

Unit 1: The Contemporary Hospitality Industry

Unit code	Y/616/1788
Unit type	Core
Unit level	4
Credit value	15

Introduction

The aim of this unit is to provide students with knowledge and understanding of the hospitality industry. Gaining insight into how hospitality organisations function within the wider business environment.

Students will examine the purpose of different hospitality organisations, exploring the size, scale and scope of the hospitality industry. Students will explore the skills requirements and the challenges that hospitality organisations have with recruiting sufficiently skilled staff to support business growth. Students will consider the external factors that impact the hospitality industry and will gain an understanding of what drives supply and demand for hospitality products and services. Students can then use the knowledge, understanding and skill sets gained in this unit to be able to identify, and take advantage of, potential trends and developments.

Learning Outcomes

By the end of this unit students will be able to:

1. Examine the current structure, scope and size of the hospitality industry
2. Explore current and anticipated skills requirements in the hospitality industry
3. Review the internal and external factors that impact the hospitality industry and how they relate to current issues facing the hospitality industry
4. Analyse the current and potential trends and developments affecting the hospitality industry.

Essential content

LO1 **Examine the current structure, scope and size of the hospitality industry**

The hospitality industry:

Definition of the hospitality industry

Different hospitality sectors and classifications of hospitality including accommodation; restaurants; pubs, bars and nightclubs; hospitality and food service providers; membership clubs and events; brands and businesses

The relationship between hospitality and travel and tourism sectors

The economic value and contribution of the hospitality industry

Direct and indirect impacts on the economy

The tangible and intangible nature of the hospitality industry

Different types of products and services within the hospitality sector

Organisational structure within different hospitality sectors:

Operational departments, functional departments and the interrelationships between these

Global growth and developments:

Key factors driving growth of the hospitality industry locally and internationally

The expansion of international hotel chains and brand identity

The growth of franchising and licensing agreements across hospitality sectors

LO2 **Explore current and anticipated skills requirements in the hospitality industry**

Staff types and job roles:

The different role and responsibilities of functional specialists: operational, supervisory, front line managers and back office management roles

Skilled/semi-skilled/unskilled positions

Hospitality skills sets:

Requirements for technical or practical skills in specific job roles

Priority skills for the hospitality industry e.g. customer handling skills, team working skills, cultural awareness

Current skills shortages in the hospitality industry

Drivers of skills gaps:

Contemporary factors driving skills shortages and high labour turnover

Factors that have affected recruitment and talent development e.g. migratory and mobile labour force, industry image, expectations around wages

Impacts on hospitality businesses:

A range of impacts that include increased workload for staff, de-skilling of operations, difficulties meeting quality standards, higher operating costs, difficulties introducing new working practices, loss of business to competitors

LO3 Review the internal and external factors that impact the hospitality industry and how they relate to current issues facing the hospitality industry

The macro environment:

Impact analysis of external factors using the PESTLE framework: the influence of political, economic, social, technological, legal and environmental factors

How hospitality organisations monitor and forecast external influences

The micro environment:

The impact of organisational internal factors using SWOT (Strengths, Weaknesses, Opportunities and Threats) analysis to assist in the decision-making process within organisations

Factors effecting supply and demand:

How a variety of different factors both locally and internationally can impact on the supply and demand of hospitality products and services and how individual hospitality businesses can respond to these factors

LO4 Analyse the current and potential trends and developments affecting the hospitality industry

Drivers of current trends and developments:

Changing consumer lifestyle trends, sustainability and ethical considerations, the impact of the digital revolution on production and consumption, emerging markets and brand developments

Responding to trends:

How the hospitality industry responds to trends and developments

Product and service developments to meet changing demands

Learning Outcomes and Assessment Criteria

Pass	Merit	Distinction
LO1 Examine the current structure, scope and size of the hospitality industry		D1 Analyse how global growth, franchising and licensing developments have contributed to the economic worth of the hospitality industry
P1 Explore the different types of business within the hospitality industry and the diverse products and services they offer P2 Examine a range of operational and functional departments within a chosen hospitality business P3 Discuss the contribution of the hospitality industry to local, national and international economies	M1 Review the interrelationships of the operational and functional units within a chosen hospitality business M2 Assess how the use of franchising and licensing agreements has influenced the global development of the hospitality industry	
LO2 Explore current and anticipated skills requirements in the hospitality industry		D2 Analyse the impact that skills gaps have on hospitality businesses and make valid solutions for addressing these skills gaps
P4 Investigate a range of different operational roles within the hospitality industry P5 Examine the skills required for roles within the hospitality industry and current skills shortages	M3 Review the skills gaps within the hospitality industry in relation to a range of different operational roles	

Pass	Merit	Distinction
<p>L03 Review the internal and external factors that impact the hospitality industry and how they relate to current issues facing the hospitality industry</p>		<p>L03 L04</p> <p>D3 Critically evaluate how external factors impact on current and potential trends and developments in the hospitality industry using specific examples to demonstrate how the industry has developed in response</p>
<p>P6 Assess the political, economic, social, technological, legislative and environmental factors that affect the development of organisations operating within the hospitality industry</p> <p>P7 Undertake a SWOT analysis for a hospitality business and review how this can inform the decision-making process</p>	<p>M4 Evaluate the impacts of external factors on the development of organisations operating within the hospitality industry, using specific examples</p>	
<p>L04 Analyse the current and potential trends and developments affecting the hospitality industry</p>		
<p>P8 Appraise the implications of current and potential trends in the hospitality industry providing a range of specific examples</p>	<p>M5 Evaluate the ability of a specific hospitality business to develop products and services to meet current trends</p>	

Recommended resources

Textbooks

- BARROWS, W., POWERS, T. and REYNOLDS, D. (2012). *Introduction to Management in the Hospitality Industry*. 8th ed. Chichester: Wiley and Sons
- BRYMER, R., MALL, L. and BRYMER, R. (2017) *Hospitality: An Introduction*. 16th ed. Dubuque: Kendall Hunt Publishing.
- DAVIS, B. and LOCKWOOD, A. (2012) *Food and Beverage Management*. 5th ed. Oxford: Routledge.
- JOHNSTON, R., CLARK, G. and SHULVER, M. (2012) *Service Operations Management*. Harlow: Pearson Publishing.
- MEDLIK, R. and INGRAM, S. (2016) *The Business of Hotels*. 4th ed. Oxford: Routledge.

Websites

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| www.bha.org.uk | British Hospitality Association
News, Articles, Industry
(General Reference) |
| www.hospitalitynet.org | Hospitality Net
International News, Hot Topics, Market intelligence
(General Reference) |
| www.hotelnewsresource.com | Hotel News Resource
Industry news
(General Reference) |
| www.ih-ra.com | International Hotel and Restaurant Association
News
(General Reference) |
| www.strglobal.com | STR Global
Hotel market data and benchmarking
(General Reference) |
| www.thecaterer.com | The Caterer
Industry news for catering and hospitality
(General Reference) |

Links

This unit links to the following related units: *Unit 6: Managing Food and Beverage Operations Unit 7: Managing Accommodation Services Unit 8: Managing Conference and Events Unit 9: Managing Food Production Unit 38: Concepts and Innovation in Hospitality Unit 41: Hospitality Business Strategy*