HUMAN CAPITAL AND ITS ROLE IN THE TOURIST SECTOR: SOME REFLECTIONS AND PROPOSALS

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The key role that tourism education and training plays in the competitive strategies of the sector is an idea which is largely accepted by the different agents that make up the tourism industry (private institutions, businessmen/women, workers, public sector, universities, professional training sectors, etc). Therefore, it is a proven fact that the human capital factor in tourism is inseparably linked to the quality of the tourism product in such a way that the degree of competitiveness of tourism companies or destinations is closely related to the professionalism of workers who are capable of transmitting a positive image to their clients, while providing services that fulfil the expectations of these clients who then return to or recommend the destination.

Furthermore, aspects related to the efficiency with which new management methods are incorporated or with which new technologies are handled in the tourism companies also require workers with higher levels of education. It follows, therefore, that aspects regarding both tangible and intangible resources are related to the quality of the tourism service, and for these aspects to generate a higher level of customer service, an improved image of the product/tourism company, a correct use of new technologies and an appropriate and efficient management, skilled human capital is necessary. In the measurement of human capital, the approach used here is based on the education variable, and specifically, on the official levels of education of the workers (primary, secondary or university), or the assessment of the years of study needed to obtain a qualification. From this viewpoint, it is important to determine the educational levels that exist in the tourism sector, which have traditionally been considered as being low, and to compare them with other sectors of economic activity. As we can see in Table 1, the percentage of workers with basic levels of education is much higher among workers in activities related to tourism, and the opposite applies when we observe the data regarding university studies.

However, we are not only interested in the levels of education that most workers possess in the sector, but also the value that businesses place on the educational levels of their workers through remuneration. Within human capital theory there is a nexus on a microeconomic level between education, productivity and wages. So the rate of educational returns represents the increase in the wage level obtained by an individual with each additional year of formal education that he/she has achieved. To this effect, we would attempt to analyse the wage differences existing between workers in the tourism sector, on
the basis of their educational level and work experience, that is, their educational return (Lillo and Ramón, 2005; Lillo, 2007). In table 2, we compare the rate of return with respect to workers in tourism services and non-tourism services, which reveals that additional years of education receive greater compensation in non-tourism services sectors.

### Table 1

**PERCENTAGE OF WORKERS ACCORDING TO LEVELS OF EDUCATION**

<table>
<thead>
<tr>
<th>Level of education:</th>
<th>Tourism services</th>
<th>Non-tourism services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary (first cycle of ESO/former EGB – (compulsory secondary education))</td>
<td>57.04%</td>
<td>34.10%</td>
</tr>
<tr>
<td>Secondary (bachillerato (further education) and Formación Profesional (lower vocational studies))</td>
<td>30.36%</td>
<td>32.00%</td>
</tr>
<tr>
<td>University Diploma</td>
<td>6.28%</td>
<td>15.04%</td>
</tr>
<tr>
<td>Graduate or Postgraduate degree</td>
<td>4.37%</td>
<td>16.79%</td>
</tr>
</tbody>
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Lillo (2007) Source: Survey of Quality of Life at Work (Ministerio de Trabajo y Asuntos Sociales, MTASS – Ministry of Labour and Social Affairs)

Furthermore, an educational mismatch in the labour market arises when the level of education of individuals is not the correct level required for the position that they hold. This may be because workers have a lower educational level, in which case we are faced with a situation of under-education, or on the contrary, workers may hold positions that require a lower level of education than they possess, in which case we are faced with a situation of over-education in the labour market.

Table 3 shows the percentages obtained when considering the assessment of workers with respect to the adaptation of their training to the position that they hold.
As we can see in table 3, the percentages are similar in both samples. With respect to tourism services, 74% of workers considered that they were suitably trained (those that confirm that their training is appropriate for the position that they hold), and 19% believe that they are over-educated (those that consider that they hold positions for which a lower level of education than they possess is required).

“Can we abandon the idea of low levels of qualifications in the sector and evolve towards the concept of a better adaptation or match of education to the needs of the tourism sector?”; Lillo et al. (2006).

Moreover, it is essential to consider the employment aspects that are specific to the tourism sector in order to understand certain factors that affect its human capital, without which it is impossible to make appropriate decisions with respect to the strategies to be developed and the specific actions to be taken in terms of tourism training. For example, aspects related to the composition and characteristics of the active population in the tourism sector, both those who are employed and those who are unemployed and seeking work in the sector. The average level of education of these workers and data regarding their specific knowledge such as languages and new technology or whether they have undertaken specific training programmes in the field of tourism are highly relevant for interrelating the human capital needs that are demanded in the sector with the supply.

Other factors are also significant in the study, such as the average level of work experience in the sector, shift work and the mobility of workers.

Other elements, such as the type of contracts, professional categories, average remuneration of the different types of position, the highly specific work times in this sector, the availability of labour at particular times due to the seasonal nature of the industry or the agility of the processes for incorporating new workers in vacant positions, are also issues to take into account when designing training policies for the tourism sector.

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1 Based on the question: Do you consider that the work position that you hold is correct in accordance with the training that you have? With the possible answers being: 1.-It is correct; 2.-It is lower than my training; 3.-I would really require more training; 4.-I would need different training.
Finally, it should be emphasised that it is the tourist companies that demand this human capital, which is where we can find the training profiles to answer questions such as:

- What levels of education are required?
- What capacities or skills are required of workers?
- What specific knowledge in terms of languages or new technology is valued?
- What qualifications are most required?
- How are graduates in tourism considered?

So, knowledge of the demand for tourism human capital is fundamental in defining the configuration of its supply.

However, the labour environment and the characteristics specific to the tourism sector give rise to the need to contemplate some fundamental aspects. Therefore, one of the first elements that should be highlighted when analysing the educational needs of the sector is the segmented structure of human capital demand in tourism, in other words, each tourism subsector - hotel industry, catering industry, travel and distribution agencies, transport, leisure - has specific training profiles which, in turn, have their own needs in terms of specialisation and professionalism. We should also consider that the business structure of the tourism sector is clearly divided into two types of company; the small and medium firms and the large tourism companies. The former, of which there are many, define the high degree of atomisation in the sector, that is, many family-managed small tourism companies with short-term objectives. The latter types of operator, for example large hotel groups, are characterised by larger volumes of investment and long-term objectives. These two types of company have different approaches and policies with respect to human capital.

In addition, another important issue that should be observed is the need to establish different scales. In other words, in the same way that tourism development plans have different scales of scope; national, regional and local (Pearce, 1989; Pearce, 1990), human capital in tourism should also be analysed from this triple perspective in order to establish strategies to follow in terms of a tourism education which can efficiently respond to the training needs of the sector. That is, observing the general tourism education demand, corresponding to a basic, intermediate or superior level of training is not the same as defining which specific human capital needs should be addressed in the different tourism destinations.

The creation and implementation of an observatory for tourism human resources may help us to understand the human capital needs of specific subsectors and destinations. It would facilitate the differentiation of the profiles demanded according to professional levels and even enable the design of more general training programmes or just in time solutions to cover specific and occasional training needs. Thus, it is necessary to analyse the profiles and professional levels that are required by the tourism companies as well as their selection criteria.

Decisions regarding tourism training programmes not only affect educational institutions, but also the expectations of the professionals requiring training and the those of the companies in terms of their demand for human capital. So, examining the productive
network is an essential aspect for those who provide tourism training and a point of reference in the design of tourism education, and without which any undertakings in the field of tourism education would not be efficient.

The training supply in graduate and postgraduate degrees in tourism undoubtedly represents an opportunity to match tourism training to the needs of the sector and to bring the university academic environment closer to the public tourism institutions and companies in the sector in order to establish synergies and improve human capital and research in tourism.

To this effect, the ESHE (European Space for Higher Education) is clearly committed to adapting university studies in tourism to the needs of the sector. Therefore, ANECA (The National Agency for Quality Assessment and Accreditation in Spain) in its Libro Blanco del Grado de Turismo (White Paper of the Degree in Tourism) (2004), analyses the professional profiles specific to the tourism sector and the personal competences2 of workers in the industry. These have been taken into account in the design of Graduate Degrees in Tourism offered by Spanish universities.

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2 In the Libro Blanco del Grado de Turismo (The White Paper of the Degree of Tourism), ANECA (National Agency for Quality Assessment and Accreditation of Spain) (2004) two types of personal competences are defined; transversal competences (those which all professionals should possess) and specific competences (those which professionals in the tourism sector should possess).
Furthermore, the degrees offered are complemented by postgraduate degrees in tourism, official master degrees and doctorates which have greatly increased the quality of tourism training in Spain. In my opinion, this need to evolve towards strategies that generate a greater proportion of workers with intermediate or higher levels of education has three main, although not exclusive, arguments: firstly, because in global terms, the increase in the average level of education represents a net gain in human capital which undoubtedly has a positive effect on the competitiveness of the sector; secondly, because the net increase in human capital improves the flexibility and capacity to adapt in tasks necessary for improving processes and the management and quality of service on all hierarchical levels, and thirdly, because in a sector in which the capacity to compete is determined by intangible factors, the reinforcement of human capital measured in terms of education acquires greater importance. Consequently, the development of an educational policy specialised in tourism is relevant in all of its scales of scope; local, regional or national. This involves establishing synergies with the productive network (creating a tourism education capable of covering the training needs demanded by the business environment) and designing general and specific competences that take into account professional profiles and the capacities to be developed which are previously defined for each tourism qualification at all levels; vocational, secondary (professional training) and university (Graduate, Master and/or Doctorate). The latter is immersed in its adaptation to the ESHE and is now starting to be taught in the different Spanish universities involved in tourism teaching and research. Additionally, it is also important for tourism companies to value, reward and demand a human capital which possess tourism qualifications and the appropriate skills.