

Operational Manual

For Executive Directors and Presidents of National Hotel Associations



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Acronyms and Other Terms Explained

AE	Association Executive (includes the Executive Director and persons by other titles who manage the daily affairs of the Association)
ASAE	American Society of Association Executives
BOD	Board of Directors
CHA	Caribbean Hotel Association
CSHAE	Caribbean Society of Hotel Association Executives
JDs	Job Descriptions
NHAs	National Hotel Associations
Ministry of Tourism	A generic term used for the Government agency responsible for the management and planning of tourism
The hotel and tourism sub-sector	This includes visitor accommodation and tourism ancillary businesses and services
Tourist Board	A generic term used to describe the Tourism Authority, Board of Tourism or other entity responsible for marketing the destination





Purpose and Objective of the Manual

I. Purpose and Objective of the Manual

- I.01** The question may be asked why produce a manual for NHAs when other manuals¹ are available on the operations of non-profit associations that can be purchased off the shelf. The answer is that although the general guidelines provided in these manuals are useful, they have been prepared for associations in North America which operate under administrative, judicial and legal structures that are quite different from those of the Caribbean. Just as important, the social and political context within which business is done is quite different in the Caribbean than it is in North America.
- I.02** Also, the size of the average association in the Caribbean (where some associations are staffed by 2-3 persons) is generally smaller than that in North America. Therefore, it is important that the preparation of a general operational guide for AEs in the Caribbean takes into consideration the relevance of the Caribbean business environment to the operations of these non-profit entities and the way they carry out their functions.
- I.03** The Operational Manual is one of the tools designed to contribute to institutional strengthening and capacity building by serving as a general guide for the management of the typical NHA. It is complemented by an Operational Toolkit containing step by step instructional “how to” guides, formats, templates, forms and checklists for the completion of certain tasks. Although targeted primarily at new and less experienced AEs, the manual, which includes examples of best practices, should also benefit AEs generally and elected leaders of national hotel and tourism associations

1

“Principles of Association Management”, of the American Society of Association Executives and **“Canadian Association Management”** of the Canadian Society of Association Executives



2 Regional Industry Structure



2. Regional Industry Structure

2.01 The Caribbean Hotel Association (CHA) is a federation of thirty five (35) national hotel and tourism associations. The NHAs are membership associations of hotels and tourism related businesses.

CHA/CAST and NHAs

2.02 Among the benefits and resources provided by CHA to NHAs and their membership are the following:

CHA Events

2.03 CHA events are as follows;

- (a) **Caribbean Marketplace** – an annual meeting of buyers and sellers of the Caribbean tourism product for the purpose of negotiating and contracting business;
- (b) **Caribbean Hotel & Tourism Conference** – an annual forum combining updates on industry trends and developments with marketing and networking opportunities;
- (c) **Taste of the Caribbean** – an annual culinary competition highlighting the best culinary talents and cuisine of the Caribbean.
- (d) **Caribbean Hotel and Tourism Investment Conference** – focusing on investment issues and opportunities in the Caribbean.

CHA Publication

2.04 **CHA Weekly News**, a newsletter, provides members with industry information updates, statistics, programmes, projects, activities, opportunities and benefits. It also keeps members informed about their fellow hoteliers and allied members.

Caribbean Alliance for Sustainable Tourism (CAST)

2.05 CAST is a not-for-profit subsidiary of CHA established in 1997 to promote responsible environmental and social management of natural and heritage resources within the hotel and tourism sector, with emphasis on the private sector. Through its programs and services, CAST provides guidance and expertise in awareness raising programs, environmental management systems (EMS) and best practices in accordance with the goals of Agenda 21. Among other things, CAST offers the following to NHAs and their members:

- (a) Sustainable tourism certification and standards development;
- (b) Environmental management tools;



- (c) Courses and workshops, including
 - (i) Green Globe training
 - (ii) Quality Tourism for the Caribbean (QTC) training
 - (iii) Caribbean Blue Flag training
 - (iv) Hurricane workshop
 - (v) Energy conservation

CAST produces **BroadCAST**, an electronic newsletter which provides updates on progress made by regional countries in pursuing sustainable goals. It also provides regional and international environmental sustainable tourism news, and facilitates the sharing of experiences by persons who have achieved environmental and social performance excellence in their business as well as feedback from readers.

Caribbean Society of Association Executives (CSHAE)

2.06 CSHAE was set up by CHA to encourage and facilitate networking and exchange of information among AEs and to strengthen links among national associations. It is therefore a support mechanism for AEs where new and less experienced AEs can benefit from lessons learned and experiences of other AEs. CSHAE convenes an annual Leadership Conference focused on improving the management skills of AEs through guest speakers and group discussions. The conference is fully funded by CHA.

3

Legal Basis and Purpose of NHAs



3. Legal Basis and Purpose of NHAs

3.01 National Hotel and Tourism Associations have been established as non-profit entities under applicable local laws.

3.02 The primary function of NHAs is to represent the interest of their members and to work with industry partners towards the sustainable development and growth of the tourism industry. Major areas of focus for most NHAs will include some or all of the following as **core areas of activity**:

- Advocacy / Government relations
- Marketing
- Product development
- Training
- Research
- Finance
- Fund raising
- Public relations and social responsibility initiatives



4

Operating Environment



4. Operating Environment

4.01 The policies, programmes and activities of the NHAs are usually in response to and guided by the prevailing environment in which they seek to represent the interests of their membership. In the first decade of the 21st Century, the major challenges confronting NHAs and their members can be described as follows:

International

- (a) the Internet and its influence on decision making, display of destination product and the speed of communication about travel experiences, both good and bad.
- (b) the increasing use of information technology to improve hospitality and tourism management, marketing, research and information sharing; and
- (c) increasing competitiveness in world tourism;

Regional

- (d) in some countries, increasing fiscal impositions as Governments attempt to shift the burden of taxation from the declining agriculture and manufacturing sectors to the tourism sector;
- (e) failure to get many governments to give attention to and treat tourism at a level commensurate with its importance in the economy;
- (f) policies and regulations that are not always consistent with and conducive to the long-term sustainability of the sector; and
- (g) the absence of data to facilitate proper monitoring and planning of the sector.

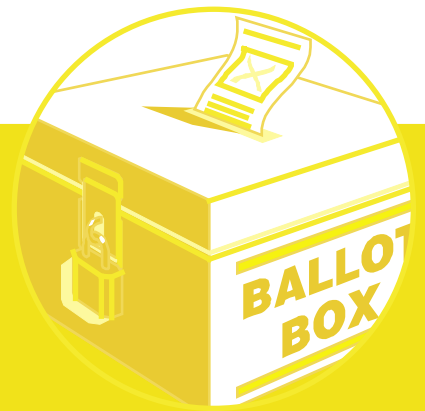
National

- (h) lack of information for monitoring, decision making and planning;
- (i) increasing operational costs and declining membership revenues;
- (j) increasing diversity in the composition of membership and its implications for the structure of membership dues
- (k) apathy of members; and
- (l) inability to grow membership



5

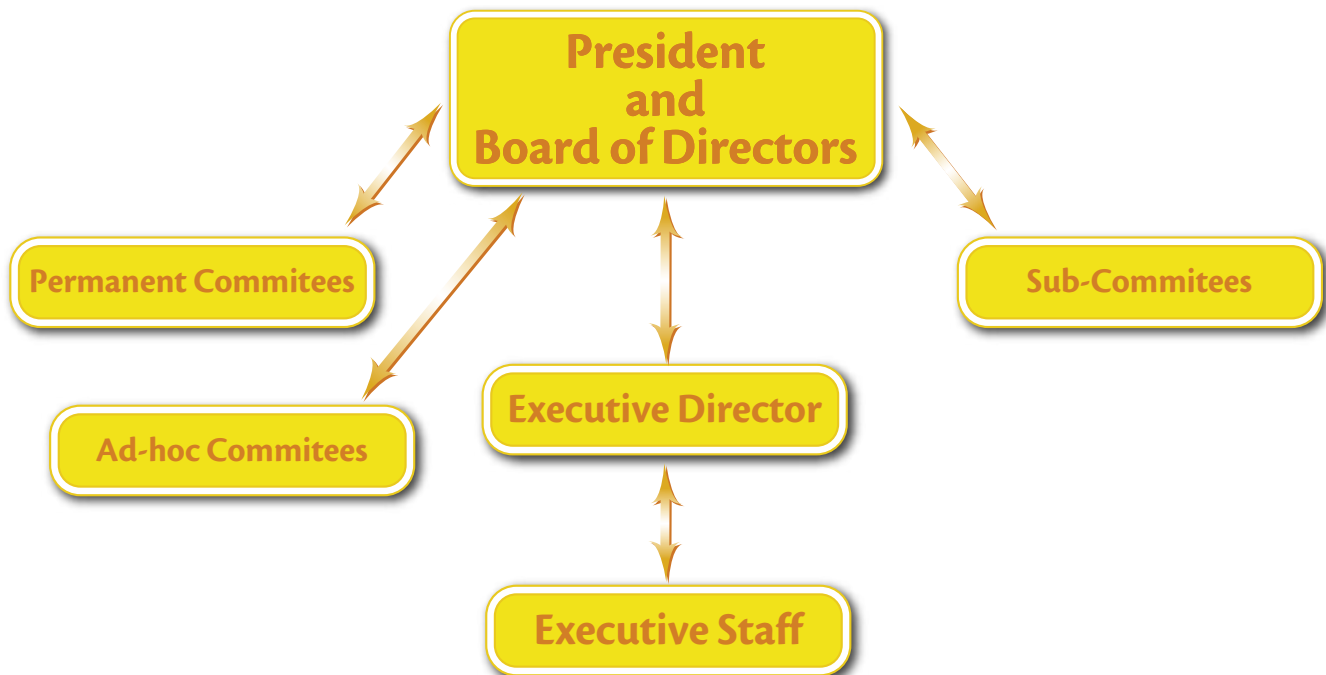
Governance Structure



5. Governance Structure

- 5.01** The typical governance structure of a NHA consists of a Board of Directors (BOD), committees or councils, sub-committees and ad-hoc committees. The non-paid volunteer elected BOD is comprised of a President, Immediate Past President, 1st and 2nd Vice Presidents, Chairpersons of industry-related groups, institutional representatives such as the Tourist Board and the Association Executive. A schematic of the structure of the organisational structure of a typical NHA is given in the following diagram.

Organisational Structure of Typical NHA



Role of the Board of Directors (BOD)

- 5.02** The BOD is the elected executive that provides policy and direction in matters of concern to the association. Members of the BOD are usually elected to serve for a period of two years. An arrangement where half of the positions on the BOD are filled by elections held annually is preferred and recommended to one where all positions on the BOD are elected every two years. The main benefit of the former is the ability to maintain continuity in the affairs of the association and the provision of a framework that is conducive to smoother transition between the outgoing and incoming executives since at least half of the new BOD would be familiar with matters receiving the attention of the BOD.

- 5.03** The functions of the BOD include but are not limited to the following:

- (a) Establishing and implementing a strategic plan for the Association;
- (b) Giving general direction to the Executive Director;

- (c) **Establishing and monitoring policies, programmes and activities;**
- (d) **Maintaining good governance in managing the affairs of the association including oversight and due diligence in its financial affairs**
- (e) **Review and approval of the budget and annual work plan and ensuring compliance with local regulatory requirements;**
- (f) **Developing, approving, monitoring and evaluating operational procedures and staff activities; and**
- (g) **Appointment of the Executive Director and senior staff.**

Role of the Committees or Councils

- 5.04** Sub-committees or councils of the BOD are appointed on a semi-permanent basis to deal with matters under the **core areas of activity**. Their functions include undertaking detailed review and analysis of proposals, planning activities, preparing submissions and otherwise dealing with the matters that require greater time for consideration than can be given at the level of the full BOD.
- 5.05** Sub-committees may also be established to look after the interest of specific business groups within the Association e.g. small hotels, villas and diving business segments, to list a few. Other committees may be responsible for emerging subject areas e.g. safety and security and the environment.
- 5.06** Ad-hoc committees may be established for the purpose of undertaking specific tasks and activities or planning and implementing specific events. They may also be appointed to deal with special projects, conduct interviews and generally plan and manage activities of limited duration.
- 5.07** **Non BOD members should be invited to join committees where their specialised knowledge, expertise or partnership is conducive to more informed and efficient decision making and implementation of decisions.** For example, the inclusion of a representative of Government's tourism marketing agency on the Marketing Committee of the NHA can be useful in allowing the Association to provide input regarding national marketing plans and expenditure. On-going private-public sector collaboration also facilitates more efficient planning and organisation of overseas promotional missions and implementation of joint tourism activities. *(See also 13.02 Government or Private Sector Led Approach to Marketing and 15.04 Public-Private Partnership – Tourist Board).*
- 5.08** **As far as possible, the composition of committees should allow members to contribute individual specialist expertise in dealing with matters in the core areas of activity.** For example, as far as possible, the marketing committee should include members with training or experience in marketing while the finance committee should include persons with a background or training in accounting, business or related discipline.



Flow of Decision Making Involving Committees

- 5.09** Committees consider and make recommendations to the BOD which makes the final decision. Committees must avoid usurping the power and responsibilities of the BOD. Therefore, in reporting to the BOD on matters over which they have been deliberating, committees should avoid offering the BOD a single choice as a basis for decision making. Rather they should present options and a preferred option.

The flow of decision making involving committees should therefore be as follows:

- (a) BOD refers/delegates committee to review matter;
- (b) Committee considers and recommends to the BOD, options for action;
- (c) BOD approves and implements recommendation; or
- (d) BOD rejects recommendation with reasons for so doing and either;
 - (i) decides on action to be taken; or
 - (ii) refers the matter back to Committee for further consideration.

Role of the Association Executive (AE)

- 5.10** The AE, as CEO of the association, is responsible for the day to day management of the association and reporting to the BOD, through the President, on the status of its affairs. Among the matters that the AE should be prepared to give a status report are the following:

- (a) the status of the finances of the association;
- (b) changes in membership – gains and loses;
- (c) Government matters affecting the association or requiring the association's attention;
- (d) Progress on current major initiatives being undertaken; and
- (e) Emerging matters of importance to businesses in the hospitality sector, including industry performance and projections.

- 5.11** **At a minimum, there should be communication between the AE and the President on a weekly basis. However, the frequency of communication will depend on dynamic factors, including activities in which the association is involved and seriousness and urgency of issues receiving attention.**

- 5.12** Although the nature of a particular matter may require frequent daily communication, this should be the exception rather than the norm. A high daily frequency of communication between the President and AE is



usually a sign of micro-management by the President and or BOD or lack of capacity on the part of the AE. Usually these calls are originated by the President who is “checking to see how things are”. (See also 5.18)

- 5.13** An important function often overlooked by AEs is the coaching of subordinates. This is designed both to challenge the capabilities of staff and ensure that they can perform their duties with a high degree of competence and with minimal oversight. The achievement of this standard will allow AEs to delegate responsibility for activities, allow more efficient time management and raise the self-confidence and morale of staff. (See also 7.07 – 7.10 Time Management).

Role of Executive Staff

- 5.14** The AE manages the executive staff of the Association, some of which operate with as few as two persons i.e. the AE and one support staff member. However, staffing at this level is below the critical minimum necessary to service the needs of membership and expand the programmes of the Association.

- 5.15** In addition to the AE, Associations should have a minimum of four staff members. With this limited staff complement, NHAs should aim to recruit staff who can multi-task and undertake responsibilities in the following areas – reception, accounting, membership/research, events/projects.

- 5.16** NHAs should also consider selected use of interns in circumstances where the internship can be beneficial to the intern and the association. Usually, interns are available for brief periods during the Summer and even highly motivated interns require supervision. The capacity of the NHA to manage, i.e. commit staff and time to orienting and overseeing the work of the intern, is therefore critical to the effective use of interns and to ensuring that the internship is not counterproductive for both parties. (See also 11.09 (b) Undertaking Research)

- 5.17** Depending on human resource capacity, the AE and staff members perform some or all of the following activities:

- (a) **Manage the operations of the Association;**
- (b) **Maintain proper accounts of the Association and facilitate the annual audit of its accounts;**
- (c) **Report and file appropriate documents with Government agencies**
- (d) **Ensure the Association’s compliance with Government’s regulatory requirements, including payment of taxes and other fiscal obligations such as PAYE, VAT, GST and National Insurance contributions;**
- (e) **Ensuring that action is taken by the Association’s attorney(s) to file paperwork on behalf of the Association to facilitate compliance with local corporate registration requirements;**
- (f) **Provide the institutional memory of the Association and facilitate continuity of its work;**



- g) Provide advice to members of the BOD, committees and members or guide them to sources where they can get advice and information;
- h) Implement decisions of the BOD;
- i) Liaise and communicate with members and the BOD and committees
- j) Follow-up matters with Government and other third parties
- k) Represent the Association in public fora;
- l) Update membership records;
- m) Collect membership dues;
- n) Arrange training and related activities with other tourism agencies;
- o) Conduct research;
- p) Record and disseminate best practices;
- q) Arrange and deliver training;
- r) Coordinate assistance; and
- s) Respond to queries from the press and other third parties.

(See also 10.03 – 10.07 Membership Services and Benefits for additional services provided by NHAs to their members.)

Some Common Areas of Tension Between the BOD and Executive Staff

5.18 The President of the BOD interacts most closely with staff of the Association who must adjust to the “management style” of a new President every two years. The adjustment period can be a relatively short period or it can even last for an extended duration. The adjustment process can be difficult for all parties involved and may result from several circumstances, some of which are as follows:

Issue 1: ***Where the AE and staff have been given responsibility but no authority to exercise the responsibility.***

Solution: This is a common management problem. The BOD needs to establish clear guidelines for the conduct of the affairs of the Association and entrust the AE and staff with responsibility for undertaking the work to be done. The BOD continuously reviews the work of the Association through reports of the AE to the BOD and through discussions, usually conducted between the President and the AE. Such continuous review allows the President and BOD to determine the extent to which the AE and staff is carrying out desired functions and responsibilities. The BOD should hold the Executive accountable for any shortcomings, direct action to be taken to address deficiencies and motivate, acknowledge and reward staff for performance.

(See also 11.04 Who Is Responsible For Advocacy)



Issue 2: Where there are differences of opinion between the President and the Association Executive regarding issues such as the public profile of and amount of public exposure given to the Association.

Solution: The BOD should agree on the public image that it wishes for the Association, the component activities of the public relations programme including the message that it wishes to convey and how this should be communicated publicly. For this purpose, Associations use a variety of tools including e-mail news-shots, newsletters, weekly segments in the local press and radio, letters to the press, media interviews and participation in radio call-in programmes. (See also 11.03, *Informal (d), Advocacy, How it is Done*)

Issue 3: Who should be spokesperson for the Association?

Solution: There should be an agreed protocol regarding who speaks for the Association which should be guided by the nature and circumstance prompting the communication. The natural attributes of personality and charisma should be taken into consideration when dividing the responsibilities of communication.

The President is the obvious spokesperson for the Association at formal functions. However, during times of crisis e.g. dealing with the effects of a hurricane (with the President having full time responsibilities for managing a business) or serious crime against a visitor, it may be more expedient for a public comment to be made by the AE.

Issue 4: Attempts by the BOD to control what is said by the AE and when it is said.

Solution: Part of the authority inherent in the position of the AE is the ability to speak on behalf of the Association. However, responsible and discrete behaviour must be part of the exercise of that authority. (See following point for further elaboration). AEs should also avail themselves of training for the purpose of better managing and using communications, dealing with crises, avoiding public relations snafus (See also 7.04 – 7.06 *Professional Development and Media Manual in Toolkit accompanying this Manual*).

It is also important that NHAs establish procedures for developing positions on issues e.g. by committee, and for sharing positions taken with the full BOD and staff. This allows the views of the association to be presented more easily, coherently and consistently.

Issue 5: BOD concerns about potential verbal indiscretions by the AE, especially where there are fears that these might provoke negative political backlash against the Association and/or its members.

Solution: There is the perception that some persons who function at the political level are sensitive to anything perceived by them as criticism. The Association is unlikely to cultivate an environment conducive to on-going private-public dialogue in circumstances where the BOD or Executive is repeatedly publicly critical of public officials, especially those at the highest level of Government. While the BOD needs to be vigilant in drawing attention to public sector deficiencies which are negatively impacting or likely to impact on the



conduct of the business of its members, care must be taken regarding when and how issues are brought into the public domain. More and more, Associations are retaining public relations firms or specialists to assist them in treating such matters with the tact that will prompt the desired response and action while maintaining an atmosphere conducive to continued dialogue and partnership activities.

(See also 15.03 Guidelines for Maintaining Positive Partnership Ministry of Tourism -Public Sector and NHA - Private Sector)

Issue 6: Attempts by the BOD to micro-manage the affairs of the Association.

Solution: This is a common management problem related to leadership style. In circumstances where every two years, AEs need to adjust to different leadership styles, they can assist the transition process and establish procedures for interaction by preparing an orientation brief for the incoming President. The brief should be written and supplemented by verbal discussion during which the AE should provide an outline of the current activities of the Association and how it operates, especially in regard to the role of the President and the AE. *(See “Orientation Brief for Presidents of National Hotel Associations” in Toolkit accompanying this Manual)*

Issue 7: Members of the BOD communicating with and giving directions to staff without reference to or communication with the AE.

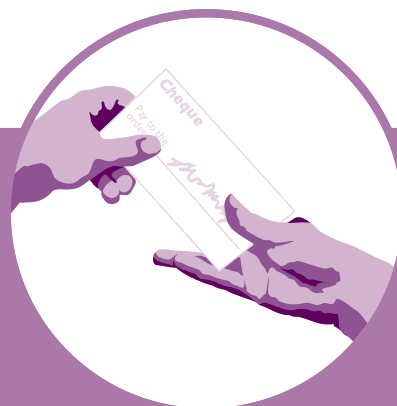
Solution: This practice is divisive, undermines the authority of the AE and should be discouraged.

(See also 5.12 Role of the Association Executive)



6

Role of The NHA in The Community



6. Role of The NHA in The Community

Corporate Social Responsibility Initiatives

6.01 Corporate social responsibility (CSR) is an evolving concept used to describe what is regarded as a company's obligation to demonstrate responsible behaviour in the treatment of its stakeholders - broadly defined, including, but not limited to employees, customers, suppliers, public sector partners, non-governmental organizations, international organizations and other entities with which it does business. Social responsibility initiatives serve to create a positive image of, foster goodwill for and assist in positively positioning NHAs as responsible business enterprises.

6.02 The pervasiveness of tourism and its impact on most Caribbean economies also creates an imperative for NHAs and their members to innovate and implement social responsibility initiatives as a business best practice. The occasion of a strategic planning session, a BOD retreat or assumption of office of a new President is often the most opportune time for AEs to advance this concept as part of the agenda of the Association.

6.03 AEs need to promote and assist the process by suggesting areas in which members can implement initiatives that benefit not only their businesses and guests but wider community stakeholders. These areas include:

- (a) health and safety;
- (b) environmental protection;
- (c) human resource management practices;
- (d) labour practices;
- (e) integration with local communities; and
- (f) relations with corporate partners.

6.04 Among social responsibility initiatives that can be implemented by NHAs and their members are the following:

- (a) Adopt-A-Beach to provide a safe environment for locals and visitors. This initiative will also protect beaches, one of main natural economic assets on which tourism in most Caribbean islands is based;
- (b) Adopt-A-School for the purpose of providing youths with an understanding of how the hospitality industry functions and as an economic investment in attracting and developing future human resources for the industry;



- (c) Participation in career day programmes for schools organised by the Ministries of Education and Tourism;
- (d) Involvement in programmes for hospitality training to influence curriculum development and ensure that graduates are trained to standards required by the industry;
- (e) Support for road signage improvements to provide directional guides for road users, for the safety of guests and to make the destination more enjoyable;
- (f) Reviewing and providing feedback to Government on proposed initiatives, policy and administrative changes;
- (g) Improving public sector understanding of the hospitality industry through industry internships for public sector officials and their participation in select executive committees e.g. environment, marketing;
- (h) Improving general public perception and understanding of the hospitality sector and educating persons about the industry, for example through news articles in the local press;
- (i) Partnering with Government and or other non-Governmental organisations in the implementation of community projects;
- (j) Sponsoring and contributing to community events especially cultural and sporting events;
- (k) Undertaking and publicising initiatives that demonstrate sustainable practices and management of the environment; and
- (l) Recognising the contribution of both the association and hotel staff through awards programmes.

6.05

To maintain interest and the attention of members in social responsibility initiatives, it is recommended that AEs use the CSHAE Intranet for the sharing of best practices and lessons learnt.

Public Relations

6.06

Public relations has been described as “the art and science of managing communication between an organization and its key publics to build, manage and sustain its positive image.”² The public relations strategy of NHAs and members must be integrally linked to and support programmes and initiatives in areas of social responsibility, advocacy and marketing.

2. Wikipedia: http://en.wikipedia.org/wiki/Public_relations



- 6.07** From time to time, staff of NHAs will be confronted with issues of varying diversity and complexity. These may include but not be limited to publicly managing crises and negative fall out from mis-statements or actions by BOD executives, correcting negative public perceptions of the Association and its members, managing relationships (public and private) and maximising the PR value of good outcomes and events to create a positive image for the association.
- 6.08** Public relations is a specialised discipline which few NHA will be able to handle and use effectively for their benefit. Therefore, NHAs should consider retaining the services of a public relations firm or specialist to assist in guiding its public image and responses to issues and challenges. For further guidance, please refer to the **Media Training Manual** for Presidents and Executive Directors of NHAs provided as part of the Operational Toolkit for AEs. (See also 11.03 Informal (d) – Advocacy, How it is Done.)



7

Human Resources and Related Matters



7. Human Resources and Related Matters

Job Descriptions

7.01 Job descriptions (JDs) should be prepared for every staff member. Although this may seem unnecessary in situations where the office staff consists of only 2 to 3 persons who invariably must multi-task, the preparation of JDs enables the BOD to do the following:

- (a) identify who has primary responsibility for particular activities;
- (b) assess workload with a view to targeting outsourcing and or use of volunteer assistance for the completion of certain activities;
- (c) prepare letters for the appointment of staff; and
- (d) evaluate performance against task areas and objectives *(See following Section on Staff Evaluations).*

Staff Evaluations

7.02 In most institutions, staff evaluations (also referred to as performance appraisals) are often activities leading to staff dis-satisfaction with their assessment. However, NHAs are able to use evaluations as a monitoring mechanism, for staff recognition and reward and to support staff training. It is recommended that performance appraisals be linked to evaluation of the Work Programme and to assess the extent to which the activities under the Work Programme have been carried out.

7.03 Evaluations should be carried out on a regularly scheduled and consistent basis i.e. staff should know when the evaluations are scheduled. The process should include self assessment and assessment by the Supervisor (AE). The most critical part of the assessment is not the scores given as a consequence of the evaluation but the discussion about the factors that contributed to the scores. The evaluation should try to assess the staff member's knowledge, skills and abilities (KSAs) and to identify training needed. Evaluations should be completed by the AE and discussed with the BOD with a view to assessing the effective utilisation of human resources and identifying areas for training and improvement. Sample performance appraisal forms are provided as part of the Operational Toolkit for AEs.

Professional Development:

7.04 Staff should take advantage of every opportunity to complete self development training and should set a personal goal of completing at least one course per annum. Training should also be encouraged and, where resources permit, be supported by the BOD.



7.05 The increasing availability of on-line courses of study should enable AEs to complete this objective without compromising time dedicated to the Association's work. Association staff may also wish to take advantage of self-development programmes offered in the form of intensive seminars offered by the American Society of Association Executives (ASAE), the Canadian Society of Association Executives (CSAE) and the Institute for Organization Management of the U.S. Chamber of Commerce. AEs may also wish to train for the designation Certified Association Executive (CAE) through programmes offered by the ASAE or the CSAE.

7.06 **New and inexperienced AEs should especially take advantage of the offer by CHA and CSHAE to cover the cost of participation of AE's in an ASAE Symposium for Chief Executive and Chief Elected Officers and attend this event.**

Time Management

7.07 The greatest daily challenge of AEs is the number of competing demands for their time. These include invitations to attend meetings, activities and events (often at short- notice), organizing and preparing for association events and meetings, speaking engagements and responding to requests for information from members, industry, government international, regional and local financial institutions and the press and travel on business of the association, to list a few.

7.08 **With limited time available to satisfy so many demands, AEs often have to juggle competing priorities. In this environment, it is important to agree on general priorities with the President and staff.**

7.09 Fortunately, a combination of traditional tools (diaries and To-Do Lists) and new technology (laptop computer, PDAs, cell phones, Blackberrys, VOIP service for low cost international and conference calling) can assist in adjusting schedules, communicating, managing work flow, attending to matters while traveling and responding to changing priorities.

7.10 **Where staff resources permit and capabilities are certain, AEs should delegate responsibility for certain tasks to other staff members or other capable members of the Association.**

(See 5.10 – 5.13 Role of the Association Executive)



8

Operational Management



8. Operational Management

Management Procedures, Systems and Records

- 8.01** The maintenance of efficient management systems, including procedures and records is critical to the efficient operation of NHAs. The personnel management system should include the following:
- (a) personal data on staff;
 - (b) copies of letters of appointment, including position, terms and conditions of appointment;
 - (c) documentation relating to warnings, disciplinary action taken, awards, performance appraisals, training completed and leave of all types;
- 8.02** AEs should ensure that arrangements and facilities are in place to safeguard the confidentiality and security of reports. This includes the backing up of critical electronic data to a safe location.
- 8.03** Regardless of the size of the staff complement, AEs should be aware of the requirements of the national labour laws and ensure that documentation is kept to demonstrate compliance with the laws.

Procedures Manual

- 8.04** In order to establish and maintain professionalism in dealing with the public and foster propriety in dealing with its business affairs, the Association should document procedures for the following list of activities, which is not exhaustive.
- (a) business hours of operation;
 - (b) answering the telephone;
 - (c) ordering and managing equipment and materials;
 - (d) property and equipment maintenance;
 - (e) contracting services;
 - (f) establishing dates when critical activities must be completed, especially in regard to meeting obligations to Government for filing financial returns and other legal and administrative documentation;
 - (g) establishing levels of authority for signing of cheques;



- (h) establishing levels of permission to access electronic information such as that available through Quickbooks™ financial software programme; and
- (i) establishing procedures for engagement of the press.

A more exhaustive list of procedures is included in the Operational Toolkit accompanying this manual

Other Management Issues Confronting NHAs

8.05 The most challenging aspects of the management of NHAs and some possible responses include the following:

(a) **Issue: Attracting and retaining members**

Response: Invite new members, target new categories of members, especially allied members, publicise major achievements and benefits of membership;

(See also 10.08-10.09 Recruitment and Orientation of New Members)

(b) **Issue: Developing programmes that meet the demands and interest of members**

Response: Carry out a membership needs survey annually and try to develop programmes to respond to those needs;

(c) **Issue: Motivating members to change their level of response to Association meetings and activities from one of apathy to one of active involvement and volunteerism**

Response: AEs need to use a combination of moral suasion, on-going communication, including telephone calls to keep members involved in activities of the Association. They can also use other members to encourage participation. All paid-up members should receive regular hard copy and or electronic updates of events held and planned by the Association. In addition, AEs can invite guest speakers on subjects that are of interest to members and arrange occasional product demonstrations;

(See also 10.03 Membership Services and Benefits).

(d) **Issue: Getting members to pay dues fully and in a timely manner**

Response: Arrange payment by instalments. Send reminder by mail or e-mail; telephone reminder, volunteer to pick-up cheque, if convenient to do so, arrange payment by credit card.



Issues of Concern to be Kept Under Review by NHAs

8.06 The following are some issues that NHAs need to keep under review:

- (a) In order to maintain viability, NHAs have had to embrace an increasing number of businesses in tourism-related areas to the extent where, in some instances, the number of non-hotel members in the Association exceed the number of hotel members. However, the elected Directors of NHAs are usually hoteliers and the hotel segment remains the primary focus of NHAs. This situation can potentially result in allied members demanding a greater role in the management of the Association, greater attention to their needs or attrition in this category of membership.
- (b) There is a perception among some NHAs that CHA is providing few real benefits to members of NHAs in return for the contribution made by them. At the same time, there is a need for AEs to communicate to CHA concerns and issues of membership at the national level.
- (c) There is a need for NHAs to stress that small hotels have the most to gain from membership of the NHA and CHA. The larger hotels can invariably look after themselves.
- (d) There is a need to rationalise arrangements for the collection of fees, including CHA membership fees. A system where CHA fees are collected at the same time as fees for the NHA is the recommended option. However, some small hotels may want to be a member of the NHA without becoming a member of CHA, which they perceive as being concerned about and benefiting only large hotels. AEs should remind their members of CHA's Room Exchange Program, which allows hotel members to barter rooms, rather than pay cash for the cost of membership
- (e) There is a need to improve liaison and communication between CHA and NHAs and their members.
- (f) There is a need for CHA to provide support to NHAs in certain critical areas, especially research, development of funding proposals and training.

Record Keeping and Reporting

8.07 NHAs should prepare and keep an Asset Register in order to monitor the assets of the Association and for auditing purposes. This inventory of fixed and movable assets owned by the association is also useful for purposes of insuring office contents, for purposes of depreciation and monitoring items for replacement. Items purchased should be recorded in the register, including the date and cost of purchase. Obsolete items removed and disposed according to established procedure. Bar coding software is available for marking and tracking of items but most NHAs can probably managed inventory through a simple Excel spreadsheet. An Asset Register template is included in the Operational Toolkit accompanying this Manual.



Maintaining Functioning Operational Systems

8.08 As businesses, NHAs are responsible for air conditioning, power supply, plumbing, office equipment and electronic systems. The need to respond to and recover from equipment failure is an event that inevitably will confront every AE. Generally, possible loss of use of equipment can be mitigated by establishing service contracts. However, in today's technology-driven world, a common frustration for most associations is the inability to secure computer repair services in a timely manner. At the same time, output and productivity of the AE and staff has become heavily dependent on the functioning of this piece of office equipment.

8.09 **It is usual for NHAs to give preference to businesses that are allied members when awarding service contracts - it is one of the benefits of being a member. However, for critical office items such as computer equipment, NHAs should consider speed of response, reliability and pricing when selecting a maintenance provider.**

8.10 **Associations should establish annual retainer contracts with selected companies which would allow critical repair services to be available “on call” to the association. The performance of companies retained under such contracts should be reviewed annually before a decision is taken on renewal.**

(See also 8.12 (c) Financial Management)

Contracts

8.11 **Contracts are legal documents and should only be signed after careful review by more than one person and, if necessary, by the NHA's attorneys. The latter would apply for contracts where the potential inability of either party to meet their obligations under the contract could involve significant legal redress including the receipt or payment of cost. A sample of standard contractual templates is included as part of the Operational Toolkit accompanying this manual.**

Financial Management

8.12 Associations already have systems in place for the management of their finances. Some use financial management software such as Quickbooks™ which allow users to drill down several levels in querying data and for the generation of just about any kind of report that the BOD will require. Therefore, recommendations in this area are limited to issues of security and accounting procedures as follows:

- (a) More than one staff member should be trained in the use of the financial management software being used by the Association;
- (b) Manage levels of access to information through permission protection;
- (c) Establish secure back-up arrangements for data in order to facilitate recovery from disaster resulting from technology malfunction or natural or man-made accidents;

(See also 8.08 - 8.10 Maintaining Functioning Operational Systems)



- (d) Require at least two signatures for checks and avoid situations where the recipient signs his/her own checks;
- (e) When managing donor funded projects, establish separate accounts for the use of the funds; (See also 17.01 (h) and (i) Managing Projects)
- (f) Cash based accounting (recognising income and expenses only when cash is received or paid out) appears more appropriate given the reality that receivables in the form of membership dues (one of the primary sources of revenue for most associations) do not constitute a legal debt obligation. Cash based accounting therefore presents a more accurate picture of the financial state of the association;

Note that under the alternative - accrual accounting - receivables and payables would be recognised when an invoice for payment is issued to the member even though no cash has been received or paid out.

Note: The Generally Accepted Accounting Principles (GAAP) of the USA recommend the use of accrual based accounting. It would be appropriate for NHAs that need to report to US authorities to adhere to GAAP guidelines.

Financial Reporting

8.13 The following reports are critical to monitoring the business operations of the Association:

- (a) Audited financial statements - These are usually included as part of the Annual Report presented for consideration and approval at the Annual General Meeting of the Association;
- (b) Quarterly Reports - These should be presented to the BOD in order to allow it to track actual revenues and expenditure against budgeted estimates;
- (c) Monthly Reports - These should be produced in order to allow the President and staff to monitor the financial status of the Association.

Financial Sustainability

8.14 Confronted by increasing demands from a more diversified membership in an environment of inadequate funding and resistance by members to increases in dues, many NHAs have been searching for new opportunities to increase revenues. Two toolkits³ have been produced for the purpose of sharing with less mature NHAs, some of the initiatives used by other NHAs to raise revenues from sources other than membership dues.

3 **“Writing Funding Proposals” and “Best Practices Among National Hotel And Tourism Associations In Raising Non-Dues Revenue”**



8.15 However, even among the more mature NHAs, it is clear that there is need for re-thinking of the traditional non-profit model funded primarily by membership dues. Where membership and staff resources allow, NHA's should establish a committee, as part of the operational structure, with responsibility for the following:

- (a) raising revenue through new events;
- (b) evaluating potential partners and building sponsorships e.g. with local power and telecommunications providers and major industry suppliers;
- (c) conceptualising other fund raising initiatives;
- (d) identifying opportunities for branding and sales;
- (e) preparing proposals for funding for submission and possible funding by donor agencies such as ProInvest, the Inter-American Development Bank and similar institutions;
(See also 17.01 (h) and (i) Managing Projects)
- (f) managing the implementation of projects;
- (g) brokering, for a fee, the provision of technical and professional services to members which the NHA has negotiated at group rates;
- (h) providing through qualified staff some direct services to members for a fee e.g. assistance in the implementation and monitoring of environmental management systems.

(See also 8.08 (f) Issues of Concern to be Kept Under Review by NHAs)

8.16 St. Vincent has successfully demonstrated an alternative business model with the operation of a for-profit business, namely a restaurant. Similarly, other NHAs, will increasingly have to generate cash flow from a combination of commercial for-profit activities including sponsorships, corporate partnerships, advertising, training, events, branding, royalties, Internet based technologies and the management and implementation of donor funded projects.

8.17 The generation of funding from commercial business initiatives will have implications for the financial management of NHAs, especially in regard to compliance with national reporting requirements and the reinvestment of funds earned into the Association, in keeping with the Association's non-profit status.

8.18 **Sponsorships:** NHAs should seize every opportunity to invite sponsorships for events and component items at events, including awards. Some NHAs already successfully pursue this strategy offering tiered sponsorship opportunities e.g. platinum, gold, silver and bronze. Having secured their support, sponsors must be given appropriate recognition. This should be done at the event to which they have contributed. The omission of the name of a sponsor is a *faux pas* that should and can be avoided by having a prepared list of sponsors to which reference can be made.



- 8.19** **Corporate Partnerships:** In some countries, members of NHAs, as a group, constitutes one of the largest purchasers of products and services, especially utility services. Yet little effort has been made to quantify the value of the business of the association's members to these companies and to leverage that contribution into a corporate partnership for the benefit of the association and its membership. Benefits which NHAs can seek to negotiate with corporate partners include advertising support, sponsorships, special pricing for members and donations.
- 8.20** The ability to quantify the contribution provided by the NHA membership as a group requires members to provide information on the value of their purchases from individual suppliers such as the power company and telephone service providers.
- 8.21** A few NHAs appear to be developing closer arrangements with national Chambers of Commerce. These arrangements can be beneficial especially where, because of the limited number of members in the association, economies can be gained from collaborating in administrative arrangements. This collaboration can also be useful in developing a multi-sectoral approach to governance.
- 8.22** **Advertising:** As a rule, NHAs should seek to achieve the target of attracting sufficient advertising revenue to cover the cost of publications and even to make a profit. Potential advertisers should be given timely notice of advertising opportunities. For publications, attention should be given to the quality of materials used for publications with a preference for high gloss colour publications. (See also 14.07 Event Management)
- 8.23** **Managing Projects:** NHAs should seek to attract donor funding and to manage projects. This will require skills in preparing proposals, attention to procurement procedures and meticulous accounting. A template on Writing Funding Proposals is included in the Operational Toolkit accompanying this Manual. (See also 17.01 for a more in-depth guide on Managing Projects)



9

Information Technology



9. Information Technology

9.01 Information technology (IT), including web management capability and business development are expected to be the important areas of focus in the new model for NHAs. Already, IT has become one of the most important business tools and is rapidly changing the way business is done. Among areas in which IT offers potential benefits to NHAs are the following:

- (a) **Database Management** - Databases set up in Microsoft Excel® or Access® will allow NHAs to keep, manage, update and easily retrieve important information, including members by category, committee members, contacts, suppliers, trade shows and important events, training programmes, training providers - institutions and individuals. What is important is for each NHAs to define its requirements and to maintain a system which allows for easy retrieval of information.
- (b) **Marketing and Promotion** - NHAs already use IT for marketing and promotion. The next step that should be considered is the use of Associations' websites for the generation of revenue. This can be done initially by offering space for advertising with the aim of growing revenue opportunities via this medium over time.
- (c) **Research** - The Internet offers NHAs an efficient tool for conducting research, surveys and sharing information, including useful web addresses, reports, technology updates and other information that can be shared with members and other associations.
- (d) **Communication** - NHAs should use low cost VOIP providers such as Skype, Yahoo and Vonage, to list a few, for all regional and international calls. AEs are also encouraged to seek answers and increase contact with peers given the extremely affordable rates afforded by VOIP technology.

9.02 Through electronic newsletters, e-mail, discussion groups and lists serve, NHAs can also disseminate information among themselves, to members and other recipients.

9.03 By combining communication technology and the mail merge function provided by Word®, NHAs are also able to quickly disseminate information to targeted recipients.

9.04 AEs should use the CSHAE Intranet to communicate, share information and exchange ideas.



10 Membership Issues



10. Membership Issues

Membership Categories

- 10.01** Membership of NHAs generally comprises hotels and other tourism product and service providers, usually referred to as allied members. Some associations have recognised that the recruitment of non-hotel allied members offers the greatest opportunity for increasing membership. Consequently several NHAs have reflected this fact by changing their corporate name to - national hotel and tourism associations.
- 10.02** NHAs are constantly on a quest to recruit new members. Opportunities for recruitment will inevitably arise as a consequence of structural changes and diversity in the industry over time and the increase in linkages between the hotel sub-sector and other economic sectors. In this regard, opportunities exist for recruitment of new members in new accommodation categories such as condominiums, luxury town houses, timeshares and villas and tourism professionals⁴, including certified trainers and consultants.

Membership Services and Benefits

- 10.03** The goal of every Association is to have members evaluate the benefits received compared with the cost of membership and to be able to conclude that the benefits are equal to or greater than the cost.
- 10.04** Also, with most associations now encompassing non-hotel businesses as part of their membership as allied members, Associations have a greater challenge in making its activities relevant and beneficial to allied members. Unless allied members are able to assess real benefits from membership, over time, they may conclude that the cost of association is too high.
- 10.05** AEs can add value to membership and encourage the participation of members in scheduled meetings by having guest speakers on topics of interest to members and product demonstrations and promotions. This can include special events, for example arranging for experts to give an analysis of Government budget presentations and announced policy and fiscal changes that may have implications for the operations of businesses in the sector.
- 10.06** The Association should review and provide comment and feedback to Government and related partners on draft policy and legislation relating to the industry and serve as a clearing-house for the dissemination of information on policy and changes in legislation that may impact on the businesses of members.
- 10.07** Other benefits provided by the NHA to membership include the following:
- (a) advice regarding facilitation and access to Government authorities;
 - (b) intervention in regard to matters of taxation and the fiscal treatment of businesses in the sector;

⁴ Tourism professional is defined as a person who earns revenue by providing services to business in the sector.

- (c) information regarding the availability of and access to concessions or other benefits provided through Government legislation;
 - (d) advice on matters relating to property acquisition, taxation, Central Bank requirements, labour laws, employment regulations and action to be taken to comply with requirements of various government agencies and generally how to deal with Government “red tape”;
 - (e) third party intervention and the ability to bring to bear the “weight” of the Association when dealing with issues that are sensitive or complex;
 - (f) negotiating with industrial unions on behalf of the collective membership; and
 - (g) addressing social and community concerns and perceptions about the industry.
- (See also 5.14 – 5.16 Role of Executive Staff).*

Recruitment and Orientation of New Members

10.08

In the recruitment of new members, Association Executives should place emphasis on the benefits to be provided rather than the cost of membership. NHAs should have an established orientation procedure for new members which should include the following:

- (a) Acknowledge all applications for membership within 24 hours. A telephone call by the AE to the CEO of the company confirming receipt of the application creates a positive first impression of the responsiveness of the Association and its offer of personal attention;
- (b) Deliver or mail a membership package within 48 hours. This should include the following:
 - (i) Welcome letter from the President;
 - (ii) An information document on the Association – how it is structured, how it operates, membership benefits, resources, list of members of the BOD;
 - (iii) Latest annual report;
 - (iv) Latest publications.

10.09

The President should extend a welcome and introduce the new member on the occasion of the first meeting the member attends. The AE should call the new member within the first six months of membership and confirm that their expectations are being met.

(See also 8.05 Other Management Issues Confronting NHAs).



Training

- 10.10** Training should be seen as a potential generator of non-dues revenue by NHAs which should position themselves as conduits for training offered to their members by donor institutions, Ministry of Tourism, CHA, regional and national training entities and private hospitality trainers. NHAs should maintain a database of training institutions, courses offered and qualified trainers, including details of experience, qualifications and specialisation. This should be shared with CHA/CAST in order to establish a regional database of hospitality training resources.
- 10.11** NHAs should encourage and facilitate participation by their members and serve as national coordinator for courses offered by CHA/CAST including Caribcert, QTC, HACCP, Hurricane Preparedness, Environmental Management, Villa Management and other courses developed over time.
- 10.12** NHAs also have an important role to play in promoting and facilitating the development of human resources in the industry by arranging apprenticeships, coaching and training of industry staff.
- 10.13** Many NHAs complain that they are unable to take advantage of training courses offered to their members because of the limited time given to respond to announcements of training opportunities. In order to minimise this situation, AEs should make biannual contact with traditional providers with a view to ascertaining the likely availability and scheduling of training.
- 10.14** NHAs should prepare an annual training calendar as a guide to what training is planned and to schedule staff for training during the year. The calendar would not be static but constantly updated as a result of information received on new training opportunities that become available during the year.

Communication With Members – Information Sharing

- 10.15** NHA members have indicated that one of the benefits most valued by them is information and, communication is one of the most practical and effective ways for AEs to disseminate information, keep in touch with members and keep them informed about the affairs of the Association.
- 10.16** Most associations already distribute weekly, bi-monthly or monthly publications to members. These publications ideally should be 2-4 pages in length, provide members with information that is informative and interesting and should cover a range of subjects including, but not limited to the following:
- (a) events in which the Association has been involved;
 - (b) announcements and reminders of upcoming events, meetings and business and training opportunities;
 - (c) summary reports of meetings attended by BOD representatives and Executive Staff;



- (d) **summary reports of presentations, research, industry reports and items of general interest to members; *NOTE: NHAs should designate someone to carry out web research for the purpose of identifying and sharing information of potential interest to members;***
- (e) **extracts from electronic publications, including those produced by CHA and CAST;**
- (f) **summary of Government policy and administrative changes and that may have implications for members;**
- (g) **updates on changes in key industry personnel;**
- (h) **information on new association members; and**
- (i) **updates on changes in key government personnel and portfolio responsibilities.**

Examples of the publications of some NHAs are given in the Operational Toolkit accompanying this Manual.

10.17 Some associations already provide information in several of these areas to their members.

10.18 **For NHAs, electronic transmission is the most effective, efficient and lowest cost method of distributing information to members. E-mail distribution is also preferred to posting on the Association's website since most websites are only periodically updated. (See also 11.08 Undertaking Research).**



Advocacy



11. Advocacy

11.01 Purpose: Advocacy refers to actions taken by NHAs in the interests of their members usually in response to actions taken, planned or anticipated by the state that can impact on their members.

11.02 Advocacy Issues: Priorities may vary from country to country, however, among themes, topics and areas which NHAs need to focus in their lobbying activities are the following:

- (a) the need for effective planning and management of the industry in a manner that is conducive to the financial sustainability of existing businesses in the sector;
- (b) equity and fairness in the application of fiscal incentives given to the industry;
- (c) greater support for and assistance to the industry;
- (d) greater consultations with the private sector in planning marketing initiatives; and
- (e) establishment of functional and effective consultative channels for discussion and resolution of constraints to the operation of businesses in the sector.

11.03 How it is done. Several direct and indirect strategies can be used by NHAs to pursue advocacy objectives including the following:

Formal

- (a) maintain a forum (committee) that will allow members to discuss and agree on responses to existing, planned or anticipated government initiatives including changes in policy, legislation and regulations affecting the industry and to identify desired solutions to issues affecting members;
- (b) establish and maintain strategic partnerships with key Government agencies e.g. Ministries of Finance, Tourism, Health, Environment and the Tourist Board;
(See also 15.01 Intervention With Third Parties - Other Ministries and Departments of Government)
- (c) appeal to key Government officials who are in positions to effect changes being sought. The Ministers of Finance and Tourism are often the two ministers in Cabinet who can influence tourism matters and are therefore the persons to be persuaded in regard to decisions related to the industry;
- (d) establish a formal arrangement for the discussion of tourism matters. Several NHAs have been able to establish monthly meetings with the Ministry of Tourism which, in some instances, are



chaired by the Minister. However, some NHAs complain that these meetings achieve very little. In order to avoid this situation, NHAs should pursue the following:

- (i) establish a principle where the President of the Association attends all meetings chaired by the Minister;
- (ii) NHAs should attempt to influence and ensure that the agenda includes items of interest to the Association and which require decision making;
- (iii) NHAs should promote a format for reporting the results of meetings that focuses on decisions taken, who is responsible for taking follow-up action and by what deadline. This not only establishes an efficient template for discussion but also provides clear monitoring indicators on which the usefulness of the meetings can be evaluated.

(See also 15.02 Public – Private Partnership, Ministry of Tourism)

Informal

- (a) collaborate with other government ministries, agencies and hospitality training institutions as may be necessary to address issues affecting the industry;
- (b) conduct one to one meetings with key officials of Government. This can be especially productive where both parties have been able to build up a degree of respect, trust and understanding;
- (c) establish and maintain partnerships with international and regional development institutions, peer organisations and the private sector, e.g. unions, legal profession and persons who can be resourceful in regard to operational, funding, and regulatory matters that may affect the business of members;
- (d) use public relations to gain wider coverage in advancing issues and putting forward the position of membership on issues considered important to the sustainability of the operation of members. This tool is especially useful where the NHA considers it useful to educate and gain wider public support on particular issues e.g. the case of Governments treatment of land-based hotels as compared with its treatment of cruise ships; *(See also 6.06 – 6.08 Public Relations)*
- (e) use mechanisms such as monthly or weekly newspaper columns and scheduled slots in radio programming to inform and promote issues of interest to the Association.

(See also 5.18 Issue #2).

11.04 Who is responsible for advocacy? This is one of the most important functions of NHAs and most have established an advocacy committee which considers matters to be pursued. That committee decides who should be the spokesperson on specific issues. *(See also 5.18 Issue #2).*



Research to Support Advocacy Positions

11.05 The decline of export agriculture and manufacturing has increased attention and the economic reliance on tourism, especially the hotel sub-sector. In this environment, Governments are unlikely to be moved by appeals and emotion as an advocacy strategy. Instead, increasingly, NHAs will have to rely on research and empirical data to support requests submitted to Government authorities for consideration.

11.06 Unfortunately, apathy and distrust has resulted in a lack of cooperation and poor response to surveys intended to collect information from hotels. CHA and NHAs therefore urgently need to use moral suasion to persuade hoteliers that it is in their interest to provide data which is needed to support initiatives for their benefit. Also, increasingly, NHAs will have to undertake research as part of business operations to respond effectively to the changing operating environment that is typical of the tourism industry. Among factors prompting the need for greater research are the following:

- (a) A dearth of empirical data on the industry has left most NHAs in a weak position when negotiating with unions. As a result, disparities among different categories of membership regarding ability to pay places an unsustainable burden on lower revenue earning members who, in negotiations with unions, feel pressured to accede to union requests by higher revenue earning members who can afford to pay. This situation is potentially destabilising to the Association; (See also 16.01 Labour Unions and Industrial Relations Matters)
- (b) In the hospitality industry, benchmarking and monitoring of industry performance have become an integral part of the strategy for measuring the competitiveness of businesses, destinations and regions. In an environment where the Caribbean is facing ever increasing competition, it is critical that individual destinations and the Region keep in stride with current industry practices and be able to assess performance against competitors.

11.07 NHAs are well positioned to increase industry responsiveness in providing information through the collection of data as part of the application process, the regular updating of information and the incremental addition of questions as part of an annual assessment of membership needs and feedback to the Association.

Undertaking Research

11.08 As indicated at 10.15 **Communication With Members**, information provided by NHAs is one of the benefits most valued by members. To meet the basic needs of members for information, staff of NHAs must have an understanding and familiarity with local legislation and regulations that impact the hospitality and tourism industry and procedures for their implementation.

11.09 NHAs can use a combination of three strategies in order to carry out research including the following:

- (a) Research can be undertaken in-house for example, by having staff review and disseminate information found in industry publications, on the Internet and obtained at conferences;



Staff can also assist the membership by preparing Position Papers on matters that are of concern to the Association. In addition, they can guide members regarding current thinking and research related to their businesses by providing web links to information;

- (b) Research can be undertaken through the use of university and community college students. However, although these students usually have experience in undertaking research, they often have to be guided and their work and time carefully managed. Where AEs have developed methodologies for using this resource, they may consider establishing formal arrangements with the tourism/hospitality department of the university or college in order to ensure a win-win-win situation for the student, institution and NHA;

(See also 5.1.6 Role of Executive Staff)

- (c) Research can be contracted out to persons or companies. This involves a cost which few associations can afford;
- (d) NHAs can also consider outsourcing as a means of support e. g. the use of the private sector business fora to help develop a negotiating position.



12

Product Development



12. ProductDevelopment

12.01 A review of the **core areas of activity** suggests that, for most NHAs, product development is generally subsumed under another activity. For NHAs, product development should be focused on customer service, destination offerings and management of all aspects of the destination experience, including the following:

- (a) product and service quality, including incentives and other support for improvements in quality;
- (b) standards, regulation and product management;
- (c) human resource development and training;
- (d) energy conservation, waste reduction and recycling programmes consistent with environmentally friendly business practices. CAST can be of assistance to NHAs in this area; and
- (e) disaster preparedness and recovery. NHAs may wish to avail themselves of the training offered and materials produced by CAST in this area.

12.02 NHAs should encourage their members to implement programs promoted by CAST including Green Globe and the Environmental Performance Leadership Program which is designed to improve environmental efficiency and the achievement of certification.

12.03 NHAs also have a responsibility to monitor developments in the industry that potentially can impact on the competitiveness and sustainability of existing product and businesses of members and the quality of the vacation experience provided to visitors including the following:

- (a) physical product developments;
- (b) infrastructural changes; and
- (c) regulatory and administrative changes.

12.04 As a result of its monitoring in the above areas, from time to time, NHAs may find it necessary to take advocacy positions on issues and practices which are considered inimical to the interest of members.



13 Marketing and Promotion



I 3. Marketing and Promotion

I 3.01

Marketing is one of the major activities carried out by the NHA and can include the following:

- (a) providing information and access to members' hotels and attractions through the NHA website;
- (b) arranging for the participation of members in promotional tours and events;
- (c) arranging participation by members at regional marketing events including CHA's Caribbean Marketplace, CHTC and other regional promotional events;
- (d) influencing areas in which national marketing resources are spent;
- (e) managing the publication of materials that give exposure to members; and
- (f) arranging familiarisation trips and visits by media personnel and travel writers.

Government or Private Sector Led Approach to Marketing?

I 3.02

Most NHAs operate in circumstances where Governments provide significant resources for marketing while having little commercial product to market. On the other hand, hoteliers and operators of attractions have product but often insufficient resources for marketing. Traditionally, this has resulted in a public sector led approach to marketing with the Tourist Board taking the lead in making decisions on the expenditure of funds in consultation with field representatives. Some NHAs are represented on the Tourist Board and are therefore able to make an input into decisions regarding the allocation of expenditures. However, there is still considerable progress to be made by NHAs in influencing the nature and direction of public spending in marketing. (See also 15.04 Tourist Board)



14 Event Management



14. Event Management

- 14.01** AEs should view events not as a cost for NHAs but as opportunities to earn revenue. CHA has provided NHAs with a business filter which can be used to assist in making decisions regarding expenditure (See *Toolkit*). An additional tool that is useful and which is highly recommended is the conduct of a simple break-even analysis. More than anything else, this imposes on staff the discipline of preparing a budget for every event with estimates of the cost of individual items to be used in preparing for and hosting the event. It also requires identification of the sources of financing for items and estimating the potential sources and revenue likely to be earned from the event as shown in the following abbreviated Table.

Budget for Hosting Annual General Meeting

Item	Cost (\$)	Comment
Rental of venue	600.00	
Production of report/documents	2,400.00	
Refreshments	800.00	Sponsored
Total Cost	3,800.00	
	Revenue (\$)	
Ticket sales		
Advertising		
Sponsorships		
Total Revenue		

- 14.02** Apart from goods and services to be purchased in connection with the hosting of the event, other Items that should be considered include transportation, security, legal, regulatory and licensing requirements such as fire health, liquor, copyright licence, taxes and other levies.

The Annual General Meeting

- 14.03** The most important meeting in the calendar of the Association is the annual general meeting (AGM). This event gives the elected board and AE opportunity to report to members on the operations of the Association, including activities completed in **core areas of activity**, projects carried out and the financial status of the Association over the reporting period, usually a year. The AGM is also used to highlight achievements, to announce plans for the future and to elect officers who will to guide the affairs of the Association in the coming year.

- 14.04** It is the responsibility of the AE and staff to ensure that everything is in place for the convening of the AGM. A typical checklist of things to be completed in preparation for the event includes the following:

- (a) Preparation of documentation e.g. completion of the Annual Report including audited financial statements and other special reports;



- (b) Securing advertising for inclusion in the Annual Report and to assist in defraying the cost of publication. NOTE: AEs should aim to produce a high quality glossy colour publication;
- (c) Early notification to members of the time, date and venue of AGM in keeping with requirements of the Association's constitution;
- (d) Circulation of documentation, including resolutions;
- (e) Coordinating the involvement and role of product suppliers/sponsors. For a multi-sponsored event, it would be impractical to have representatives of each sponsor speak at the AGM. AEs should therefore try to attract a major sponsor for the event, who will likely ask for and must be given time to promote their product;
- (f) Invitation and finalisation of arrangements for guest speaker. The AGM provides an opportunity for the Association to have a featured speaker on a subject of interest to members;
- (g) Ensuring completion and delivery of awards or gifts to be presented;
- (h) Establishment of arrangements for the conduct of elections at the meeting;
- (i) Pre-selling of tickets for lunch/refreshments;
- (j) Arranging for refreshments at the event;
- (k) Arranging ballot papers, collection boxes and identifying designated persons to conduct the tabulation of ballots and auditors to verify accuracy and transparency of the procedure;
- (l) Ensuring that all persons being nominated to fill positions are in good standing and confirm that there is a quorum before the start of the meeting.

I 4.05 Checklists for arranging and managing other meetings and consultations, including quarterly, breakfast and luncheon meetings are included in the accompanying Operational Toolkit to this manual.

I 4.06 NHAs should prepare an Activities Calendar for the purpose of planning and attracting sponsorships, advertising and volunteer assistance.

I 4.07 **Volunteers and co-opting assistance:** Volunteerism is not as widely practised in the Caribbean as in North America. Therefore, NHAs often find it difficult to co-opt assistance and should make provision for cost of services in preparing budgets for major events.



15

Public–Private Partnership



15. Public–Private Partnership

Ministry of Tourism

15.01 Tourism requires effective public-private collaboration and the Ministry of Tourism should be seen as the greatest ally of the Association. The Ministry is responsible for policy, planning, research and general management of the sector. Its activities are therefore most likely to impact on the operation of businesses in the sector. *AEs should be aware of the activities of the Ministry, legislation and regulations for which they are responsible and the information they produce.*

15.02 **The cultivation of a respectful and collaborative relationship with the Ministry should form the basis for pursuit of the Association’s advocacy initiatives. Some associations maintain contact with the Ministry through scheduled meetings with the Minister. However, a schedule for meetings does not always ensure results and positive action in regard to issues of interest to the Association. To improve chances of achieving positive results from these meetings NHAs should pursue the following:**

- (a) for meetings chaired by the Minister, the Association’s delegation should be led by the President and should include the AE;
- (b) for meetings led by the Permanent Secretary, the AE may represent the Association with the participation of the President optional;
- (c) insist on an agenda for each meeting and negotiate and influence what items are on the agenda. The Association’s team will be better prepared for the meeting if it has prior knowledge of the topics to be discussed;
- (d) maintain a record of proceedings of the meeting even though the Ministry will have an officer who takes minutes of the meeting. This signals the Association’s seriousness about the meetings and provides documentary reference in circumstances where issues and decisions need to be recalled in subsequent meetings. It also serves to reduce and possibly eliminate disagreements regarding decisions made at meetings. After “sign off” by the President, as appropriate, the AE may want to share the NHA’s version of the minutes with the Ministry;
- (e) politely guide discussions in a manner that will result in the production of action oriented minutes designed to show the issues discussed, decisions taken, time period for taking action or achieving results and responsibility for follow-up action;
- (f) Senior administrative officials within the Ministry often provide advice to the Minister and are therefore important influencers. The influencers in the Ministry are usually well known or can be identified from the contributions they make at meetings. The AE should therefore build a working relationship and seek to advance the business of the Association and its members through monthly or quarterly informal meetings with a key influencer. It is suggested that these meetings be informal e.g. held over lunch in order to create a more congenial atmosphere for discussions. *(See also 11.03 (b) Advocacy)*



15.03 The sharing of lessons and experiences is important, particularly in regard to what has worked and for the purpose of avoiding having to reinvent solutions that have already been developed by others. It is in this vein that Frank Comito's permission was obtained to share the following.

Guidelines for Maintaining Positive Partnership Ministry of Tourism - Public Sector and NHA - Private Sector *(compliments Frank Comito, AE, Bahamas Hotel Association)*

Both public and private sector should try to identify common ground based on the following principles:

- (a) Having a genuine commitment to support one another.
- (b) **Tolerance** – because each side brings to the table its quirks, idiosyncrasies and agenda.
- (c) **Communication** – the lines should always be open and at many levels.
- (d) **Realistic expectations** – generally, each side should know what the other is willing and able to do.
- (e) **Caring** – not only for the industry but in a manner that translates into concern and commitment to the destination and seeing beyond the direct bottom line issues of marketing and operations costs – to broader issues of importance, such as the development of people, the protection and enhancement of the environment, the safety of our people.
- (f) **Nurturing** – supporting one another, around the shared goal of working for the betterment of tourism.
- (g) Where the obstacles exist somewhere else in Government, working together to figure out how to overcome them.
- (h) **Having a sense of humour** – laughing together. Perhaps, more than any other people around the world, Caribbean people love to laugh. In a funny way, it's a bonding experience, and a one hour meeting can go the gamut from having a real heated showdown to practically rolling on the floor.
- (i) **Respect** – for each others respective positions and as individuals.
- (j) **Knowing how to handle conflict** – where there is disagreement, not getting hung up on those things on which there is no agreement but moving on, recognizing that there is far more on which there is agreement and which keeps the partnership together.
- (k) Being willing and able to problem solve together.



- (l) Interdependence - recognizing that each partner really is dependent on the other.
- (m) The ability to listen to each another, as often as possible.

Other Success Factors

- (n) Ensure that commitment transcends politics.
- (o) Don't get hung up on getting credit for things accomplished. In fact, the private sector should prefer that the Ministry, in particular, the Minister, take all the credit for the good things that happen – and conversely take all the blame.
- (p) Where there is disagreement, keep it private. Very rarely go public with disagreements and only as a last resort. Public disagreements create ill-will and builds barriers to efforts by both partners to establish common ground.
- (q) MOTS generally have talented and dedicated people who understand the MOT's role in building and shaping the industry, and consequently, in nation-building. The private sector has helped with that nurturing, with MOT employees having access to the tourism industry, facilitating internships or secondments in the industry. Both partners have also attracted staff from each other, which works to the benefit of everyone.

Overriding Philosophy

Collectively both partners gain so much more by leveraging their respective time, talent and resources.

Tourist Board

15.04

The Tourist Board is the other important ally of the Association. The Board is responsible for marketing the destination and for most destinations is the entity, other than chain hotels, that has the greatest resources for marketing. It is therefore in the interest of the Association to influence the expenditure of these resources in areas and in a manner that will bring the maximum returns to members. The Association's members manage the greatest volume of tourism product and investment in the destination. However the logic and importance of including the Association as a member of the Tourist Board is not always evident resulting in the exclusion of this key segment from some Tourist Boards. In order to address this situation, the Association should invite the Tourist Board to sit on one of its key committees e.g. marketing. In return, it should lobby for representation on the Board.

(See also 5.07 Role of Committees and Councils) and 12.02 Government and Private Sector Led Approach to Marketing)

Other Ministries and Departments of Government

15.05 The activities and decisions of other ministries and departments of Government can impact on the operations



of members of the Association. Where ad hoc committees are established to deal with specific subject areas, e.g. environmental issues and security, the BOD may consider it expedient to invite an officer from the relevant Government agency to serve as a member of the committee. The ministries and departments, which may from time to time be invited, and the tourism-related activities for which they are responsible include the following:

- (a) Finance – taxation and other levies, licenses, fiscal incentives;
- (b) Education – hospitality training;
- (c) Health/Environment – licensing, permits, regulations, environmental protection, noise, safety, HIV/AIDS;
- (d) Town Planning – building permits;
- (e) Immigration – work permits;
- (f) Police - security;
- (g) Fire Department – fire prevention.



16

Business To Business Partnerships



I 6. BusinessToBusinessPartnerships

Labour Unions and Industrial Relations Matters

I 6.01 Some NHAs negotiate with labour unions on behalf of businesses in the hotel sub-sector. Associations therefore have an interest in cultivating amicable relations with unions. However, the prevailing environment for the negotiation of wage increases and other sector benefits is for most destinations one where there is no ongoing measurement of sector productivity, which can allow the linking of wage increases to productivity. Also, confronted by a dearth of empirical data regarding the performance of the sector, NHAs are usually severely compromised in their negotiating strategy and options for responding to union demands. Associations need to address this situation by establishing systems for the collection and analysis of industry performance data and by encouraging hotelier participation in the initiative.

I 6.02 NHAs also need to take the initiative in collecting and sharing information about models of cooperation between the public sector, private sector and unions e.g. Barbados Social Partnership model.

(See also I I.05 – I I.07 - Research to Support Advocacy Positions)



17

Managing Projects



17. Managing Projects

17.01

Managing projects funded by donor agencies requires special attention especially in regard to accounting for funds spent and procedures for the procurement of goods and services. Donor/funding agencies generally have guidelines which must be strictly followed. Some general guidelines for the management of projects are as follows:

- (a) prepare Terms of Reference (TOR) for services to be procured and specifications for products or goods to be ordered;
- (b) seek assistance in dealing with matters that are unfamiliar to staff e.g. details of IT services required;
- (c) the TOR should request the submission of separate technical and price proposals if “the best person/firm for the job” is being used as the basis for selection;
- (d) the same information should be provided to all entities invited to quote or bid for an assignment. If an extension of the deadline for submission of responses is requested and given to one respondent, it must be extended to all other invited entities, even if they have not requested the extension;
- (e) when used, evaluation sheets should show the variables which are being evaluated and score or value given to each variable;
- (f) throughout the life of the project NHAs should monitor and become involved in implementation to ensure that outputs/results are those required by the Association. However, the Association cannot dictate the content of the consultants report;
- (g) Always try to link payments to deliverables;
- (h) The use of donor funds needs to be carefully assessed on the basis of a cost benefit analysis because the likelihood of securing future donor funding invariably, will depend on a demonstrated capacity and ability to use funds approved. In this regard, NHAs should be aware of the disbursement procedures of donor agencies, even before making application for assistance. Some donors require recipients to fund activities using their own resources up front with reimbursements being made upon verification that all requirements, especially procurement procedures, have been met. Since there can be a considerable time lag between expenditure of funds and reimbursement of funds spent, NHAs would have to ensure a sufficient internal cash flow to implement projects for which donor funding has been approved;
- (i) Most donor agencies also require recipients to provide counterpart resources. In negotiating funding, NHAs should ascertain whether counterpart resources can be provided in-kind rather than cash, since most Associations will find it easier to provide in-kind resources. In-kind contribution can include the value of counterpart staff assigned to the project, office space provided for the project, use of office equipment including telephones and fax machine, travel and other costs incurred by the NHA directly associated with the implementation of the project. (See also 8.12 (e) and 8.15 (e)).



AnnexOne - Items in Operational Toolkit

Annual General Meeting - Checklist

Asset Register - Template

Best Practices in Raising Revenue From Non-Dues Sources

Business Filter

Financial Software

Leave Application - Form

Media Manual

Orientation Brief for Incoming Presidents - List of Contents

Orientation of New NHA Members - How to Guide

Operational Procedures for NHA - Checklist

Performance Appraisal – Formats

Publications – NHA samples

Service Contracts - Sample

Supply Order – Form

Strategic Planning – How to Guide

Taking Minutes of Meetings

Writing Funding Proposals – How to Guide



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