

**Family hotel businesses:
Strategic planning and the need for education and training**

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Abstract: Small businesses dominate the tourism and hospitality industry worldwide and are of critical importance for the competitiveness of destinations. Small/family hotel businesses are characterised by a number of specific business processes which generate particular training and educational needs. It is increasingly clear that small businesses are not miniature versions of larger ones, but they have different structures, priorities and strategic objectives. This paper investigates a number of management areas, such as: planning, strategy development and behaviour in these enterprises, to determine skill and competency gaps. A survey of small family hotel businesses in Austria was carried out in 2003. Performance, growth and internal management procedures were assessed to analyse problem areas and to identify the lacking skills in the tourism industry. The results demonstrate areas of tourism training and education for family hotel businesses.

Keywords: tourism family business, planning processes, training and education in tourism, hotel enterprises.

Introduction

Family businesses display a relatively low growth rate, compared to non-family firms. They often face typical management and growth problems which call for specific training areas such as succession or conflict management issues (Duh, 2000; Ibrahim et al., 2003). Furthermore, family firms have particular priorities and structures that often reflect the lifestyle of the family wants to follow rather than rational business principles. Other crucial training areas, such as the creation of business plans and strategic development have been neglected in the past although they are largely responsible for the performance and growth of an enterprise (Aram and Cowen, 1990; Astrachan and Kolenko, 1994). As the tourism industry is dominated by small and medium sized family enterprises, it serves as an example to investigate management processes and behavioural patterns of family entrepreneurs. In 2003, a survey was conducted in North Tyrol's hotel industry (Austria) to investigate how small family tourism businesses organise their planning and how (or if at all) they develop goals and strategies for their businesses. Secondly, the research also investigated how the style of the planning process does influence the growth or success of a tourism family business. Thirdly, the main problems associated with the management of small family hotel businesses (FHB) were assessed. This paper focuses on the needs of the fragmented tourism industry for training and education, and concludes with a number of core areas for vocational education and training for family businesses.

Advantages and disadvantages of family businesses

Recent literature provided a series of contributions to the field of family business management. The discussion of these contributions leads to a number of hypotheses which were tested in the empirical part of the paper. Family businesses definitions focus around variables such as ownership participation or risk assumption. Broader definitions also include social aspects of entrepreneurial life. Wherever family systems strongly interact with the entrepreneurial level of the enterprise system, the enterprise shows a family business character. This implies that the development of a family business depends on three factors, namely: the entrepreneurs' family, ownership, and enterprise system (Gersick et al., 1997). This paper adopts the Upton, Teal, Felan's definition (2002, p.72). They characterise family businesses as "businesses where the family ownership or control does have a significant influence on the decision making processes in an enterprise". Evidently, the relationship between the firm and the family does create a special entrepreneurial culture and philosophy as well as business processes which are unique to family businesses (Hammer and Hinterhuber, 1994). A number of advantages and disadvantages are therefore emerging particularly for family businesses, regarding their market performance and management and they reflect their unique character. The social sciences literature reports the following advantages:

1. Personal relationship with enterprise stakeholders: For small enterprises, establishing personal relationships with customers and employees can be a main source of competitive differentiation. The business dealings of small owner managers are often not based on contracts but on personal relationships. This implies loyalty, personal service, understanding in difficult service encounter situations and potential personalisation of services and products leading to competitive advantages which are difficult to imitate. However, personal relations can also be a burden for the entrepreneur (for instance if incapable family members play an active role in the family enterprise) or a supplier provides unsuitable raw material (Meissner, 1994; Morrison et al., 1999; Steinle et al., 2002).
2. Market niche advantages: Technological developments, especially in the tourism industry, market liberalisation, as well as globalisation (which promote relatively homogenous products) open up new opportunities for small and medium sized

enterprises. Market niches, which often have to be ignored by global and/or big enterprises, offer growth chances for small family businesses. Small local businesses can easily identify lead customers' wishes and should be able to tailor new niche products for potential future customer segments (Frehse and Peters, 2002).

3. Flexibility and reaction: Due to the typically flat hierarchy in family businesses, management can decide quickly and react immediately to market changes (e.g. in terms of customer demand or competitive actions) (Ittner and Larcker, 1996). They can adapt their product on the spot to meet demand requirements.
4. Flexible labour force: Often family members are much more flexible in their work arrangements and adopt their lifestyle to the needs of the business. This is particularly important for hospitality businesses that have a high degree of seasonality and also require different efforts at different times of the day. For example mornings are particularly busy for family hotels which need to serve breakfasts, arrange check outs and payments for departing guests and clean room almost simultaneously. It is getting busy later in the afternoon when new guests arrive and perhaps the hotel operates a restaurants or bar. Unless staff are flexible to work unsociable hours and according to demand it will be difficult and uneconomical for the organisation to meet operational demands. In addition, family members are flexible with payments and often share what financial resources are available on the longer term, rather than demand monthly payments and payment when the cash flow of the organisation cannot support it. Finally, it is not unusual for family members to offer unpaid work to support the family in busy periods whilst they have a different profession and paid employment.
5. Continuity. Particularly in Europe the reputation of family businesses that have been operating for many years is, in the eyes of the customer, a criterion for buying (credible) goods or services. The continuity of family businesses and their presence in the market place are perceived to constitute strong social values (Peters, 2001).

Family businesses do also face a number of typical disadvantages and problems which receive heavy attention in the literature.

1. Informal business practice and lack of planning: small family businesses often have informal business practices and processes. Although this can be used to their

advantage through flexibility and ability to react fast, they often lack a systematic management approach. This effectively means lack of procedures which leads to variable performance and improvisation by family members, effecting both product standardisation and quality control. In addition, book-keeping, accounting and financial management are often inaccurate leading to potential revenue loss, lack of statistics for rational decision making and miscalculation of critical performance indicators, such as return on investment, variable cost and pricing structures.

2. Marketing and market research, training and qualification deficits: The management functions of strategy development, marketing and quality management and technology adaptation are often core deficiencies for small hospitality businesses (Buhalis, 1994; Buhalis and Main, 1998). At the operative level, a study conducted in the Austrian hotel industry in 1999 found severe qualification gaps in the area of human resource management (Weiermair, 2000; Weiermair et al., 1999). Most family businesses have limited marketing skills and fail to employ suitable professionals to ensure that their products are marketed appropriately. Their budgets are limited for any kind of marketing campaign and thus they find difficult to reach their markets. This is particularly evident in tourism and hospitality where clientele often resides in a different country, speaks different languages and is bombarded by international brands for its custom. As a result, family hotels depend on intermediaries such as tour operators to reach potential clients (Buhalis, 1994; Buhalis and Cooper, 1998).
3. Financing: While large organisations act as anonymous and autonomous market suppliers, family businesses provide income for a whole family. Family enterprises are seen as heritage for following generations. Thus, family entrepreneurs are reluctant to foreign investors, which deprives them from capital investments (Bornett and Neubauer, 1985; Hennerkes, 1998).
4. Human resources and family employees: Family members whose labour market value is poor cannot easily be made redundant. Family relationships often therefore determine business practices. Family entrepreneurs expect family members to have a high motivation and commitment to the business. Motivation

systems or performance oriented incentive systems are thus not installed. Furthermore, it is not easy for small family businesses to attract and to finance qualified personnel from the labour market, as they often find it strange to interfere with family structures (Tan and Zutshi, 2001; Terberger, 1998).

Methodology and hypotheses

A survey on small family businesses in the hotel industry was carried out in the States of Salzburg and Northern Tyrol (Austria). The survey analyses the management behaviour in small-sized family hotel businesses (FHB) and identifies education and training requirements that can contribute to their competitiveness. Having the characteristics of family businesses in mind the following hypotheses can be formulated in order to derive implications for education and training in the tourism industry:

Research Hypotheses

H1: The degree of formalisation of planning processes in small FHB positively correlates with the success or growth of the business: Entrepreneurship has always played a critical role in tourism. In some European countries accommodation and food is the branch of economic activity with the largest number of independent workers. From all apprenticeship schooling programs, among those specialising in accommodation and food related businesses the largest percentage number of graduates usually goes into forming their own businesses and/or taking it over from their parents (Tschurtschenthaler, 1998). Thus, entrepreneurial education and training is a challengeable task for tourism policy where growth and success supporting skills should be transferred. The first hypothesis focuses on the relevance of planning for success and growth of the hotel businesses, as stated for family businesses in other industries in the social sciences literature (Brown, 1995; Hillidge, 1990; Knight, 1993).

H2: The size of the FHB positively influences the quality of planning processes: In small businesses, time constraints can be seen as severe growth inhibiting factors, beside the level of education and in particular managerial competencies (Morrison et al., 2003). Due to the inefficient firm size, entrepreneurs have to face an enormous amount of operative work load and continuous “fire-fighting”. Thus, they do not find the time to develop plans for the future (Beyer et al., 2003; Tschurtschenthaler, 2004, p.41).

H3: *The overall satisfaction of the entrepreneur in small FHBs with his/her profession strongly depends upon the quality of interaction between family and business system:* As these systems are heavily linked and accompanied with conflicts, e.g. between financial business development vs. family living standard; business leadership style vs. family coordination; self-realization of (risk oriented) entrepreneurs vs. family safeguarding. There should be therefore a positive correlation between the entrepreneur's satisfaction and his/her satisfaction with interrelations between family and business system (Ibrahim/Ellis, 2003).

H4: *Growth and success of small FHB are positively correlated with the entrepreneurs' willingness to cooperate with partners in the industry:* Family entrepreneurs are known as defending their family-owned business against family outsiders and to maintain the enterprise as a heritage for the succeeding kids (Peters, 2004).

H5: *In Small FHB the entrepreneur dominates innovation processes:* Especially in service industries, the overlap of family and family business systems is obvious as in the service delivery process the family is seen as a core differentiator in the market (Ibrahim et al., 2003; Reisinger, 2001). The owner/manager or entrepreneur is the dominant factor in the process of developing new ideas and should be seen as a main target segment for training and education in the small-sized structured hospitality industry (Li et al., 2003; Tschurtschenthaler, 2004).

Research design and execution

From June to August 2003, 240 family businesses in two Austrian tourism destinations were randomly selected from a tourism destination brochure listing all the hotels in these areas. Only hotels (>30 beds) and restaurants (full time businesses) that were family owned were included in the survey. A qualitative interview was carried out with 4 hoteliers to identify critical management areas of family hotel businesses. A three page questionnaire was then developed and tested with a pilot sample of 4 hoteliers. The majority of variables were closed questions, and most of the answer options were five point Likert-scaled attributes. 240 questionnaires were personally distributed in the two destinations and collected several days later. A total of 156 questionnaires (65%) could be used for statistical analysis. The sample consists of hotels with an average capacity of 72.3 beds spread across a range of 30-150 beds, as shown in Table 1. A total of 105 firms have been operating for more than ten years.

Table 1 Categories of bed capacity of the survey sample

Bed capacity	Percent
< 30	19.4%
31-60	35.7%
61-100	26.4%
> 100	18.5%

The Austrian Hotels Association classifies accommodation businesses with a five star ranking. A total of 112 properties covered by this study were classified as hotels, of which 7.1% were two-star, 63.4% three-stars, and 30% four- or five-star hotels. The questionnaire was only completed by family members who are either entrepreneurs or main decision makers within the enterprise. There were a number of statements in the questionnaire based on a five-point Likert scale which display management areas, such as employee management, co-operation management and strategic planning in the family business. In addition, the overall data about the attributes of the hotel and demographic characteristics of the respondents were collected. K-means cluster analysis was used to separate significantly differing planning procedures. Descriptive analysis and contingency tests were used to test the above formulated hypotheses.

Results

Family business managers were asked to indicate advantages and disadvantages of family enterprises (see table 2). The results are in line with the social sciences literature. One third of all respondents perceived a higher work motivation as a main advantage and 20% of the respondents see personalisation of services as a major advantage of being a family business.

Table 2 Advantages and disadvantages of a family firm in the eyes of the entrepreneur

Advantages of a family firm (in % of responses)	
Higher motivation to work	33.3%
Products/services are personalised for the customer	19.1%
Family firms have a convenient, manageable size	15.4%
Flexibility	14.8%
Independence of the business	10.5%
Saving labour cost/wages	6.8%
Disadvantages of a family firm (in % of responses)	
Higher work load in a family business	49.5%
Conflict within the family and/or generations	20.2%
No separation between private and professional life	10.1%
Rigid traditions	9.2%
Small firm size	7.3%
Family liability and guarantee for the firm capital	3.7%

More interesting in terms of identifying training needs are the perceived disadvantages of a family business: Half of the sample thinks that entrepreneurs have to invest more work and

time when the enterprise is a family business. In addition, 20.2% of the entrepreneurs indicate conflicts within the family or between family generations as a severe disadvantage of family businesses. This is particularly evident in innovative issues such as IT, marketing and product development where typically younger members of the family push for change. Furthermore, 10% of the family business entrepreneurs perceive the interaction between the family and the family business system as a core disadvantage in their enterprises.

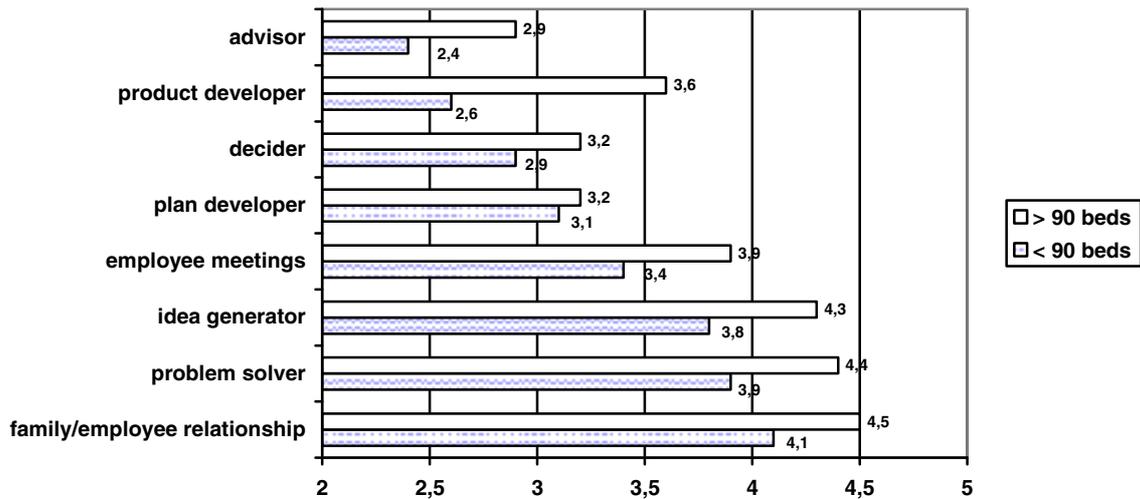
In the qualitative pilot test several key areas of family business management could be identified as critical for their performance, including human resource management, cooperation management, and strategy planning. In addition the influence of the family business system on the entrepreneurs' job satisfaction was also identified as a key factor.

Human resource management: the family business entrepreneurs had to answer eight questions which displayed the degree of employee integration into the family business management. The evaluating statements were:

1. We have installed regularly *employee meetings*
2. Employee meetings are useful to solve problems in the firm (*problem solver*)
3. Employees are helping in developing new ideas. (*idea generator*)
4. Employees can contribute their opinion for management decisions of family members. (*decider*)
5. Employees help developing plans within the firm. (*plan developer*)
6. Employees can give their advice to the family business management. (*advisor*)
7. Employees are helping to develop new products. (*product developer*)
8. The firm development is strongly influenced by the cooperation between core employees and family business members. (*family/employee relationship*)

Figure 1 shows the evaluation of these statements by two size categories of hotels. There are strong differences between the two size groups of hotels. The bigger the hotel the higher the integration of employees into core management processes of the family business ($p < .05$). This is probably because larger properties have to employ more staff and better qualified professionals such as chefs or accountants, who do often support the decision making process.

Figure 1 Employee integration of hotel with more and less than 90 beds

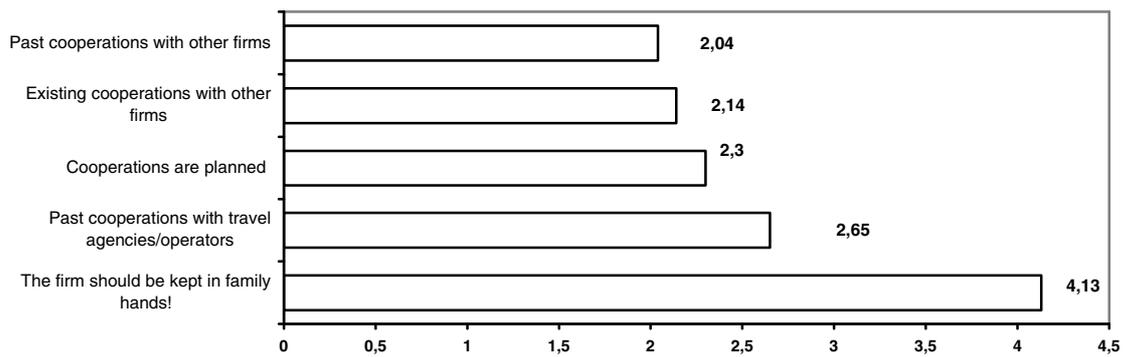


Note: 1=absolutely no, 5=absolutely yes

Interestingly, the advisor and decider roles achieved low scores demonstrating that families keep those roles for themselves and often fail to consult with staff or to delegate decision making. Family businesses show a high interest in integrating core employees and establish long term collaboration. The bigger the business (measured in bed capacity), the more time and money are going to be invested in the training of firm employees. Those hotels which display strong profit increases within the last 5 years stated a higher willingness to offer resources for internal or external employee training and education ($p < .05$).

Cooperation: As the sample consisted of small enterprises it was of special interest if family businesses are willing to cooperate and how their cooperation behaviour influences the success of the enterprises. In doing so, the entrepreneurs evaluated the statements summarised in Figure 2 regarding past, existing and planned cooperation.

Figure 2 Statements indicating the openness for cooperation of family businesses



Note: five-point Likert scale, 1='absolutely no' to 5='absolutely yes'

The average evaluation of existing, past or planned cooperation with other firms is generally quite low. Family businesses want to have control over their business and to keep the ownership in the hands of the family members (mean value = 4.13). It is not surprising that the size of a family business is positively related to the entrepreneurs' willingness to cooperate with other enterprises ($p=.01$). However, the relationship between willingness to cooperate and the success of the enterprises in the sample should be examined. Although, these results do not surprise experienced researchers, it is still the case that family hotels still do not understand their need to collaborate with other firms and to establish long term partnerships with suppliers of raw material, professionals that can undertake some core business functions such as accounting, legal representation, IT support, recruitment as well as marketing and public relationships (Buhalis, 1999). They also need strong collaboration with online and offline distributors such as travel agencies, tour operators, internet aggregators, and destination management organisations. Paradoxically, it is the larger firms that appreciate the needs for these partnerships. Smaller hotels should depend heavily on outsourcing and on developing a "co- destiny" with their key partners, since they lack expertise and resources to address these functions in-house. However, they often fail to appreciate the importance of partnerships. Hence, they miss the opportunity to develop a value system where each participant will support and strengthen their own competitiveness and the position of partners.

The data provides evidence for the assumption that those enterprises which actually cooperate with other enterprises do have significantly higher profit growth rates than the other enterprises in the sample ($p<.05$). In addition, the high-professional planners are significantly more open for future cooperation than those family businesses which can be labelled as low-professional planners ($p=.019$). Thus, H4 is an admissible hypothesis.

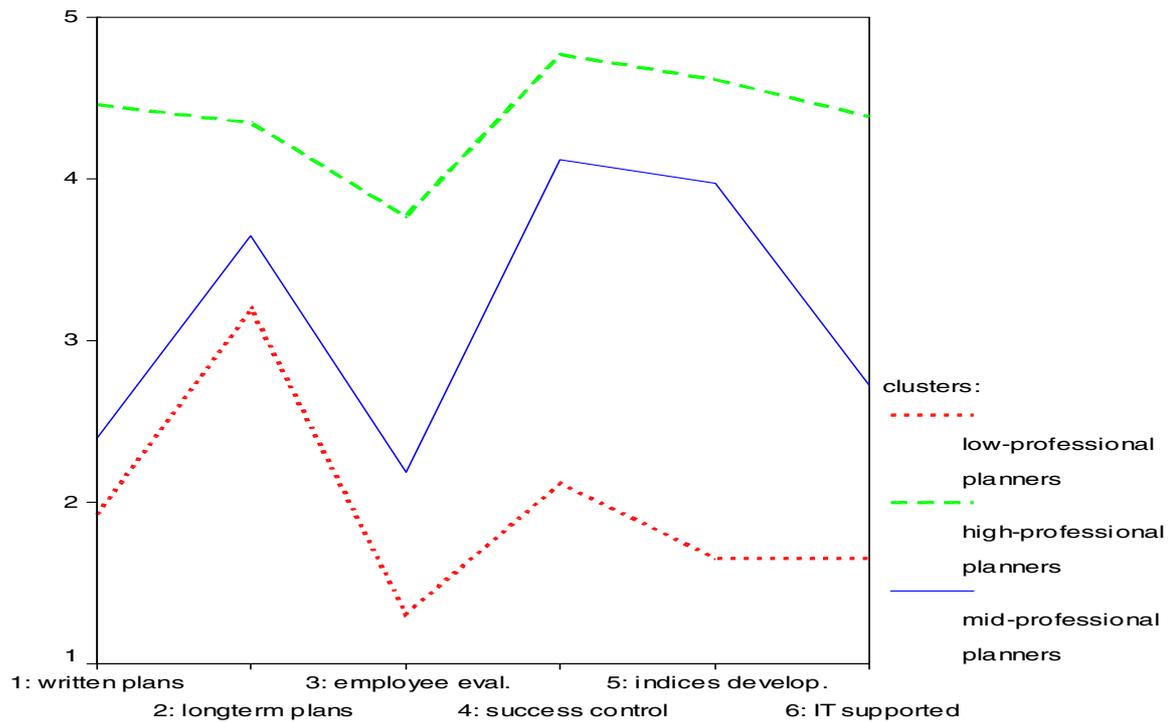
Strategy development and planning: A total of 107 enterprises replied that they do create plans for business development: 68.6% of these family businesses have a written plan, 31.4% never capture their future plans in writing. Comparing the average profit development within the last ten years it can be observed that the ‘enterprises with written plans’ show a better profit improvement than those enterprises which do not write down their future plans ($p < .05$).

Analysing all enterprises in the sample it becomes evident how professional the planning process in the family firm is. The following six statements describe the planning behaviour of the FHB:

1. We always write down our plans.
2. We develop a long term plan.
3. We use our business plan to evaluate our employee performance.
4. We use our business plan to control the success and growth development.
5. We develop internal enterprise indices.
6. Our business plans are IT supported and linked.

According to these statements it was possible to carry out a cluster analysis where it is tested if the sample consists of differing enterprise clusters which display a significantly different planning behaviour (k-means cluster analysis). From 95 answers about the professionalism of the planning process the following distribution can be derived: 27.4% are ‘high-professional planners’, 45.2% ‘mid-professional planners’ and 27.4% can be interpreted as ‘low-professional planners’.

Figure 3 Three clusters of family business planning (k-means cluster analysis)



(measured on a five-point Likert scale, 1='absolutely no' to 5='absolutely yes')

Comparing the growth rates of these three groups paints an interesting picture. There is a significant difference between those enterprises labelled low-‘professional planners’ and the two other cluster groups in terms of scale growth (measured as beds per hotel enterprise) ($p=.034$). Thus, H1 can be affirmed for this sample, although there is no significant difference between the mid and high-professional planners.

The three clusters show significant differences in all of the variables which express the quality of the planning behaviour shown in Figure 3 (chi-squares are all $<.01$). Not surprisingly, the high-professional planning enterprises have an average of 22 staff members and are significantly bigger than the low-professionals (average of seven employees). The so called ‘mid-professional planners’ employ around 14 staff members. Thus, H2 can be affirmed as the size of the FHB positively influences the quality of the planning processes of the observed enterprises. In addition, the ‘low-professional’ group displays a lower profit growth within the last ten years of enterprise development, than the high-professional family businesses ($p=.054$). Naturally, those enterprises which are more professional in developing strategic plans for their family business are more successful.

Entrepreneurial satisfaction: H3 postulates a strong relationship between the entrepreneurs' job satisfaction and the existence of planning processes in the firm. Planning is seen as entrepreneurial action which leads to controllable input/output relations and thus to a measurement of success or failure. The entrepreneurs were asked as to how satisfied they feel with their current profession. In addition, the satisfaction with entrepreneurial management areas, such as planning, product development and strategy orientation was assessed. Furthermore, their evaluation of the interaction and cooperation between the family system and the business system was examined as is it assumed it may strongly influence the overall satisfaction.

Table 2 Correlation between the satisfaction with the entrepreneurial profession and key management areas.

Satisfaction with		cooperation between family and business system.	planning processes.	strategic orientation of the enterprise.	development of new products and services.
the current profession as entrepreneur	Correlation	.411	.337	.342	.467
	sig 2-tail.	.000	.000	.000	.000

N = between 138 and 147. Satisfaction level was assessed by a five point Likert-scale 1=very satisfied, 5= totally unsatisfied

Table 2 shows the satisfaction statements which should be answered by the family entrepreneur on a five-point Likert scale (1=very satisfied, 5=totally unsatisfied). The correlation coefficients show positive relations between main management areas and the entrepreneurs' overall job satisfaction. Thus, it can be postulated that strong positive correlations exist between the quality of interaction of the two systems 'business' and 'family' and the satisfaction with the current profession in the family business ($r = +.411$). In addition, the overall job satisfaction is highly influenced by the possibility to change things in terms of developing new products or services in the enterprise. Thus, it can be assumed that the option for creativity is a crucial element of family entrepreneurship.

In a final step entrepreneurs were asked to indicate how and through whom new ideas or innovations emerge in their family businesses. Again, a number of statements which attempt to assess the innovation sources could be evaluated by the entrepreneur (Likert-scale from 1=absolutely no, 5=absolutely yes). As hypothesis 4 postulates, the entrepreneurs sees himself

(4.37) and his/her family (3.94) as the main driving force of innovation in the business. Interestingly enough, employees are not regarded as a main source of innovations (2.8). Nevertheless, those FHB which actively involve their employees in product development processes have been more successful in terms of profit and bed growth in the last five years ($p < .05$). The respondents also indicated customer wishes (4.12) and tourism fairs or vacations (3.1) are also important external impulses of ideas or potential innovations.

After stressing out the main survey findings we will discuss a number of implications and outlook for training and education measures for small FHBs.

Implications for Education and Training in Tourism Family Businesses

It is evident from the analysis that apart from a small percentage of businesses that are not interested for profitability, most entrepreneurs try hard to operate their businesses, keep the family together and plan for the future. However, it is evident that many are not qualified or trained to be able to manage their businesses professionally and achieve suitable results. In addition, many entrepreneurs are attracted in tourism for lifestyle rather profit/growth reasons. Therefore, the peculiarities of small FHB call for training programs which focus on succession issues and stakeholders' conflict management (Ibrahim et al., 2003). The results of this survey also underline additional training and education areas for FHB entrepreneurs and managing staff as well as employees.

The integration of employees into the enterprise development process in stakeholder roles as co-deciders, co-advisors, co-plan developers or co-idea generators was identified as a success factor for the growth of FHB. Nevertheless, family businesses remain reluctant in sharing their business or business decisions with employees in order to keep the business in family hands. Family members which lead the business have to learn how to handle, involve and lead (non-family) key employees. To do this, the concept of intrapreneurship which empowers employees to progressively develop the product/service according to the customer and entrepreneurs' needs (Honig, 2001) should be a main part on the agenda of FHB entrepreneurship training programs. Employees also need training to cope with family structures and to be able to develop arguments that can convince the family. Issues emerging from delegation and expansion/growth management should also be covered.

FHB are reluctant to cooperate with other industry firms or to delegate management tasks from the family system to the business system. Typically, only family members bear responsibility for strategic and operational management tasks. Again, human resource management and the management of transition should be core training areas for FHBs which are growth and profit oriented. The complexity of the tourism product also calls for the development of service management instruments which allow entrepreneurs to analyse complex service processes (e.g. flowcharting, blueprinting). Thus, the entrepreneur has to learn to write a script which serves the right service/product at the right time and location, in the right quantity, and quality (Brunner-Sperdin/Peters, 2004; Peters/Weiermair, 2000). A prerequisite for an optimal usage of these instruments is an effective human resource management process. However, if entrepreneurs are not willing to empower the front line personnel, it will not be possible to optimise service encounter processes (Fitzsimmons and Fitzsimmons, 2003). Instead of doing so, entrepreneurs are forced to act as front line personnel themselves, reducing their available time for strategic planning and development (Collins et al., 2003).

Innovation potential in hospitality and tourism enterprises mainly lies in the areas of service and product development, organisation, marketing and market research (Ullmann, 2000). The development of products or services is one of the key areas of training for FHB entrepreneurs. Together with the empowerment strategy they should learn how to plan the service delivery process instead of improvising the 'moment of truth' (Normann, 1996). Another training area to be improved is the management of cooperation. Family businesses often neglect the option of firm growth or product improvement through cooperation processes. They should be trained to explore the possibilities of increasing economies of scope and to extend their value system by collaborating with partners that can improve their organisational performance and market research. Training and education programs can transfer best practice approaches of former successful cooperations to promote cooperation and to motivate entrepreneurs to open their business for new forms of growth. For example IT based marketing through a comprehensive multi-channel strategy can support firm expansion or its global reach.

Finally, strategic planning is another success factor for growth. The high professional planning FHB is more successful and growth oriented. In addition, the entrepreneurs who face a clear planned enterprise future are more satisfied with their current position in the enterprise ($p < .05$). As the entrepreneurs' job satisfaction level strongly influences the growth of the

family enterprise, entrepreneurial programs should provide training units which focus on aspects of entrepreneurs' and family members' personal self realization. For both family and business system expectations, goals and strategies should be disclosed to maintain a transparent and controllable family business development.

Conclusion

From this research, it is possible to suggest, that important key areas of family business training are strategy development and planning; the management of cooperation and partnership; the development and conceptualization of new products or services; and the empowerment of employees within the tourism family business. As entrepreneurs are heavily involved in operational management they should learn to sometimes refrain from the daily business to refresh their thoughts and to perform some long-term business development.

Training programmes should therefore be developed to address the specific requirements of the family business. To facilitate learning and education, the family system should be (geographically) separated from the business system to maintain best training results. Understanding the benefits of "professionalisation" of family businesses, through comprehensive training will assist small and family hotels to identify their strategic competitive advantage and to develop their strategic plan towards achieving their full potential. This will support their competitiveness and will enable them to sustain or grow their business in the future.

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