

Key Human Resources Strategies for Successful "Omotenashi" (spirit of hospitality) at the Olympic Games

(2017.2.7)

Lack of human resources and language barriers obstruct successful "Omotenashi"

The quality of services provided by the "Omotenashi Industry," which includes restaurants, accommodation, and other tourism outfits, will have a significant impact on the degree of tourist satisfaction of those visiting Japan for the Tokyo Olympic Games in 2020. "Omotenashi" played a pivotal role in the public relations campaign implemented during the bidding stage for the hosting of the games. The hospitality provided in Japan has been highly recognized throughout the world and ranks second in the world after Thailand, according to a survey conducted by the online accommodation website Booking.com (*1).

However, whether this level of "Omotenashi" can be sustained at Tokyo in 2020 will depend on the human resources strategies that will be implemented from here on out. Although the number of foreign visitors to Japan has been increasing rapidly, there is an overwhelming shortage of personnel for providing hospitality services, both in terms of quantity and quality.

The increase in the number of foreign travelers visiting Japan has been significant, nearly doubling from 10.36 million in 2013 to 19.74 million in 2015 (*2). Consequently, the Japanese Government has upwardly adjusted the target value of foreign travelers visiting Japan by 2020 to 40 million from the previously set figure of 20 million.

This elevated level of popularity has been accelerating the shortage of available personnel. According to a survey conducted by Teikoku Databank concerning industry labor shortages, 85.7% of the "restaurants" responded to having a "shortage of casual or non-regular employees," which is the highest response percentage among all industries surveyed. The response to the same question by those providing "accommodation" indicated 59.4%, which ranked third (*3). The ratio of active job openings to job applicants for "occupations for providing services to and waiting on customers" was 3.61, which was significantly greater than the average figure for all occupations of 1.52 (*4). This suggests that securing desired personnel in the hospitality industry is difficult.

Language ability is an aspect of concern with regard to service quality. According to a survey conducted by the Ministry of Internal Affairs and Communications together with the Japan Tourism Agency, the "inability to communicate with service staff at facilities" (inability to communicate in English and the like) was the second biggest problem cited among the "difficulties faced while traveling in Japan" by foreign travelers visiting Japan (*5). The third biggest problem identified was lack of "multilingual signage" (such as tourist information boards). This indicates that a certain proficiency in other languages is required to provide hospitality services to foreign travelers visiting Japan.

Elevation of industry baselines was sought at London

The actions implemented by cities having held the Olympic Games in the past have provided useful baseline references for the use of volunteers and for the security industry in subsequent Olympic Games, as I have introduced in my past articles. The situation, however, has been somewhat different for the hospitality industry. The City of London that hosted the games in 2012, for instance, is the top ranking city and a global travel destination according to MasterCard (in terms of number of travelers in 2011) (*6), and the infrastructure for accommodating tourists was already in place. As the native language of the location is English, the issue of responding to multiple languages did not even exist.

Recruit Works Institute

<http://www.works-i.com/column/olympic/>

London was far ahead in terms of the available quantity and quality of services to deal with tourists and even called on their residents to refrain from going out during the period in which the Olympic Games were held, to alleviate congestion in the city center. This campaign may have worked a little too well, as the sales in restaurants and bars, except for sports bars, during the period of the games was said to have been below their annual average overall (*7)

What we should learn from the activities implemented at London is that the Olympic Games were utilized as an opportunity for nurturing personnel. The hospitality industry, in many cases, comprises small- to medium-sized businesses that tend to postpone investments in personnel training. For this reason, cross-industry training was implemented in London to improve the standard of the service level for the hospitality industry as whole.

The non-profit organization People 1st, which implements activities to nurture personnel involved with the hospitality industry, collaborated with major hotel chains and restaurants, as well as with a public employment office, the Jobcentre Plus, to implement an employment support program. This program continued even after the Olympic Games were concluded, and more than a few thousand people have received training.

Utilization of technology progressed at Rio de Janeiro

The City of Rio de Janeiro, where the Games were held in 2016, is also a tourist city visited by many people, although not quite at the same level as London. Nearly a million tourists visit Rio de Janeiro each year to attend the Rio Carnival, which is famous worldwide. The number of tourists who visited Rio de Janeiro during the Olympic Games is said to have been 1.17 million (*8), which meant that the event was at a scale similar to the Rio Carnival. The Olympic Games also served a role of filling the gap during the low season, as the games were held in winter, which sees a decline in the number of tourists visiting the city. As such, there was no need for the hospitality industry to implement any special measures for the Olympic Games.

The issue of responding to multiple languages, however, was, similar in nature to the one being faced by Tokyo. Many taxi drivers could not speak English, which resulted in difficulties in the movements of visitors. Although restaurant menus written in English were available, the English language abilities of restaurant staff did not quite measure up and the requirement of responding in multiple languages was also not met.

There was a movement in Rio de Janeiro that attempted to resolve such language barriers through the use of technology. A wide range of people, including taxi drivers (as mentioned above), cleaning staff at hotels, and others, were utilizing translation applications on smartphones in an effort to communicate in different languages. Although the accuracy of translation may not have been considered completely adequate, there was no problem with simple communication requirements. The use of such tools may have been successful in Rio de Janeiro because locals were already used to dealing with foreign tourists as a part of their routine.

The popularization of car dispatching applications, such as Uber, also made a contribution to addressing the challenges of multiple languages. For example, to use a taxi, it is usually necessary to tell the driver the desired destination. In the past, there were frequent occasions where passengers who could not speak the local language were refused transport by taxis. With the use of car dispatching applications, however, the destination was communicated in advance, and as the account is settled using a credit card after the service has been rendered, there was no need to converse on the spot.

"Omotenashi" made possible through cross-industry personnel nurturing and utilization of technologies

The degrees of maturity as tourist destinations and the conditions preexisting in the cities of London and

Recruit Works Institute

<http://www.works-i.com/column/olympic/>

Rio de Janeiro make them differ from Japan, where the number of visiting foreign tourists is on the rise, as described so far. There are, nonetheless, many key aspects related to hospitality that we can learn from these cities, in particular, the nurturing of personnel and technology.

Employment of young people was encouraged in London by the hospitality industry as a cross-industry undertaking. More proactive promotions for nurturing potential hospitality personnel for "Omotenashi" must be pushed forward in Japan, where there is a significant labor shortage. Potential personnel, as referred to here, are individuals who have the desire to work even though they are not part of the current work force, such as students, housewives, and the elderly. Competition for personnel with existing business can be avoided and a new labor force may be discovered by procuring personnel from areas where there is a relative labor supply surplus and by avoiding any target area where the need for personnel is urgent. The popularity of the Olympic Games should be maximized for this kind of opportunity.

It is also important to pursue both manpower saving and the improvement of hospitality quality levels by utilizing technology, as seen with the example of Rio de Janeiro. It is also possible that in four years from now, more superior translation tools may become available, but such tools will not be useful unless we increase the number of personnel trained to utilize them.

Actions implemented henceforth will determine whether the expression "Omotenashi," the symbol of our bid for hosting the games, ends up being merely a catchphrase or whether foreign travelers visiting Japan can be converted to becoming fans of Japan.

*1: "Actual conditions of overseas business trips", Booking.com.

<https://news.booking.com/e38396e38383e382ade383b3e382b0e383bbe38389e38383e38388e382b3e383a0e3808ce6b5b7e5a496e587bae5bcb5e381aee5ae9fe68385e3808de38292e799bae8a1a8>

2: "Number of people entering and leaving Japan", Japan Tourism Agency of the Ministry of Land, Infrastructure, Transport and Tourism.

http://www.mlit.go.jp/kankochou/siryou/toukei/in_out.html

*3: "Survey on Trends of Businesses with Labor Shortage", Teikoku Databank.

<https://www.tdb.co.jp/report/watching/press/pdf/p160203.pdf>

*4 "Labor Market Analysis Report No. 61", Ministry of Health, Labor and Welfare.

<http://www.mhlw.go.jp/file/06-Seisakujouhou-11600000-shokugyouanteikyoku/0000110648.pdf>

*5: "Survey on Current Status on Maintenance and Improvement of Domestic Environment for Accepting Foreign Travelers to Japan", Japan Tourism Agency of the Ministry of Land, Infrastructure, Transport and Tourism.

<http://www.mlit.go.jp/common/001115689.pdf>

*6 Mastercard "MASTERCARD GLOBAL DESTINATION CITIES INDEX"

<http://www.masterintelligence.com/content/intelligence/en/research/reports/2012/mastercard-global-destination-cities-index.html>

*7 Big Hospitality "London 2012 Olympics fail to bring gold so far for restaurants, but pubs fare better"

<http://www.bighospitality.co.uk/Trends-Reports/London-2012-Olympics-fail-to-bring-gold-so-far-for-restaurants-but-pubs-fare-better>

Recruit Works Institute

<http://www.works-i.com/column/olympic/>

*8 The Rio Times “Rio de Janeiro Received 1.17 Million Visitors During Olympics”

<http://riotimesonline.com/brazil-news/rio-business/rio-de-janeiro-received-1-17-million-visitors-during-olympics/>

(Koumei Ishikawa, Visiting Researcher)