Impact of COVID-19 on Training Programmes Offered by the Indian Hospitality Industry

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Abstract

The Novel Coronavirus, COVID-19 which was created in the city Wuhan of China has dramatically spread in many countries of the world. According to public health data compiled by Johns Hopkins University, as of August 14, 2020, just 5 months after the WHO (World Health Organization) declared the new coronavirus (Covid-19) pandemic, due to Covid-19 more than 21 million cases was Covid-19 and 761,000 deaths have been reported. This period disrupted the found Corana positive social and economic systems worldwide, triggering a deep global recession (Gopinath, 2020 & Nicole 2020). Travel restrictions due to Covid-19 affect the hospitality& tourism industry in India and around the world. The pandemic caused a significant in every industry, particularly the hospitality industry, which was negatively affected. Extensive research was carried out on the impact of Covid-19 on training programmes and hospitality students and comprehends their psychological well-being, skill development, mindset psychological, physical, and emotional well-being changes and views on training programmes. This paper focuses on Covid-19 in India and its impact on the hospitality sector and training. Keywords: Pandemic, Covid-19, Hospitality, TrainingProgramms

Introduction

In India, approximately 80000 lakh cases are found and 22 thousand deaths were confirmed in India till 10 July 2020. On January 30, 2020, the World Health Organization (WHO, 2020) designated the COVID-2019 outbreak a "public health emergency of international concern." Scientists rapidly started working to elucidate the characteristics of the virus, including transmissibility, death rate and origin (Perlman, 2020). The government started working to handle the situation by imposing a lockdown, taking appropriate actions and communicating precautionary information regarding COVID-19. Developed economies of the world and medically advanced countries could not deprive themselves of COVID-19.

Impact of Covid-19 on the Growth Rate of Indian GDP

The Indian economy was experiencing a decline in GDP due to COVID-19 struck no one could have predicted that the coronavirus would wreak such devastation on human life and have such a

devastating impact on the economies of India and other countries.Covid-19 directly affect the growth rate of Indian GDP figure 1.1 shows in the first quarter of the year 2019 GDP was 5.6% and drop down to -23.90 per cent in the first quarter of year 2020. After that from January 2021 to March 2021the GDP noticed a growth rate of 1.60 per cent (National Statistical Office 2021).

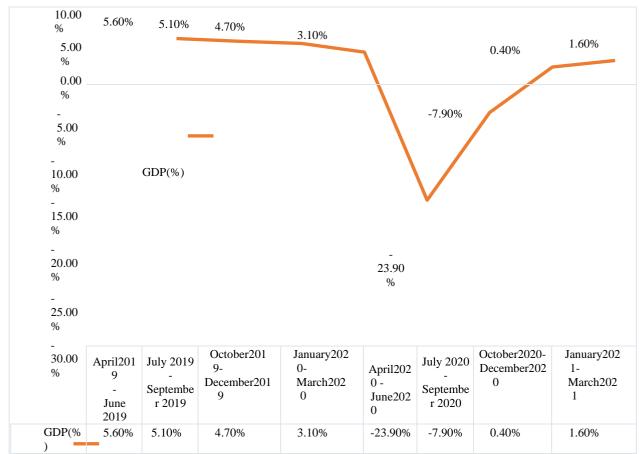


Figure 1.1: Growth Rate of GDP %in Indiafrom 2019-2021

(Source: National Statistical Office, MoSPI)

Objectives of the study

• To find out the Impact of Covid-19 on training programmes offered by the Indian hospitality industry.

Research Methodology

The research is based on secondary data including various internet sources, journal articles and some news articles. For this purpose, the researcher reviewed the literature and finds the result & conclusion.

Review of literature

Dhawan (2020) noticed that natural disaster like COVID-19 affects the education of students due to the closure of all education institutes which create problem in the learning of students. Many institutes start adopting e-learning tools for providing education and learning to students online. To make e-learning better and more effective during such disaster we need to learn and focus on the use of technology in a more effective way.

Jene (2020) explained that due to this pandemic, various activities like admission processes, competitive exam and many entrance exams for higher education is postponed and cancelled which create problems for students. The main challenge of providing education and learning is solved with online learning methods. The virtual platform, eBooks, and online sources are provided to students to enhance better and more flexible education.

Patel, kharoliwal, Sharma and khemaniya (**2020**) explained the Impact of this pandemic is very bad for the Indian tourism and hospitality sectors. According to the Ministry of Civil Aviation, our country faces a drop of nearly 25 per cent to 30 per cent from international visitors. Its impact has also seemed on domestic tourism in our country nearly 40 per cent drops have been recordings summer destination regions like Leh, Guwahati, Srinagar and Amritsar.

Kukris and Dani (2020) expressed that the internship provides students with learning beyond the classroom and helps them in learning more about the hotel. Supervisors should communicate and share their experience and learning with intern students which will make their learning during the internship more exciting and interesting.

Shynakalra (2020)said that as the world came to a virtual standstill and the public at large is being confined to their homes to fight the coronavirus pandemic. One sector which was affected the most is hospitality. A recent report states that the hotel, travel and airline sector has seen a negative hiring trend of 91 per cent, the highest across industries in April. The national average, as per the report stands at a dip of 62 per cent. This has left students and job-seekers in the hospitality and travel industry anxious. Placements were midway for most institutes when the pandemic hit India. Resulting in delayed joining dates for some while others are still job searchers. To compensate for the gap professional institutes in the sector have started offering certificate courses or bridge courses online to train the final year students or fresh graduates in the trends that are expected to weigh heavily post-COVID-19.

Covid-19 – Unprecedented Impact on the Global Economy

The pandemic unleashed by a highly contagious COVID-19 virus has triggered unprecedented

restrictions not only on the movement of people but also on a range of economic activities and the declaration of national emergencies in most countries in Europe and North America. Growing demand for urgent healthcare and rising death tolls are straining national healthcare systems. The pandemic is disrupting global supply chains and international trade. With nearly 100 countries closing national borders during the lockdown, the movement of people and tourism flows has come to a screeching halt. Millions of workers in these countries are facing the bleak prospect of losing their jobs (World Economic Situation and Prospects,2021).

While there is no way to tell exactly what the economic damage from the global COVID-19 novel coronavirus pandemic will be there is widespread agreement among economists that it will have severe negative impacts on the global economy. Early estimates predicted that should the virus become a global pandemic, most major economies will lose at least 2.4 per cent of the value of their gross domestic product (GDP) over 2020, leading economists to already reduce their 2020 forecasts of global economic growth down from around 3.0 per cent to 2.4 per cent. To put this number in perspective, global GDP was estimated at around 86.6 trillion U.S. dollars in 2019 – meaning that just a 0.4 per cent drop in economic growth amounts to almost 3.5 trillion U.S. dollars in lost economic output. However, these predictions were made before COVID-19 became a global pandemic, and before the implementation of widespread restrictions on social contact to stop the spread of the virus. Since then, global stock markets have suffered dramatic falls due to the outbreak and the Dow Jones reported its largest-ever single-day fall of almost 3,000 points on March 16, 2020 – beating its previous record of 2,300 points that was set only four days earlier(Statista 2020).

Covid-19 will significantly impact the GDP growth forecast in 2020

The COVID-19 pandemic represents an unprecedented disruption to the global economy and world trade, as production and consumption are scaled back across the globe. The IMF's (figure 2.1) Outlook such sentiments of the United States of America's growth in 2019 was 2.3 per cent, while the forecast in 2020 decreased by -0.4 per cent. China'sGDP growth will drop from 6.1 per cent in 2019 to 0.2 per cent by the end of 2020. The IMF's (figure 2.1) Outlook such sentiments of the United States of America's growth in 2019 was 2.3 per cent, while the forecast in 2020 decreased by -0.4 per cent. China'sGDP growth will drop from 6.1 per cent in 2019 to 0.2 per cent. China'sGDP growth in 2019 was 2.3 per cent, while the forecast in 2020 decreased by -0.4 per cent. China'sGDP growth will drop from 6.1 per cent in 2019 to 0.2 per cent. China'sGDP growth will drop from 6.1 per cent by the end of 2020.

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2.5 per cent, respectively.

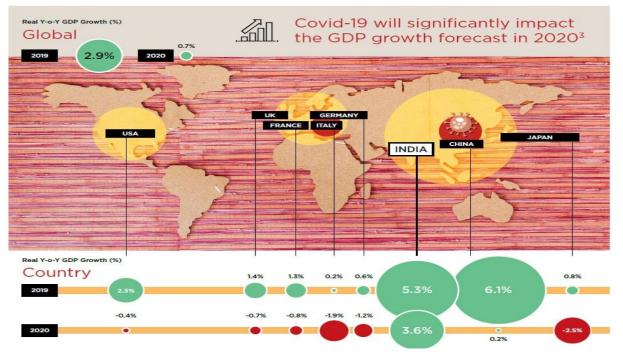


Figure2.1(Source: IMF, RaboResearchand Macrobonds, 2021)

Impact of Covid-19 on the Indian hospitality industry

The Indian hospitality industry is one of the largest tourism Industries in the world and more than 2000 hotels and 1000 restaurants enlisted under the FHRAI(2020) Federation of hotel restaurant association of India), which employs lakhs of people. Due to the lockdown in India and COVID-19 threat, the process of reservation cancellation is being carried out which will adversely affect the hotel business and likely to face revenue loss in 2020 the parallel negative impact can be seen in employment in the future as a cost-cutting tool. There are few recent responses by the hotels business group on COVID-19. (Tourism Breaking News-2020) Sarovar anticipates a 12-15 per cent decline in revenue per available room for 2020. Intercontinental hotels group anticipates a global Rev PAR decline of around 60 per cent. As per HVS (hospitality valuation services), hotels should maintain pricing charts through the crisis. This is quite understandable that during and after this crisis hotel industry will lose revenue, as per the HVS (hospitality valuation services) report hotels should maintain pricing charts through the crisis as once the prices of rooms are reduced it becomes difficult to lift later, however, by keeping in mind the present scenario, it cannot be assessed that how long this crisis will last for. (UNWTO-2020). The Indian hospitality industry is in the developing stage, so Indian stakeholders need to take an early step to handle the situation.

Impact of Covid-19 on hospitality training programmes

COVID-19 spreading at an alarming rate in India and the world and the hospitality industry has decided to stop the industrial training of students immediately. Find out how COVID-19 has impacted the hospitality/travel industry worldwide and how this has affected hospitality students. COVID-19 (Corona Virus Disease) has affected not just one community, state, or nation but has become a global pandemic. Travel and hospitality industries are the worst hit. A lot of students of hospitality and training schools were undergoing industrial training in the capacity of interns at star-category hotels. Such training opportunities are provided to students as a mandatory part of the course, i.e., different diploma/bachelor/master's degree level qualifications run in India by various Boards and Universities.

Hospitality training comprises professional exposure to core areas of hotels namely F&B Service, Culinary, House Keeping, Front Office and if possible, training in other ancillary departments. The aim is to understand real-time operations and acquire industry skills. This finally helps the students to identify the area for their specialization in the future. Industrial training is one of the biggest exposures for every student, where they learn about the work and the industry is postponed or stopped due to this problem. Hospitality students during their training learn work from their seniors and supervisors, for excellent and for good learning supervisors during training should share their experience and learning with students to make their learning more interesting but due to COVID-19, it's not possible in the current situation.

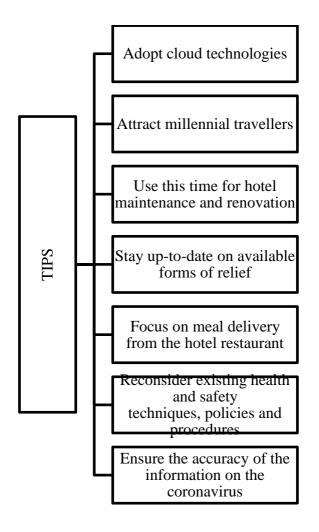
As well as many training programmes are cancelled due to the pandemic and most universities shifted towards online training programmes, but this is not possible for hospitality students to take online training because in this sector the value of communication skills, social skills and practical knowledge is required more than any other field, which can only be learned by interacting with more and more guest in hotels and by understanding the working environment of the hospitality sector and all these learning and developing process of students is affected due to this pandemic.

Suggestions for the post-pandemic situation

The hotel industry had to deal with different crises and viruses earlier. For example, the SARS virus impacted the industry drastically in 2003. There was a 50 per cent decline in hotel bookings, which led to a drop of nearly 9.4 million in international tourist arrivals, with losses estimated at between \$30 billion and 50 billion. Despite the above-mentioned facts, the travel industry managed to register immense growth by 2006, with a total contribution of \$5,160 billion to the global GDP within the year.

The Indian tourism industry is the most affected industry influenced by the contagious COVID-19, the contagious virus has reached cities and towns all over the country within a few days and adversely hit the tourism industry and consequently, hotels and tour operators are temporarily closed or reduced their room inventory and operation. This impact can be reduced by using certain immediate measures, short-term measures and long-term plans. The government and stakeholders should offer financial aid to the tourism industry. Tourism enterprises should react quickly to the situation; adjust both long-term and short-term strategies, in aspects such as cost control and employee arrangement. Tourism enterprises need to stay competitive when the market is unstable and should maintain a price chart throughout the crisis.

Another problem which has been accounted for is that over ninety-five per cent of the hospitality sector is dominated by Bed & Baths (B&B), guest houses so an additional loss of around 420-470 crore in revenue has been estimated by the expert in the hospitality industry. The truth is the pandemic is temporary and shall pass. Thus, we should continue to plan for the future, as well as take steps to reduce long-term damage from coronavirus and drive faster recovery. Here are some tips to help hospitality overcome the difficulties that COVID-19 brings:



The major problem with the hospitality industry in India is that the maximum numbers of employers working in these industries are either on a contract basis or casual working and this employer accounts for around 30-40 per cent of the staff and they all come from a weaker background so shutting the chains and other services will affect them economically. So, the industry should pay them their salary even when they are not working, so that they can take care of themselves and their family in such times. In the current situation what can be done to prevent the hospitality industry from going insolvent is to cut down their cost and mechanisms. The Government of India should provide for a scheme to pay the workers and employers who are working in the Hospitality Industry. The 'MGNREGA' scheme money should be used to pay for these workers. The ever-expanding global tourism industry was one of the major factors driving the growth of the Indian hospitality industry before the coronavirus outbreak. The number of international tourist arrivals had risen continuously over the past decades. As per the growth projection made by the World Tourism Organization (UNWTO), the number of tourist arrivals across the globe was expected to cross 1.5 billion by 2020.

Conclusion

This paper is a summarized work that provides a few experiences from the previously reported works related to the issues in the social and economic sectors that may help general well-being authorities relieve the effect of the pandemic. The COVID-19 pandemic has extremely impacted the global economy and a rapid negative impact on the tourism and hotel industry. Some of the impacts of covid-19 on tourism and hotel include increased cancellations of hotels and travel bookings and increased cancellation and rescheduling of events in the entertainment industry, resulting in billion-dollar revenue loss and millions of job losses. It is feared that the volume of revenue loss may affect the ability of most of the industries and businesses in the hospitality& tourism sector to return to normal operations after the covid-19 pandemic without appreciable financial support from the government. Impact of covid-19 on training programmes most of the students were facing various problems in their online classes and their internship programmes are affected, because of which their learning and skill development activities are affected, the Hospitality industry needs to understand and start with planning strategies along with all the stakeholders with their synchronization. A Harmonized approach to all of them will accelerate the rebuilding process. Government can play a crucial role in monitoring and keeping them together. Hospitality industry recovering from the impact of COVID-19 by the third quarter of 2022-23, the hospitality industry had touched an occupancy of 70 per cent, while the average daily rates had moved up to Rs 7,260 as compared to Rs 6,540 in the same period in Financial Year 2020(Zee business, 2023).

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