

# Status, Role and Contribution of hospitality in Select Defense organizations of Government of India

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## **Abstract**

*The tourism and hospitality sectors have been recognized as one of the oldest commercial enterprises and is also fasted growing sector in the world economy, offering unlimited opportunities as the means of livelihood for people. The Indian tourism and hospitality sector also have experienced a tremendous growth, quite similar to the growth of world hospitality industry with a growth rate of 6.9%, accounting for 9.6% GDP and US\$ 71.7 dollars in 2016 (IBEF, 2018). The Indian hospitality covers a varied range of cost segments, ranging from unbranded to 5star premium accommodation places.*

*The word 'hospitality' has been adapted from the French word 'Hospice' that literally means taking care of the travelers. It is a service industry with a group of business that involves services such as accommodation, catering, purchase, event planning, transport, following protocol, leisure services to the customers and provides specific experience to them. It has been defined by the Standard Industrial Classification (SIC) in 1968 as the 'establishments that provide food, refreshments, drinks and accommodation'. Thus, the hospitality industry typically consists of three major components: lodging, travel and tourism and economics. Lodging typically involves the individual's visiting for a temporary stay, travel is more pertaining to all means of individual transportation, while economics includes the financial background. The history of the first hotel or its kind can be traced back to the 6<sup>th</sup> century B.C. A genuine boom in lodging industry came recently in the 20<sup>th</sup> century. As is in this age, business travelers often require quick services and simple amenities in their rooms.*

## **1. Introduction:**

India is a large market for travel and tourism. It offers a diverse portfolio of niche tourism products - cruises, adventure, medical, wellness, sports, MICE, eco-tourism, film, rural and religious tourism. India has been recognized as a destination for spiritual tourism for domestic and

international tourists. In March 2019, Rs 720 crore had been allocated by Uttar Pradesh towards strengthening the infrastructure for tourism.

Total contribution by travel and tourism sector to India's GDP is expected to increase from Rs 15.24 trillion (US\$ 234.03 billion) in 2017 to Rs 32.05 trillion (US\$ 492.21 billion) in 2028. India was ranked 7th among 184 countries in terms of travel & tourism's total contribution to GDP in 2017. Travel and tourism is the third largest foreign exchange earner for India. During 2018, arrivals through e-tourist visa increased 39.60 per cent year-on-year to 2.37 million. During May 2019, arrivals through e-tourist visa increased by 21.70 per cent year-on-year to 1.23 million.

## 2. Related Work:

### Hospitality in Defence organizations -- Statistics

The defence organizations under the Ministry of Defence, Government of India has set up several guest houses for providing hospitality services to its guests. A list of such guest houses is provided in Table 1.

Table 1: List of defence estates/ Cantonment Board Guest Houses

Operational command	Name of the defence estate	Place
Directorate general defence estates	Atithi Grah	Delhi Cantt
Central command, Lucknow	Panchvati	Agra
	Almora Cantonment Guest House	Almora
	Cantonment Board Guest House	Dehradun
	Palm Estates	Lucknow
	Ashiana Guest House	Meerut
	Utsav Bhawan	Nainital
	Himshila Guest House	Ranikhet
	Bhagrithi	Roorkee
	Cantonment Guest House Shahjahanpur	Shahjahanpur
	Abhinandan Guest House	Varanasi
Southern Command, Pune	Cantonment Board Guest House	Ahmedabad

	Cantonment Board Guest House	Ajmer
	Cantonment Board Guest House	Belgaum
	Sahyadri	Deolali
	Cantonment Board Guest House	Kirkee
	Satavahana Guest House	Secunderabad (The Defence Estates officer, AP Circle)
	IDES Guest House	Southern Command, Pune
Western Command, Chandigarh	Palm Guest House	Ambala
	Cantonment Board Guest House	Dagshai
	Dwarika Guest House	Dalhousie
	Chitrakoot Guest House	Delhi
	Dak Bungalow	Jalandhar
	Cantonment Board Guest House	Jutogh
	Cantonment Board Guest House	Kasauli
Eastern Command, Kolkata	Pragati Bhawan	Barrackpore
Northern Command, Jammu	IDES Guest House	Northern Command, Jammu

(Source: <https://www.dgde.gov.in/administration/guest-houses-list>)

The Defence Accounts Department (DAD) also has several guest houses/ transit facilities/ holiday homes all over India. The list of places is provided below in Table 2.

Table 2: Location of DAD guest houses

Ahmedabad	Guwahati	Lansdowne	Port Blair
Allahabad	Hyderabad / Secunderabad	Leh	Pune
Bengaluru	Jabalpur	Lucknow	Ranikhet
Chandigarh	Jaipur	Meerut	Shillong
Chennai	Jammu	Mumbai	Sabathu

Dehradun	Jodhpur	Nashik	Visakhapatnam
Delhi / Gurgaon	Kochi	Patna	Varanasi
Goa	Kolkata	Pathankot	

(Source:

[http://cgda.nic.in/pdf/Booklet%20on%20DAD%20Guest%20House\\_Transit%20Facilities.pdf](http://cgda.nic.in/pdf/Booklet%20on%20DAD%20Guest%20House_Transit%20Facilities.pdf))

Apart from these guest houses, Sainik rest houses were also constructed for the welfare of the ex-servicemen. These rest houses were built to provide suitable and cheap accommodation for the ex-servicemen during their short visits to the state capital or the district headquarters, List of Sainik rest houses is provided in Table 3.

**Table 3: List of Sainik Bhawans**

State	No. of Sainik Bhawans	State	No. of Sainik Bhawans
Andhra Pradesh	11	Maharashtra	31
Assam	4	Mizoram	2
Bihar	8	Nagaland	7
Chattisgarh	4	Orissa	2
Gujarat	3	Punjab	15
Haryana	28	Rajasthan	27
Himachal Pradesh	24	Sikkim	6
Jammu & Kashmir	13	Tamil Nadu	8
Jharkhand	3	Tripura	1
Karnataka	10	Uttarakhand	27
Kerala	5	Uttar Pradesh	49
Madhya Pradesh	12	West Bengal	8

(Source: <http://www.desw.gov.in/sites/default/files/Sainik-Rest-House.pdf>)

### 3. Objectives of the study:

The current study was carried out to understand the status of the hospitality industry and identify the various operational challenges faced by the hospitality industry run by the defence organizations under the Government of India, with special reference to the guest houses run by the defence organizations. Accordingly, the following sub-objectives were defined for carrying out the study the “Status, Role and Contribution of hospitality in Select Defense organizations of Government of India”.

#### **4. Literature Review:**

Jauhari (2012) states hospitality is a service industry involving services such as accommodation, catering, event planning, transport, following protocol, leisure services to the customers and provides specific experience to them. It is also one of the fastest growing sectors in the global economy. The massive increase in tourism has caused the business to outgrow national boundaries and become international in character (Kala and Bagri, 2014).

The present study was carried out by the researcher to analyse the intricacies and nuances involved in the hospitality operations and investigate the challenges faced by the employees of this industry with special reference to the guest houses run by defence organizations in India.

#### **5. Factors influencing employees' behavior towards guests:**

With growing globalization, the significance of recruiting, retaining and managing resources that helps the competitiveness of organizations has become an essential factor in the success of hospitality industry. Nadiri and Tanova (2010) elucidate that employees will have certain opinions and attitudes about the way that the management will make and enforce decisions. Factors that influence employees' behaviour are described in the following section.

#### **6. Accommodation in Guest Houses:**

Small-scale or specialist accommodations first appeared in Europe and North America followed by Asia in 1980s (Hing et al., 1998). An encouraging segment of hospitality is the specialist accommodation sector as contributes positively to the industry (Chen et al., 2013). The features of guest houses in China are explained by Wang and Hung (2015) as transformed traditional houses, private bathrooms, and access to network facilities. Guest houses offer lodging at a reasonable tariff compared to the private hotels, providing well furnished rooms with basic amenities.

These guest houses following a priority list for an allotment, implying that the priority is given to their official guests and staff members. The booking of guest house, implementations and new procurements of gadgets will be done through the Manager or In Charge or head or director of the organization. The different departments involved in a guest house are front office, housekeeping, food and beverage services and production and purchase which are similar to general hospitality industry.

#### **7. Research Gap**

Even though, the hospitality industry and customer satisfaction in hotels have been extensively studied (Chand, 2010, Xu and Li, 2007, Holjevac et al., 2009, Karunaratne et al., 2011, Rao and Sahu, 2013, Herath et al. 2016), several gaps were observed in the past research literature regarding

the causes and impact of the hospitality especially related to guest house accommodations. The chief observation is the complete absence of studies underlying the functioning of defence run government guest houses.

Moreover, scarce studies were observed for reports related to Indian hospitality industry and in particular guest houses. Though there are studies that generalize the variables and extent of satisfaction of the guests, there is no research in the perspective of guest houses. It was also found that operational processes and financial performance of guest houses were also unavailable.

Our study will be helpful in bridging the two major aspects of the hospitality industry, the employees and the guests in this special case of the operational functioning of defence run government guest houses. Therefore, there is a great scope for further research in this regard.

## 8. Customer Expectations:

The Kaiser-Meyer-Olkin Measure of Sampling Adequacy (KMO), with a value of 0.850, shows that factor analysis can be conducted on the sample. Further, the Bartlett's test of sphericity was significant with  $p=0.000$ ; thereby, indicating enough co-relationship between the variables.

### KMO and Bartlett's test for Customer Expectations

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0.850
Bartlett's Test of Sphericity	Approx. Chi-Square	1736.895
	df	351
	Sig.	0.000

### Factors of Customer Expectations

Factors	Factor Loadings	% of Variance	Cumulative %
Tangibility		53.790	53.790
External attractiveness of the guest house	0.860		
Internal decorations	0.738		
Appearance of the guest house staff	0.743		
Cleanliness	0.564		
Facilities	0.765		
Reliability		6.393	60.183
Timely accommodation and services	0.687		
Room delivery	0.631		

Accurate information	0.745		
Orders done by staff	0.730		
Responsiveness		5.293	65.476
Customer welcome	0.645		
Quick request response	0.733		
Giving information offering for service	0.666		
Prompt service	0.565		
Helpful and supportive staff	0.716		
Assurance		4.078	69.554
Staff experience and professionalism	0.622		
Politeness of the staff	0.518		
Price of service	0.589		
Effort done by staff as a measure of security	0.560		
Ambient hotel environment	0.529		
Presence of appropriate skill set for performing service	0.562		
Trustworthiness of staff	0.561		
Knowledge about the guest house	0.711		
Empathy		3.769	73.323
Accessibility	0.821		
Staff availability	0.678		
Personal attention paid by staff	0.592		
Flexibility	0.651		
Clear and effective communication	0.710		

The results of the factor analysis are provided in Table. Factors with Eigen values greater than 1 with a factor loading of 0.5 was considered acceptable. It can be seen from the results that Tangibility is the most important factor that could explain 53.79% variance in Customer expectations. This was followed by other factors like Reliability (6.39%), Responsiveness (5.29%), Assurance (4.07%) and Empathy (3.76%).

## 9. Customer Experience:

The Kaiser-Meyer-Olkin Measure of Sampling Adequacy (KMO), with a value of 0.906, shows that factor analysis can be conducted on the sample. Further, the Bartlett's test of sphericity was significant with  $p=0.000$ ; thereby, indicating enough co-relationship between the variables.

**KMO and Bartlett's test for Customer Experience**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0.906
Bartlett's Test of Sphericity	Approx. Chi-Square	1573.882
	df	325
	Sig.	0.000

**Table 3.8: Factors of Customer Experience**

Factors	Factor Loadings	% of Variance	Cumulative %
Tangibility		56.332	56.332
External attractiveness of the guest house	0.820		
Internal decorations	0.559		
Appearance of the guest house staff	0.502		
Cleanliness	0.596		
Facilities	0.548		
Reliability		4.810	61.141
Room delivery	0.758		
Accurate information	0.707		
Facilities of the room	0.553		
Orders done by staff	0.531		
Responsiveness		4.177	65.318
Customer welcome	0.565		
Quick request response	0.722		
Giving information offering for service	0.592		
Prompt service	0.600		
Helpful and supportive staff			
Assurance		3.588	68.906
Staff experience and professionalism	0.531		
Politeness of the staff	0.733		
Price of service	0.794		
Effort done by staff as a measure of security	0.725		
Ambient hotel environment	0.627		



Presence of appropriate skill set for performing service	0.633		
Trustworthiness of staff	0.508		
Knowledge about the guest house	0.512		
Empathy		3.397	72.303
Accessibility	0.710		
Staff availability	0.562		
Provision for fulfilment of customer needs	0.548		
Clear and effective communication	0.587		

The results of the factor analysis are provided in Table 3.8. Factors with Eigen values greater than 1 with a factor loading of 0.5 was considered acceptable. It can be seen from the results that Tangibility is the most important factor that could explain 56.33% variance in Customer experience. This was followed by other factors like Reliability (4.81%), Responsiveness (4.17%), Assurance (3.58%) and Empathy (3.39%).

#### 10. Readiness of hospitality in guest houses:

The Kaiser-Meyer-Olkin Measure of Sampling Adequacy (KMO), with a value of 0.851, shows that factor analysis can be conducted on the sample. Further, the Bartlett's test of sphericity was significant with  $p=0.000$ ; thereby, indicating sufficient co-relationship between the variables.

**Table 3.22: KMO and Bartlett's test for Readiness of hospitality present in guest houses**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0.851
Bartlett's Test of Sphericity	Approx. Chi-Square	821.714
	df	120
	Sig.	0.000

**Table 3.23: Factors of Readiness of hospitality present in guest houses**

Factors	Factor Loadings	% of Variance	Cumulative %
Qualities of staff		48.802	48.802
Enthusiasm	0.849		
Willingness	0.880		
Dedication	0.840		
Commitment	0.570		

Soft skills	0.835		
Technical skills	0.760		
Staff selection		9.880	58.682
Staff is selected on the basis of merit.	0.849		
While selecting candidates, there is no sexual, racial, cultural or any other bias.	0.764		
Staff satisfaction		8.587	67.269
Pay is at par with the private industry.	0.584		
Staff is content with the work-load	0.721		
Staff is generally happy and cheerful.	0.579		
Technology readiness		6.317	73.586
Infrastructure supports technology in the guest house.	0.518		
The guest house has functional internet facility, similar to any private hotel.	0.762		
The guest house has online presence.	0.682		
Job readiness		4.938	78.524
Hotel management students are keen to join government guest houses.	0.780		
There are hardly any attritions in the job.	0.854		

Factor analysis conducted on readiness of hospitality in the guest house extracted five main factors. The extracted factors along with the factor loadings are shown in Table 3.23. Qualities of the staff is the main factor that could explain 48.80% variance in the readiness of hospitality in guest houses. This was followed by Staff selection (9.88%), Staff satisfaction (8.58%), Technology readiness (6.31%) and Job readiness (4.94%).

## 11. Conclusion

This paper is focused on the various aspects of hospitality industry. The literature on operations showed the complexity of the processes. A detailed review of the resources in hospitality depicted the need for streamlining the usage of resources. Review of employees' behavior towards guests yielded the procedures that can be implemented to increase employee satisfaction. Studies on customer satisfaction suggested innovation as the key to development. Literature on business performance gave the results that there was a positive relationship between customer satisfaction and growth of business. Research on accommodation in guest houses suggested the advantages of guest houses over other modes of accommodation.

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