

The OAS/USAID Small Tourism Enterprise Program (STEP)

October 18, 2004



Project Context

- STEP started off as an assistance program for small hotels in Caribbean
 - Sector losing ground as global competitiveness increasing, occupancy average for sector below viability levels
 - Properties standards not internationally competitive
 - Lacked access to training, finance, technology programs suited to their needs
- Target markets are specialty, niche markets wanting to experience Caribbean, explore destinations, interested in culture, nature, heritage, adventure
- Target group tourism SMEs in 14 OAS member countries
 - About 1500+ small hotels with 30,000 small hotel sector rooms
 - Over 1000 other small tourism operators

Project Objectives

Guiding Principles

- A regional approach
 - To achieve economies of scale in delivery
- Market-driven
 - Must be based on international standards, market expectations
- Programs tailored to needs of Tourism SMEs
 - Focus on on-site delivery
 - Easy access to information

Project Objectives

- Assist SMEs to achieve sustainability
 - Introduce technology use as a competitive tool
 - Adoption of international standards
 - Develop human resources training programs with international certification
 - Establish branding & marketing mechanisms to drive new business to sector
- Strengthen indigenous ownership in tourism enterprises
- Foster more involvement by communities in tourism

Stakeholders and Implementation Approaches

- “Regionally developed & locally delivered”
 - STEP managed through OAS Tourism Unit
 - Regional Coordinator
- National participation includes
 - Local STEP walk-in resource centre
 - National working group
 - STEP Coordinator provided by participating country
- Partnership model
 - Participation based on interest, resources
- USAID, CIDA CPEC, IFC, OECS, AHLA, CHA and CTO, Netcorps America and Netcorps Canada, CESO, CAST

Major Challenges

- Introducing technology
 - Deployed Netcorps volunteers to over 600 properties
- Finding market-driven training programs
 - Joint venture with AHLA to create Skills for Success for hotel employees and an Owner/Manager course – both offering AHLA certification
 - Deployed CESO volunteers to provide on-site training
 - Developed environmental “walk-through” program for SMEs
- Establishing market-driven standards
 - With support of IFC, established standards under “caribbean experiences” brand
- Delivering at national levels
 - Established walk-in resource centres, STEP Coordinator program, invested in training Coordinators
- Securing sufficient financing
 - SMEs are contributing through hosting volunteer specialists
 - challenge is marketing program delivery and program development

Indicators Used

➤ Program Participation

- Technology
- Operations and Management on-site training
- Training Certification levels
- Use of resource centre

➤ Feedback Mechanisms

- Country needs assessments for programs to be delivered
- STEP Coordinator reports
- Assessments by SME operators of programs
- National Working group input
- Surveys of participants

Lessons Learned

Project Achievements

- High Participation Levels
 - Over 700 small hotels
 - Over 150 other SMEs and climbing
- New, Market-Driven Tools for SMEs
 - Skills for Success, Owner/Operator Training (certifications from AHLA)
 - Environmental Walk-throughs
 - Attractions “walk-through” assessment program
 - Product standards
- Increased awareness for SMEs sector challenges
- Support from many partners

- Lessons Learned
- National involvement and commitment essential to success
 - STEP Coordinators
- On-site training preferred approach
- Delivery at costs SMEs can afford
- Marketing mechanisms continue to be a challenge
- Education on international standards critical