 (P)	8.1
2011 (Jan-Jun) (P)	2.92 (P)	10.9@

(P) Provisional @ growth rate over Jan-Jun, 2010
Source: (i) Bureau of immigration Govt. of India for 1997-2009.
(ii) Ministry of Tourism Govt. of India, for 2010-2011.

The above figure simplify that the industry development is increasing with the proceeding years with a little decrease in some of year provided with economic fluctuations in the corresponding periods. As per the share covered of world tourism it is still 0.59% of total tourist arrival of the world and 1.54 % in case of tourist receipts. It provides with the facts that India with its available resources required to have some advancement in its tactics to increase its share and make change in its position from 40 to the top 10 countries in the world.

Managerial Practices used and initiated

With the previous data regarding the tourism activities in India, it is clear that the industry has its steady growth with still opportunity for development. In the area of managerial practices and innovative ideas, Ministry of Tourism has come up with vital options for implementation. The ministry has introduces administrative set up for the upbringing of the industry consisting following components;

Administrative Set up

CDB   District   Govt. Information   LB   Panchayat   T/T
T & V
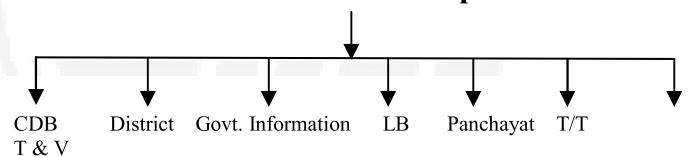
CDB-Community Development Block,
LB – Local Bodies,
T/T – Tehsil/ Talluka,
T & V – Town & Village.

With the practice of new set up and entrance of emerging trends in the industry at international level practices are implemented by the Indian firms in the area of tourism. It consist of the

Page15

administrative set up implementation and including the rare resources of the India in to main frame so as to increase the growth rate of the industry.

The further steps taken by ministry are in term of infrastructure development. Augmentation of quality tourism infrastructure throughout the country is a key area of functioning of the Ministry. More than fifty per cent of the Ministry's expenditure on Plan schemes is incurred for development of quality tourism infrastructure at various tourist destinations and circuits in the States/UTs.

Human Resource Development

It has been the Endeavour of the Ministry of Tourism to put in place a system of training and professional education with necessary infrastructural support capable of generating manpower sufficient to meet the needs of the tourism and hospitality industry, both quantitatively and qualitatively. As of now, there are 29 Institutes of Hotel Management (IHMs), comprising 21 Central IHMs and 8 State IHMs, and 5 Food Craft Institutes (FCIs), which have come up with the support of the Ministry. These institutes were set up as autonomous societies with specific mandate to impart / conduct hospitality education / training in hospitality skills.

Training programmes

In the field of Hotel Management, Catering and Nutrition were initiated by Government of India under the Department of Food, Ministry of Agriculture. To begin with, four Institutes of Hotel Management, Catering Technology and Applied Nutrition were set up at New Delhi, Mumbai, Chennai and Kolkatta. For imparting training in hospitality related craft disciplines, 12 Food Craft Institutes were also set up at different places in the country. Consequent to transfer of the programme to the Ministry of Tourism, format of the various training programmes was reoriented and remodeled keeping in view the professional workforce

requirements of the country's fast expanding accommodation and catering industry. In order to harness the resources and also to provide a central thrust to the programme, Ministry of Tourism also established the National Council for Hotel Management and Catering Technology (NCHMCT).

Technological enhancement of Tourism Industry in India

The last few decades witnessed the application of computer and communication technologies in the field of tourism. Two distinct streams of information sources viz, (i) online and (ii) offline came into existence. Databases containing information about places, tourist attractions and facilities became available for online access in several countries. The emergence of computerized reservations system (CRS) like Galileo, Amadeus, Sabre, PARS, JALCOM, QAMTAM and ABASUS, etc. opened up a new source of online information on tourism and are being expanded continuously. The latest source of online information is INTERNET which contains some pages on most of the tourist destinations in the world.

In India, the Department of Tourism took the first initiative to introduce information technology in tourism establishing TOURNET with the technical assistance of CMC Ltd. The network consisted of 35 information nodes installed in the field offices of the Department of Tourism located in different parts of the country. In the online field, the CRS Amadeus and PARS are already operational in India.

Conclusion

Indian tourism industry with its horizon of untapped resources has capability to ensure its growth and prosperity in the tourism industry. With the implementation of managerial practices and advancement in the technology uses the resources of tourism industry are exploited with higher level of output. With the enormous opportunities and option India is a potent player in the industry and using resources carefully to

Page 16

with its exposure to international equipment and requirement.

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