





Swiss Agency for Development and Cooperation SDC

#### **SKILLS FOR TOURISM PROJECT • LAO/029**

## **IMPACT STORIES**

## **BUSINESS ASSOCIATION**

"Collaboration with the TVET school gives us the industry professionals that we need to grow our businesses"



Image: Somphan Sisourath, HGGV Group Head. Credit: Bart Verweij

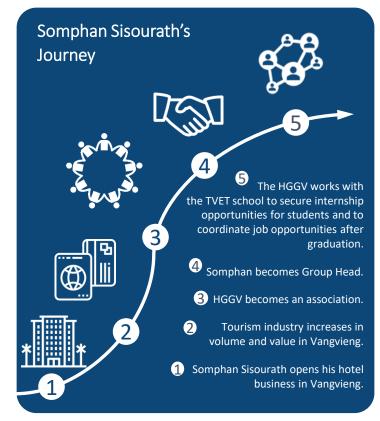
#### Somphan Sisourath, Hospitality Industry Group Head

Somphan Sisourath came to Vangvieng from Vientiane in 2001 and built his first hotel on the Nam Song River. In addition to running his business, in 2018, Somphan was instrumental in the creation of the Hotel and Guesthouse Group in Vangvieng (HGGV).

# "The HGGV's goal is to act as the unified voice of the hospitality sector in Vangvieng"

"It's a challenge because each member has their own ideas and motives," Somphan explains. Organising an association with 100+ passionate and determined members is not easy, but he feels it is a good problem to have.

Especially, he adds, as he remembers when the tourism industry had little communication between businesses. Somphan explains that as the sector developed and higher paying tourists began to visit the area they had to improve standards to satisfy them. Coordination within the hospitality industry was key to this.







He says representatives from the private sector came together and established the HGGV to improve quality and coordination in the hospitality industry.

Alongside the association's main role communicate and solve industry issues, HGGV also organises capacity building activities for members. As a business owner himself, Somphan knows the importance of skills development, "Vangvieng hospitality businesses are very competitive when it comes to achieving hospitality standards," he says.

HGGV strengthens the Vangvieng hospitality industry through directly up-skilling local businesses and supporting them with access to qualified labour.

He is very enthusiastic about the opportunity to run up-skilling courses under the PTHAS training programme. "Five members of the HGGV are now certified Industry Trainers," Somphan says proudly. Since 2018, HGGV has provided nine courses in food and beverage service, front office operation, and housekeeping to over 90 existing staff from 28 local businesses.

Also, the association has gone beyond up-skilling activities to work with the local vocational education college in preparing students for a career in hospitality. Somphan explains, "the association collaborates with the Technical College of Vientiane Province on student recruitment, coordinating internships, and job-matching activities" he explains.

"We do this because it benefits both the students and our members to access new trained staff. So really it's a community effort."

**RESULTS TO DATE: UPSKILLING OF MSME STAFF** 



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ຈັດໂດຍ: ກຸ່ມໂຮງແຮມ ແລະ ເຮືອນພັກ ເມືອງວັງວຽງ

Image: HGGV poster to advertise up-skilling training to local businesses



Image: PTHAS Job-matching event at Somphan's Hotel in Vangvieng. Credit: Swisscontact

### Pheun Than Heng A Sip (PTHAS) Training Programme





896 staff from 312 tourism and hospitality enterprises have received up-skilling training\*



147 Mio LAK (EUR 13,000) private sector investment\*\*



'Good' impact on staff performance confirmed by employers (average of 4.0/5)\*\*\*



98% of employers are micro or small enterprises<sup>+</sup>

In collaboration with the Skills for Tourism Project (LAO/029), Swisscontact implements the Pheun Than Heng A Sip (PTHAS) **Training Programme.** 

PTHAS seeks to upgrade hospitality skills amongst 500 MSME staff (upskilling) and support 500 more people from disadvantaged backgrounds to enter the tourism and hospitality sector (labour market insertion) in selected southern and central provinces.

The Skills for Tourism Project (LAO/029) is co-financed by the Governments of Lao PDR, the Grand Duchy of Luxembourg and Switzerland, and is implemented by the Ministry of Education and Sports of Lao PDR and LuxDev, the Luxembourg **Development Cooperation Agency.** 

<sup>\* 47%</sup> are micro (5 or less employees) and 51% are small (50 or less employees) enterprises.

\*\* Includes both fees paid by enterprises for upskilling training (LAK 80,680,000) and in-kind contributions (LAK 66,805,000) leveraged from business associations and their members (2018-2021 data)

\*\*\*MSME satisfaction survey conducted by Swisscontact from 2018 - 2021 using a five-point Likert scale: 1=Very Poor, 2=Poor, 3=Fair; 4=Good;5=Very Good