**UK digital skills- what training do tourism-related SME organisations provide?**

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**Abstract**

This research forms a part of a wider EU funded project designed to explore social, sustainability and digital skills in tourism-related organisations. This paper reports on UK findings of digital skills training provisions and considers their suitability in line with the digital needs of those organisations. The results of the paper are twofold. First, the current training provision does not offer the response needed to tackle the current digital skills gaps. Second, there is an existing digital resistance, in which the businesses fail to recognise the benefits of such training, potentially leading to missing out on future business opportunities

**Key Words: digital skills gap, UK digital training, SMEs, training needs, training provision**

**Study background**

This research forms a part of a wider EU funded project designed to explore social, sustainability and digital skills in tourism-related organisations. This paper reports on pre-Covid UK findings of digital skills training provisions and considers their suitability in line with the digital needs of those organisations.

**Literature**

Globally,the aviation, tourim and hospitality industries are predicted to increase the usage of technologies such as artificial intelligence (AI), augmented and virtual reality (AR and VR) and robotics by 79%, 68% and 37% respectively, with the biggest rise predicted to relate to the Internet of Things (95%) and Big Data (89%) (World Economic Forum (WEF), 2018). Adaptation of these technologies is however compounded by skills gaps in local labour markets (89%) and a shortage of capital investments (WEF, 2018). From a tourism and hospitality perspective, academic studies continue to discuss how such technology can act as a vehicle to both simulate and enhance tourism experiences (e.g. Li et al., 2018; Errichiello et al., 2019; Scott et al., 2019; Tham et al., 2021). The customers experience an increasing move towards greater technology in everyday life, and evidence from the tourism and hospitality industries suggests some gradual adaptation of the technologies to help match the travellers’ expectations (WEF, 2018; Mintel, 2018). Notably, however, small firms often lag behind the transition to digital tools that are currently offered (OECD, 2021).

In the UK the tourism and hospitality industries are characterised by SME nature as well as their considerable representation and importance in rural areas (Department for Environment, Food and Rural Affairs (DEFRA), 2021). In the pre-pandemic context, Lloyds Bank (2019) reports that 44% of small and medium (SME) business owners do not see digital technology as essential to their business. Such digital hesitance can potentially put SMEs at a disadvantage in meeting the future digital needs of the customers. Oggero et al. (2019) point out that SMEs, in general, are slower in the adaptation of digital technologies, putting them at a greater disadvantage to larger companies from the outset. Yet, Olsson and Bernhard (2020) argue that investment in such technologies can help to grow SMEs as businesses.

Haven-Tang and Jones (2008) in their study on the labour market and skill needs of the tourism sector note that lack of qualifications, training and high labour turnover contribute to the inability of small and rural tourism businesses to meet tourist expectations. Furthermore, as discussed by Phillip et al. (2017) issues around “rurality” can also act as a contributing factor to low digital skills attainment, particularly where the population located near urbanised areas tends to have better digital skills levels when compared to the population from rural and deep rural areas. Crucially, people located in rural areas who lack basic digital skills may feel either unable or overwhelmed to learn them (Paves et al., 2015). However, it should be noted that a lack of *a* digital skill rarely occurs in isolation, and according to van Laar et al. (2019) individuals who lack certain skills are likely to lack others. Thus, a consideration of how digital skills are embedded and what training provisions exist within tourism and hospitality organisations in the UK is of critical importance.

The Association of British Travel Agents (ABTA) highlights that the COVID-19 pandemic has had a devastating impact on the industry, which needs to be rebuilt in a more resilient way (Carlisle et al., 2021). However, according to Lloyds Bank (2020), only 23% of UK employees receive digital training at their workplace, with only 10 % of those who did, reporting actual skills improvement. Microsoft (2021) for example recognises both cost and lack of skills strategy as two of the main barriers to digital skills training, with the pandemic likely exacerbating already existing gaps. This is likely to be compounded by sector-specific issues related to the training and development of staff, thus, may paint a different picture of digital training provision in tourism and hospitality. Equally, the recruitment criteria often omit digital proficiency by focussing on the ‘soft skills’ aspects of the job (People 1st, 2013), thus the resulting gaps in skills are unlikely to be plugged by recruits. Therefore, to determine the digital skills of employees within the tourism and hospitality industry, it is necessary to examine the suitability of current training provisions being offered across the UK.

**Methodology**

This research focuses on examining digital skills provisions of tourism and hospitality organisation in five sectors (national and regional destination management organizations (DMOs), food and beverage, visitor attractions, travel agents and tour operators and registered accommodation providers across the four nations of the United Kingdom (see Table 1).

Table Sample breakdown

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | England | Northern Ireland | Scotland | Wales | Total (n) | Cumulative Percentage |
| Destination Management | 4 | 4 | 1 | 17 | 26 | 11% |
| Food and Beverage | 26 | 5 | 3 | 12 | 46 | 20% |
| Visitor Attraction | 4 | 5 | 0 | 36 | 45 | 19% |
| Travel Agents and Tour Operators | 5 | 1 | 0 | 23 | 29 | 12% |
| Accommodation | 25 | 4 | 4 | 54 | 87 | 37% |
| Totals | 64 | 19 | 8 | 142 | 233 | 100% |

Academics continue to highlight the suitability of quantitative research instruments for investigating both attitudes and actions in tourism research (Denscombe, 2017; McLoughlin, Hanrahan and Duddy, 2018; 2020; Carlisle et al., 2021). Therefore, this study utilised an online survey comprising of thirty-two questions, containing both open-ended and closed questions to allow participants to elaborate upon any training offered. From January to March 2019, the survey was distributed across the UK via key national, regional and local tourism networks and the NTG UK project database. Telephone and follow up emails were used to encourage participation. Response rates varied among the UK nations, with the highest number of responses from Wales.

Similar to Carlisle et al. (2021), all the elements collected from the survey were then recorded into numerical variables using SPSS and explored further via descriptive data analysis approaches in the form of frequency distributions. Such analysis allowed the authors to establish the initial characteristics of the sample.

**Results & discussion**

Table 2 Digital skills training provision

|  |  |  |
| --- | --- | --- |
| Do you provide any digital skills training for the employees in your organization (internally or externally provided)? | | |
| NTG Project Country | Yes | No |
| England | 55% | 45% |
| Northern Ireland | 63% | 37% |
| Scotland | 88% | 12% |
| Wales | 51% | 49% |

Table 2 details digital training provided in the UK organisations per country. Analysis has found that in the period between January and March 2019 55 % of tourism and hospitality organisations provide some form of digital training. However, breaking this down further, the authors were able to determine that 33% of the companies provided training ‘on the job’ (Table 3). However, this is worrying as Minor and McLoughlin (2021) point to a low presence of digital skills currently found in the industries. For example, if the relevant digital skills did not exist, to begin with, such skills are unlikely to be passed on to the employees.

Table 3 Mode of digital training provision

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | England | Northern Ireland | Scotland | Wales | Total (n) | Cumulative Percentage |
| On the Job | 27 | 9 | 4 | 58 | 544 | 33% |
| Online Course | 12 | 8 | 2 | 31 | 357 | 18% |
| One Day on Site - Training by External Provider | 7 | 6 | 1 | 21 | 212 | 12% |
| Several Days on Site - Training by External Provider | 4 | 4 | 2 | 10 | 161 | 7% |
| One Day off Site - Training by External Provider | 8 | 4 | 3 | 23 | 242 | 13% |
| Several Days off Site - Training by External Provider | 1 | 4 | 1 | 8 | 166 | 5% |
| Apprenticeship | 5 | 0 | 0 | 5 | 65 | 3% |
| Vocational Training | 5 | 3 | 0 | 5 | 84 | 4% |
| Higher Education | 4 | 3 | 0 | 3 | 63 | 3% |
| Other | 1 | 1 | 0 | 4 | 28 | 2% |
| Totals | 74 | 42 | 13 | 168 | 297 | 100% |

Results from this study illustrate that online courses are favoured by 18% of tourism and hospitality organisations within the UK, with one day, offsite, externally provided training preferred by 12%. Dependence on online courses, which do not account for individual skills needs variation, may be counterproductive as people lacking basic digital skills will find this mode overwhelming and impossible to engage with (Paves et al., 2015). Furthermore, as Minor et al.’s (2019) findings indicate, the provision of industry-focused sessions is scarce at best. Thus, the externally provided content, online or face to face, may not address the specific business needs or may result in not addressing the existing skills gaps.

Table 4 Reasons for not providing digital training

|  |  |
| --- | --- |
| Use of digital media not encouraged by the company | 1 |
| No infrastructure (internet or computers) | 2 |
| Don’t know | 4 |
| No training opportunities are available | 6 |
| Lack of time | 7 |
| Already have skills needed/employ in line with digital proficiencies | 10 |
| Outsourcing all digital needs | 13 |
| Budget constraints/lack of funds | 14 |
| No need to have digital skills/ managers only get trained | 21 |
| Sole owner/no employees | 21 |

Mirroring Microsoft’s subsequent (2021) study, lack of funds, time or knowledge about the need for digital skills are the underlying reasons for the lack of digital training provision (Table 4). This is not surprising considering the SME nature of the industry, where a day of training is a high cost due to business. However, for organisations that do not see the need to train or only train the management, fail to recognise that over time this can lead to lower productivity (Erodogan et al. 2011; Carlisle et al., 2020) and lower ability to be agile in the response to customer needs.

Thus, the results suggest a degree of digital resistance, noted in previous studies and more recent global studies (Oggero et al., 2019; OECD, 2021). This coupled with a lack of awareness of digital opportunities not only puts tourism and hospitality organisations within the UK at risk but also the communities as a whole via lower levels of development, potentially leading to fewer job creations as the industry recovers from the COVID 19 pandemic.

**Conclusions**

Despite the increased reliance on digital technologies, pre-pandemic training within tourism and hospitality seems to be lagging behind the need for skills development across the UK. The training provision, if utilised, does not provide any real opportunities to provide a targeted and flexible response to the business needs. Therefore, flexible industry-specific courses should be developed to meet the needs of the current workforce. This paper identifies the digital resistance of tourism-related organisations, thus highlighting the need for increased digital awareness to be created and support provided via centralised, government initiatives. Therefore future research could examine what types of support are required by the UK SMEs to allow them to transition into the digitalised future post-pandemic.

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