

## **TTA -- a training facility where innovation is a way of life**

### ***Highlights***

- A reputation for being open to ideas has enabled the Tourism Training Authority to find ways of delivering training that meets the business needs of Australia's tourism industry.
- In an industry where only 12 per cent of Managing Directors and CEO's have formal tertiary qualifications, innovative training programs have resulted in the majority of establishments having formal business plans and structures.
- The Authority is now leading, rather than reacting to the market: it is developing training packages targeted at the over-40's, who provide a quicker pay-back and stay in a job longer than the 'bright young people' the industry has traditionally sought.
- A not-for-profit body, the Authority has nevertheless focused on tangible objectives and market outcomes.

Bill Galvin, CEO of Tourism Training Australia (TTA), says his organisation tries to introduce one innovation a month to the Australian hospitality industry, and reels off a string of examples to prove his point.

Can one organisation really be so prolific an innovator?

Easily, says Galvin. "Once you start looking, you see scores of good ideas – new ideas, ideas that can be adopted from abroad, ideas that can be adapted from other industries.

"And once an organisation gets a reputation for being open to ideas, people bring them to you in a stream. Good ideas come from our board and executive, from staff at all levels and from the industry itself."

Bill Galvin believes that a culture of innovation – a continual quest for better ways to do things – is essential for success in a competitive world. This is true not just for individual companies, but whole industries like tourism and hospitality.

It was his exposure to international industry benchmarks that had made Bill Galvin take on the challenge of lifting the professional and business standards of the Australian tourism and hospitality industry. Although a lot of the establishments – particularly the small ones – may have been operating successfully, their success largely relied on the entrepreneurial nous of the owner. In many cases, success also depended on riding the crest of trends in tourists' demands. In an industry where only 12 per cent of CEOs have formal tertiary qualifications, many establishments were operating based on gut-feel and guesswork rather than on sound business principles.

Upon taking the helm at TTA, Bill Galvin faced up to this challenge by keeping his eyes and ears open to new ideas, then making these accessible to the entire industry, but particularly to the industry segments that needed them most.

The result is a vibrant, responsive industry where even the smallest, one-person operations are attuned to industry trends and importantly, have structures and systems that enable them to take advantage of such trends.

Bill Galvin acknowledges that change carries an element of risk and that the level of risk needs to be assessed and considered, but says “it is better to be a risk maker than a risk taker.”

## **The background**

TTA is an industry owned, not for profit organisation dedicated to improving training in the tourism and hospitality industry. Originally Sydney-based, it now has branches in all states.

Bill Galvin joined it from NSW TAFE, where he was Director of Tourism and Hospitality Training. But perhaps an even greater influence on his thinking was his previous experience as Director of Food and Beverages for Hilton Hotels. That job had international responsibilities and taught him to benchmark by the world’s best standards. The regular travel also exposed him to the reality that nobody has a monopoly on innovation – good ideas are everywhere and an alert mind can recognise them and evaluate their usefulness.

An example of an idea that TTA has cleverly introduced is a special training program for people over 40 years old. There is clear evidence, Galvin says, that these older trainees give a quicker pay-back for the training investment and tend to stay in a job longer than young trainees. These lessons, he said, were first identified by McDonalds in the US who found that despite the desirability of having ‘bright young people’ in the roles with public interface, a leavening of older people in an organisation added stability and experience.

TTA drew on that US experience and as a result the tourism and hospitality industries are now offering training programs that open up second careers to thousands of Australians over 40. The industry is benefiting from their wider experience.

One innovation leads to another. It was soon recognised that one of the areas where more mature people make a big contribution is in small businesses like coffee shops, where the part-time hours suit many women. Often they are people for whom English is a second language.

This significant pool of people was largely outside the formal hospitality training system until TTA bought a training package developed by American Express. The system outlines in simple language the business principles for improving sales and service, and for building profits. TTA has distributed the system, helping hundreds of businesses to improve and lift the professionalism of the service they offer.

The training package was not original; the innovation was to realise that it was a ready-made vehicle for reaching an audience beyond the scope of the traditional training system.

Some innovations involve a novel approach, like the CD-ROM that is the size and shape of a credit card which TTA has used to distribute information packages.

Others are procedural, designed to reflect changes in the commercial environment. Galvin cites return-to-industry training for teachers, which traditionally has involved teachers spending a week or two working in industry during the year to keep abreast of new techniques.

Talking with younger trainees, however, revealed that where they felt teachers were deficient was not in technology, but in understanding the contemporary corporate culture. This was something teachers did not necessarily pick-up in a week or so as a guest worker. That has required a rethink of in-service training for teachers.

Similarly, TTA has introduced special conferences for Managing Directors and CEOs. Only 12 per cent of hospitality based CEOs have formal tertiary qualifications; the majority have risen through the ranks. TTA recognises that these people need specific forums where they can explore emerging business approaches and practices.

At another level, TTA has begun training programs for caravan park operators, recognising that they play a big part in Australian tourism. Caravan parks account for some 40 million bed nights a year.

Galvin points out that 67 per cent of hospitality and tourism enterprises are small businesses who want short, highly relevant training programs. These people don't want one long, comprehensive training course for employees; they want a series of short courses, each designed to equip the employee to tackle the immediate task. As people progress they can broaden their knowledge with further short courses.

### **Sources of innovation**

Bill Galvin says he has always been “an innovative sort of person, quick to recognise ideas and opportunities and their relevance.” It is a facility that, as CEO, he tries to encourage in others and one he says that is widely shared at TTA. “I've always said that not every good idea will work; you will have some mistakes, but the important thing is to ensure that your strike rate of successes far outweighs failures.

Galvin believes an ethos that respects innovation is being cultivated in the Australian tourism industry and TTA is playing a major role in this. Recently TTA helped organise a formal industry dinner, attended by the Governor General, to acknowledge 100 Australians who have made a contribution to tourism. “We wanted to say ‘thank you for your innovations’ to all those people who have helped and are helping this industry to grow so vigorously.

“They say the three planks of a successful business are the three Ps – people, product and profit. I believe if you get the first one right, if you can attract the right people, the products and profits will flow from that.”

However, in today’s tightly competitive market ‘the right people’ has taken on a new meaning. In the past, the right people often meant people who had the ability to excel in specialist areas. Today, the market demands speed, flexibility and responsiveness to customer needs. So, in addition to having specialist skills, people also need an ability and willingness to acquire new skills.

And Bill Galvin makes sure that this willingness to take on new skills is has an outlet through the TTA’s program for industry workers’ continuing professional development.

Ultimately, Bill Galvin believes that continual innovation is the key to the prosperity of Australia’s growing tourist and hospitality industries, which compete in a global market. Innovation in training is a key to that, because some 168,000 people pass through hospitality training each year and the demand is growing. He is a firm believer that an innovative culture can be fostered, and that responsibility for that starts at the very top.

It is a habit you can acquire, he says: “ I make a real effort to bring back at least one useful new idea from every conference I attend. I encourage others to do the same.”