

The Human capital in the Greek Hotel Industry

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Abstract

The human capital in the service sector and more specifically in hotels constitute the basic factor of quality. Indeed, the effectiveness of service organizations is often linked with the individual qualities of their employees. In the present paper are presented firstly the development of the hotel industry in Greece and the importance of the hotel personnel in shaping service quality. The paper presents reports and statistical data related to employment in the hotel industry in Greece. Several studies in the last years researched the volume and the characteristics of the employment in the hotel enterprises. The studies show that the number, as well as the educational level and also the realisation of training programs, is directly related to the size, the category and the age of establishment the hotels. The paper concludes with proposals regarding the employment of personnel in the Greek hotel industry.

Keywords: Hotel Personnel, Human capital, Human Resources, Employment, Hotel industry, Greece

JEL Classification: J210

1. The Relation between Hotel Services - Quality and Personnel

A hotel enterprise includes several elements, as the region and location of establishment, the building facilities, the services providing, the image and the price. These five elements are related between them and constitute integral parts of an entirety, of the total enterprising idea of hotel (Medlik, 1994). The hotels constitute enterprises that providing services and the personnel of the companies constitute the more important capital of the enterprises. The creativity of the personnel, the ability and his work, moves the company. (James F, 1999). The personnel can give in a company the competitive advantage with the abilities and his performance (KPMG, 2005). The success of company is owed in the Human capital that it allocates and also in the relations between the executives of company.

The human resources, no matter what the type or size of the organization may be, play a decisive and fundamental role in the well being of each company. Especially in service-related organizations guest satisfaction is also based on intangible elements. The personnel themselves are responsible for making guest's experience very pleasurable and the best ever. Even academic research on hospitality shows that the main focus on this particular industry is on customer

service. Therefore, in order to reach excellence in the hospitality industry, the basic aim should be to organize the business in such a way, that guest satisfaction and commitment will be achieved. The basic step for doing that is through employment. Employment is a big issue in the service sectors, as the effectiveness of service organizations is often linked with the individual qualities of their employees (Lockyer & Scholarios, 2004).

There is a strong relation between the quality of provided services, guests' satisfaction and success of service companies. Employees constitute the link to that process as they are the ones who offer the service to the guests. It is obvious that employees have an important role, as they interact with guests; they can influence their first impressions and throughout promote the company image. Therefore, it is clear how the human factor in the service and more specifically in hotels constitutes the basic factor of quality (Becker W. S. and Wellins R. S., 1990).

The intangible elements of tourism services have to do with the way they are offered (packaged and delivered) to the customer. Services are consumed at the same place and time where they are produced. Consumers are not observers but take action and get involved in the production process by making choices in order to satisfy their needs. The key point is not only to satisfy consumers needs but exceed their expectations, so the benefits (sources of satisfaction) greatly outweigh the potential disbenefits (sources of dissatisfaction) (Teare, 1998).

1.1. The Quality in the Service sector

It is important to define the meaning of the term service quality. Services are often referred to as 'intangible' and their outcomes as an activity rather than a tangible object. But often the services outcomes have tangible elements. For example a restaurant provides food and drink, both of which are tangible (Johns, 1998). Moreover, many large hotels have shops inside their premises. These shops also offer products, which are tangible objects.

Quality is determined exclusively by the external customer's satisfaction (Kerklaan, 1991). Parameters such as customers personal needs, past experiences and external communication which are linked strictly with company service, which influence customer expectations (Gómez *et al.*, 2004). These parameters have to be used positively by employees as guidelines to measure their performance and point out customers' expectations. Thus, it becomes obvious that the above parameters in relation with employees' interaction with customers can affect positively or negatively the customers' behaviour and expectations about the service which is provided (Shao *et al.*, 2004).

Functional quality deals with the intangible characteristics of the service and explains how the service is delivered to the customers. In particular, it deals with the interaction that exists between employees and customers during the delivery of the service (Brady *et al.*, 2002). According to McCain *et al.*, study (2005), functional quality is based on three aspects which are observed by customers and are related with employees' attitude, expertise and behaviour.

The Perception of Quality may be divided into three qualities according to Zeithaml (1981), in **Search Qualities**: they are the

characteristics, which a customer looks for prior to purchasing a product and during his search for it. In **Experience Qualities**: they are the criteria that may be evaluated upon receiving services or immediately after. In **Credence Qualities**: they are the results of the received services that may not be absolutely evaluated during or following the rendering of these services. Under such circumstances the client believes in the quality of the services offered to him. Evaluation of services can be based on views of the recipient of services - the customer. Another case is the evaluation, based on competitive products, while finally, another base of evaluation could constitute certain admissible objective criteria (Pompl, 1997).

1.2. Training and Service quality

Service quality, service capability and customer satisfaction have a strong relation to the level of comprehensive training programs that are provided to the staff and the team environment that is introduced inside the organisations (Stanley, Wisner:2002).

This relation has to do with factors which improve the quality of the service. As for example, training course which is provided to the employees in order to use actively the new technology equipment which is available to them.

The scope of an effective service quality policy is to reduce the total expenditures (Stanley, Wisner:2001, Stenson et al:2001). Companies emphasise to their employees the importance of customer satisfaction, and to this end they offer o remarkable amount of budget in quality management training programs.

It concludes that there is a strong interaction between the human resources of a company and the service quality. In order to improve the service quality companies must develop job specifications, exchange of available information, and effective training programs.

The training programs are a usual practice that is applied by the human recourses management, aiming to develop and improve the performance of the personnel. They are two levels in the personnel training. The training that concern new recruiting personnel and personnel in the lower ranks and training that concerns executives of the enterprise. With these programs the company expects to improve the quality and achieves her objectives. The aeries that can be improved are the knowledge, the abilities, the attitude and the professional skills of the employees.

2. The growth of the Hotel Industry in Greece

2.1. The growth of the hotel Capacity

Since the 1960s, the growth of the hotel industry in Greece has been rapid due to an increase in the arrival of foreign travelers to Greece. This growth was further boosted in the 1970s and 1980s after a rise in package tours and charter flights to Greece. In 1960, only 1,800 hotel units were operating in Greece with a capacity of 53,236 beds. By 1980, the number of hotel beds had increased five-fold to 252,542 beds. This expansion continued for the next two decades at a slower rate, resulting in 715,857 beds in 9,385 hotel units operating by the end of 2008. Thus, from 1960 onwards, there was a mean yearly growth of 26%.

Table 1: Hotel Units and Arrivals of foreign travelers in Greece since 1960.

Year	Hotel Units	Hotel Betts	% growth of the capacity to the previous decade	Arrivals of foreigner Travelers in Greece (in 000)
1960	1.800	53.236		399
1970	2.422	118.859	123%	1.609
1980	3.313	252.542	112%	5.271
1990	6.423	423.660	68%	8.873
1995	7.387	533.812	26%	10.130
2000	8.025	591.652	11%	13.095
2005	9.063	682.050	15%	14.276
2008	9.385	715.857	5%	15.708

Source: ESYE (2009a), ESYE (2009b)

2.2. Regional distribution of the Hotel industry in Greece

Interesting are the regional distribution of hotel capacity in Greece. According to the statistical data (see Table 2) the 59.3% of hotel beds in Greece are located on the Greek islands. The majority of hotels are found in the most dominant and popular tourist destinations such as Crete and the Dodecanese Islands, while on the mainland, the majority of hotel beds are to be found in Athens and Thessaloniki.

Table 2: Regional distribution of the Hotel capacity in Greece

Region	Hotel Beds	%
Crete	151.677	21,19%
Dodecanese	122.787	17,15%
Macedonia	100.669	14,06%
Central Greece	94.856	13,25%
Ionian Islands	86.120	12,03%
Peloponnesus	48.477	6,77%
Cycladic Islands	42.911	5,99%
Thessaly	28.055	3,92%
Aegean islands	21.077	2,94%
Epirus	12.773	1,78%
Thrace	6.455	0,90%
Totally	715.857	100,00%

Source: Hellenic Chamber of Hotels. Data of 31/12/2008. ESYE (2009b)

2.3. The hotel capacity per hotel category

In Greece, with Act 43/2002 (FEK 43/A/7.3.2002), as was modified with the article 16 of Act 3190/2003 (FEK 249/A/30-10-03), a new system of classification of hotels was established. This system classifies hotels according to a star system (from 1 star up to 5 stars maximum) and is based on a complex system that takes into consideration a great number of parameters (Hatzinikolaou E. 2002). Until the year 2002 the hotel classification include 6 categories of hotels (Lux, A, B, C, D and E).

Table 3: Hotel units and bed capacities per Hotel category in Greece

Hotel Stars	1980		1990		2000		2008		% growth of capacity 1980-2008
	Beds	Units	Beds	Units	Beds	Units	Beds	Units	
5	16031	37	20231	45	36117	83	78464	230	389,5%
4	58470	192	94293	470	149782	792	183900	1102	214,5%
3	63590	432	122269	1571	145097	1499	169941	2058	167,2%
2	76659	1305	140662	2722	209414	4027	227146	4387	196,3%
1	37792	1347	46205	1615	53580	1672	56406	1608	49,3%
Total	252542	3313	423660	6423	593990	8073	715857	9385	183,5%

Source: ESYE (2009b).

As for the hotel categories, a continual growth is noted in the number of hotel units as well as the bed capacity in all categories. This growth is more evident in the higher categories. More specifically, an increase in beds in 5-star hotels during the period of 1980-2008 was 389%. The corresponding increase was 214.5% in 4-star hotels, 167.2% in 3-star hotels, and merely 49.2% in 1-star hotels.

The growth at the lower categories seems to appear during the decades 1980-1990 while in 5 and 4-star hotels the increase is more obvious during the period 1990 up today. As a result of the above developments, there was a gradual increase in the number of 5-star hotels to 11% and a significant decrease in 1-star hotels to 7.9%. Nowadays, 4 and 5-star hotels comprise 36.7% of hotel bed capacity. However, the hotel category having the greatest capacity is that of the 2-star hotels at 31.7%.

Table 4: Hotel capacity per category in Greece.

Hotel Stars	1980	1990	2000	2008
5	6,3%	4,8%	6,1%	11,0%
4	23,2%	22,3%	25,2%	25,7%
3	25,2%	28,9%	24,4%	23,7%
2	30,4%	33,2%	35,3%	31,7%
1	15,0%	10,9%	9,0%	7,9%
Total	100,0%	100,0%	100,0%	100,0%

Source: Calculated data of ESYE (2009b)

2.4. Size of the Hotel enterprises

The data concerning hotel size per hotel category demonstrates that the higher the hotel category, the larger its capacity. Nowadays the average bed capacity in 5-star hotels is 341 beds, in 4-star 167 beds, in 3-star 83 beds, while in 2 and 1-star hotels the capacity is usually lower than 50 beds due to the small size of hotel enterprises. From the 1980s to the present, the average bed capacity has remained stable at 76 beds, regardless of minor fluctuations evident in some years. It should be noted that the average capacity of 3, 4 and 5-star hotels has gradually decreased. One possible interpretation of this fact may be that hotels no longer adhere to the 80s model which demanded huge hotel complexes. On the contrary, 3, 4 and 5-star hotel units which are presently being constructed are smaller in capacity and much more coincident to environmental and cultural characteristic of Greece.

Table 5: Bed capacity of hotels per hotel category in Greece.

Hotel Stars	Bed/ Unit 1980	Bed/ Unit 1990	Bed/ Unit 2000	Bed/ Unit 2008	1980-2008
5	433	450	435	341	-21,2%
4	304	201	189	167	-45,1%
3	147	78	97	83	-43,5%
2	59	52	52	52	-11,9%
1	28	29	32	35	25,0%

Source: Calculated data of ESYE (2009b)

2.5. Receipts per Hotel beds.

Finally, it should be noted that the Greek hotel industry configuration yields less revenue per hotel unit, in comparison with its competitor's countries.

Table 6: Receipts per Hotel bed in € between 1999 and 2005.

Year	Greece	Turkey	Croatia	Italy	Spain	Portugal
1999	14.087	15.288	12.075	14.723	23.472	22.766
2000	16.874	25.426	14.970	16.059	25.884	25.650
2001	17.346	30.477	19.834	15.229	27.527	25.783
2002	16.414	31.770	21.444	14.751	30.081	25.215
2003	14.722	27.744	29.123	14.043	25.394	24.915
2004	15.482	--	28.557	14.336	24.066	24.663
2005	16.183	--	30.444	--	--	--

Source: Eurobank EFG (2006)

The smaller size of hotel units plays a significant role. Nevertheless, this explanation is not sufficient because the revenue per bed is also comparatively lower than that of its competitors.

While in 2004, the receipts per bed in Spain and Portugal amounted to approximately 24 Euros, the corresponding receipts per room in Greece were only 15.4 Euros. The basic cause of this disparity in income is the inefficacious functioning of Greek hotel units, a feature inevitably related to the pronounced seasonality of Greek tourism products and the overabundance of hotel beds. Having smaller units does not necessary mean smaller income. It is possible these units to be high quality lodgings with high prices. The size of the unit is the factor that affects more the rate of profitability. The larger the size of the units is, the higher the functional expenditures.

3. The Human capital in the Greek Hospitality

A primary impact of tourism development includes the increase of employment in the enterprises that support tourism. The hotel industry occupies a large number of the total employees in tourism.

Employment in the hotel industry in Greece appears many particularities due to the seasonality of employment in resort hotels. The seasonality of the businesses poses difficulties for both, the employees and the hotel enterprises. Taking into consideration that most hotel units are located in regions with natural resources which are however not very well-developed, finding a large number of employees which are also specialized for only a limited period of time is very challenging. Therefore, hotel enterprises need to provide incentives such as high salaries, bonuses, free room and board or tickets to attract potential employees.

The seasonality in the employment in the hospitality sector in Greece can be seen in the next table. The difference between the 1st Quarter and the 3rd Quarter is about 51 to 58 thousands employees or 18 to 24 % to the total employees in the sector.

Table 7: Employment in the Hotel and Restaurant sector in Greece.

Year	1998	2000	2002	2004	2006	2008
1 st Quarter	222	235.1	248.2	240.5	273.0	288.2
2 nd Quarter	259.5	272.8	293.9	279.6	300.9	325.5
3 rd Quarter	274.3	289.0	306.3	298.0	324.4	339.5
4 th Quarter	236.8	265.0	278.8	278.8	297.4	307.1
Mean	248.2	265.5	281.8	274.2	298.9	315.1
% to the employment in Greece	6.18%	6.49%	6.75%	6.36%	6.71%	6.91%
Difference 1 st & 3 rd Quarter	52.3	53.9	58.1	57.5	51.4	51.3
Difference in %	23.56%	22.93%	23.41%	23.91%	18.83%	17.80%

Source: Calculated based on ESYE, (2009c).

According to Eurobank, (2007), 5-star hotels have the most seasonal employees at a rate of 27.3%, 4-star hotel have 14.3%, 3-star hotels

have 13.5%, 2-star hotels have 7.3% and finally 1-star hotels have 10.4%. Of the total number of seasonal employees, 4-star hotels account for 40.3% of seasonal employees, 8.2% in 5-star hotels, 12.8% in 3-star hotels and 10.1% in 2-star hotels. The type of tourism enterprise where individuals find their first job in tourism is related with the tourism enterprises in their following jobs as well. It seems that they remain in the same type of tourism enterprise throughout their career in tourism (Zagkotsi, 2007).

Apart from the difficulties in finding the necessary number and trained employees, the personnel cost in a service providing enterprise is proportionally very high in relation to its total costs. Consequently, hotels need to hire the required personnel at the lowest possible cost. In Greece, one solution to this problem is to hire a large number of individuals doing their vocational placement training from Greece or abroad. Alternatively, unskilled immigrants from other Balkan countries such as Bulgaria, Serbia, the Czech Republic, etc. are hired at a low cost.

3.1 The Volume of the employment in the Hotel enterprises

Research by the Aegean University in 2001 for the Union of the Greek Touristic Enterprises (SETE, 2003), found that employment created by hotel enterprises ranges from 0.315 to 0.080 employees per hotel bed depending on the hotel category (Table 8). According to the data below in the year 2000 the employment in the hotel industry in Greece was 96,759 employees. Additionally the total capacity of hotel enterprises was 593990 beds which means 6,13 hotel beds per employee.

However, it should be noted that the particular study took place when an older classification of hotels took place (before 2003) and 6 hotel categories existed.

Table 8: Employment Indicators in Hotels in Greece, according SETE (2003).

Hotel Category	Hotels units	Hotel Beds	Factor (S/B) Staff/Bed	Staff
Lux	83	36.117	0,315	11.376
A	792	149.782	0,195	29.207
B	1.499	145.097	0,17	24.666
C	4.027	209.414	0,13	27.224
D	1.080	36.882	0,08	2.950
E	592	16.698	0,08	1.336
Totally	8.073	593.990	Mean 0,163	96.759

Source: SETE, (2003).

According to the results of a recent study (Velissariou & Krikeli 2008), in a sample of 140 hotels (2 to 5-star) the number of staff per bed was 0.181. The difference from findings of previous research (0.163) is due to the fact that Velissariou & Krikeli did not include small, 1-star hotels in the study. As a result, average employment was slightly higher since employment is lower in smaller hotels of all categories.

The ratio of staff/bed was 0.931 in 5-star hotels (2,56 beds per employee), 0.267 in 4-star hotels (3,76 beds per employee) and 0.161 in 3-star hotels (6,19 beds per employee), whereas in 2-star hotels, it dropped to 0.139 (or 7,15 bed per employee). This indicates that as the category decreases, the indicator in the relation of staff/bed decreases as well, while the mean in all categories of hotels is 0.181 employees per bed, or 5,53 beds per employee.

Table 9: Hotel Staff per Bed capacity in Greece, according Velissariou & Krikeli (2008).

	Factor (B/S)	Factor (S/B)
Hotel stars	Bed / Staff	Staff/Bed
5*	2,56	0.391
4*	3,74	0.267
3*	6,19	0.161
2*	7,15	0.139
5*-2*	5,53	0.181

Source: Velissariou, Krikeli (2008).

In another study conducted in 2006 by Eurobank, (EFG, 2007) investigating the total number of employees in hotel enterprises, on average, there were 18 employees per business. On average, 5-star hotel units had 142 employees, 4-star hotels had 55 and 3-star hotels had 20. Despite the fact there is a greater number of 2-star hotels, they averaged only 9 employees per enterprise. Finally, 1-star hotels averaged 5 employees per business.

Based on the three previous researches and according to the hotel capacity per hotel category (data 31/12/2008), the employment in the hotel industry today in Greece must be between 181953 and 123508, or 0.254 and 0.173 employees per bed.

Table 10: Volume of Employment in Hotels per category in Greece according three studies.

Hotel Stars	Hotel Units	Hotel Beds	SETE (a)	Velissariou & Krikeli (b)	Eurobank EFG (c)
5	230	78464	24716	30679	32660
4	1102	183900	35861	49101	60610
3	2058	169941	28890	27361	41160
2	4387	227146	29529	31573	39483
1	1608	56406	4512	6261(*)	8040
1 to 5	9385	715857	123508	144975	181953

* Estimates for 1-star hotels were made taking into consideration the factor for 2-star hotels reduced by 20%.

The results present considerable differences, especially when observing the size of the numbers in the Eurobank study. Moreover, the results of the Aegean University research should be considered underestimated possibly due to the fact that the research was conducted at hotels before the current star system was enforced. Thus

many differences existed. The results of the Velissariou & Krikeli study should therefore be considered closer to reality being approximately in the middle of the other two studies and estimating employment at 0.20 employees per hotel bed or at 145 000 hotel employees.

3.2 Educational level of the Hotel employment

Obviously, the hotel industry plays an important role in the domestic economy, offering a great number of Employment positions in Greece. According to the World Tourism Organization, based on the Travel and Tourism Competitiveness index, despite the fact that Greece is in the 24th place worldwide among 133 countries, it is only the 44th in the area of "Human resources" and 53rd in the area of "Education and Training", due to the lack of specialized personnel and 41st in the "Availability of qualified labor" (World Economic Forum, 2009). The plethora of small hotel units in Greece which function fundamentally as family-run businesses serve as an obstacle in the hiring of highly educated personnel in services as well as in administration. Moreover, pressure rising from an increased demand in the Greek tourism industry, in turn results in a demand for improved quality in hotel units. The professionalism and education of the personnel acts as a link between effective-quality service, professionalism and profit in the field.

According to Velissariou & Krikeli (2008), table 11 clearly shows that as expected, the education level of personnel in 5-star hotels is higher than in the rest of the categories. In both cases, staff with a post-secondary degree represent 30.82% of all personnel, compared to the 19.12% in 3-star hotels. Employees with only a Secondary School (Lyceum) diploma or with "obligatory education" in 2 to 5-star hotels, amount to a total of 64.12%, of the overall personnel. The fact that such a large percentage of employees in the hotel industry is not highly educated and that the seasonal hotels have personnel with a lower level of education is of great interest.

Table 11: Educational level of personnel in Hotels in Greece

Hotel category	Post graduate	University degree	Technical school	Secondary School (Lyceum)	Basic education	Basic + Lyceum
5 stars	2,33%	28,49%	26,37%	24,95%	17,86%	42,81%
4 stars	1,76%	18,86%	21,76%	33,76%	23,87%	57,63%
3 stars	1,58%	17,54%	16,08%	42,02%	22,78%	64,80%
2 stars	1,17%	17,25%	12,87%	46,49%	22,22%	68,7%
5 to 2	1,55%	18,80%	17,40%	39,84%	22,42%	62,26%

Source: Velissariou & Krikeli(2008).

Investigating the "age" of the enterprises based on the year that they were established, newer businesses were noted to hire significantly higher rates of employees with post-secondary levels of education. Up to the year 2000, the ratio of employees with degrees and without is steady. However, from the year 2000 to today, the number of employees in management with a post-graduate education have almost doubled as have holders of post-secondary degrees in tourism.

Table 12: Educational level of hotel personnel according to hotel units' establishment decade in Greece

Educational level	Hotels establish			
	before 1980	between 1981-1990	Between 1991-2000	between 2001-2006
Postgraduate (Ph.d. or Master degree)	2.8	5.8	4.8	9.1
University degree in Tourism	10.2	8.3	7.9	19.2
Other University degree	3.5	3.7	4.1	6.7
Technical school in Tourism	10.2	7.6	8.4	9.3
Other Technical school	2.3	1.4	2.0	2.0
Lyceum	50.2	50.8	57.3	35.0
Basic education	20.7	22.5	15.5	18.7

Source: EFG Eurobank (2007)

On average, enterprises with a high number of degree holders should also have higher functional costs. Nevertheless, this is not evident in the hotel industry in Greece. There isn't much difference in the functional costs as a percentage of turnovers. Moreover, units employing more tertiary education graduates show slightly lower functioning costs in relation to their turnover than those employing mainly primary and secondary school graduates. Therefore, a highly educated staff does not also entail higher functioning costs relative to the unit's turnover. To the contrary, on average, it is positively related to higher turnover (Eurobank EFG 2007).

3.3 Continuing training

According to the previous theoretical approach, the relation that exists among service quality, service capability and customer satisfaction is mainly determined by the level of comprehensive training programs. In the Velissariou & Krikeli (2008) study, the realisation of training programs for hotel personnel was investigated. The results show that continuous training was provided at the majority of 5-star hotels, at a rate of 95.5% and at about 75% of the 4 and 3-star hotels. On the contrary, a high percentage of 2-star hotels did not provide any training programs nor did they participate in training programs at other institutions. It's quite interesting to mention that the 59,1% of 5* hotels apply programs of education for their new personnel, while in 4* hotels the percentage goes up to 32,6% and in the 3* it reaches the 23,3%, while 2* hotels only educate a 7,89% of new staff.

Table 13: Application of training programs in Greek Hotels

Hotel Category	Internal organized seminars	External Seminars	Programs for new staff	No training (seminars)
5 stars	77,30%	59,10%	59,10%	4,50%
4 stars	44,90%	42,86%	32,65%	26,53%
3 stars	30,00%	60,00%	23,33%	25,00%
2 stars	13,16%	26,32%	7,89%	63,16%
5 to 2	32,16%	42,53%	23,41%	37,84%

Source: Velissariou & Krikeli (2008).

4. Conclusions

The quality of services provided and resulting customer satisfaction depends to a large degree on the personnel providing the services. In the hotel industry, the numbers of personnel, their education level, as well as ongoing training constitute the basic parameters defining the quality of services provided. The development of tourism in Greece has led to an abundant supply of hotels, which vary significantly in terms of personnel, depending on their category. The main conclusions are:

- Since 1960, the growth of the hotel industry has been significant with a mean yearly increase of 26%.
- From 1980 onward, there has been a significant increase in 4 and 5-star hotels while during the same period a reduction in the average size of these hotels is noted.
- The higher the hotel category, the greater its capacity, with the average hotel size at 76 beds.
- According to several studies, the number of employees per bed amount to about 0.2. This means that there are approximately 145 thousand employees in the Hotel industry in Greece, or 3.2% of the total employment in Greece.
- Between hotel categories, the employment per bed varies significantly.
- The educational level of personnel in hotel enterprises is very low, with 62% of employees having only a basic education or secondary degree and only 18.8% having a university degree. In 4 and 5-star hotels and also in newly established hotels (built after the year 2000), a higher percentage of highly-educated (university degree and/or postgraduate studies) personnel is evident.
- The education level is lower in seasonally operated hotels.
- Continuing education is evident in the majority of 5-star hotels (95.5%). On the contrary, in 3 and 4-star hotels, a high percentage (26%) does not include any educational programs.

5. Proposals for the Human Resource management

The personnel in hotel enterprises make up the most important "capital" in its development. The success of an enterprise depends on its human "capital" and their relationship with management. Human resource management in hotel accommodation therefore should:

1. Hiring people experienced in the hotel and tourism sector.
2. The number of employees per hotel bed should be high and not drop below 0.2 employees per bed.
3. The hotel should provide opportunities to the staff for advancement and promotions, while satisfying the needs of the employees.
4. The hotel must provide training programs for newly recruited staff and also for the existing personnel due to advances in technology and changes in the services provided as well as in the customers' preferences, etc.
5. Hotels should make an attempt to rehire seasonal employees.
6. Good communication between personnel and management should be strived for so as to create a harmonic relationship between them.
7. And finally, it should make its personnel feel important and as it is the most significant asset the hotel has.

In conclusion, the future of the Greek hotel industry and the Greek tourism economy in general is related to the improvement in quality of hotel services. This will in turn lead to an improvement in competitiveness and will depend on its human resources. More specifically, it will depend on their number, education level and experience.

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