**Enhancing SMTEs Business performance
through the Internet and eLearning Platforms**

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ABSTRACT

Online learning (eLearning) systems can help to deliver ICT training to Small and medium-sized tourist enterprises (SMTEs). SMTEs need to maintain and understand the importance of utilising new information technologies dynamically and to incorporate training and education into their overall strategy via online learning. They need to be innovative and adopt systems that will allow them to explore their potential.

This paper investigates SMTEs in the European Hotel sector and their utilisation of the Internet and their perception on online learning systems. The paper also aims to demonstrate to SMTEs that training is imperative and that ICTs can enable them to improve their inventory management, strengthen their marketing and communications strategies and develop their internal business processes. The paper demonstrates that a course on ICT skills can assist SMTEs to further their development. The survey demonstrates that SMTEs are not utilising Information technology in their business to its full potential. They primarily see the Internet as a mechanism for promoting their hotel rather than for training, inter- intra-organisational and eCommerce purposes. Respondents have recognised that integrating technology with training will become a management challenge in the future, but at present it is not considered a priority for many SMTEs. However respondents did identify their highest preference for content to be incorporated into the online course modules to be ICT trends and issues. Therefore it can be concluded that SMTEs are willing to engage in online learning and that the ability of SMTEs in embracing eLearning which can become crucial determinants of their success.

Keywords: eLearning, online learning systems, SMTEs, Internet, hospitality, tourism

Enhancing SMTEs Business performance through the Internet and eLearning Platforms

Introduction

Tourism is a major component of the European economy contributing about 10% of the annual GDP and representing one in seven of all jobs. With 99% of businesses classified as small and medium-sized tourist enterprises (SMTEs) in Europe, SMTEs when grouped together collectively have a considerable influence on both national and European economies and particularly within the tourism and hospitality industry (European Commission, 2003 and Buhalis, 1998, 1999). Hence, greater consideration should be given to SMTEs to help them be innovative, adopt systems that will allow them to explore their potential. In order to achieve this SMTEs need to maintain and understand the importance of utilising (new) Information and communication technologies (ICTs) dynamically.

In particular, SMTEs need to realise that ICTs can be used for not only for operational purposes but for tactical and strategic management too (Main, 2002). This can help to empower SMTEs to communicate directly and more efficiently with prospective customers and suppliers as well as to achieve economies of scale. Economies of scope can also be acquired through increased knowledge of internal organisational capabilities. Therefore ICT training in the hospitality industry is considered essential if SMTEs are to increase their organisational efficiency. Therefore it should become a priority for SMTE managers to incorporate training into their overall strategy (Sigala et al, 2001). Online learning (eLearning) systems can help to deliver ICT training to SMTEs, giving them the opportunity to gain the core skills and competencies that are critical for SMTEs to remain or to become more competitive in the eMarketplace.

This paper investigates SMTEs in the European Hotel sector and their utilisation of the Internet and their perception on online learning systems. The paper also aims to demonstrate to SMTEs that training is imperative and that ICTs can enable them to improve their inventory management, strengthen their marketing and communications strategies and develop their internal business processes. The paper demonstrates that a course on ICT skills can assist SMTEs to further their development.

ICTs and SMTEs

The advent of the Internet in the late 1990's has had a strong impact on the tourism and hospitality industry (Buhalis, 2003). It is due to the fragmentation of the hotel industry, which makes the Internet ideal for selling inventory online. The Internet as a channel of distribution has become one of the most successful channels used by consumers to research travel options, compare prices and make reservations for airline tickets, hotel rooms and car rental. Therefore, the provision of online travel services is the single most successful Business-to-Consumer (B2C) segment on the Internet (Lauden & Traver, 2002). Research carried out by Forrester Research (2002) and PhoCusWright (2003) has indicated that the overall percentage of hotel rooms booked online will grow from an estimated 9% in 2002 to 20% in 2005. Moreover the Internet is also having a profound effect on the internal and external operating procedures within the hospitality industry (Cheng and Piccoli, 2002).

Most large hotel organisations have moderate integration of daily operations and have implemented websites, Intranets and extranets in order to reduce costs; improve communications internally and externally and to develop alternative distribution channels. Cline (2001) and O'Connor & Frew (2000) also identified that hospitality organisations develop ICTs to access new customers on a global basis and to be able to streamline operating procedures. Integrating daily operations such as sales, marketing and distribution as well as aggregating demand to drive down prices on the procurement side are some of the major benefits of the Internet. With SMTEs still under-represented in Global Distribution Systems (GDSs) and with over 85% of European Hoteliers not listed on GDSs, this has become a severe limitation for SMTEs as GDS serve more than 50,000 travel agents worldwide (Werthner & Klein, 1999). Albeit if SMTEs utilise the Internet as their main distribution channel, then it can enable them to overcome their challenge of being globally represented and they can develop their virtual site at minimal cost.

Morrison & Thomas (1999), have also implied that the application of ICTs by SMTEs can help them to overcome the management issues that often confronts these small businesses. Main (2002) has demonstrated that integrating technology into the business process and operating in an eBusiness environment can offer SMTEs many advantages in operational, tactical and strategic management. More importantly Mutch (1998) has highlighted that SMTEs need to ensure that the technology implemented is appropriate to the needs and management of their business, as too often this has not been the case.

Despite all of the benefits to be achieved, the Internet and new technologies have failed to make a major impact on the majority of the SMTEs in the hospitality industry. SMTEs have been slow to adopt and to realise the actual benefits of applying ICT to their business (Standing et al, 1999, Buhalis, 2003 and Morrison et al, 1999). However, according to Anckar and Walden (2001) there is evidence that there are small minorities of SMTEs that are taking full advantage of the electronic marketplace and who are benefiting from the many opportunities that it provides. This in turn sends out a warning signal to hoteliers who have yet to have an online presence and urges them to use the Internet as a mainstream distribution channel and to integrate web-enabling technologies into their daily business process. Otherwise SMTEs will lose out in maximising both their performance and profitability in the long term.

Characteristics associated with SMTEs are blamed for the inertia in SMTEs in embracing the Internet and other web enabled technologies. These barriers have been identified by Buhalis and Main (1998), Main (2002) Braun (2002) and Moran, 2002, as lack of IT skills and financial resources; insufficient marketing skills; reluctance to move away from manual processes; and inadequate bargaining power within traditional distribution channels. However, Louvieris & Lockwood (2002) and Sigala et al (2001) have indicated that the impact of the Internet and its associated technologies may also point SMTEs towards the innovative use of eLearning systems, in which learning can be facilitated where it may not have been possible to do so before. This may be due to the increased ownership of technology and Internet access within SMTEs, therefore enabling SMTEs to participate in online learning. These online learning systems may well help SMTEs to overcome the barriers in embracing new technologies and integrating them into their business practices.

eLearning

The digital revolution has placed great emphasis on innovation, new business models, new ways of organising work as well as having a significant impact on the learning industry (Schertler & Dierich, 2001, Piccoli et al 2001). According to Business Week (1999), online learning is expected to grow more than 900% between 1999 and 2003. eLearning or online learning is defined as the creation and distribution of organisational knowledge through the online delivery of information, communication, education, and training (Wild, Griggs & Downing, 2002) which opens the door to a learning revolution that could help to create unprecedented opportunities within SMTEs. One of the key reasons for the growth in the online learning is due to the fact it is far cheaper than sending employees away from the workplace to a professional training course.

Electronic Learning or eLearning as it is commonly called is defined as learning that takes place anytime someone uses electronic means for gathering information; that's acquired without another live person present (Zhang & Nunamaker, 2003). However, eLearning is not just about using web-based technologies or distance learning but it is a way in which individuals or organisations exchange information and gain knowledge. It can include a wide range of learning strategies and technologies from courses available online, CD-ROMs, DVDs to videoconferencing (Sigala, 2002). eLearning can be synchronous or live, as in the case of Internet conferences, in which geographically separated teachers and students can gather in an online classroom. For the purpose of this paper, eLearning is technology- enabled learning designed to be run over the Internet. The advantages and disadvantages of eLearning are illustrated in Table 1. It is also valuable to the hotel industry because of the high employee turnover rates associated with the industry. Therefore, ongoing training (via online learning systems) is critical for managers, supervisors and front of house employees of small hotels.

SMTEs can participate in online learning environments, which are designed as tutorial systems over the Internet. This can enhance learning, thus allowing managers and employees the ability to apply knowledge and skills that otherwise they would have been unable to do in an offline environment, because of the costs involved. The time constraints and workload of managers of SMTEs frequently prevents them from attending training sessions during their working hours. Therefore the prospect of flexible-location, cost-effective and time-independent learning environments may encourage them to participate more in training sessions via online learning systems (Steppi, 1989). Enabling SMTEs to acquire new ways in which to manage knowledge and information can assist them to achieve competitive advantage due to their skills, competencies and knowledge SMTEs can gain through this virtual learning process. Hence eLearning enhances intellectual capital of SMTEs and prepares them to compete in today's dynamically shifting market. SMTEs that are not represented in the electronic marketplace will fail to reach new customers and suffer competitive disadvantages (Buhalis and Main, 1998).

Comment [MS1]:

The tourism and hospitality industry have been identified as an industry with one of the highest levels of skill shortages and staff turnover (HEFCE, 1998). Likewise Boisevert (2000) has identified training as a critical success factor for the hospitality industry, but it is considered expensive and time consuming. As 90% of the accommodation businesses in the hospitality industry are SMTEs, they may find it increasingly difficult to participate in any type of professional learning for numerous reasons (Buhalis, 1999). One of the major barriers for SMTEs is the lack of financial resources available for training purposes and their high degree of concentration on their operational management. SMTEs also consider training to be a cost rather than an investment, so little attention is given to any type of training (International Labour

Organisation, 1997). However, if SMTEs realise that training can influence the skill; enhance the local economy and reduce high staff turnover rates; then they might take it more seriously and be willing to invest in training (Bradley and Taylor, 1996). This may explain why in Europe, the provision of training to SMTEs has become a central issue of economic policy and why over the last decade the provision of training and support to SMTEs to participate in training has increased considerably (European Commission, 2003 and Jameson, 2000).

Table 1 Advantages and disadvantages of eLearning

ADVANTAGES	DISADVANTAGES
The technology offers the opportunity to integrate learning with work	Initial set up and running costs or purchasing access to commercial systems can be high
Enhances employee performance in a dynamic, interactive and measurable way.	An infrastructure needs to be in place for employees to use the system
Provides information instantaneously	Bandwidth limitations – high speed internet access is required. Many SMTEs may not have access or connection to high speed internet access
Can increase efficiency	Lack of a robust internet connection to take advantage of the graphic rich courses designed for eLearning
It is a less expensive method of training as it eliminates travel expenses and the time that it takes to travel to a training session.	An assessment system needs to be in place which helps to determine what information employees are learning and to provide feedback to inform managers of how successful employees are in the modules.
Enables employee to log on from the hotel.	Electronic communication requires a specific skill which not many people have mastered. However this may depend on the nature and content of the course Horton (2000)
Eliminates the need to create and print bulky manuals, which become obsolete after being distributed.	Learning is impersonal and limited interaction with tutor
Mostly modular based, employees can dedicate shorter time periods over a number of days or weeks and still learn the required information	Tutor does not take sufficient feedback from students and hence limited diagnostics of learning
Additional material is easily accessible online	Student requires high degree of self-discipline
Some courses linked to professional and academic qualifications	
Allows the employee to learn at his/her own pace in the style of learning that works best for them.	
Ability to retain more information (Employees can retain 30% more information from an eLearning platform compared to 10% retained if learning in the traditional way.	

However, despite the benefits associated with eLearning, some industry experts and eLearning providers do not see eLearning as a viable platform for training for all skills or as a replacement for traditional training (Van Hoof & Combrink, 1998). Hence, Cheng & Piccoli (2002) have also suggested that on the job and face to face training are important particularly in teaching 'soft skills' such as management or technical skills, where eLearning is not suitable. Moreover Braun (2002) has identified that SMTEs are still not committed to online training and integrating new technologies to add value and competitive advantage because they not consider it a priority at present. .

Methodology of the Study

This paper is based on a project funded by the European Commission - SMART-UP. which was designed to help European SMTEs in tourism and hospitality to increase their know-how and ICT literacy through the provision of specific tourism related modules via an Internet based learning platform and to apply ICT applications to stay on the leading edge of learning technology. It was also aimed to encourage SMTEs to work with up to date ICT and management practices. Other aims of the project were to identify the skills and requirements of SMTEs to ensure that the eLearning content modules corresponded with their needs. Based on these requirements, Siemens and Sigma were then able to compile the technical and content user requirement specifications in conjunction with the potential system users (SMTEs). Test cases were also generated according to user requirements in order to ensure/prove that the online learning system was in line with what the SMTEs specified. The scope of the research was to target small and medium-sized hotels (SMTEs) in Austria, Ireland, Great Britain and Switzerland. It investigated their usage of the Internet and their perception of online learning to provide a base for future research.

This paper brings together a number of indicators that clearly demonstrate where SMTEs are in relation to Internet awareness and online learning systems. The paper also provides a set of factors that need to be monitored for the future. This would help researchers investigating ICT penetration and online learning systems development in SMTEs in Europe and beyond. It will also help government to understand further the importance of online learning and information technologies adoption by SMTEs, so that they can provide further assistance to this sensitive group.

The principal aim of the study was to:

- Set up an inter-organisational knowledge and experience network via an online learning system
- Extend knowledge and qualification improvement of SMTEs
- Decrease reservations of SMTEs about ICTs

Data Collection

The respective National Hotel Associations such as the British Hospitality Association (BHA), Austrian Hotel Association (OHA) and HCIMA, Swiss Hotel Association in each country were employed as intermediaries to acquire access to large numbers of SMTEs. Developing relationships with industry players, distributors and representation companies also ensured that respondents adopted a medium to long term strategy of the Internet. This study comprised both primary and secondary research. Secondary research focused on a comprehensive literature review with data sourced from journal publications, books as well as the Internet which proved to be a valuable secondary resource for obtaining statistical data. . This secondary

research identified the knowledge already known on SMTEs and their assimilation of Information and Communication Technologies (ICTs) and eLearning into their business practices. Primary research consisted of data collected via qualitative and quantitative methods.

Due to the wide geographic area involved in the study, and the impracticability of carrying out in-depth qualitative interviews a questionnaire was considered to be the most appropriate to reach the required population sample (250) across four European countries. After some prior testing with Austrian hoteliers an open and closed structured questionnaire was designed. The quantitative research was conducted through self-administered questionnaires distributed to SMTEs via e-mail and fax. The survey included hotel SMTEs in Austria, Ireland, Great Britain, Switzerland and Italy. Alternatively, interested hoteliers were able to download the questionnaire from the SMART-UP information web page (<http://www.smartup.info>). The quantitative study was employed to assess the management challenges and Internet usage amongst SMTEs as well as to gain an insight into SMTE perceptions on eLearning. The questionnaire also provided a snapshot of how SMTEs perceived online learning. The qualitative data collection involved a telephone survey which was implemented to boost the response rate. A total of 55 questionnaires were completed which resulted in a response rate of 22% being achieved, therefore providing a valid sample size for the subsequent statistical analysis to be carried out.

Limitations

Research was undertaken to identify small and medium-sized hotel properties in Austria, Great Britain, Ireland and Switzerland. Most of the SMTEs targeted were either micro (1-5 bedrooms) or medium sized (50+ bedrooms). Following discussion with several hoteliers on the phone, it was realised that some were at a very advanced stage with eCommerce. However, the majority of the very small proprietors were in the denial stage (i.e. they did not want to know about the Internet). A number of larger properties were only interested/were too involved in the operational management of their organisation and took a short-term approach. They failed to identify the benefits that can be obtained from eCommerce or/and training. Many of the hoteliers also reacted badly to the word – university, and they failed to recognise the benefits that the university could bring in helping them to understand and learn about eCommerce. Limitations also arose from the e-mail survey. It was difficult to control the response speed. SMTEs did not respond to the questionnaire as a vast majority indicated that many of the questions were designed for academics with little relevance to small hotels. Therefore a low response rate was achieved via this method, as there was little opportunity for explanation or interaction.

Analysis/Results

Management challenges within SMTEs

The respondents were asked to identify what they considered to be their major challenges facing their organisation today. It is clear from the results (70%) that Human Resource Management is the biggest challenge for SMTEs. Other challenges include sales and marketing, finance and quality management as illustrated in Figure 1. Due to the characteristics attributed to the hospitality industry (i.e. high staff turnover) this is not surprising. No indication was provided that Information Technology was a major management challenge at present. However, results did signify that 20% of SMTEs identified IT issues becoming one of the biggest know-how gaps in the future. This could demonstrate that the remaining percentage are either technologically advanced or they were still in the denial stages, and do not envisage that Information technologies are important for future competitiveness. The latter may be more appropriate as previous studies have confirmed that SMTE

managers are reluctant to invest, learn or adopt in ICTs as they do not consider it a priority at present.

Figure 1 Management Challenges within SMTEs

Internet Usage by SMTEs

The survey clearly demonstrated that a high percentage (93%) of the respondents use the Internet, primarily as a mechanism to promote their hotel, i.e. have their own website. SMTEs have obviously realised that even with the lack of financial resources they can take advantage of the Internet as a direct distribution channel in reaching a global market and at a lower cost than distributing through the traditional distribution channels.

SMTEs do not use the Internet for inter- and intra-organisational purposes. Figure 2 illustrates that SMTEs use the Internet for other purposes such as sourcing information, online shopping and banking and industry information. This may be due to the lack of knowledge and skill by managers of SMTEs on how to use the Internet for intra- and inter-organisational communication (i.e. Intranet and Extranet).

Starkov and Price (2002) reported in order to be successful online, it is critical for hotels to have online reservations. From the qualitative survey it emerged that very few SMTEs facilitate online reservations. However, the majority of SMTEs surveyed do have booking request forms and use e-mail to communicate and provide confirmation of a reservation back to the customer. The low level of eCommerce may be explained by the fact that the respondents of the survey was predominately focused on SMTEs, who have yet to explore the Internet to its full potential and for whom eCommerce applications still represents a further stage of adaptation .

Figure 2 Purposes for SMTEs using the Internet

Although SMTEs usage of the Internet is relatively high for certain purposes, there were also some barriers identified that prevented SMTEs using the Internet to its full capability. These barriers are illustrated in Figure 3. Firstly complexity of trying to navigate through websites was recognised as the main inhibitor; secondly download time was perceived to be too slow; which may be due to inefficient hardware systems; thirdly, the design of websites and finally too little information was available.

Figure 3 Barriers preventing SMTEs to use the Internet to full capacity

The above analysis demonstrates that the vast majority of SMTEs use the Internet as a digital brochure and promote limited information through their web page. Interactivity is primarily through e-mail, and the content is more static than dynamic. Qualitative research also confirmed that the majority of SMTEs are unable to develop a comprehensive eMarketing strategy which would have enabled them to promote their URL, ensure search engine optimisation and drive Customer Relationship Management (CRM) to a wider and more targeted audience. Hence, this is why SMTEs still regard their web page as their static digital brochure.

Professional Training within SMTEs

Due to high staff turnover rates, associated with the hospitality industry, it has become critical for managers of SMTEs to introduce training either on the job and/or via online to retain and educate staff. A relatively high number (73%) of the respondents specified that it was the managers who attended professional training units regularly. Although this indicates a positive reaction to training, it can also be exposed as a negative comment as it could also indicate that little time is then spent in-house training, which coincidentally has an effect on high staff turnover rates, thus supporting the view of HEFCE (1998), Boisevert (2000) and Buhalis (1999). One third of hoteliers who did not find the time to attend training sessions by professional bodies attributed this to various reasons. Training was not considered an investment for most SMTEs who concentrated on their operational management. Therefore, it could be implied here that there is a high demand for online training as it does not involve travelling away from the business and to the degree that training can be delivered at flexible hours to match the yearly, seasonal and daily seasonality of the hotel. Thus, the participation of SMTEs in online training may not only benefit SMTEs widely but it would also be more cost-effective in the long-term.

The knowledge of SMTEs in comparison to their larger counterparts, i.e. hotel chains on IT maybe somewhat premature. However all of the respondents have managed to develop an online presence in one way or another. The application of technology by SMTEs to create an Internet presence was very high (93%) and may be attributed to any training sessions that SMTEs managers attended. These professional training sessions give the managers the ability to apply the knowledge and skills gained to develop an Internet presence, regardless of its sophistication levels. Alternatively, SMTEs may have outsourced their web development to an ASP provider; webs

design company; a hotel representation company; or simply have their hotel property represented on a Destination Management System (DMS).

Online Learning Content

The content of online learning modules perceived by the majority of respondents to be useful for inclusion in an online learning system was predominately focused on ICT trends, followed by marketing, strategy, law, quality management and industry news as illustrated in Figure 4. However, none of the respondents indicated that learning about basic technical skills as important enough to be included in an online learning module. Therefore, it can be assumed that Hotel SMTEs may outsource any technical development or maintenance due to inhibiting factors, such as, lack of in-house technical skills or financial resources. However, the results also gave the indication that hotel SMTEs are becoming more conscious of the importance of ICTs. They are willing to learn how they can utilise ICTs to help them achieve competitive advantage in the digital world.

Figure 4 Preferred Online Learning Content

The survey results also indicated that Internet links, access to download online consultancy reports, periodical newsletters on hotel industry trends; and access to a range of academic resources to support their understanding and enhance their learning are desirable features for the eLearning environment. In addition, advice for further education and information on workshops and seminars was also considered useful by 16% as demonstrated in Figure 5.

Figure 5 Additional information sources for online courses

The advantages and disadvantages perceived by online learning systems

As discussed in the literature, online learning has specific advantages to that of traditional learning. Mason (2001) has suggested that 'time is the new distance'. This can be applied to SMTEs where lack of time; rather than the long distance; is a key inhibiting factor for them to participate in an off-line learning environment. Approximately 74% of the respondents perceived time independence as the main advantage of online learning. Thus, enabling SMTEs to study according to their seasonability and other operational management commitments they may have. Other factors included quick and easy access to course content and up to date information. Low costs were specified as a major advantage by 14% for participating in online learning.

SMTEs value prompt and informative feedback on their work, as they maintain it has an influence on their online learning experience. However, lack of interpersonal contact with other users and lack of communication, support and feedback from module co-ordinators which lead to low motivational levels was one of the major disadvantages perceived by SMTEs from online learning. It is also interesting to note that a study by Alexander (2001) reported that adequate access to technical support is essential for learners in achieving successful learning outcomes. The survey results gave no indication that information on technological skill (i.e. using a computer) or inadequate technical support was considered a major disadvantage for participating in online learning activities. Other disadvantages perceived by SMTEs were lack of industry and best practice examples. SMTEs also indicated that online learning often does not give the managers or employees the possibility of achieving a recognised qualification or accreditation. Moreover, if recognition was given it could provide an incentive to employees and may also help to alleviate high staff turnover.

Discussion and Implications

The main challenge for SMTEs in their current situation was identified as dealing with human resource management. The adoption and implementation of ICTs is not a priority for many SMTEs at present. Due to the characteristics associated with SMTEs and their slow adoption of ICTs this is not surprising. Another major downfall of SMTEs as identified by Connolly et al (1998) is that SMTEs understandably do not want to wait long-term to see their return on investment on ICTs but want to see the benefits immediately.

It is evident from the survey however; many SMTEs may be more willing to engage in the use of the Internet and online learning if they can overcome the barriers that are preventing them from moving forward in this digital economy. These have been identified as lack of financial resources and the time and unwillingness to invest in training. SMTEs have yet to realise that by incorporating training it gives them the ability to solve some of their human resource issues, such as high staff turnover, which is so commonplace in the hospitality industry. It is critical for SMTEs to invest in new skills through online learning. This also gives SMTEs the opportunity to exploit the new technologies available and avoid the loss of potential competitive advantage.

It is important for SMTEs to realise that by learning online they will not only increase their knowledge but their core competencies. This can help SMTEs to overcome their management challenges and issues. It was therefore proposed that the online learning modules for the eLearning Platform incorporated the following topics: human resource management, eCommerce, quality management, capacity management and product development. The modules were designed by Universities of the 4 participating countries: Austria, Great Britain, Ireland and Switzerland. As part of the project, an eLearning platform (SITOS) is currently being implemented into 4

European countries to attract SMTEs into an eLearning environment, which should facilitate their transition towards the digital world. The aim is to raise awareness on the importance of the above modules and how they can play a fundamental role in improving the day-to-day operation of SMTEs in the long-term. It was also decided to provide benchmarking models and best practice methods to enable SMTEs to derive problem solutions and to provide a better understanding of what they need to achieve to improve their competitive advantage.

Another important priority of eLearning is to assess the future quality of eLearning needs. The provision of consistent and accurate content at the right time can support effective training and help managers and employees of SMTEs to acquire the appropriate knowledge and skills. They can then apply this knowledge to improve individual and organisational performance and which according to Hinkin & Tracey (2000) may be linked to a reduction in high employee turnover too.

The SMART-UP project has aimed to provide this by employing intelligent agents which can be used by SMTEs for training purposes along with the online learning modules. Information is retrieved from various sources such as online journals, online news portals etc. These links can be incorporated in the eLearning platform in accordance to SMTE specifications. It also aims to dynamically increase the network of know-how sources (i.e. universities, hotel associations) due to inter-agent communication using this intelligent systems platform. Figure 6 illustrates how the proposed SMART-UP online learning system will operate using the intelligent agents, know-how sources, national hotel associations and the universities for the provision of recent, accurate, static and dynamic information.

Figure 6 Design of the SMART- UP online learning system

Non-achievement of a qualification or accreditation was a major disadvantage perceived by SMTEs from online learning. However, due to the traditional approach to accreditation for completion of classes and programs this is not considered a viable standard of measurement in an eLearning environment. This may be due to the fact that the online learning is self-directed and content can come from a wide variety of sources. The eLearning modules need to be assessed in appropriate ways and the assessment needs to reflect the learning objectives of the module. Although the SMART-UP model incorporates a test section it does not provide an official qualification recognised by the hotel industry. Therefore an approach could be taken by the government, professional bodies, universities and the private sector to grant official recognition and reward for eLearning based programs. This may then enable employees in SMTEs to gradually develop their learning portfolio to achieve University degrees or professional qualifications and may provide more of an incentive for SMTEs to participate in online learning programs.

Recommendations

It is important to create conditions that are in favour of eLearning and to eliminate barriers that prevent people from participating in an eLearning environment. Enabling employees to participate in eLearning at work rather than outside working hours is important as well as ensuring that the course content is applicable and specific to the learning requirements of SMTEs. Otherwise this can be a less satisfying eLearning experience and discourage employees from engaging in it. The provision of incentives and funding by government to SMTEs that invest in developing eLearning within their organisations may help to promote broader access to eLearning.

With eLearning still an emerging field the government, universities and the private sector should invest in research and development aimed at furthering the understanding of best practices in online learning along with its delivery and service. Having identified the social and cultural issues related to SMTEs, an investigation into the ways in which technology can be introduced to SMTEs is critical so that the value of eLearning can be enhanced in this technology-enabled environment.

eLearning is also only possible when the appropriate infrastructure and technology is in place. This infrastructure may include high-speed telecommunications, i.e. broadband Internet services and connectivity and the high quality software which is required for effective eLearning. However many SMTEs may not have the technology, the high-speed access and the skills required to make the most of eLearning. Therefore government, universities, associations and private sector must address this issue to ensure that continued work and investment is carried out to enable SMTEs to have this access.

Conclusion

As Braun (2002) indicated, SMTEs suffer from a lack of a strategic sense of how to move forward in the eMarketplace. SMTEs use the Internet mainly to promote their property through a website. They have yet to incorporate an eBusiness strategy into their business, use web-enabled technologies to assist them in their internal and external business processes. Therefore, the challenge for SMTEs is to realise the full potential of eLearning as a driver to increasing productivity, performance and profit, by making it an integral part of their strategy and operations. The ability of SMTEs to embrace eLearning can become crucial determinants of success and improve the competitiveness of SMTEs and point the way to an era of unprecedented growth and opportunity in the digital economy.

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