Part III:

Transfer of research results to policy and practice

Skills forecasting and development in Portugal's tourism sector

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This article provides an overview of human resources development in Portugal's tourism sector. We will be presenting the results of a study into the sector undertaken by Inofor's 'Skills trends and training needs diagnosis' project, briefly explaining the methodology used, and referring to some of the interim results achieved. We will also look at the 'Strategic workforce development plan for the tourism sector' produced by the partnership formed by public administration departments, employers' confederation and trade unions to define medium to long-term strategies for the sector's workforce development.

It is imperative that Portugal has an up-to-date comprehensive knowledge infrastructure on the skills needed to boost the country's competitiveness and employment, just as in other European countries (France, Italy, the Nordic countries, Spain and the UK), Canada and the US.

Skills identification and forecasting for an integrated intervention in VET to address specific competitiveness goals, has been the subject of much debate among EU countries. Sector based intelligence that would enable the right pre-emptive measures to be devised to adjust the labour market and VET system was not, however, available in Portugal. Therefore, Inofor was charged with undertaking studies and developing tools that would help anticipate skills and training needs and identify trends.

Within the scope of the project *Skills trends and training needs diagnosis*, in 2002 Inofor embarked on a tourism sector study. As with its study into the hotel sector in 1999, the new study will broaden understanding of the sector in a more in-depth and systematic perspective, and provide key reference data on skills identification and forecasting, together with diagnosis of the sector's training needs.

Like Inofor's previous sector studies, the study is based on social methodology and technical methodology.

The social methodology enables the formation of knowledge networks that connect stakeholders ([1]), resources and activities, and bring together sector and occupation related knowledge that is current, diversified, and socially and economically useful.

([1]) Enterprises, industrial associations, trade unions, occupational associations, education and training establishments, technology centres, sector specialists, etc.

It ensures key sector players are involved, and the gathering of reference data, which is directed at, and may be accessed and used by, a wide spectrum of stakeholders:

(a) entrepreneurs and industrial/trade associations: to orient enterprises better in the face of competition and economic and social, domestic and international contexts; to assist them with visualising future scenarios and making better informed choices, and recognising and equipping themselves with strategic skills;

(b) education and training institutions: to undertake appropriate and well-timed revision of resources and reference data in line with any quantitative and qualitative changes to occupational structure; to rationalise training provision for priority intervention areas and strategic profiles;

(c) labour-market management: to promote and add value to jobs, and channel towards emerging jobs and growth areas in the sector; to support the management of mobility and training in the case of declining jobs;

(d) trade unions and branch associations: to foresee occupational trends and improve negotiation and preventive action capacity; to detect skills shortages and training needs;.

The technical methodology, based on a series of analyses, enables:

(a) socioeconomic characterisation of the sector (national and international perspectives, analysis of corporate strategies relating to markets, products, technologies and organisation, leading to identification of strategic clusters of enterprises);

(b) characterisation of sector employment, from both qualitative and quantitative perspectives (new, growing and declining occupations; changing job contents and skills), and identification of the main influencing factors;

(c) construction of long-term sector scenarios (10-year forecasts), examining contingencies and prospects, and what the sector could or should be in the medium-term future, forecasting corporate and employment behaviour in different contexts and in relation to specific sector variables;

(d) construction of forward-looking and dynamic occupational profiles to identify and forecast skills needs, broaden and enrich profiles, facilitate professional mobility, and explore inter-sector capacities;

(e) identification of skills and training needs, and proposals for changes to training provision with a view to developing the skills of young people, retraining workers, and attracting high value-added skills to the sector.

It is on the basis of these tools, fine-tuned to the specific needs of tourism, that skills shortages can be detected and training and employment measures devised, thus ensuring more favourable evolution scenarios at different levels by:

(a) engaging and skilling a segment of the young workforce in specialised areas that respond to the industry's current needs and, above all, to the future needs of the economy, and that are geared towards higher and broader technical and cognitive skills (in such areas as golf, eco-tourism, health tourism, etc.);

(b) retraining workers, given the need for new social and relational types of activity and skills (conflict management, organisation, communication, etc.), or the likelihood of exclusion from the labour market or long-term unemployment, seeking to facilitate alternative training and vocational pathways.

Using these methodologies, the tourism sector study got underway in 2002. It addressed such diverse areas as accommodation, catering, entertainment/attractions, distribution, which may be regarded as falling within and outside the tourism sector. There was systematic analysis to reach a better understanding of how these different activities develop and complement each other, and how they contribute to building tourism that is of a high standard and competitive. It is important to understand how Portugal's leisure and tourism provision has adapted to changing demands, and what impact the adjustments have had on the sector's vocational skills and profiles.

In terms of the sector's occupational structure, we found that no major changes had affected accommodation and catering activities. When any changes had occurred in the character of employee skills, they were found to be closely linked to the tourism/product concerned (rural tourism, golf, health and fitness, etc.).

In relation to other sector activities, major changes have so far been detected in distribution, where there is a growing tendency to separate design and sales of travel products, and for holiday consultancy departments to emerge. This is impacting on skills insofar as:

(a) among tourism operators, skills in areas such as market analysis, and mass and tailored travel product design are needed;

(b) among travel agents, there is a need for increased skills in customer relations, building customer loyalty and travel organisation.

In recreational and leisure activities, which play an important role in offsetting the effects of sector's seasonality, enhancing the appeal of regions, and diversifying existing products we found new skills needed in designing entertainment products. This exists particularly, in the use of the suppliers' network and package products design, and in defining and implementing marketing strategies, and their promotion in different contexts (cultural, sports, casinos, hotel units).

The study also addresses central and local administration authorities' activities because of their impact on sector policy-making and regulation, and their links with players and activities associated, directly or indirectly, with the tourism sector. We found skill gaps in areas such as facilitation, promotion, territorial marketing, environmental policy, history, culture, handicrafts, gastronomy, etc. These are all important aspects in the design of tourism products that will help energise and develop the regions.

While this study was underway, a *Protocol for strategic workforce development planning for the tourism sector* was devised. Investment in tourism has followed the government's prioritisation of tourism as a key driver of the country's economy, and recognition that

workforce development is vital to securing the sector's sustainability and to providing high quality services. Defining a medium- to long-term strategy is, therefore, imperative for the sector.

An alliance between public bodies (Institute for Innovation in Training; General Directorate for Vocational Training; Institute of Employment and Vocational Training; Tourism Training Institute; General Directorate for Higher Education), the employers' confederation (Confederation of Portuguese Tourism) and trade union confederations (General Confederation of Portuguese Workers and General Union of Workers) was formed for the purpose of designing the strategic plan.

The strategic plan's objectives were:

(a) to structure training provision to meet current and future training needs identified for the tourism sector;

(b) to raise continuously workforce skills standards;

(c) to increase transparency and mobility of qualifications in the labour market by means of professional certification based on identified skills and qualification standards.

An external consultancy firm was hired to energise and mediate in the process, using its own interactive learning based methodology. Individual and group reflection processes were part of this methodology based on a participative working method.

To reach a diagnosis, the strategic tourism sector study began with an appraisal of the current situation and present training provision (initial and continuing, public and private sector training). Diagnostic and strategic reflection led to the identification of a range of critical issues that the group agreed were priorities. The outcome was agreement on a three-year and a 10-year strategic vision.

The three-year strategic vision identifies the need for action in specific areas of the VET system:

(a) broad needs:

- articulation between government departments/bodies;

- harmonisation of training provided by different operators on the basis of a multiannual action plan (to be drawn up);

- strengthening initial VET leading to double qualification ([2]);

- widespread use of ICT in classroom instruction and online learning;

- development of training standards, approved by the VET system, to which all training providers must adhere;

- development of sector specific teaching tools and material;

([2]) Qualification levels here are defined according to the EU Council Decision 85/368/CEE of 16 July 1985.

- improvement of the system of recognition, validation and certification of academic and vocational skills;

- making compliance with approved standards compulsory for all training providers.

(b) specific needs:

- initial training

  – adoption of a sequential training structure (vertically coherent curricula and coherence between objectives and contents);
  – adoption of Level III as a minimum qualification standard;
  – maintaining territorial coverage of initial training provision, fine-tuning it to suit regional needs;

- continuing training

  – structuring training provision in accordance with demands for skills, and lessening emphasis on general training;
  – greater enterprise involvement/responsibility in further training and re-training programmes.

The 10-year strategic vision identifies the need for action in certain areas:

(a) making level III a prerequisite standard for accessing tourism-related occupations;

(b) articulation of all formal and non-formal learning modalities in an open and flexible curricular model that allows for transition between the different training systems;

(c) development of a skills portfolio for all workers in the sector to ensure transparency of skills;

(d) organising competence-based continuing training;

(e) increasing participation in training to catch up with the European average by adopting/spreading a culture of lifelong learning.

In the framework of the institutional cooperation that steered this initiative, the key issues identified led on to seven *Priority action plans* (PAPs) being drawn up. Coordinators and teams were appointed to elaborate and develop the PAPs, which consisted of operational objectives, actions to be undertaken, and the respective timetables. The seven priority action plans cover the following themes:

(a) occupation and qualification standards and certification;

(b) communication and interaction among stakeholders;

(c) tripartite regulation and functioning of the training and qualification system for tourism;

(d) consultancy and in-house training;

(e) social image of tourism occupations;

(f) promotion of training;

(g) multiannual training plan for tourism.