# Unit 1: The Hospitality Industry

**Unit code:** F/601/0430

**QCF Level 3:** BTEC National

**Credit value:** 10

**Guided learning hours:** 60

## Aim and purpose

The aim of this unit is to enable learners to gain knowledge and understanding of the hospitality industry, the classification systems and standards used and the organisation and structure of hospitality businesses.

## Unit introduction

Knowledge that learners gain from this unit will be relevant to all units in this qualification. Learners will develop an overview of the importance of the hospitality industry within the economy in terms of its scale and diversity. They will investigate the hospitality industry, and develop an understanding of businesses that provide accommodation, catering and related services. Learners will explore the diverse types of ownership, products and services offered, as well as customer types, and will develop an understanding of trends within the industry.

Learners will also find out about the range of national and international classification systems of food and beverage and accommodation providers, and the standards required to achieve specific levels within these systems.

The unit gives learners an opportunity to explore the internal structure of hospitality businesses. They will learn about the operational areas, the staffing structures, hierarchies and job roles that exist within the various parts.

Learners will look at the range of functions that hospitality organisations use in order to support the business and provide opportunities for growth. This includes human resources, finance, marketing and customer services. The unit gives learners an overview of the roles of these support functions, and provides a firm foundation for more detailed study of these areas in other units.

## Learning outcomes

**On completion of this unit a learner should:**

1    Understand the scale and diversity of the hospitality industry

2    Understand the classification systems and their standards

3    Know the organisation and structure of hospitality businesses

4    Know the purpose of support functions in hospitality businesses.

# Unit content

## 1 Understand the scale and diversity of the hospitality industry

*Scale*: size of industry; turnover; number of businesses; number employed in industry; economic value of industry; turnover; purchasing power

*Diversity*: products and services eg food, drink, accommodation, conference and banqueting, leisure facilities; types of business; ownership eg owner-manager, partnership, private/public limited company, local/multinational; levels of service; customer types and requirements; current trends eg vegetarian menus, organic food, website reservations

*Hospitality industry businesses*: hotels eg budget, one star; restaurants eg fast food businesses, fine dining; pubs, bars and nightclubs; contract food service providers eg education, healthcare; hospitality services eg retail, education, Government and local authority provision; membership clubs eg professional or employment association clubs, sporting clubs; events eg music events, meetings and conferences

## 2 Understand the classification systems and their standards

*Classification systems*: purpose; focus; different types eg AA, Michelin, Tourist Board, Egon Ronay, Gault Millau

*Classification standards*: types eg food and beverage, accommodation service, facilities; national standards; international standards; recommendations for additional criteria

## 3 Know the organisation and structure of hospitality businesses

*Organisation*: operational areas eg food preparation, food and beverage services, accommodation services, front-of-house services

*Structures*: hierarchy; number of employees; profile of employees (age, gender); roles eg management, supervisor, craft operative; responsibilities of different staff eg operatives, supervisors, managers; career and employment opportunities

## 4 Know the purpose of support functions in hospitality businesses

*Finance*: purpose eg achieving profit levels, pricing, budgeting

*Customer services*: purpose eg meeting customer expectations, dealing with complaints

*Marketing*: purpose eg developing products and services, researching the competition, market analysis

*Human resources*: purpose eg planning, training, recruitment, appraisal, equal opportunities

# Assessment and grading criteria

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the learning outcomes for the unit. The assessment criteria for a pass grade describe the level of achievement required to pass this unit.

| Assessment and grading criteria | | |
|---|---|---|
| To achieve a pass grade the evidence must show that the learner is able to: | To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to: | To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to: |
| **P1** explain the scale and diversity of the hospitality industry [IE 4] | **M1** analyse the structure and organisation of different hospitality businesses, showing links with the scale and diversity of the industry | **D1** evaluate the extent to which the scale of hospitality businesses affects the diversity of products and services offered |
| **P2** explain classification systems and standards used in the hospitality industry [IE 4] | **M2** analyse the use of classification systems, using appropriate examples | |
| **P3** describe the organisation and structure of hospitality businesses [IE 2, 4]  **P4** describe how different support functions are used to support the operation of hospitality businesses. [IE 3] | **M3** compare support functions in different hospitality businesses. | **D2** evaluate the effectiveness of a support function within a hospitality business, making recommendations for improvement. |

**PLTS**: This summary references where applicable, in the square brackets, the elements of the personal, learning and thinking skills applicable in the pass criteria. It identifies opportunities for learners to demonstrate effective application of the referenced elements of the skills.

| Key | IE – independent enquirers | RL – reflective learners | SM – self-managers |
|---|---|---|---|
| | CT – creative thinkers | TW – team workers | EP – effective participators |

# Essential guidance for tutors

## Delivery

As an introductory unit to the qualification, this unit may be learners' first experience of the hospitality industry and so the early stages of delivery may require extended guidance and support. Good links with industry are essential to ensure the effective delivery of this unit. Visits to businesses in the industry will add realism and vocational relevance, enabling learners to experience at first hand the scope of products and services provided by the businesses. Visits will also help learners appreciate the quality and standard of provision, which will be important to their interpretation of classification systems, and give learners the opportunity to compare the facilities, products and services provided by a range of hospitality businesses.

Visiting speakers, or talks from previous learners who are now working in the industry, could be a useful alternative if visits to particular types of business are difficult. These activities can be supported with video clips of documentaries or fictional situations to add detail for discussion purposes.

Organisation structure should reflect a wide range of businesses, from small to medium-sized enterprises (SMEs), which are often owner-managed, to large national and multi-national corporations. This is a useful stage to reinforce the international aspects of the hospitality industry. As well as exposure to international businesses, learners should develop an awareness of the career opportunities available to them. Current trends in the trade press are to highlight the extensive range of international job and career opportunities available.

Tutors should be aware of developing trends in the hospitality industry and should ensure that learners understand both the nature of the trends being explored and the impact of trends in general on hospitality operations. TV programmes and magazine and newspaper articles might support the investigation of industry trends and the scale of the hospitality industry.

Professionalism in the hospitality industry is vital, both to the success of the hospitality business and to the learner's career. Employers will expect recruits to show a professional attitude to their work, to themselves, and to their colleagues, customers and employers. Tutors must reinforce the importance of maintaining the right professional attitude, in terms of personal, social and technical skills and in safe and hygienic working practices when working and communicating with others.

Delivery of this unit will need to be supported through direct teaching. This will involve resource support, for example publications containing key facts and figures about the size and profile of the industry and copies of published classification systems from, for example, the AA or Visit Britain. The delivery of the unit may require learners to develop research skills. This would need to focus on sources of information, collating, selecting and analysing information.

# Outline learning plan

The outline learning plan has been included in this unit as guidance and can be used in conjunction with the programme of suggested assignments.

The outline learning plan demonstrates one way in planning the delivery and assessment of this unit.

| Topic and suggested assignments/activities and/assessment |
|---|
| Introduction to the unit and the programme of learning. |
| Group discussion about the hospitality industry and types of businesses within it. Tutor explanation of key terms. |
| Visits to hospitality businesses and observation of levels of service – follow-up poster showing different types of products and services offered by the businesses. |
| Learners interview a member of staff from their own institution on customer types and requirements. |
| Visits to hospitality businesses to find out about ownership. |
| **Assignment 1 – The Scale and Diversity of the Hospitality Industry (P1, M1, D1)** |
| Learners produce a booklet to raise awareness about the hospitality industry based on visit. |
| Learners interview a small scale employer to find out about their classification system and their standards. |
| Learners interview an SME or large national or multi-national employer to find out about their classification system and their standards. |
| Learners compare national and international classification standards and systems. |
| Pair work based on a simulated small business receiving their classification – learners research the different classification systems, produce standards and propose recommendations for additional criteria. |
| **Assignment 2 – Classification Systems and their Standards (P2, M2)** |
| Learners produce a booklet raising awareness about the classification systems and their standards based on visit. |
| Learners visit small scale business and find out about its organisation and structure, plus follow-up discussion. |
| Learners interview an SME or large national or multi-national employer to find out about the structure and organisation of their operations. |
| **Assignment 3 – Organisation and Structure of Hospitality Businesses (P3)** |
| Based on visit, learners report on the organisation and structure of different hospitality businesses. |
| **Assignment 4 – Support Functions in Hospitality Businesses (P4, M3, D2)** |
| Based on chosen businesses, learners investigate support functions used to support the operation of different hospitality businesses and make recommendations for improvement. |
| Tutorial support and feedback. |
| Self-initiated learning time. |

## Assessment

This unit provides the opportunity for research into a range of hospitality businesses, and visits to a range of hospitality businesses are recommended.

Where work is carried out in groups, each learner needs to provide evidence for all the grading criteria claimed. This may take the form of an observation or witness statement detailing the criteria and how they were met.

The sub-headings in this section mirror the funnelling opportunities in the grading grid. They suggest how assessment can be grouped to allow learners to progress to the higher grades; however, they are not prescriptive.

### P1 – M1 – D1

To achieve P1, learners must identify the following types of hospitality business: one hotel and whether it is budget or has a brand attached to it and the star rating if any, one restaurant, one pub, bar or nightclub, one contract food service provider, one hospitality service, one membership club and one events business. The explanation for each business within the hospitality industry should include its size and scale. Learners should provide evidence which links the type of business to its facilities, products and services. Evidence could take the form of a report and should use examples from the hospitality industry at national level.

For M1, learners need to analyse the links between the size and style of hospitality businesses and their structures and organisations. Learners should explain, through comparison of products and services, why small, independently-owned businesses are operated in a different way to large, branded operations.

To achieve D1, learners need to develop evidence provided in M1, for example by showing an understanding of how the scale of a hospitality business affects its ability to expand its products and services. Learners should provide evidence which explains why the industry is made up of many thousands of independent small businesses but dominated by a few large operators.

### P2 – M2

P2 evidence should show that learners can explain the key classification systems used in the hospitality industry to classify both accommodation and food, and can understand the purpose of these systems. Learners should show an understanding of the symbols used by organisations, eg AA stars.

For M2, learners need to analyse the classification systems, standards and criteria used by awarding organisations. Learners should compare national and international standards and systems. Learners should provide evidence which shows how customers use the different classification systems, and analyse the use and value of two systems, eg AA and Michelin.

### P3 – P4 – M3 – D2

For P3, learners need to describe the internal organisation of at least three different hospitality businesses, including staffing and departmental structures. Learners may produce evidence such as organisational charts for departments of large accommodation providers, or management structures for licensed retail brands. Evidence for this criterion should also include reference to internal and external factors which affect the structure of chosen businesses.

P4 evidence should show learners' knowledge of how marketing, HR, customer services and financial control support the core activities of accommodation and food and beverage services. Learners need to identify the ways in which these functions help two businesses control their operations and improve performance. The two businesses should be similar in terms of their target markets, eg a branded restaurant and a popular pub chain.

M3 evidence needs to show more detailed understanding of the supporting functions in hospitality businesses, with learners describing how specific activities contribute to the success of a business. This should focus on the same businesses described in P4, but this time learners are required to compare the relative strengths of support functions between the two businesses. This could concentrate on just one of the support functions, eg customer services or marketing, or it could include more than one.

For D2, learners need to evaluate the effectiveness of a supporting function in a hospitality business and make realistic recommendations for improvement. Learners could focus on one support function within one of the businesses covered in M3, but the recommendations should provide a clear rationale and show an awareness of the implications of making changes. For example, additional staffing might improve customer satisfaction, but the increased costs might make this option unrealistic.

### Programme of suggested assignments

The table below shows a programme of suggested assignments that cover the pass, merit and distinction criteria in the assessment and grading grid. This is for guidance and it is recommended that centres either write their own assignments or adapt any Edexcel assignments to meet local needs and resources.

| Criteria covered | Assignment title | Scenario | Assessment method |
|---|---|---|---|
| P1, M1, D1 | The Scale and Diversity of the Hospitality Industry | Learners take on the role of internal communications assistant and are asked to produce a booklet raising awareness of the hospitality industry. | Learners produce a booklet or other material for use with new staff. |
| P2, M2 | Classification Systems and their Standards | Learners continue in the role of internal communications assistant and prepare more materials for use with new staff. | Learners produce material in suitable format – booklet, posters or presentation materials. |
| P3 | Organisation and Structure of Hospitality Businesses | Learners continue in the role of internal communications assistant and prepare more materials for use with new staff. | Learners produce material in suitable format – booklet, posters or presentation materials. |
| P4, M3, D2 | Support Functions in Hospitality Businesses | Learners investigate support functions used to support the operation of different hospitality businesses. | Learners produce material in suitable format – booklet, posters or presentation materials. |

## Links to National Occupational Standards, other BTEC units, other BTEC qualifications and other relevant units and qualifications

This unit forms part of the *BTEC Hospitality* suite. This unit has particular links with the following unit titles in the Hospitality suite:

| Level 2 | Level 3 |
|---|---|
| Investigate the Catering and Hospitality Industry | All units within this qualification |
| Products, Services and Support in the Hospitality Industry | |

## Essential resources

Learners will benefit from visits to and speakers from local hospitality businesses and national and local tourist offices. Learners should have access to the internet and in particular websites relating to careers services, such as Connexions Direct, and leading hospitality companies.

## Employer engagement and vocational contexts

Visits to various local hospitality businesses are integral to the effective delivery of this unit. The visits need to be planned carefully to ensure that at least one business from each industry within the hospitality industry is visited. Learners will then be able to compare and contrast hospitality operations in different businesses. While undertaking visits, learners may benefit from 'in house' presentations by industry staff and such material could be used to support the development of assignment activities throughout this and other units. Visiting speakers from at least one hospitality quality standards organisations, such as the AA, would provide learners with a clear insight into the process and benefits of achieving such recognition.

## Indicative reading for learners

### Textbooks

Brymer R – *Hospitality: An Introduction, 13th Edition* (Kendall Hunt, 2009) ISBN 9780757552687

Jones P – *An Introduction to Hospitality, 2nd Edition* (Thomson Learning, 2002) ISBN 9780826460776

### Journals

*Caterer and Hotelkeeper* – Reed Business Information

*Green Hotelier* – International Tourism Partnership

*Hospitality* – Institute of Hospitality

*Hospitality Matters* – British Hospitality Association

*Hospitality Yearbook* – Institute of Hospitality

### Reports

*Food and Service Management Survey* – British Hospitality Association

*Labour Market Review* – People 1st

*Trends and Developments* – British Hospitality Association

**Websites**

| | |
|---|---|
| www.bha.org.uk | British Hospitality Association |
| www.caterersearch.com | Caterersearch – Hospitality news |
| www.catersource.com | Catersource – Education, products and news for caterers |
| www.connexions-direct.com | Connexions Direct – Information and advice for young people |
| www.greenhotelier.org | Greenhotelier – Practical solutions for responsible tourism |
| www.historic-uk.com/StayUK/ratings-explained.htm | The Heritage of Britain Accommodation Guide |
| www.instituteofhospitality.org | Institute of Hospitality – Professional body for hospitality, leisure and tourism industries |
| www.michelinguide.com/us/ratings.html | Michelin Guide – ratings information |
| www.people1st.co.uk | People 1st – Sector Skills Council for Hospitality, Leisure, Travel and Tourism |
| www.visitbritain.com | VisitBritain – Official UK Travel and Accommodation Guide |

## Delivery of personal, learning and thinking skills

The table below identifies the opportunities for personal, learning and thinking skills (PLTS) that have been included within the pass assessment criteria of this unit.

| Skill | When learners are … |
|---|---|
| **Independent enquirers** | P1 explaining the scale and diversity of the hospitality industry [IE 4] |
| | P2 explaining classification systems and standards used in the hospitality industry [IE 4] |
| | P3 describing the organisation and structure of hospitality businesses [IE 2, 4] |
| | P4 describing how different support functions are used to support the operation of two hospitality businesses [IE 3]. |

Although PLTS are identified within this unit as an inherent part of the assessment criteria, there are further opportunities to develop a range of PLTS through various approaches to teaching and learning.

| Skill | When learners are … |
|---|---|
| **Independent enquirers** | identifying questions to answer on the structure and organisation of different hospitality businesses [IE 1] |
| | supporting conclusions, using reasoned arguments and evidence [IE 6] |
| **Creative thinkers** | generating ideas and exploring possibilities on how a supporting function in a hospitality business could be improved [CT 1] |
| | asking questions when visiting hospitality businesses [CT 1] |
| **Self-managers** | organising time and resources, prioritising actions to manage assessment activities [SM 3]. |

## Functional Skills – Level 2

| Skill | When learners are … |
|---|---|
| **ICT – Use ICT systems** | |
| Select, interact with and use ICT systems independently for a complex task to meet a variety of needs | |
| Use ICT to effectively plan work and evaluate the effectiveness of the ICT system they have used | |
| Manage information storage to enable efficient retrieval | |
| Follow and understand the need for safety and security practices | |
| Troubleshoot | |
| **ICT – Find and select information** | |
| Select and use a variety of sources of information independently for a complex task | researching the hospitality industry |
| Access, search for, select and use ICT-based information and evaluate its fitness for purpose | researching the hospitality industry |
| **ICT – Develop, present and communicate information** | |
| Enter, develop and format information independently to suit its meaning and purpose including:<br>• text and tables<br>• images<br>• numbers<br>• records | explaining the scale and diversity of the hospitality industry<br><br>explaining classification systems and standards used in the hospitality industry<br><br>describing the organisation and structure of hospitality businesses<br><br>describing how different support functions are used to support the operation of two hospitality businesses |
| Bring together information to suit content and purpose | explaining the scale and diversity of the hospitality industry |
| Present information in ways that are fit for purpose and audience | explaining the scale and diversity of the hospitality industry |
| Evaluate the selection and use of ICT tools and facilities used to present information | |
| Select and use ICT to communicate and exchange information safely, responsibly and effectively including storage of messages and contact lists | |

| Skill | When learners are ... |
|---|---|
| **Mathematics** | |
| Understand routine and non-routine problems in a wide range of familiar and unfamiliar contexts and situations | |
| Identify the situation or problem and the mathematical methods needed to tackle it | |
| Select and apply a range of skills to find solutions | |
| Use appropriate checking procedures and evaluate their effectiveness at each stage | |
| Interpret and communicate solutions to practical problems in familiar and unfamiliar routine contexts and situations | |
| Draw conclusions and provide mathematical justifications | |
| **English** | |
| Speaking and listening – make a range of contributions to discussions and make effective presentations in a wide range of contexts | explaining the scale and diversity of the hospitality industry<br><br>explaining classification systems and standards used in the hospitality industry<br><br>describing the organisation and structure of hospitality businesses<br><br>describing how different support functions are used to support the operation of two hospitality businesses |
| Reading – compare, select, read and understand texts and use them to gather information, ideas, arguments and opinions | explaining the scale and diversity of the hospitality industry |
| Writing – write documents, including extended writing pieces, communicating information, ideas and opinions, effectively and persuasively | explaining the scale and diversity of the hospitality industry. |