

# HIGHER EDUCATION IN TOURISM FROM THE PERSPECTIVE OF THE LATVIAN TOURISM INDUSTRY

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**Abstract.** *Several Latvian higher education organisations provide both academic and professional study programmes in tourism from college up to master level. Frequently educators stress that programme's content corresponds to tourism industry needs; however, tourism representatives describe higher education as reactive to the needs rather than proactive. The aim of the study is to explore tourism labour market needs in Latvia and to analyse the employability of graduates and the quality of higher education from the perspective of tourism sector stakeholders in the state and municipal, non-governmental and private sectors. Interviews with informants from small and medium size organizations were selected as data collection method and data were coded and analysed by using the method of content analysis. Results reveal that cooperation between higher education institutions and the tourism sector is insufficient as education partially responds to the needs of the industry. The industry stakeholders suggest strengthening students' skills in sales, cooperation and networking and creative experience design. A data analysis reveals that personal traits and self-efficacy play a more significant role than formal education in the process of staff recruitment. Tourism educators should engage in closer cooperation with the tourism sector to find out needs proactively, reconsider study methods and use a more hands-on approach – improvement of the supply of education does not demand fundamental study content changes but rather transformation of study methods – assessing the effectiveness of existing methods and introducing novel teaching ways.*

**Keywords:** *study content, higher education, skills, tourism.*

## Introduction

Globally, the supply of higher tourism education has developed rapidly as a major platform for human capital development for the tourism sector in the last decades (Ladkin, 2005). Knowledge and experience of human resources strongly affect professional performance (Perman & Mikinac, 2014), and it makes skilled and competent human resources the most important factor for the development of competitive tourism products and destinations. Continuous fundamental changes in most fields and industry clusters have influenced what qualities employers demand and expect from graduates. In practise, employers frequently are not

satisfied with the supply of the labour market and skills gaps, and the issues of employability have been at the focus point of academic studies and industry reports in different sectors of the economy (Cinque, 2016; Regalado-Pezua & Montoya Bayardo 2012).

Overall, tourism educators face a major challenge to identify and meet the needs of the tourism industry, specifically if skills gap in tourism appears to be more pronounced in comparison to the other sectors of the economy. For example, Regalado-Pezua & Montoya Bayardo (2012) argue that neither the tourism industry is satisfied with the labour market nor universities with the placement of students. There are proofs from Spain of much higher incidence of over-education in the tourism labour market than in the rest of the economy (Lillo-Bañuls & Casado-Díaz, 2015). An industry labour market report (Expert group on future skills needs, 2015) mentions budget cutbacks as one of the reasons why educators sometimes are unable to provide training in practical skills.

There is a strong consensus that stakeholders should be increasingly integrated in tourism education to ensure effective training of students. Many studies and reports focus on cooperation between higher education institutions (hereinafter HEI) and the tourism industry (e.g. Wang et al., 2010; Regalado-Pezua & Montoya Bayardo, 2012) indicating that even well-established systems face some problems. The employability of graduates of higher education in tourism is a combination of many factors such as quality of cooperation, specifics of the national education system, budget, a number of students, labour market demand etc.

The focus of the research study is on tourism labour market demand in the context of higher education supply - the notable growth of tourism higher education study programmes in Latvia in the past 20 years has not eliminated uncertainties about the outcome of higher education in tourism and it is a frequently asked question - how higher education study programmes meet to the needs of the tourism sector.

The aim of the study is to explore tourism labour market needs in Latvia and to analyse the employability of graduates and the quality of higher education from the perspective of tourism sector stakeholders. Representatives from the state and municipal, non-governmental and private sectors participated in semi-structured interviews. The interview data were analysed by using the method of content analysis. It is important to stress that in practice industry representatives rarely operate with term 'skills', so we used the same term in order to classify the results.

## **Literature review**

The tourism industry is represented by a wide range of stakeholders whose perception about employees' skills and competences has been explored mostly in

sub-sectoral context. Studies reveal considerable variance in views regarding the supply of education among industry professionals, academics and other stakeholders. However, stakeholders should agree on education quality, the quantity of graduated students, national occupational standards, trainers and qualification development, followed by discussions about funding (British Council, 2015; Stabback, 2016).

Balancing views of industry professionals, academics and other stakeholders is a challenging issue, specifically if the needs of the labour market fluctuate constantly. Some of the factors causing fluctuation are: (1) fast development of technology increases the need to market and serve customers online, to care about customers' personal data, to use technologies to enhance customer experience and maximise business opportunities etc.; (2) changes in consumer demand; (3) social and demographic changes; (4) environmental changes etc. (Williams et al., 2012). Under the pressure of changes, employers look for a flexible workforce being able to adapt to the fast changing tourism business environment.

Another topical discussion refers to the ability to balance the vocational and liberal aspects of tourism education. Future tourism professionals should be not only broadly educated, knowledgeable, and responsible but also occupationally functional in tourism. Concentrating exclusively on the vocational education impoverishes students and render them less likely to be able to respond to the demand by tourism stakeholders. (Lewis, 2005; Inui et al., 2006) Wang et al. (2010) also defend the balance of theory and practice by suggesting that tourism higher education provision should not be isolated from real practice.

Previous studies have generated lists of knowledge, skills and competences demanded by sector of the economy, categorized them in different ways (e.g. Cinque, 2016; Wilks & Hemsworth, 2011; Zehrer & Mössenlechner, 2009) but in general there is a consensus - in the past there were stronger focus on demand-led skills, while nowadays a trend is as follows: the *“holistic view of ‘graduate attributes’ include ‘softer’ transferable skills and person-centred qualities, developed in conjunction with subject specific knowledge, skills and competencies.”* (Cole & Tibby, 2013: 9) Authors (Wilks & Hemsworth 2011; Tsitskaria et al., 2017; Cinque, 2016; Stacey, 2015) report on increased significance of soft skills to ensure career and effective performance both in tourism and in other sectors of the economy.

Labour market mismatches are defined as *“the gap between labour demand and labour supply characteristics. They can occur at different levels: regions, sectors of activity, skills and so on”* (Dimian et al., 2017: 17). The issues of study programmes in tourism, the shortage of cooperation among HEI and other stakeholders do not explain a full spectrum of the reasons behind the skills gap. For instance, in Ireland 50 % and more of respondents - business stakeholders - mentioned that very significant or significant reasons behind the skills gap were:

(1) insufficient numbers of people with appropriate training and the right level of experience; (2) skilled staff was available but had no interest to take an offered work position; (3) skilled staff was too expensive to be hired (Expert group on future skills needs (2015)). Professional training for individuals already working in the sector is related to the organizations' will and capacity to provide training for the staff. Not all organizations consider costs of employer training as investment in future, specifically among SMEs (Expert group on future skills needs (2015)). Williams et al. (2012) indicate staff also can have a lack of motivation to learn or even if training is provided, the improvement of performance is not sufficient. The previous studies of tourism labour market needs in different countries report that understanding among stakeholders is not coherent regards skills gaps and that not everybody understands the significance of training and re-training. Consequently, some stakeholders might expect too much from HEI - e.g. graduates with ideal skill set for specific occupations in the tourism sector.

Ahmad (2015) argues over the current focus and that the process of tourism and hospitality study programmes is too mechanistic and does not promote or encourage entrepreneurial behaviour. Lourenço & Jayawarna (2011) stress the need to rethink the pedagogical approaches used in classes in order to promote the development of non-cognitive skills, such as proactiveness, creativity, leadership along with the development of attributes, techniques and experiences to help students get ready to enter the labour market. The industry proposes to enable a cross-disciplinary and user-centred approach in studies to improve impact on students' motivation to enrol in activities proposed by professors, as well as to create an atmosphere that is favourable to learning, and where the students play an active role in gaining, which is in line with previous studies (Daniel, 2016).

### **Research methods**

Semi-structured individual and group interviews were organized to obtain the opinions of tourism stakeholders from February to April, 2017. The questions included the following main themes: meaningful factors in choosing a new employee; competences personally needed to improve (or acquire) to foster the development of one's organization; recent professional training strategy; the perception of strengths and challenges of a region as a tourism destination; other questions related to the employability of graduates and students during their internships. The informants were selected from all the sectors – the non-governmental sector (hereinafter NGO), the private sector, the state and a municipality thematically representing different fields in the tourism industry as hospitality business, destination marketing, tourist sites etc. Upper and medium level managers, owners, marketing and public relation specialists were asked to

participate in the study. All together 44 interviews took place (informants n = 53). Interviews were done until data reached a saturation point. The data were gathered within the INTERREG Central Baltic Region project “Boosting Tourism Business Growth Through Higher Vocational Education” and Latgale region was not included in the programme. The data represented small-sized tourism stakeholders in Vidzeme, Zemgale, Kurzeme and Riga.

Interviews were transcribed, coded and analysed by using qualitative content analysis. The literature review of previous studies presents different approaches to categorization of the skills and competences needed in tourism and the hospitality industry labour market. During the data analysis process, previously defined frameworks of skills were not applied - we allowed the data themselves drive the process of categorization, so that the data would reflect the specific context of the Latvian tourism industry and education. The data were reviewed and grouped into categories through open coding (Strauss and Corbin, 1990). The aim of grouping data was to reduce the number of categories by collapsing those that are similar or dissimilar into broader higher order categories. Domains describing the relevant skills and knowledge needed for educating future tourism professionals to contribute to the tourism industry growth and competitiveness emerged from the data. The skillset was expressed repeatedly by the informants and each category was named by using content-characteristic words.

Along with a qualitative content analysis, the frequency count was implemented.

## Study results

Study results indicate several areas of concern deepening the skills gap in the Latvian tourism labour market from the perspective of tourism sector stakeholders. The findings were categorised around two large themes - one of them describes personal attributes and other domains of skills. The domains consist of a variety of attributes indicating the shortage of specific skills and competences in Latvian tourism. Some of the domains are cross-sectoral (e.g. ICT, networking) and appear in different contexts of needs.

The most significant **personal attributes** identified in the research were self-efficacy, motivation to work and learn, general erudition, specifically in geography, history, culture, and art, also creativity, positive thinking, quick reaction and physical fitness were mentioned as significant. Frequently, the role of personality dominates over professional qualification when it comes to choosing employees. Table 1 below describes the most significant attributes of each skill domain.

**Table 1 Identified skills gaps (Source: authors)**

<b>Domains</b>	<b>Frequently represented attributes</b>
Entrepreneurship	Project management, financial management, human resource management, psychology knowledge in the context of human resource management, teamwork skills, smart adaptation to future trends and, business environment comprehension, event management skills.
Product development	Experience design, smart usage of resources, comprehension of customers and their needs, quality management skills.
Sales and integrated marketing communication	Marketing (including online), online sales, public speaking and writing skills, proactivity in sales.
Cooperation and networking	Partner search, inter- and cross-sectoral cooperation at local, regional, national, international level; comprehension of the role of cooperation in context of the structure of the industry.
Foreign languages	Russian language. Minimum - two foreign languages at advanced level (writing, speaking).
Internationalization & cross-cultural communication	Reaching new segments (Far East market), safety perception in different cultures, internationalization.
Destination management strategy	Comprehension of the role of the tourism industry, resource management, investment management, strategic planning, mastering visitor payback schemes.
Information and communication technologies	Usage of specific software for graphic design, video, database management, website administration, cartography; functions of social media platforms; mobile applications.
Customer service	Conflict management, client psychology, work with different age groups, general skills of customer service.

The informants stressed the need to recruit employees having a wide spectrum of skills and knowledge, as the majority of organizations in the tourism sector is small in size (number of employees, budgets etc.), and employees are expected to perform multiple tasks.

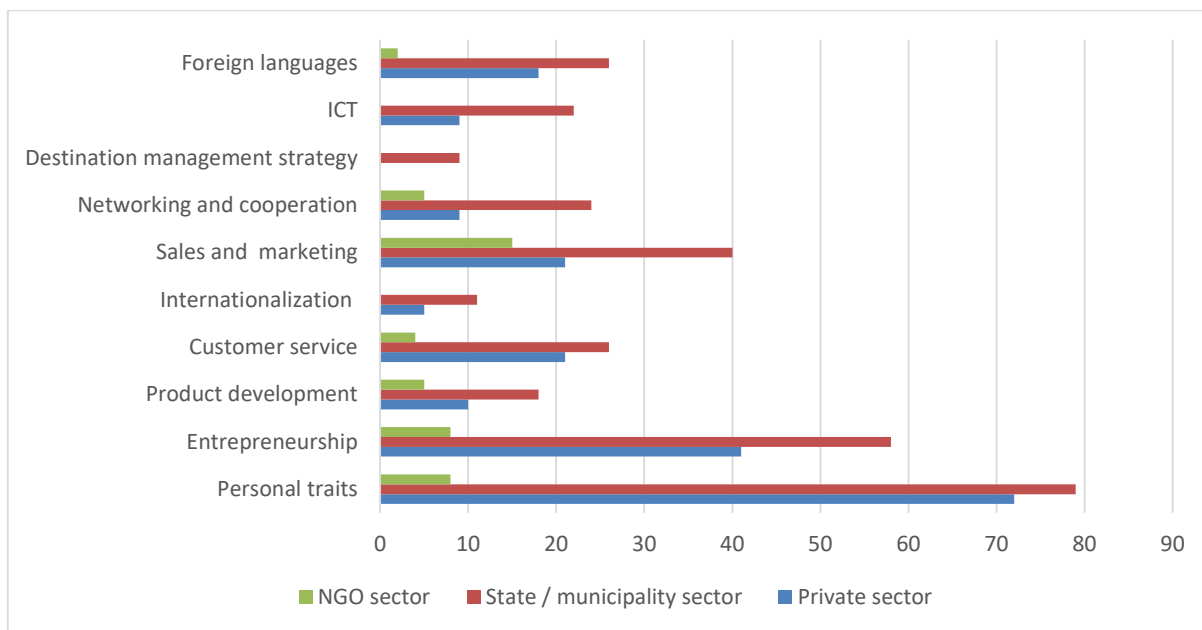


Figure 1. **The perspective of different sectors on the tourism industry – the frequency count of needed skills and personal attributes (Source: authors)**

Figure 1 presents opinion differences among the sectors; however, several domains show insignificant differences among the sectors. First, personal traits and attitude of graduates is the major area of concern for employers in the private and state / municipal sectors. A quote from the interview describes experience with young employees: *“It is the issue with millennials. The motivation to work is lost absolutely (..) They are not motivated, responsible, hardworking. They do not understanding the meaning of the work and why one has to work.”*

The main difference among the sectors is identified in the domain for destination management. It is frequently mentioned by state and municipal stakeholders that are more concerned about the strategic level of destination development.

The stakeholders cited they had not experienced sufficient cooperation with universities, e.g. HEI never showed any interest in the performance of their trainees during internships or in not fully using the potential of students` research in a way that it generates benefits for the industry. The data also suggested universities should use a hands-on teaching approach rather than focusing on theory and specifically stressed that HEIs should facilitate their students to experience different tourism products on a regular basis in practice. The area of major concern was the insufficient professional training of graduates. Overall, the stakeholders were critical about the employability of graduates and the most negative opinion was hold about: (1) attitude towards work and ability to take responsibility, (2) ability and motivation to learn; (3) erudition and analytical

skills; (4) inappropriate ambitions; (5) inapplicable personality for work in the tourism and hospitality sphere.

### **Conclusive discussion**

The study findings confirm that the graduates of tourism study programmes do not satisfy the demand of the Latvian tourism sector and employability is not sufficient. This opinion is shared by the majority of informants in all sectors – private, NGO, state and municipalities. Even more – the tourism sector reports the shortage of core skills in tourism such as designing tourist experience, marketing and sales. Overall, HEI offers in tourism education can be described as standardized and as reactive. It passively responds to the recent demand by the tourism industry in the best way, but definitely it does not forecast and train the professionals for future needs. It seems to be the illusion that HEI have developed strong connections with the industry as a result of internships and industry specific education.

Despite positioning Latvian higher tourism education programmes as professional ones, the connection between HEI and the industry is weak. The lack of cooperation and networking among educators and the tourism sector seem to be one of the main reasons why education in general does not meet the expectations. Ironically, the study findings confirm cooperation and networking formally is branded as needed; however, in reality of the Latvian tourism industry it is insufficiently practised among stakeholders themselves, e.g. entrepreneurs frequently do not relate the success of their business to the overall success of the destination and feel no motivation to cooperate to promote the destination.

Tourism study programmes in Latvia combine both vocational and liberal aspects - according to the curricula of tourism study programmes, the needs demanded by the tourism sector, in fact, are taught to students, every study programme offers internships as well, yet employers are still critical. It might be that the content of study programmes in general is developed according to labour market needs but applied teaching methods do not work. A “hands-on” approach should be increasingly integrated in the study programmes and the approach to internships should be revised - practice confirms the length of internships is sufficient; however, the organizational failures on both sides (mostly HEI, but frequently also internship organizations) do not allow to meet the training goals. The study results agree with Lourenço & Jayawarna (2011) suggesting to rethink the pedagogical approaches used in classes in order to promote the development of non-cognitive skills, such as proactiveness, creativity, leadership. The teaching methods also should involve more frequent contact with tourism sector organizations and should promote meaningful cooperation projects among HEI and the industry.



Considering that the major area of concerns relate to the personality traits of graduates - attitude towards work, low motivation to learn and work, responsibility etc., educators should increasingly work on personality development. The major area of concern for tourism sector organizations in relation to human resources relate to the characteristics of millennials. Human resource managers do not have sufficient skills how to supervise the employees of this generation. However, it would not be fair to blame only HEI for personality mismatches - primary and secondary schools, families play part. HEI in Latvia cannot afford to be selective and to enrol only the best candidates into study programmes because of financial pressure.

The majority of organizations engaged in Latvian tourism are small by size and employees have to deal with a wide spectrum of tasks, and they expect from universities universally trained graduates. They frequently want somebody with cognitive capacity of postgraduate and strong vocational training, which is the task of vocational schools. It might relate to the fact that many stakeholders cannot make difference among tourism graduates at vocational school, college or bachelor level.

However, the study findings do not give an answer to the question: do employees, entrepreneurs, local governments, and other stakeholders are actually willing to participate in the development of higher education in tourism? Would they consider investments of time and efforts in the education system as investment in future or avoidable cost?

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