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Management in Tourism

By:
Gaurav Sahni

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**Sample Preview
of the
Solved
Sample Question
Papers**

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QUESTION PAPER

(June – 2018)

(Solved)

MANAGEMENT IN TOURISM

Time: 3 Hours]

[Maximum Marks: 100

Note: Attempt any five of the following questions.

Q. 1. What do you understand by Management? Discuss the roles and responsibilities of a manager.

Ans. Ref.: See Chapter-1, Page No. 5, Q. No. 1 and Page No. 3, 'Manager: Roles, Tasks and Responsibilities'.

Q. 2. Write short notes on the following:

(a) Management Functions

Ans. Ref.: See Chapter-1, Page No. 4, 'Management Functions'.

(b) Management Information System

Ans. Ref.: See Chapter-17, Page No. 72, 'Information Management'.

(c) Organisation Culture

Ans. Ref.: See Chapter-5, Page No. 23, 'Organisational Culture'.

Q. 3. What do you understand by organisation structure? Discuss the components of organisation structure.

Ans. Ref.: See Chapter-5, Page No. 21, 'Organizational Structure' and 'Components of Organization Structure'.

Q. 4. Define control. Explain the various types of control.

Ans. Ref.: See Chapter-8, Page No. 34, 'Control : Definition and Need' and 'Types of Control'.

Q. 5. What do you understand by conflict? Discuss the ways to deal with conflicts.

Ans. Conflict refers to some form of friction, or discord arising within a group when the beliefs or actions of one or more members of the group are either resisted by or unacceptable to one or more members of another group. Conflict can arise between members of the same group, known as intragroup conflict, or it

can occur between members of two or more groups, and involve violence, interpersonal discord conflict.

Also Ref.: See Chapter-10, Page No. 45, 'Ways to Deal with Conflicts'.

Q. 6. Discuss the importance of Human Resource Management in tourism. Support your answer with suitable examples.

Ans. Ref.: See Chapter-13, Page No. 54, 'Human Resource Management in Tourism'.

Q. 7. Write short notes on the following:

(a) Profit and Loss Account

Ans. Ref.: See Chapter-18, Page No. 76, 'Meaning of Profit and Loss Account'.

(b) Balance Sheet

Ans. Ref.: See Chapter-19, Page No. 82, 'Balance Sheet'.

(c) Fixed and Current Assets

Ans. Ref.: See Chapter-19, Page No. 85, 'Fixed Asset' and Page No. 86, 'Current Asset'.

Q. 8. What do you understand by Tour Operators? Discuss the importance of product knowledge in packaging tours.

Ans. Ref.: See Chapter-22, Page No. 104, 'Setting up a Tour Operator Company' and 'Product Knowledge and Packaging'.

Q. 9. Discuss the role and functions of PR in service industry.

Ans. Ref.: See Chapter-25, Page No. 128, 'Role of PR' and 'Functions of PR'.

Q. 10. What is the necessity of planning in transport management? Discuss the various issues in transport management.

Ans. Ref.: See Chapter-27, Page No. 136, 'Planning' and Page No. 137, 'Issues in Transport Management'.

■ ■

QUESTION PAPER

(June – 2017)

(Solved)

MANAGEMENT IN TOURISM

Time: 3 hours]

[Maximum Marks: 100

Note: Attempt any five of the following questions.

Q. 1. Who is an Entrepreneur? Elaborate the qualities of an Entrepreneur.

Ans. Ref.: See Chapter-2, Page No. 10, Q. No. 1 and Page No. 6, 'Entrepreneurial Qualities'.

Q. 2. Explain the sole proprietorship and partnership form of ownership in tourism enterprises with examples.

Ans. Ref.: See Chapter-3, Page No. 13, 'Sole Proprietorship and Partnership'.

Q. 3. Identify characteristic features of services. Discuss the various issues to be considered while managing tourism services.

Ans. Ref.: See Chapter-4, Page No. 17, 'Tourism Services and Some Management Issues'.

Q. 4. What do you understand by "Decision Making"? Explain the steps involved in it.

Ans. Ref.: See Chapter-6, Page No. 27, 'Decision Making and Steps in Decision Making'.

Q. 5. Why is Human Resource Management (HRM) challenging for a service-based industry like tourism? Suggest ways to meet these challenges.

Ans. Ref.: See Chapter-13, Page No. 54, 'Human Resource Management in Tourism' and Page No 56, 'Human Resource Planning'.

Q. 6. What are the different types of Costs? How costing is worked out for a Tour package?

Ans. Ref.: See Chapter-14, Page No. 61, 'Managing Costs' and Chapter-22, Page No 105, 'Costing a Tour Package'.

Q. 7. As a Tour operator, elaborate the kind of briefings to be given to Escorts/Tour Guides and to the drivers.

Ans. Ref.: See Chapter-22, Page No. 109, 'Briefings'.

Q. 8. Enumerate with appropriate examples the relevance of Public Relation (PR) services in marketing a tourism product.

Ans. Ref.: See Chapter-25, Page No. 128, 'Role of PR and Functions of PR'.

Q. 9. List the major functions of an Airport. Highlight general issues and also the problematic areas in Airport Management.

Ans. Ref.: See Chapter-29, Page No. 143, 'Functions of Airport and Issues in Airport Management' and 'Problematic Areas in Airport Management'.

Q. 10. Write short notes on the following:

(a) Concept of Departmentalisation

Ans. Ref.: See Chapter-7, Page No. 31, 'Departmentalisation'.

(b) Need for Group formation

Ans. Ref.: See Chapter-9, Page No.4, Q. No. 2.

(c) Screening of Project Ideas

Ans. Ref.: See Chapter-21, Page No. 96, 'Screening of Project Ideas'.

(d) Uses of Voucher

Ans. Vouchers are used in the tourism sector primarily as proof of a named customer's right to take a service at a specific time and place. Service providers collect them to return to the tour operator or travel agent and sent that to the customer, to prove they have given the service. Following are some of their uses:

- Make reservations
- Confirm reservations
- Guarantee payment

Instead of writing a lengthy booking letter, sending a deposit cheque or cash, etc. its always better to write a voucher. Vouchers save time and efforts. They also known as accountable documents because vouchers are promise to pay and treated like tickets. Vouchers are used in the following services:

- Transport
- Hotel bookings
- Guides
- Meals
- Entrance fees
- Used for toll payments on roads.

■ ■

Sample Preview of The Chapter

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MANAGEMENT IN TOURISM

UNDERSTANDING ENTREPRENEURSHIP AND MANAGEMENT



Management: Concept and Functions

INTRODUCTION

The management has all important roles to play in the service industry like tourism. One needs to study the managerial skills along with the application of the management principles. For instance, an escort manages the tour, travel agencies require management for the fulfillment of their regular activities and working, hotel management has also an important role to play. We can say that whichever service you are giving or whichever operations you are performing, you are working as a manager in your own-self. In this chapter, we will learn the concepts and functions of management. We will also learn different managerial skills and various characteristics, levels and managerial tasks.

CHAPTER AT A GLANCE

MANAGEMENT CONCEPT

The development of concept and principles of management is a modern phenomenon but it does not mean that management is something very recent. From the era of pre-historic history, human beings are managing groups and communities. The concept of management is not fixed. It has changing according to time and circumstances. The concept of management has been used in integration and authority etc. In the pre-historic period, we witnessed that in the city, state and in the kingdom the need of the role managers increased. There are number of historical instances in this regard. We had seen the need of worthy king, good

ministers, the merchant guilds and management of workers and artisans, etc.

From the era of industrial revolution, the need for a systematic approach to management started gaining importance. In between 1890's and 1930's Frederic W. Taylor formulated a management approach which is termed as *Scientific Management Theory*. The four principle of the Taylor's theory are:

1. The development of a true method of management so that the best suited method for performing each task could be determined.
2. The scientific selection of workers so that the each worker would be given responsibility for the task suited to him.
3. The education and development of workers.
4. Intimate friendly cooperation between management and labour.

Taylor contended that the success of these principles required "a complete mental revolution" on the part of management and labour. Rather than quarrel over profits both side should increase production, by so doing, he believed profits would rise to such an extent that labour have to fight over them. In short, Taylor believed that management and labour had common interest in increasing productivity.

Henri Fayol, the founder of Classical Management School developed the Theory of Management. According to him managerial excellence is a technically ability that can be acquired. He developed theories and

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principles of management which are universally accepted and make him universalistic. He was pioneer of the formal education in management. Fayol's principles of management meet the requirements of modern management.

Fayol further develop business operations into six activities:

- Commercial
- Technical
- Financial
- Security
- Management
- Accounting

He also defined management in terms of functions like:

- Planning
- Organizing
- Coordinating
- Controlling

Mary Follett's contribution to the development of management theory can be seen as a contrast to the scientific management theories of the early 1900's. She coined the phrases "power-over" and "power-with", observing that groups work more effectively when power is shared and people are empowered. However, it is not possible to give any one simple definition of management. All the given definitions keep changing with the time. We can say that management is the process of planning, organizing, leading, controlling the efforts of organization members to achieve stated organizational goals.

Hence, we can say that management is the process doing things systematically:

- Management is the process because the various activities related with planning, leading, organizing and controlling are all fall in the manager's criteria.
- Managers use all organizational resources to achieve organizational goals.
- Every organization has its own stated goals and management as the process helps in achieving those goals.

UNDERSTANDING MANAGEMENT

George R. Terry and Stephen G. Franklin pointed out some essential characteristics that could be useful for understanding management:

- **Management Makes Things Happen:** Managers focus their attention and efforts on bringing about successful action. The knowledge where to start, what to do and how

to follow through, adds to their success and achievement.

- **Management is Purposeful:** Managerial success is measured by the extent of the achievement of the stated goals.
- **Management is an activity like any activity and not a person or group.** The performers of this activity are termed as managers or executives. It is a distinct activity in the sense that:
 - (i) Management can be studied.
 - (ii) One can able to obtain knowledge about management.
 - (iii) Skill can be acquired for the management.

MANAGEMENT: LEVELS AND SKILLS

A manager is the person responsible for planning and directing the work of a group of individuals, monitoring their work, and taking corrective action when necessary. For many people, this is their first step into a management career. One cannot forget that there are different types of managers with varied tasks and responsibilities. For example, in a hotel you may have a Front Office Manager, Restaurant Manager, Finance Manager, General Manager and so on. We may now say that managers can be classified:

- According to their levels, and
- According to the range of the activities of an organization. For each level some specific skills are required.

Levels

First-level managers are responsible for the daily management of line workers—the employees who actually produce the product or offer the service. There are first line managers in every work unit in the organization.

Middle-level managers are responsible for carrying out the goals set by top management. They do so by setting goals for their departments and other business units. Middle managers can motivate and assist first line managers to achieve business objectives.

Top-level managers, or top managers, are also called senior management or executives. Top managers in most organizations have a great deal of managerial experience and have moved up through the ranks of management within the company or in another firm.

Range of Activities

Managers are classified according to the range of organizational activities they perform:

A Functional Manager is a person who has management authority over an organizational unit—such

as a department—within a business, company, or other organization. Functional managers have ongoing responsibilities, and are not usually directly affiliated with project teams, other than ensuring that goals and objectives are aligned with the organizations overall strategy and vision.

A General Manager has broad, overall responsibility for a business or organization. Whereas a manager may be responsible for one functional area, the General Manager is responsible for all areas. General Managers manage through subordinate manager. However, a General Manager may have individuals reporting to him/her who are not managers.

Skills

Robert L. Katz suggests that three important managerial skills that must be cultivated and enhanced by the organization are technical, human, and conceptual. The degree of development a manager has in each of these three skills will have a strong impact not only upon the success of the organization but also upon the career success of the manager.

Technical skills are those abilities that are necessary to carry out a specific task. Examples of technical skills are writing computer programmes, completing accounting statements, analyzing marketing statistics, writing legal documents, or drafting a design for a new airfoil on an airplane.

Human skills involve the ability to work with, motivate, and direct individuals or groups in the organization whether they are subordinates, peers, or superiors. Human skills, therefore, relate to the individual's expertise in interacting with others in a way that will enhance the successful completion of the task at hand.

Conceptual skills require an ability to understand the degree of complexity in a given situation and to reduce that complexity to a level at which specific courses of action can be derived.

While successful managers must possess a high level of expertise in technical, human, and conceptual skills, it is also true that each skill will vary in importance according to the level at which the manager is located in the organization. Generally, technical skills become least important at the top level of the management hierarchy, replaced with a greater emphasis on conceptual skills. Conceptual skills are critical for top managers because the plans, policies, and decisions developed at this level require the ability to understand how a change in one activity will affect changes in other activities.

MANAGERS: ROLES, TASKS AND RESPONSIBILITIES

It is essential to understand the roles, tasks and responsibilities that manager has to perform. All managers, depending on their level plan, organize, head and control. A manager's main goal in the organization is to keep the overall perspective of the organization. He or she is also responsible for the performance of the organization.

Managerial Roles

The famous scholar Henry Mintzberg identified ten separate roles in managerial work, each role defined as an organized collection of behaviours belonging to an identifiable function or position. He separated these roles into three subcategories:

Interpersonal Roles

Figurehead: The manager performs symbolic duties as head of the organization;

Leader: Fosters a proper work atmosphere and motivates and develops subordinates;

Liason: Develops and maintains a network of external contacts to gather information;

Informational Roles

Monitor: Gathers internal and external information relevant to the organization;

Disseminator: Transmits factual and value based information to subordinates;

Spokesperson: Communicates to the outside world on performance and policies.

Decision-Making Roles

Entrepreneur: Designs and initiates change in the organization;

Disturbance Handler: Deals with unexpected events and operational breakdowns;

Resource Allocator: Controls and authorizes the use of organizational resources;

Negotiator: Participates in negotiation activities with other organizations and individuals.

Tasks

Performance is the prime task of manager. For this, manager has to perform certain tasks. Here are some of these tasks:

- According to their levels, and
- To provide direction to the company.
- To motivates the co-workers.
- To create the sense of loyalty among the workers.
- To meet the different challenges from the competitors.
- To maintain efficiency for profit generation.

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- Keeps oneself updated on information.
- To retain the talent amongst the workers.
- To keep in mind the welfare of employees in order to gain their confidence.
- To keep upgrading the skills of the workers.

Responsibilities

The manager has number of responsibilities as a manager towards its organization. Here, we listed few of them:

- As a manager, the concern person himself also responsible for ensuring that the dealers of retailers through whom they sell their product provide the correct information about the product to the customers, charge the correct price, sell the correct weight or amount and provide the proper after sales support.
- Management responsibility towards employees relate to the fair wages and salaries, satisfactory work environment, labour management relations and employee welfare. Fair wages should be fixed in the light of labour productivity, the prevailing wage rates in the same or neighbouring areas and relative importance of jobs.
- Manager is also responsible towards the distributors and retailers in terms of quality, timely suppliers, etc.
- A manager is also responsible towards the suppliers whose products are being used by the company.
- It is the responsibility of the manager to ensure that the operations of the company are within the legal framework i.e. the existing laws framed by the Government.
- Business enterprises are creatures of society and should respond to the demands of society. If the management does not react to changes in social demands, the society will either force them to do so through laws or will not permit the enterprise to survive. Therefore, the long term interests of business are best served when management assume social responsibilities.

Work Patterns

There are different levels of managers who perform different tasks in their jobs. It is very essential for you to understand the job when you are performing managerial roles. One should also try to understand the pattern of managerial working, which again may vary as per the levels. For example, you will have to make

your daily schedule by distributing your tasks and responsibilities in a timeframe. There are certain things which you can schedule but there are situations when you have to go for unscheduled meetings or attend to telephone calls or face un-anticipated problems.

MANAGEMENT FUNCTIONS

There are four fundamental functions of management i.e. planning, organizing, actuating and controlling. According to Henry Fayol, “to manage is to forecast and plan, to organize, to command, and to control”. For theoretical purposes, it may be convenient to separate the function of management but practically these functions are overlapping in nature i.e. they are highly inseparable. Each function blends into the other and each affects the performance of others.

Planning: It is the basic function of management. It deals with chalking out a future course of action and deciding in advance the most appropriate course of actions for achievement of pre-determined goals. According to Koontz, “Planning is deciding in advance—what to do, when to do and how to do. It bridges the gap from where we are and where we want to be”. A plan is a future course of actions. It is an exercise in problem solving and decision-making.

Organizing: It is the process of bringing together physical, financial and human resources and developing productive relationship amongst them for achievement of organizational goals. According to Henry Fayol, “to organize a business is to provide it with everything useful or its functioning i.e. raw material, tools and capital”.

Leading: It is that part of managerial function which actuates the organizational methods to work efficiently for achievement of organizational purposes. It is considered life-spark of the enterprise which sets it in motion the action of people because planning, organizing and staffing are the mere preparations for doing the work.

Controlling: It implies measurement of accomplishment against the standards and correction of deviation if any to ensure achievement of organizational goals. The purpose of controlling is to ensure that everything occurs in conformities with the standards. An efficient system of control helps to predict deviations before they actually occur. According to Theo Haimann, “Controlling is the process of checking whether or not proper progress is being made towards the objectives and goals and acting if necessary, to correct any deviation”.