

Skill Gap Analysis: A Review of Hospitality Sector in Assam

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Abstract

Travel & tourism is the fastest-growing industry in the world. Tourism has become a way of earning the revenue for every country in the world. Assam is a unique cultural place in India known for its romantic air in all the seasons. People from the different part of Asia have migrated to Assam and settled due to its scenic beauty, natural heritage, and rich cultures. The tertiary sectors gross state domestic product (GSDP) share has been growing in Assam over the years from 2004–2005 to 2010–2011. Hotels, trade and restaurants, public administration, and storage are the key drivers of tertiary share growth in Assam. Due to the growing demand in tourism and hospitality sector, the present study aims to assess the requirement of skills and talent in the hospitality sector of Assam. The purpose of the research paper is to identify the type of skilling required in the hospitality sector in Assam. Secondly, it aims to analyse the skill gap in the hospitality sector in Assam. Thirdly, it aims to determine the district-wise human resource requirement for the specified sector in Assam. In order to achieve the objectives, secondary data were collected from Census 2011, Central Statistical Organisation, Economic Survey of Assam 2010–11, National Skill Development Corporation (NSDC), and ICRA Management Consulting Services Limited (IMaCS) analysis in the areas of hospitality sector. The secondary data were collected at district level in Assam with the focus on the hospitality sector of Assam. The study is intended to provide the status of skills' requirement in the specified growth sector. Furthermore, the study will focus on estimating the district-wise human resource requirement in Assam for a period 2011–2021. This study will bridge the gap of skill and talent requirement for the hospitality sector in Assam.

Keywords: Assam, Hospitality Sector, Human Resource, Skill Gap

Introduction

Assam is a favourable tourism destination among northeast Indian states for domestic and foreign tourists. The visitors prefer the place for natural scenic beauty, wildlife, and leisure. Majority of the tourists in Assam are from foreign (Table 1). The Government of Assam is focusing on tourism development in the state through Assam Tourism Development Corporation.

Table 1: Status of Tourist Arrival

Year	Domestic Tourist Arrival (In, 000)	Foreign Tourist Arrival (In, 000)
2002-03	1241	5986
2003-04	2030	6845
2004-05	2186	9365
2005-06	2586	8309
2006-07	3480	13657
2007-08	3490	13799
2008-09	3699	14533
2009-10	3896	14694

Source: Economic survey of Assam 2010-11; IMaCS Analysis

Tourism policy was formulated in 2008 to facilitate the growth of the tourism industry. Some of the significant features of the policy were namely, public-private partnership; incentives to encourage private investment in infrastructure; build attractions on wildlife tourism, river / lake tourism, adventure tourism, religious tourism, rural tourism, golf tourism, tea tourism, culture and heritage

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tourism, theme park; and facilitate a major tourism infrastructure as tourism zones (NSDC Reports, 2010).

The economy of a state depends on three sectors viz. primary, secondary, and tertiary sectors. Primary sectors include agriculture and mining; secondary sectors include manufacturing; and tertiary sectors includes the services sectors namely, trade, hotels and restaurants public administration, and storage, which are the key drivers of tertiary share growth. Tertiary sectors play a dominate role in Indian economy. The NSDC report highlights that during 2011–2021, education and healthcare services are expected to play a key role. From the year 2004–2005 to 2010–2011, the Gross State Domestic Product (GSDP) for Assam is changing continuously (Table 2). Assam's GSDP has grown at a cumulative annual growth rate (CAGR) of 5.8% compared to the India's growth rate of 8.6% (Source: Central Statistical Organisation; IMaCS Analysis). The CAGR of primary, secondary, and tertiary sectors were 3.9%, 0.7%, and 9.2%, respectively (Table 2).

Table 2: Sector-wise GSDP (in INR, Crores)

Year	Primary	Secondary	Tertiary
2004-05	1365	1470	2503
2005-06	1400	1418	2702
2006-07	1427	1417	2933
2007-08	1467	1427	3161
2008-09	1560	1474	3435
2009-10	1626	1510	3855
2010-11	1725	1539	4243

Source: Central Statistical Organisation; IMaCS Analysis

Assam is mainly divided into four key geographic regions. The regions are upper Assam, lower Assam, middle Assam, and Barak Valley. The districts in upper and lower Assam cover over 57% of Assam's land area with a population share over 66% (Table 3). The literacy rate of Assam is 73% that includes Kamrup (M) district having a highest literacy rate of 88% (Table 3). In this backdrop, the present study is an attempt to analyse the skill gap of hospitality sector in the state of Assam.

Table 3: Population Overview of Assam

District	Population*	Male to Female* population	Towns	Inhabited villages	Literacy Rate*
Dhubri	1,948,632	1.05	8	1,016	59.40%
Goalpara	1,008,959	1.04	3	761	68.70%
Barpeta	1,693,190	1.05	7	834	65.00%
Bongaigaon	732,639	1.04	4	593	70.40%
Chirang	481,818	1.03	2	409	64.70%
Kamrup	1,517,202	1.06	2	1,012	72.80%
Kamrup M	1,260,419	1.08	7	230	88.70%
Nalbari	769,919	1.06	2	449	79.90%
Baksa	953,773	1.03	0	692	70.50%
Darrang	908,090	1.08	2	571	64.60%
Udalguri	832,769	1.04	2	801	66.60%
Lakhimpur	1,040,644	1.04	2	1,139	78.40%
Dhemaji	688,077	1.05	3	1,236	69.10%
Tinsukia	1,316,948	1.05	10	1,107	70.90%
Dibrugarh	1,327,748	1.05	9	1,309	76.20%
Sivasagar	1,150,253	1.05	5	866	81.40%
Jorhat	1,091,295	1.05	7	787	83.40%
Golaghat	1,058,674	1.04	6	1,066	78.30%
Karbi Anglong	965,280	1.05	6	2,633	73.50%

District	Population*	Male to Female* population	Towns	Inhabited villages	Literacy Rate*
Dima Hasao	213,529	1.07	4	605	79.00%
Cachar	1,736,319	1.04	7	1,020	80.40%
Karimganj	1,217,002	1.04	3	915	79.70%
Hailakandi	659,260	1.06	3	327	75.30%
Marigaon	957,853	1.03	2	592	69.40%
Nagaon	2,826,006	1.04	10	1,375	73.80%
Sonitpur	1,925,975	1.06	6	1,765	70.00%
Assam	31,169,272	1.05	125	25,124	73.20%

Source: Economic survey of Assam 2010-11; Census 2011 provisional results; *Census 2011; Census 2001

Objectives

The objectives of study are:

- To identify the type of skilling required in hospitality sectors in Assam.
- To analyse the skill gap in the hospitality sectors in Assam.
- To determine the district-wise human resource requirement for the specified sectors in Assam.

Methodology

The present study is based on literature review of secondary information such as research papers and government websites. Secondary data have been collected for the period of 2011–2021 from Census, *Indian statistical handbook / organization*, National Skill Development Corporation (NSDC), and IMaCS analysis in the areas of hospitality sectors to satisfy the objectives of the study.

Findings and Discussion

Hospitality sector was identified on the basis of few key factors namely, endowments, policy thrust, market potential, historical presence, availability of trained manpower, availability and quality of training centre, time taken to train, and employment opportunities. The key focus of hospitality sector is for skilling and skill up-gradation. This sector is going to increase the employment opportunities by the year 2021 in several districts of Assam.

Types of Skilling

Three main categories of skilling are required for the improvement of human resources in business sectors. These are speciality, new skills, and skill up-gradation. The speciality skills focus on technical or specific knowledge base essential, new skills emphasis on training centres largely non-existent, and skill up-gradation concentrates on outdated techniques and knowledge base. However, hospitality sector requires new skills (IMaCS Analysis) and type of skilling required in hospitality sectors for migration are new skills and skill up-gradation.

District-Wise Tourism Circuit

On the basis of existing socio-economic profile of Assam and availability of resources, hospitality sector has been identified as one of the promising sectors among other sectors in Assam. This sector needs a rapid investment for skilling and upgrading the skills in several district of Assam. According to the NSDC reports (2010), the potential tourism circuit of few districts in Assam indicates the demand of skills. These tourism circuits according to the district were:

Bongaigaon

- The Manas natural park lies in the northern part of this district.
- Bongaigaon is also home to beautiful vistas which have to be developed to provide employment to local population.

Cachar

- Cachar is rich in wildlife with many exotic species being found.

- The southern part of Cachar is thus home to the Dhaleswari wildlife sanctuary where local guides are required.

Golaghat

The presence of Kaziranga can be used to build more tourism infrastructure in the district to give opportunities to the local people.

Jorhat

- Majuli represents immense potential for developing a religious circuit.
- This is an important Vaishnavite cultural centre.
- Locally, the population is not equipped to handle the tourism potential.

Kamrup

- The district has numerous temples that have religious significance, prominent being the Hajo temple.
- Circuits can be built to give opportunity to the local population for more jobs.

North Cachar Hills

- This district is also known for the village of Jatinga where birds commit suicide.
- The infrastructure has to be built here to encourage more tourists to visit and observe this phenomenon.

Sibsagar

- The Sibsagar town has many structures and culturally different places as this was the capital city of the Ahoms.
- Infrastructure, to boost and portray this unique aspect, has to be built in the form of hospitality sector.

Tinsukia

- Dibru Saikhowa National Park is famous for birds and one of the biodiversity-hot-spots with over 350 species of avifauna providing unique habitat for globally-threatened species.
- Infrastructure has to be ramped up to develop this into a circuit.

Skill Gap

The key entities in tourism and hospitality sectors are divided into two types. Firstly, tour operators, travel

guides, and logistic providers; and secondly, hotels. However, the role of tour operators is ability to create attractive local tourist package and provide uninterrupted logistics support. To perform the role, tour operators have to be competence on market understanding; brand; event management; route planning and optimization; excellent sales and marketing; ability to develop attractive pricing; ability to liaison with airline, hotels and local community; ability to manage tourist expectations; customer relationship management; computer skills; soft skills; understanding of local language and English-speaking skills. The skill gaps that the tour operators have are:

- Lack of soft skills
- Inability to speak in English
- Inability to plan tours
- Inability to brand
- No tie ups with hotels
- Poor customer relationship management
- Most of the tour operators for Assam are based in states outside Assam, as these services are lacking in Assam.

Moreover, the role of hotels are to provide customer service and to perform various functions to satisfy visitors requirement. The competencies that the hotels require are understanding of local language and English-speaking skills; customer relationship management; excellent trouble-shooting skills; understanding of cultural differences; understanding of hotel functions, including procurement of raw material, cooking, etc.; computer skills; ability to maintain financial records; ability to maintain business etiquette. The skill gaps that the hotels have are:

- Inability to speak in English
- Low computer literacy
- Lack of trouble-shooting skills
- Lack of understanding of cultural differences

Skills Description

The skills are used to improve the performance of an individual in the services of his/her activities. The skills are: basic class, skill category level 1, skill category level 2, and specialized skills. Basic skills are the minimal qualification of an individual or the 5th to 8th class pass.

Skill category level 1 indicates vocational training. Skill category level 2 includes engineers, arts, and science, and other professionals with some experience. In addition,

specialized skills include highly qualified and specialized persons. The skills required in hospitality sectors are categorized in Table 4.

Table 4: Skilling Opportunities in Hospitality

Sector	Basic skills: 9.43 lakh	Skill category level- I: 1.79 lakh	Skill category level- II: 98,786	Specialised skill: 12344
Hospitality	Housekeeping	Chef, front office management	Hotel management, entrepreneurship	Tourism package development

Source: IMaCS Analysis

Human Resource Requirement

The increase in demand in tertiary sector has an impact on the services. Thus, the state needs human resources of 12.34 lakhs by 2021 in various sectors. In addition, retirement of persons may generate additional 7% in the demand sectors (IMaCS Analysis). Human resource

requirement in hospitality sector for the period of 2011–2021 is 39,000 out of total 12.34 lakhs in various sectors. Table 5 highlights the district-wise human resource projected data during 2011–2021 in Assam. In addition, Table 6 indicates the district-wise skill-wise human resource requirement during 2011–2021.

Table 5: District-wise Human Resource Requirement 2011-2021

	<i>Tourism and Hospitality sector</i>	<i>Total</i>
Baksa		3,597
Barpeta	752	59,751
Bongaigaon		37,085
Cachar	93	36,185
Chirang		1,663
Darrang	376	53,835
Dhemaji		11,817
Dhubri		27,714
Dibrugarh	1,505	48,919
Goalpara		30,082
Golaghat	4,195	47,838
Hailakandi		21,028
Jorhat	2,634	64,730
Kamrup		95,877
Kamrup (M)	10,911	101,647
Karbi-Anglong	376	37,997
Karimganj		32,611
Kokrajhar		62,041
Lakhimpur	752	72,099
Morigaon	376	45,515
N.C. Hills		11,171
Nagaon	4,195	69,004
Nalbari		53,990
Sivsagar	3,386	60,068
Sonitpur	8,390	44,386
Tinsukia	752	99,546
Udalguri		4161
Assam	38693	1234357

Source: IMaCS Analysis

Table 6: District-wise, Skill Level-wise Human Resource Requirement 2011-2021

<i>Hospitality sector</i>	<i>Minimal Education</i>	<i>Skill category level 2</i>	<i>Skill category level 1</i>	<i>Specialised skills</i>
Barpeta	572	137	36	8
Cachar	71	17	4	1
Darrang	286	68	18	4
Dibrugarh	1144	274	72	15
Golaghat	3189	763	201	42
Jorhat	2002	479	126	26
Kamrup(M)	8294	1985	523	109
Karbi Along	286	68	18	4
Lakhimpur	572	137	36	8
Marigaon	286	68	18	4
Nagaon	3189	763	201	42
Sonitpur	6378	1527	402	84
Tinsukia	572	137	36	8

Source: IMaCS Survey and Analysis

Conclusion and Direction for Future Research

Hospitality sector of Assam has a great potential for the upcoming years. NSDC skill-gap study revealed the increase of employment opportunities or human resource requirement in this sector by 2021. A projected total of 39,000 out of 12.34 lakhs human resources is required in the hospitality sector for the period of 2011–2021 in Assam. The key types of skilling required for hospitality sectors are new skills and skill up-gradation for the improvement of human resources to provide better services to visitors. The skill-gap analysis indicates the importance of skilling required in the areas of tour operators/ guides and hotels. The skills such as basic class, skill category level 1, skill category level 2, and specialized skills are used to improve the performance of an individual in the

services of his/her activities. In addition, the present study is limited to hospitality sector; however, similar research can be conducted in other business sectors to analyse the situation and requirement in Assam.

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