

# ASEAN's Mutual Recognition Arrangement for Tourism Professionals

- AEC and its 4 Pillars
- AFAS and MRA- MRA –TP
- MRA-TP Mechanism
- Thailand's Travel and Tourism Competitiveness Index and its Human Capital
- Thai T&T workforce after MRA-TP

# Introduction

- T&T Represents 13.9% of GDP and 4.1 millions employment (World Economic Forum 2011)
- Thailand cannot withstand the free trade pressure from world economic order through participation in economic Inter-governmental Organizations (WTO, APEC)
- To strengthen the negotiation power with other blocs and economic superpowers, ASEAN countries form their own bloc – AFTA which later becomes ASEAN Economic Community

# AEC is currently the least integrated form of economic integration

<b>Trade Barriers Eliminated</b>	<b>Free Trade Area</b>	<b>Custom Union</b>	<b>Common Market</b>	<b>Economic Union</b>
<b>Tariffs, Quotas and</b>	Yes	Yes	Yes	Yes
<b>Common External Tariffs</b>		Yes	Yes	Yes
<b>Factors Mobility (Capital, Labor)</b>			Yes	Yes
<b>Harmonization of Economic Policies</b>				Yes
<b>Example</b>	NAFTA, AFTA	European Community	European Common Market	European Union

Adapted from: DTN 2012

# AEC and its Progress

73.6% Progress (in 2011)

**Single Market  
and Production  
Base**

82%

Accomplished  
Free flows of  
goods/ services/  
capital/  
investment/  
and skill labor

**Highly  
Competitive  
Economic  
Region**

50%

Promote  
competitiveness  
and intellectual  
property rights,  
tax and duty  
policies/  
infrastructure  
(financial and  
logistics)

**Equitable  
Economic  
Development**

100%

Promote tighter  
economic  
integration,  
narrow  
development gap  
among member  
states through  
promotion of  
SMEs

**A Region Fully  
Integrated into  
the Global  
Economy**

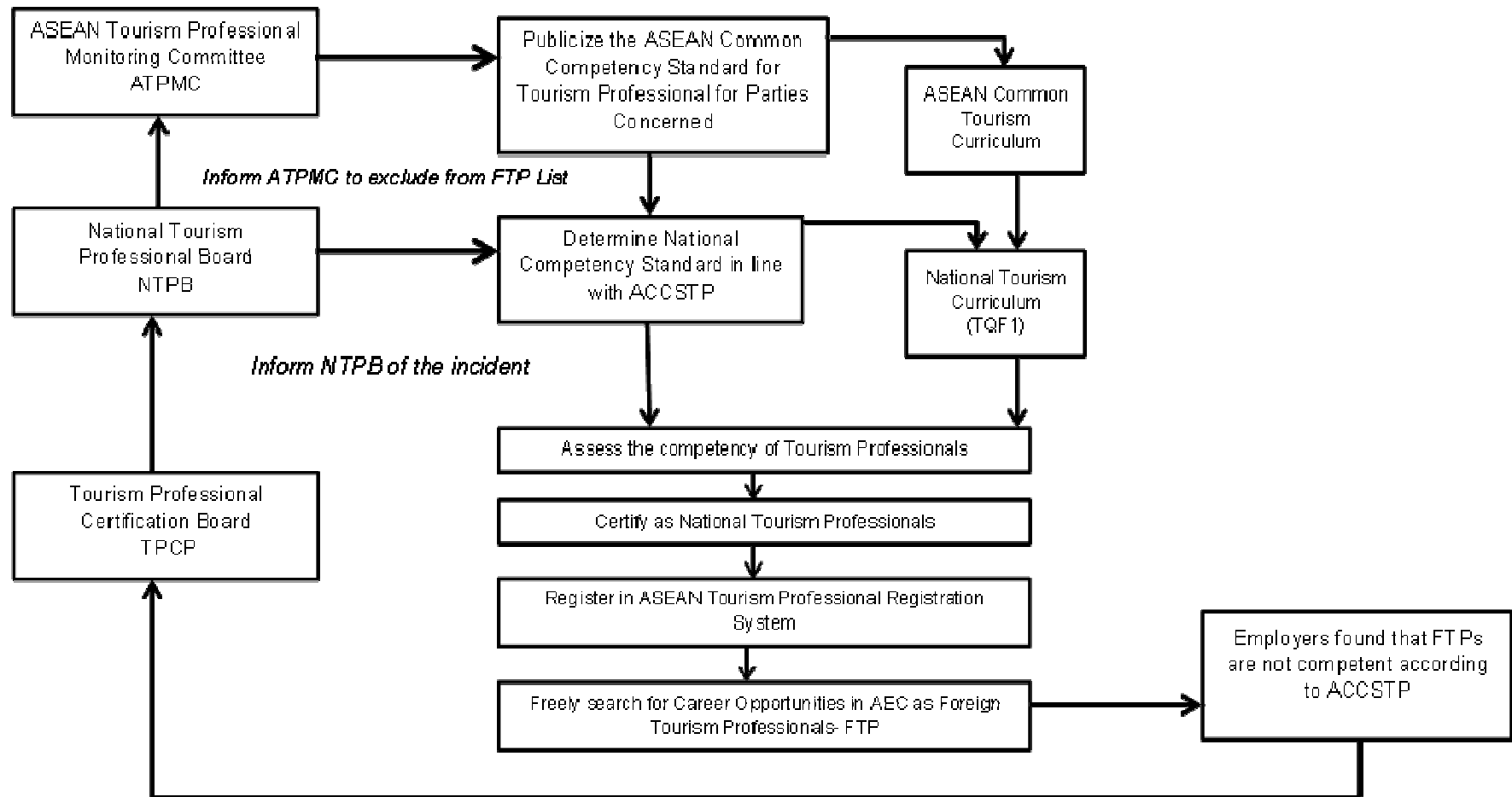
100%

Common  
economic policy  
stance towards  
non ASEAN  
member states

# ASEAN Framework Agreement on Services and MRA-TP

- To improve the efficiency of ASEAN service industries
- Eliminate Service Trade Barriers
- Enhance breadth and depth of service trade liberalization
- **Provide recognition of education, experience, requirement, license and certification among member states- MRA- *MRA TP Adopted in 2009***

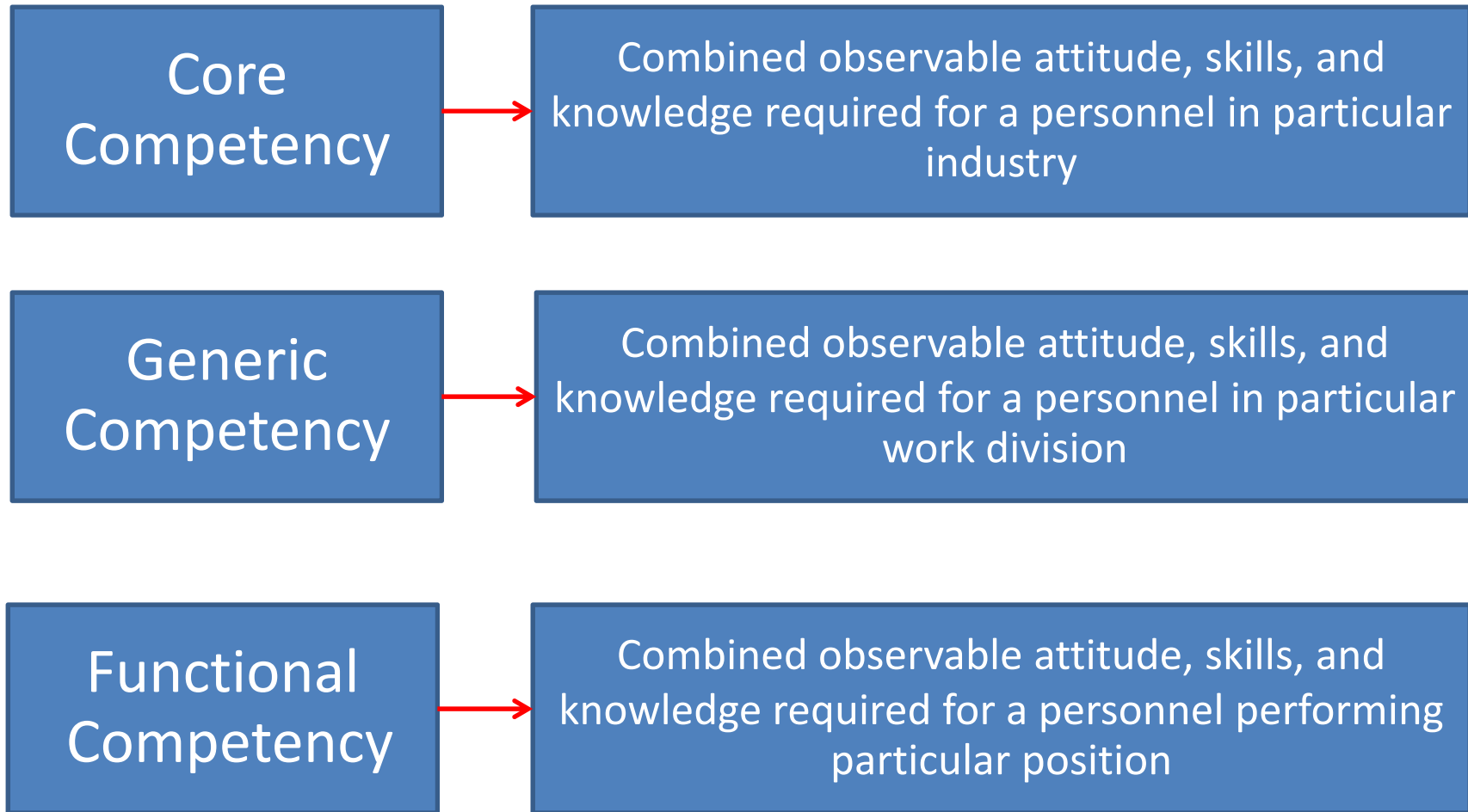
# MRA-TP and its Mechanism



Adapted from: (Soydhurum 2012)

Inform incompetent FTPs

# MRA-TP- STRUCTURE



# ACCSTP-MRA-TP

- 32 Positions in 2 industries
- Travel- 9 Positions 2 Divisions
- Hotel- 23 Positions in 5 Divisions
- 242 Competencies Identified and Developed for MRA



# Example

ASEAN Common Competency Standards for Tourism Professionals							
Division 1 - Hotel Services							
Primary Labour Division	Item	Secondary Labour Division	Job Index Number (JIN)	Job Titles	Item	Competency Standards	
HOTEL						<b>Core Competencies</b>	
					1	Work effectively with colleagues and customers	
					2	Work in a socially diverse environment	
					3	Implement occupational health and safety procedures	
					4	Comply with workplace hygiene procedures	
					5	Maintain hospitality industry knowledge	
						<b>Generic Competencies</b>	
		1.1	<b>FRONT OFFICE</b>			1	Communicate effectively on the telephone
						2	Promote hospitality products and services
						3	Perform basic clerical procedures
						4	Use common business tools and technology
						5	Access and retrieve computer-based data
						6	Develop and update local knowledge
						7	Manage and resolve conflict situations
						8	Speak English at a basic operational level
					9	Perform basic First Aid procedures	
			HFO.01	Front Office Manager		<b>Functional Competencies</b>	
					1	Establish and maintain a safe and secure workplace	
					2	Manage quality customer/guest services	
					3	Prepare and monitor operational budgets	
					4	Manage financial performance within a budget	
					5	Manage stock purchases and inventories	
					6	Manage legal requirements for business compliance	
					7	Establish and maintain a business relationship	

# Example: Core Competency: Work in a Socially Diverse Environment

UNIT TITLE: WORK IN A SOCIALLY DIVERSE ENVIRONMENT		NOMINAL HOURS:
UNIT NUMBER: D1.HRS.CL1.19    D1.HOT.CL1.02    D2.TCC.CL1.02		
UNIT DESCRIPTOR: This unit deals with the skills and knowledge required to work effectively in a socially diverse environment in a range of settings within the hotel and travel industries workplace context		
ELEMENTS AND PERFORMANCE CRITERIA	UNIT VARIABLE AND ASSESSMENT GUIDE	
<p><b>Element 1: Communicate with customers and colleagues from diverse backgrounds</b></p> <p>1.1 Value customers and colleagues from different cultural groups and treat them with respect and sensitivity</p> <p>1.2 Take into consideration <i>cultural differences</i> in all verbal and non-verbal communication</p> <p>1.3 <i>Attempt to overcome language barriers</i></p> <p>1.4 Obtain <i>assistance</i> from colleagues, reference books or outside organisations when required</p> <p><b>Element 2: Deal with cross cultural misunderstandings</b></p> <p>2.1 Identify <i>issues which may cause conflict or misunderstanding</i> in the workplace</p> <p>2.2 Address difficulties with the appropriate people and seek assistance from team leaders or others where required</p> <p>2.3 Consider possible cultural differences when difficulties or misunderstandings occur</p> <p>2.4 Make efforts to <i>resolve misunderstandings</i>,</p>	<p><b>Unit Variables</b></p> <p>The Unit Variables provide advice to interpret the scope and context of this unit of competence, allowing for differences between enterprises and workplaces. It relates to the unit as a whole and facilitates holistic assessment</p> <p>This unit applies to all industry sectors that seek to work in a socially diverse environment within the labor divisions of the hotel and travel industries and may include:</p> <ol style="list-style-type: none"> <li>1. Front Office</li> <li>2. Housekeeping</li> <li>3. Food and Beverage Service</li> <li>4. Food Production</li> <li>5. Travel Agencies</li> <li>6. Tour Operation</li> </ol> <p><i>Cultural differences</i> may include:</p> <ul style="list-style-type: none"> <li>• forms of address</li> <li>• levels of formality/informality</li> <li>• non-verbal behavior</li> <li>• work ethics</li> <li>• personal grooming</li> <li>• family obligations</li> <li>• recognized holidays</li> <li>• special needs</li> </ul>	

- intolerance
- prejudice
- inadequate language skills
- not clarifying or asking questions
- inappropriate body language
- poor understanding of other cultures

*Resolve misunderstandings* may relate to:

- staff training
- utilizing staff cultural skills
- employing a variety of communication methods
- knowledge of location of cultural buildings sites and support agencies
- developing an understanding and tolerance of cultural diversity
- overcoming prejudice and assumptions
- utilizing non-verbal communication skills
- actively seeking to breakdown barriers

#### **Assessment Guide**

- The following skills and knowledge must be assessed as part of this unit:
- knowledge of the principles of effective communication skills
- ability to use active listening, feedback techniques and team building techniques to build and maintain interpersonal relationships with customers and colleagues from diverse backgrounds
- ability to identify the need(s) and concerns of others
- ability to communicate effectively with a range of people from diverse backgrounds relevant to position and role
- ability to appropriately deal with cross cultural misunderstandings

#### **Linkages To Other Units**

- This is a core unit that underpins effective performance in all other units; combined training and

assessment may be appropriate

#### **Critical Aspects of Assessment**

Evidence of the following is essential:

- demonstrated ability to apply active listening techniques
- demonstrated ability to use effective communication skills to build and maintain interpersonal relationships with customers and colleagues from diverse backgrounds
- demonstrated ability to maintain effective communication with customers and colleagues from diverse backgrounds
- demonstrated ability to communicate effectively with customers and colleagues from diverse backgrounds
- demonstrated ability to deal with cross-cultural misunderstandings
- observation that verbal and non-verbal communication takes account of cultural differences
- demonstrated commitment to include and/or communicate with others where language barriers exist
- demonstrated ability to apply knowledge of different cultures and cultural characteristics appropriately in communications with customers and colleagues from diverse backgrounds

#### **Context of Assessment**

This unit may be assessed on or off the job

- assessment should include practical demonstration either in the workplace or through a simulation activity, supported by a range of methods to assess underpinning knowledge
- assessment must relate to the individual's work area or area of responsibility

#### **Resource Implications**

Training and assessment to include access to a real or simulated workplace; and access to workplace standards, procedures, policies, guidelines, tools and equipment

#### **Assessment Methods**

The following methods may be used to assess competency for this unit:

- case studies
- observation of practical candidate performance

# ACCSTP MRA-TP and Thai T&T Workforce

- Thailand is ranked 41<sup>st</sup> in TTCI globally and 10<sup>th</sup> in ASIA
- Major Problem is Rules and Regulations as well as Human Capital



# HDI is used as critical indicator of Human Capital of an Economy

Table C: Thailand's IHDI for 2011 relative to selected countries and groups

	IHDI value	Overall Loss (%)	Loss due to inequality in life expectancy at birth (%)	Loss due to inequality in education (%)	Loss due to inequality in income (%)
Thailand	0.537	21.3	10.1	18.0	34.0
Viet Nam	0.510	14.0	13.4	17.1	11.4
Philippines	0.516	19.9	15.2	13.5	30.0
East Asia and the Pacific	0.528	21.3	14.3	21.9	26.8
Medium HDI	0.480	23.7	19.2	29.4	22.3

## Education System Quality- Acquisition of Quality Personnel

Thailand is ranked 66<sup>th</sup> while Singapore is ranked 1<sup>st</sup>

Thailand is behind Malaysia (23<sup>rd</sup>) Indonesia (40<sup>th</sup>) and Vietnam (60<sup>th</sup>)

# Implications

- Thailand's TTCI will tremendously improve if we can improve our Human Capital
- Thai T&T labor force will be bifurcated in terms of pay and opportunity
- Those who meet the criteria will have opportunities in their careers in AEC as FTPs
- Those whose competencies do not meet ACCSTP- limit to low pay positions in lay positions in homecountry



# What is the implication

- Education reform not just T&T higher education- Language and History
- Map the curriculum according to ACCSTP not just TQF which is now very vague
- Invest more in Training / Adopt something with Vocational Flavor for Higher Education