# Chapter 12
# Romanian Hospitality Degree Graduates: Perceptions and Attitudes Among Industry Professionals

**Joseph Takacs III, Sebastian A. Văduva and Robert Miklo**

**Abstract** The customer experience is the lifeline of all hospitality providers and therefore requires special attention to the exact talent domains that are necessary for competitive existence in the highly fragmented marketplace. Robust training and continuing education are necessary elements to maintain employee readiness and competitiveness in most industries and business sectors. Understanding the most critical needs for operational improvement, aligned with the components that determine good and bad service, is critical touch point for hospitality managers.

**Keywords** Romanian hospitality · Hospitality training · Service sector Customer service

## 12.1 Introduction

In business, we have come to prefer emails to phone calls, text messaging over personal sales calls and computer time to trade shows and travel. Emails and text messaging have become a necessity in our business and social lives. Hospitality service providers must be adept at leveraging the value and impact of these communication and data exchange tools, both those based on technology and those based on relationships, and understand when and where best to employ each. Those companies whose employees can deliver true customer service will capture the most market

J. Takacs III
University of Florida, Gainesville, FL, USA
e-mail: joetakacs@themvpservices.com

S. A. Văduva (✉)
Emanuel University of Oradea, Oradea, Romania
e-mail: sebastianvaduva@emanule.ro

R. Miklo
The Academy of Economic Studies in Bucharest, Bucharest, Romania
e-mail: robert.miklo@gmail.com

share. The increasingly competitive service sector is always looking for employees who can do just that, perform well while providing a superior level of service quality.

Lashley (2007) suggested that, in the context of hospitality interaction, hosts (service providers) should understand and satisfy customer needs and expectations, using appropriate hosting performances and delivery transactions. This suggestion indicates elements of the experience between customers and host employees influence consumer perceptions of hospitality, despite the focus on the tangible product and service provided. In other words, what matters is equally about how the product, or service, is delivered, as it is about the product or service. The challenge, then, is how to understand and train hospitality service industry employees, based on the many varying perspectives and expectations of many different people from different cultures.

To meet new demands of customers' service expectations, practitioners must create an environment for and with employees that set up employees and the organization to perform successfully. Kini and Hobson (as cited in Whitney 2010) remarked that the quality of services depends on an employee's commitment, satisfaction, involvement and morale. One area of increasing concern is the ubiquity of technology and our dependence on it. While technology improves the availability of information and communication, it also makes it easier to distance oneself from the actual person. According to MacKay (as cited in Brudney 2007), a primary message repeated in many past articles has been concern over service providers being an entirely new generation of people and especially hospitality sales professionals and service providers who have mastered the art of technology-based selling, while forsaking the timeless skills required in relationship-based selling. 'Only a computer wants to do business with another computer. People respond to people' (MacKay, as cited in Brudney 2007, p. 76).

Service is about people. Employees are customers also, and there is a link between employee satisfaction and the service concept that has a direct impact on the customer satisfaction of consumers. This impact affects customer loyalty, which in turn influences revenue growth. Lastly, revenue growth fuels the internal service of the organization. Understanding an employee's level of satisfaction, commitment, involvement, and self-esteem, gives managers and strategists mean to create a favourable environment, where links in the service profit chain work to the advantage of the service provider (Crawford and Hubbard 2007).

## 12.2    Employees Training as a System to Improve Customer Service

Surveys of the hospitality industry have revealed that up to 75% of employees have received no job-related training since starting the job, just under 50% of small firms engaged their employees in training and 85% of hospitality employers surveyed provided some training for some employees. The variance in these figures might

represent a wide and complex variety of practices and attitudes to training. Regardless of rationales used to justify not providing training, hospitality service leaders must realize that employees provide the service to the customers and must be equipped and prepared to do just that (Crawford and Hubbard 2007).

With tourism/hospitality being the number one rated industry around the world, regarding revenues, as well as employment, a question often asked is whether there exist hospitality-specific training programmes that allow employers to find new staff and train existing staff to possess competencies that the hospitality industry believes employees need. According to the World Travel and Tourism Council (WTTC) (2007), the United States' travel and tourism industry are expected to generate $524.5 billion dollars of economic activity. This growth is expected to add over 15 million new jobs in 2007 and $851.0 billion in revenue, with 16.1 million jobs by 2017 (World Travel and Tourism Council 2007).

At the same time, education and training fail because they are fewer than 1,000 secondary hospitality and tourism training (HTE) programmes located throughout the United States (Riegel and Dallas 2006). Because of the growth in these programmes the related revenue and employment opportunities, not just in the United States, but around the world, the tourism industry should enjoy a wide and diverse field of qualified applicants from which to choose. However, when it comes to formal institutional type training, one question is whether this institutional training is preparing the workforce and meeting needs of the industry.

In many cases, industry professionals claim what potential employees bring to the workforce is way behind (Goodman and Sprague 1991). Learning is changing more rapidly than ever and customers are constantly changing. Consequently, to sustain success, relevant competencies must also evolve. It is critical that institutional faculty and industry professionals work together to ensure what is being taught is relevant for future employees to enter the workforce and be a successful part thereof.

## 12.3 Training for the Right Competencies and with the Appropriate Impact

Competency by a specific profession or industry is determined by what the workplace and companies need (Council on Education for Public Health 2006). According to Tas (1988), the talents and skills needed to perform a given job are, in fact, called competencies. Brophy and Kiely (2002) expanded on this by including attitude as a competency. The United States Department of Education defines competencies as a set or group of skills and knowledge of the workforce; therefore, competencies should be what students and graduates possess as they leave institutions and enter the workforce.

Models and programmes designed around specific competencies are needed tools. Once industry insiders, managers and senior leaders determine the actual skills and abilities required to perform a specific job and once universities and educators under-

stand required competencies, they can get them into groups, enabling employers to quickly assess where an individual excels, or fails, in a skill set.

In the U.S. dating back to the 1980s, the hospitality industry began to look for and define competencies and skills needed for college students once they graduate. As a result, a significant work and learning exists on this topic exists having been created and tested over the past 20 years. Most of the studies centred, however, on either the hotel industry by itself or the overall hospitality industry, with a few exceptions focusing solely on the food service industry (Horng and Lu 2006; Okeiyi et al. 1994).

The question in assessing training needs of the tourism and hospitality industry is understanding the viability of employability. Employability-linked training and learning are likely to continue to be subjected to simple outcomes, such as the percentage of college students that graduate and then get a full-time job, or the number of workers entering the workforce prepared with the skills needed, within a specified period, for example. In the United Kingdom, for example, 'first-destination returns' are tracked after only 6 months as key factors in determining employability. There is considerable pressure from government and funding circles to 'keep employability simple'. In effect, employability is being de facto equated with the gaining and retaining of fulfilling work (Hillage and Pollard 1998).

Two problems surface with such crude measures. First, the insistence that somehow the ability to or actual use of a graduate in the workforce is a measure of rate. Second, the tendency to slide into a view that employability is an *institutional* or somehow the schools resulting achievement rather than the propensity of the *individual* themselves actually look for and to get a job, meaning that job attainment is more than training in some cases and involves personality and other people-related skills that are on display at the time of hire.

However, the real question over the long term might well be whether more formal institutional training, as compared to on the job training, leads to better employees for the workplace and gives both the individual and the company a competitive advantage in the marketplace. Ultimately, it is employers who use to their advantage the skills of 'employability' into an actual job within the company that will better and more quickly find those employees that are ideally suited to a people-oriented industry. Employers' recruitment procedures on a formal or rational level will create a substantiation of the desired attributes, more than likely on a case-by-case basis. In this case, the quantitative employment rates of those with some form of hospitality-specific training may be seen as an indicator of employability and indirectly, or otherwise.

However, there exist a bevy of factors that are in play in the employment process, irrespective of training opportunities that might exist specific to hospitality (Harvey 2001). They include:

1. *Type of training platform and institution*. There is a definite 'pecking order' of institutions. Some institutions have higher employment rates, simply because of their reputation rather than how well students develop. However, in the long run, profitability and performance would tend to eliminate institutions that, in fact,

were not producing trained potential employees with the skills needed for the respective job.

2. *The mode of study*. Is there, for example, a differentiation of part-time and full-time students, wherein part-time students might be already working in the hospitality industry. Further, some training institutions offer on the job learning, as part of the curriculum.

3. *Where the training is and where the students live*. Not all employees, for various reasons, are mobile. Institutions also graduate far more students than the 'local' economy can employ; therefore, students often return to their homes. Some employers are wary, for various reasons, of employing graduates from parts of the country.

4. *The subject of study*. There are statistically proven variations: (i) in employment rates of trainees from different skill sets (Purcell et al. 1999), (ii) skill differences in training and employment, and (iii) differences in the type of job that is desirable. Many learners also undertake some form of entrepreneurship for at least part of their time (Blackwell and Harvey 1999).

5. *Previous work experience*. Prior experience is a major consideration and driver for many recruiters, especially smaller companies. Naturally, experience only exists as a result of previous work, whether a previous full-time job or on a part-time basis by potential employees while in some form of organized learning. An experience that is, often, independent of the institution of study or the training facility. However, companies and recruiters are increasingly drawn to potential employees wherein work experience was part of their curriculum of study (Harvey et al. 1997; Harvey et al. 1992).

6. *Age*. Potential employees face discrimination by recruiters based on their age (Harvey et al. 1997; Purcell et al. 1999).

7. *Race and ethnicity*. Although we are led to believe that in many circles, the level of discrimination against 'ethnic minorities' is reduced, some studies reveal direct bias in recruiting procedures, and it is unlikely that this is a negligible factor. This factor would also vary widely across cultures more so in an analysis of international hiring.

8. *Gender*. Females still face the 'glass ceiling' or cap on the level of seniority they can achieve and are underrepresented at senior levels in organizations. However, female recruitment is often in larger proportions than males in many organizations (Harvey et al. 1997).

9. *Social class*. The social class that one belongs to continues to alter employment opportunities, due largely to the entanglement of training opportunities, and experience and opportunities for extracurricular activity and social networks that develop (Brennan et al. 1996).

In the end, it might be that the 'employability' rate is a factor of the training afforded students to prepare them for on the job training. In other words, teaching them to learn how to learn. It is, at least, somewhat impossible and unrealistic to suggest that hospitality-specific training institutions can know and teach people-specific expertise across broad spectrums of companies, cultures and marketplace activities.

Rather, they should teach components of hospitality that in varying degrees, transcend all companies, such as attitude, finance and accounting, marketing principles, social responsibility, communication and human resource attributes needed regardless of the ultimate job.

## 12.4   The Training Needs of Romanian Hospitality Industry

In the post-communist economy of Romania, an examination of readiness levels of students entering the hospitality workforce is paramount to service providers seeking to compete on a global stage and in a now free market exchange. Prior studies examined management perceptions of innovation, the subsequent implication of technology and ultimate indicators of success. The value proposition perception among guests emerged as being one of the critical components when factoring in customer acquisition and retention (Iorgulescu and Ravar 2013).

Romania employment statistic, at 43% in the hospitality sector, lags far behind the European Union's percentage of 70%. Cultural influence plays a large role in the readiness level of individuals to apply new learning; therefore, further examination across age, gender, and levels of prior experience and education will provide insights into workforce training grouping.

A 2013 study of 31 European countries was conducted by Ernst and Young, on behalf of the Brewers of Europe, to determine an assessment of economic contribution from the hospitality sector. Romania was identified in this study as having seen strong growth between 2004 and 2008, because of accession into the EU, as well as maintaining lower tax assessments. However, from 2008 to 2010, an economic downturn and lower disposable income resulted in a tourism drop of 22%. The 2009 recession impacted gross domestic product in Romania (GDP) by 15% and increased the tax rate from 19 to 24%, further exacerbating limitations of growth, resulting in only 1% growth overall, from 2000 to 2010.

Restaurants and bars command the largest hospitality presence in Romania; however, hotels and canteens employ the largest percentage, which makes sense, because of the staff requirements of hotels and catering services. However, shifts within the labour code allow employers directly manage flexible demand; although, argued in the short term, might also increase unemployment and over the long term, economic recovery will create jobs. From 2000 to 2010, the Romanian hospitality sector outpaced GDP, the hospitality turnover index and the national and hospitality employment index.

Technology and political transformation continue to reshape the market and specific economies related to the hospitality industry. Adina (2009) recommended managers maintain a willingness to invest in digital technologies, as solid employee training is more likely to succeed in hospitality sectors. Western market hospitality firms have invested heavily in technology to maintain a competitive market position, including enticements towards Central and Eastern European citizens who are now able to travel freely. Before exiting communist rule, Romania entertained tourists

from other communist countries but now, must compete for their continued patronage, as opportunities now exist for those travellers to experience Western attractions as well as competing for European destinations.

From a national perspective, improved customer experience supports retention of neighbouring post-communist travellers, while targeting Western travellers at a rate that outpaces potential losses; thus, potentially adding tourism, commerce and tax revenues to the national economy. Hospitality/tourism, as a contributor to local economies, varies from country to country and, in many cases, is also governed by local provinces, regions or municipalities. Those investing and marketing properly can secure enhanced tax revenues from outside visitation, allowing for job growth and commerce gains.

Policies play a major role in the creation of opportunities designed specifically to encourage tourism and hospitality trade, as was evident in the Romanian internal battle to construct Dracula Park, to capitalize on folklore and Western fascination with the 1897 Bram Stoker novel. Internal and external politics surfaced opposition from UNESCO, Green Peace and the European Parliament, for various and individual concerns, not too far removed from the authentic versus global debate (Light 2007). Alignment between policymakers and investor is essential and typically requires identifying mutual incentives. Economic growth with sufficient and reasonable tax coding can serve to incentivize both politicians and business investors and is incorporated into a national economic strategy, with policies in place to protect both.

Over the past 6 years, the hospitality industry, worldwide, when factoring in travel and tourism reached $7.60 trillion, with a compounded annual growth rate of 8.1%; thus, making this industry a solid investment and employment target (Statista 2017). Romania has experienced a 3-year consecutive drop in GDP, as well as employment; however, a segment shift of education from industrial, to service, has increased by 12%, respectively. Predominantly an agricultural industry, Romania's cultural influence placed a lower premium on service sector education before the 1989 communist exit; however, educators acknowledged the need for shifting focus and within the past 5 years, thus increasing the service curriculum.

## 12.5  Conclusions

Education is important, as it supports the development of the hospitality sector in Romania while helping to close the gap in economic contribution. Choi et al. (2000) identified other European countries as having only 7% of the total hotel rooms and employees, indicating a significant upside in growth, as Eastern European countries also hold only 6% of the world population. In a post-communist economy, open travel borders and aggressive tourism marketing, supported by abled service providers in Romania, support the need for additional market development and industry study to better compete with Western countries and competing for prior Eastern bloc countries.

As Romania seeks to achieve a stronger service sector role in the overall economy, preparedness for success should be measured, managed and maintained from the perspective of those operating within this industry and more specifically, within this geography. Tourism, hospitality and typical service sectors play a significant role in creating and developing the national economy. Like many of other countries within Central and Eastern Europe, Romania also struggled with transition pains from a somewhat divided citizenry. Even before communist influence, many Eastern European cultural and political elitist held closer nationalist aspirations that, after the 1989 Autumn of Nations, were quickly reasserted. This pre-communist conflict between the intelligentsia and national elitists clash over the post-communist redevelopment, in which international globalization and technology now play a more important role in the debate, was examined by Korkut (2006). Romania, like other CEE countries, needed to get it right if it was to compete on a global scale successfully. Education and educational reform have also been important areas of post-communism transition. The move from state employment, to privatization, is more difficult for unskilled and undereducated members of society. Additionally, in the first post-communist decade, Romania experienced an economic crisis, changes in social structures and a decrease in student population, from 24 to 20% (Tascu et al. 2002). Open borders and low pay created a vacuum of potential workforce as many Romanians left the country for employment in more developed countries offering increased pay.

# References

Adina, B. C. (2009). The influence in Romanian hospitality industry of small medium-sized firms and their specific means to improve performance. *Annals of Faculty of Economics*, *4*(1), 576–580.

Blackwell, A., & Harvey, L. (1999). *Destinations and reflections: Careers of British art, craft and design graduates*. Birmingham: Centre for Research into Quality.

Brennan, J., Kogan, M., & Teichler, U. (Eds.). (1996). *Higher education and work*. London: Jessica Kingsley.

Brophy, M., & Kiely, T. (2002). Competencies: A new sector. *Journal of European Industrial Training, 26*(2), 156–176.

Brudney, D. (2007). Hotel owners and operators expecting higher yield from increases in more personalized, direct selling expenses.

Choi, J.-G., Woods, R. H., & Murrmann, S. K. (2000). International labor markets and the migration of labor forces as an alternative solution for labor shortages in the hospitality industry. *International Journal of Contemporary Hospitality Management, 12*(1), 61–67.

Council on Education for Public Health. (2006).

Crawford, A., & Hubbard, S. S. (2007). The impact of work-related goals on hospitality industry employee variables. *Tourism and Hospitality Research, 8,* 116–124.

Goodman, R., & Sprague, L. (1991). The future of hospitality education: Meeting the industry's needs. *The Cornell and Restaurant Administration Quarterly*, *32*(2), 66–70.

Harvey, L. (2001). Defining and measuring employability. *Quality in Higher Education*, *7*(2), 97–110. ISSN 1353-8322.

Harvey, L., Burrows, A., & Green, D. (1992). *Criteria of quality*. Birmingham, England: Quality in Higher Education.

Harvey, L., Moon, S., & Geall, V., Bower, R. (1997). *Graduates' work: Organisational change and students' attributes*. Birmingham: Centre for Research into Quality, University of Central England in Birmingham and Association of Graduate Recruiters.

Hillage, J., & Pollard, E. (1998). *Employability: Developing a framework for policyanalysis*. Department for Education and Employment (DfEE) Research report. No RR85. London: DfEE.

Horng, J., & Lu, H. (2006). Needs assessment of professional competencies of F&B/hospitality management students at college and university level. *Journal of Teaching in Travel and Tourism, 6*(3), 1–26.

Iorgulescu, M.-C., & Răvar, A. S. (2013). Measuring managers' perception of innovation in the romanian hospitality industry. *Procedia Economics and Finance, 6,* 512–522.

Korkut, U. (2006). Nationalism versus internationalism: The roles of political and cultural elites in interwar and communist Romania. *Nationalities Papers, 34*(2), 131–155.

Lashley, C. (2007). Discovering hospitality: Observations from recent research. *International Journal of Culture, Tourism and Hospitality Research, 1,* 214–226.

Light, D. (2007). Dracula tourism in Romania cultural identity and the state. *Annals of Tourism Research, 34*(3), 746–765.

Okeiyi, E., Finley, D., & Postel, R. T. (1994). Food and beverage management competencies: Educator, industry, and student perspectives. *Hospitality & Tourism Educator, 6*(4), 37–40.

Purcell, K., Pitcher, J., & Simm, C. (1999). *Working out? Graduates' early experience of the labour market*. Manchester: CSU.

Riegel, C., & Dallas, M. (2006). Hospitality and tourism: Careers in the world's largest industry. In *Guide to college programs in hospitality, tourism, & culinary arts. council on hotel, restaurant, and institutional education* (pp. 5–50).

Statista. (2017). Global hotel industry retail value from 2010 to 2018 (in billion U.S. dollars). Retrieved from https://www.statista.com/statistics/247264/total-revenue-of-the-global-hotel-industry/.

Tas, R. (1988). Teaching future managers. *Cornell Hotel and Restaurant Administration Quarterly, 29*(2), 41–43.

Tascu, M.-V., Noftsinger, J., & Bowers, S. (2002). The problem of post-communist education: The Romanian example. *The Journal of Social, Political, and Economic Studies, 27*(2), 203.

Whitney, L. (2010). High hopes in hospitality. Daily Mail. Retrieved May 6, 1999, from http://www.dailymail.co.uk.

World Travel and Tourism Concil. (2007). United States: The 2007 travel & tourism economic research.