

Quick facts

- Palau, which is located to the east of the Philippines and is spread across 250 islands forming the western chain of the Caroline Islands. With a population of less than 30,000, Palau was part of the United Nations Trust Territory of the Pacific for over 30 years, finally gaining independence in 1994.
- In 2009, Palau was the first country in the world to create a shark sanctuary, which forbids commercial fishing operations from catching any sharks in a specified zone around the island. Palau's President, Tommy Remengasau Junior, also recently made a commitment to declare the country's surrounding 200 nautical miles of ocean a restricted zone for international fishing³.
- According to the most recent Asian Development Outlook by the Asian Development Bank, new tourism facilities, which could increase tourist accommodation by a further 6 per cent, could drive GDP growth at 3 per cent in the 2014-15 financial year⁴.

- APTC delivered a Certificate III Hospitality pilot program at the Palau Community College (PCC) in 2014. This pilot program was delivered by APTC trainer William Hetherington to 16 Palauan students who graduated in September.
- In July 2014, Palau hosted over 300 delegates at the 45th annual meeting of the Pacific Island Forum held in Koror at the Palau Pacific Resort. This significant week-long event in the country's calendar also provided the participants of the APTC pilot Certificate III in Hospitality program with the opportunity to demonstrate their high standard of service.
- Palau Pacific Resort sent six staff from junior level management to attend the APTC Certificate III Hospitality pilot program in 2014. These staff will continue their training outside Palau and then return to supervisor positions.

³ <http://www.abc.net.au/foreign/content/2014/s4079574.htm>

⁴ <http://www.adb.org/countries/palau/economy>



Australian Government
Department of Foreign Affairs and Trade

CREATING SKILLS FOR LIFE

IMPACT Case Study

Developing Skills to Support a Growing Tourism Industry



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Boosting tourism and hospitality in the North Pacific

Graduates of APTC's hospitality program at the Palau Community College are contributing to the thriving tourism industry in the North Pacific.

The North Pacific is made up of groups of atolls and small island states spread out across a vast expanse of ocean, most of which are facing the challenges of climate change. For many of these island states, developing a tourism industry and conserving their natural environment have become important and effective ways to achieve a more sustainable economy and economic opportunities for their citizens.

One of these island states is Palau, which is located to the east of the Philippines and is spread across 250 islands forming the western chain of the Caroline Islands. With a population of less than 30,000, Palau was part of the United Nations Trust Territory of the Pacific for over 30 years, gaining independence in 1994.

Palau, or Belau as it is often referred to, is also considered one of the world's premier diving destinations. In 2009, Palau was the first country in the world to create a shark sanctuary, which forbids commercial fishing operations from catching any sharks in a specified zone around the island.

In addition, Palau's President, Tommy Remengasau Junior, recently made a commitment to declare the country's surrounding 200 nautical miles of ocean a restricted zone for international fishing¹.

With such beautiful ocean life and a pristine environment, the Palau economy is largely dependent on its tourism industry. Expanding this industry has become a viable alternative to recover revenue against the costs of protecting Palau's natural environment and dealing with the challenges of climate change.

According to the most recent Asian Development Outlook by the Asian Development Bank, new tourism facilities, which could increase tourist accommodation by a further 6 per cent, could drive GDP growth at 3 per cent in the 2014-15 financial year².

It is this growth in Palau's tourism industry that prompted APTC to deliver a Hospitality pilot program at the Palau Community College (PCC) in 2014. This pilot program was delivered by APTC trainer William Hetherington to 16 Palauan students who graduated in September, accredited with either a Certificate III in Hospitality or a Diploma in Hospitality.

William believes that hospitality and tourism training in the North Pacific is crucial if these countries are to increase the workforce capable of delivering better services in these expanding industries.

"I think the students who have graduated are taking really practical and cohesive skills into a small community, and this will have a fanning-out effect," says William.

"Palau is at a turning point with its tourism market. Some [tourism operators] want to move into higher end markets, as opposed to budget companies, which means more pressure on local environments and resources."

Nanae Singeo, Managing Director of Palau Visitors Authority, is also aware of how important the tourism industry is to Palau.

"It is our bread and butter. The revenue this industry generates is roughly USD\$100 million per annum - one of the biggest in the country," says Nanae.

Palau Pacific Resort (PPR) is one of Palau's premier resorts for high-end tourism. The resort offers facilities to accommodate large conferences and delegates attending events in Palau, including the recent Pacific Islands Forum – the 45th annual meeting of Pacific Island leaders.

Some of the service gaps in Palau's tourism industry identified by PPR management include a lack of skilled staff.

"Lack of skilled staff leads to delays in customer service," explains Ashok Tanna, PPR's Food and Beverage Director. "These skills include how to smile and how to serve guests correctly - this was missing until APTC arrived."

Ashok is aware that the tourism industry is rapidly changing in Palau, with more people visiting to explore the natural environment.

"More hotels are emphasising tourism, rather than fishing, because there is more underwater wildlife and more natural life in Palau", says Ashok.

"With this increased volume and capacity for tourist accommodation, it is important that those working in the hospitality and tourism industries are able to maintain standards."

The climate change challenges also mean that the country needs alternative and sustainable sources of income, which is why supporting and protecting Palau's natural wildlife is crucial.

It is also important that Palauans have the opportunity to improve their skills so that they have the flexibility to work elsewhere should they migrate.

William acknowledges the important contribution of previous APTC graduates to the Palauan hospitality and tourism industries, particularly those who have worked at PPR long term and who have helped to create benchmarks for service in these industries.

Nanae also agrees that a competent workforce is essential for sustainable economic growth.

"One of the goals of Palau's tourism policies and action plan is to increase the number of Palauans in this industry to ensure sustainable economic growth," says Nanae.

"Programs such as those offered by APTC ensure that this goal is met by increasing local participation in the industry, awareness in the community and further improvement to the wide range of services needed to support Palau's fast-growing tourism industry."

¹ <http://www.abc.net.au/foreign/content/2014/s4079574.htm>

² <http://www.adb.org/countries/palau/economy>



Abel Kuterbis (far right) with colleagues of Palau Pacific Resort's recreational department



APTC students serve at the 45th PIF

Sharing skills

The Palau Pacific Resort (PPR) is the primary employer of APTC graduates in Palau. The resort's management recognise the contribution made by APTC graduates to the standard of service that is required of a five-star resort. They also recognise the change in their employees' outlook following training with APTC.

"At the end of the day, these employees come back with an open mind compared to what they had before the APTC training," says Ashok Tanna, Director Food and Beverage. "They have brought with them confidence, which they apply in their supervisory skills, share with their colleagues and in the way they handle the guests and their own staff."

William Hetherington, the APTC trainer who delivered the Certificate III Hospitality pilot program in Palau, also sees the importance of preparing his students to gain employment beyond Palau. While the Palau tourism industry is growing, there is also a high demand for people to work in hospitality and tourism in other North Pacific countries, such as Guam. William believes that making sure APTC graduates are adequately skilled, and that these skills respond to industry needs, is important in Palau and elsewhere.

According to Ashok, PPR employees are encouraged to seek work outside Palau. Due to the limited long-term roles at PPR, management's outlook is that if employees work at other places they can increase their skills and then return and train other employees. With these new APTC-trained employees, the service delivery standards in the Palau hotel industry are now consistent with those in other countries, and this is a positive aspect recognised by PPR management.

"The APTC graduates bring with them theoretical and practical skills, which they gain from their training at APTC and also from fellow classmates from different island nations in the Pacific," says Ashok.

Improving individual confidence

Sharlie Grady and Abel Kuterbis are both APTC graduates who are employed by PPR. Sharlie graduated from APTC with a Certificate IV in Hospitality and Abel graduated with a Certificate III in Tourism. They both studied at APTC's campus in Fiji.

"Graduates like Sharlie share their knowledge," says Ashok Tanna, PPR's Food and Beverage Director. "Sharlie came back with an open mind after seeing things beyond PPR. These graduates bring a holistic approach and an improved confidence."

Sharlie is now a food and beverage supervisor at PPR and Abel is a recreation attendant. PPR management confirmed that Abel is also being trained for a supervisory role.

Abel believes that his APTC training has improved his confidence and the way he interacts with guests. He also appreciates the emphasis of safety techniques in his APTC training. These new skills were important in his selection for a supervisory role.

This new confidence is important for the local tourism industry, which requires more competent employees, especially in the area of customer service.

Managing Director of Palau Visitors Authority, Nanae Singeo, also acknowledges the importance of meeting this requirement.

"The tourism industry needs to develop in terms of its ability to meet and exceed customer expectations through pre-empting their needs," says Nanae. Nanae also confirmed that the Palau government plans to increase the budget for tourism in 2015.

Recognition of quality service

In July 2014, Palau hosted over 300 delegates at the 45th annual meeting of the Pacific Island Forum held in Koror at the Palau Pacific Resort (PPR). This significant week-long event also provided the participants of the APTC pilot Certificate III in Hospitality program with the opportunity to demonstrate their high standard of service. Ltelalk Fritz, an instructor in tourism and hospitality at the Palau Community College (PCC), believes that the APTC certificate course is able to deliver in all the competency areas necessary to develop Palau's tourism and hospitality industries.

"Palau is really in need of service-oriented skills development," says Ltelalk. "We also need to work on our standards. APTC offers skills and hands-on experience, together with students being provided well-rounded information." Ltelalk says that this is the key difference between APTC and PCC.

"PCC is very academic, so making sure that students have the skills and are able to think critically is very important."

William Hetherington is the trainer who delivered the pilot Hospitality program at PCC. He received lots of positive feedback from participants of the Forum about the APTC students who catered for various events.

"I had two academics who attended come and shake my hand in the coffee shop, commenting that the apple and polenta muffins were the best they'd ever had. They also complimented the high service level of the students."

Given Palau's size and isolation, this event was a significant opportunity for APTC students to showcase their skills and improve awareness of the APTC brand in Palau.

The Small Island States Leaders' Meeting – a significant aspect of the Forum's agenda - was catered for exclusively by APTC students. The quality of service and food was commented on by many leaders. This recognition is significant in building recognition of the APTC brand, particularly in the North Pacific.

PPR is the main employer of APTC graduates and has also made a significant investment by sending employees to be upskilled through APTC's pilot program.

"PPR sent six staff from junior level management to attend APTC's hospitality program," says Ashok Tanna, Director Food and Beverage. "They have graduated with APTC certification and will be sent outside Palau for more experience and when they come back, they can be promoted at PPR."