

# FEMALE & THRIVING

The Business Case for  
Women's Empowerment  
and Retention in the  
Hospitality and Tourism  
Sector

OCTOBER 2020



GIRLS  
ADVOCACY  
ALLIANCE



## **GIRLS ADVOCACY ALLIANCE**

The Girls Advocacy Alliance (GAA) work for the protection of girls and young women against violence and for their economic empowerment. GAA is an initiative of Plan International Netherlands, Terre des Hommes Netherlands and Defence for Children - ECPAT Netherlands, in cooperation with the Dutch Ministry of Foreign Affairs. The GAA program runs from 2016 to 2020 in ten countries in Asia and Africa: Bangladesh, India, Nepal, the Philippines, Ethiopia, Ghana, Kenya, Liberia, Sierra Leone and Uganda.



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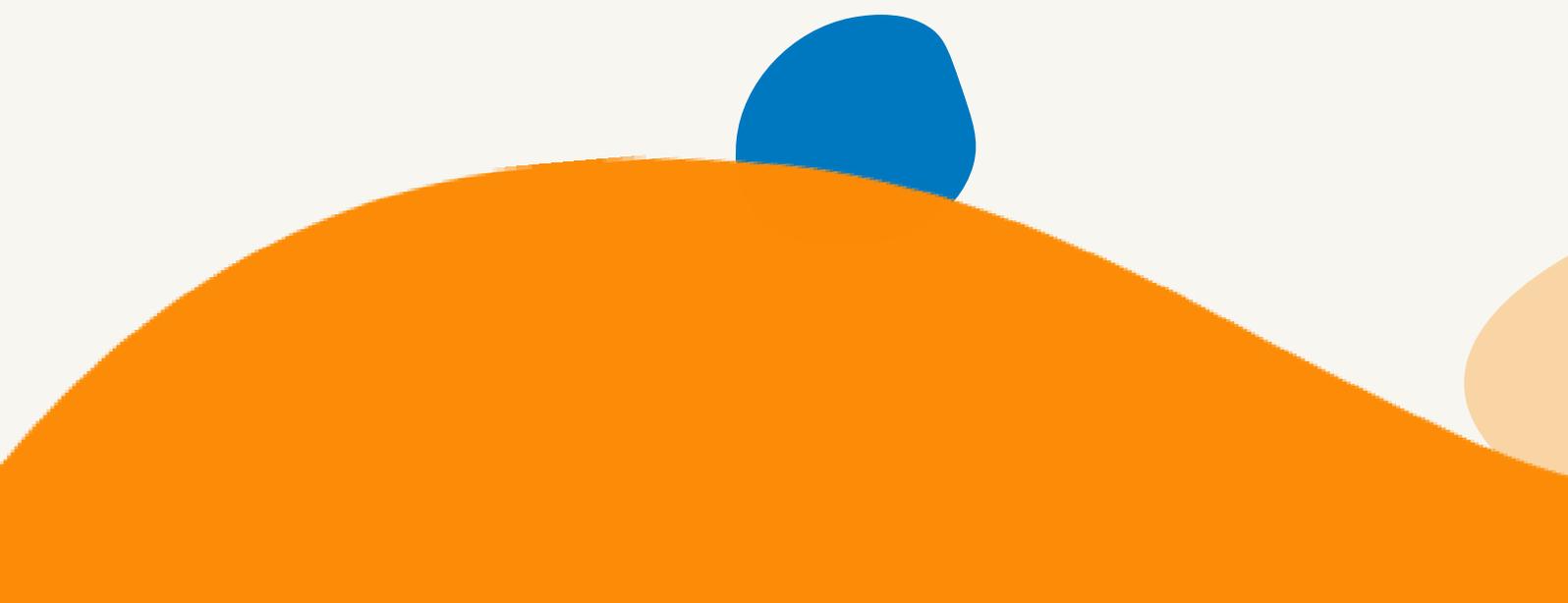
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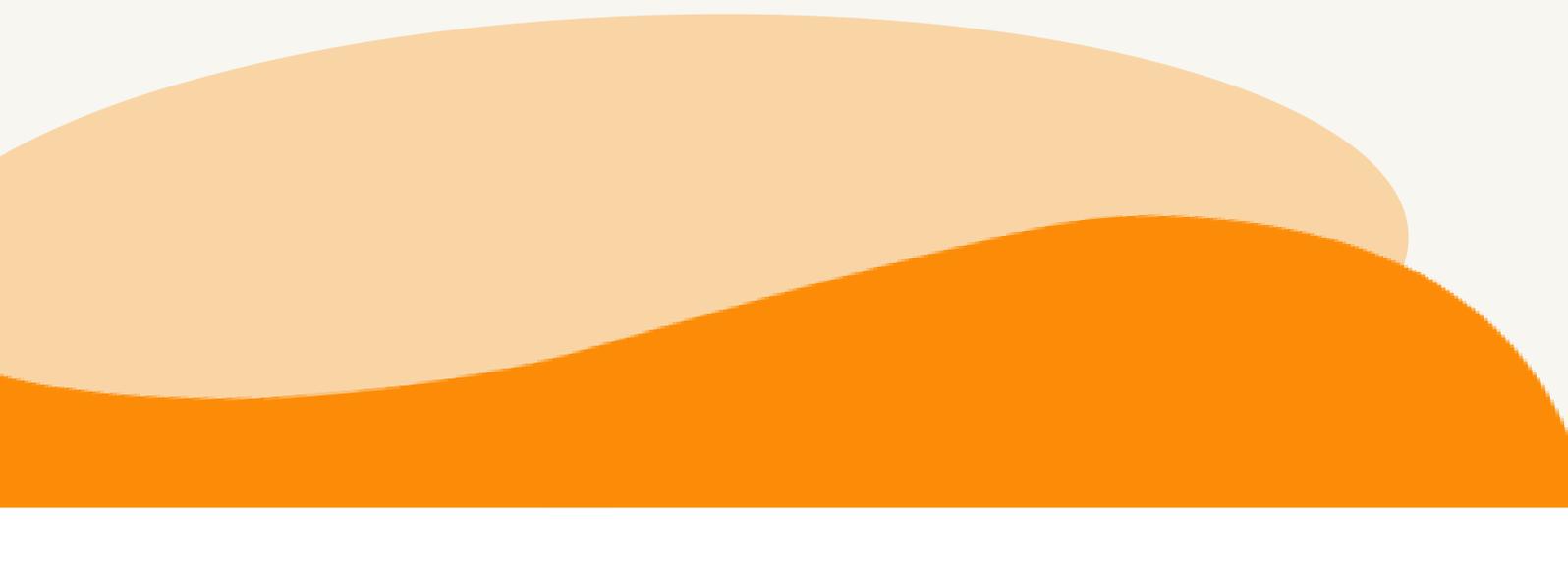
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# LIST OF ACRONYMS AND ABBREVIATIONS USED

<b>CBA</b>	Cost-Benefit Analysis
<b>COVID</b>	Coronavirus Disease
<b>FGD</b>	Focus Group Discussion
<b>GAA</b>	Girls Advocacy Alliance
<b>GDP</b>	Gross Domestic Product
<b>HAN</b>	Hospitality Association of Nepal
<b>H&amp;T</b>	Hospitality and Tourism
<b>KAP</b>	Knowledge Attitude Perception
<b>KII</b>	Key Informant Interviews
<b>NPR</b>	Nepalese Rupee
<b>REBAN</b>	Restaurant and Bar Association of Nepal
<b>ROI</b>	Return on Investment
<b>TAAN</b>	Trekking Agencies Association of Nepal



# EXECUTIVE SUMMARY

Plan International commissioned a research of the Hospitality and Tourism (H&T) Sector in Nepal to develop the business case for supporting women's economic empowerment in the sector. The research was carried out from 23 September 2019 to 22 December 2019 in the cities of Pokhara and Kathmandu in Nepal. The primary objectives of this business case research were to explore local corporate practices in promoting access of young women to obtain decent work in the Hospitality and Tourism sector of Nepal; identify factors that enable or hindered the advancement of women in the sector; assess strategies and approaches that have been applied; as well as determine the cost-benefit and return on investment of these practices to employers.

The research team conducted in-depth interviews with twenty-eight key informants of all five categories of star hotels and tourist standard hotels, trekking agencies, homestays and restaurants in the cities Pokhara and Kathmandu of Nepal. Six representatives from the different H&T associations were also interviewed to provide industry perspectives. Young women from three categories – trainees, employed and unemployed - were invited for focus group discussions in both cities. In order to analyse the different factors that either enabled or hindered women to access decent work opportunities and advance their career in the sector, the research team adopted a Knowledge, Attitude, and Perception (KAP) analysis tool was utilized during the focus group discussions. The twenty-eight businesses who participated in the interviews also filled out a survey questionnaire for the cost-benefit analysis and were grouped into three cohorts i) businesses having at least 20% of female staff, ii) businesses having a majority of male staff and iii) businesses owned and operated by women for the cost-benefit analysis.

Women make up 34 percent of the sampled businesses, but the majority of those women are in housekeeping (25 percent) or assistant positions (50 percent), with only 25 percent in the leadership pipeline. Among the different H&T businesses surveyed, a larger proportion of women work in homestays while the least number of women are employed by trekking agencies as guides. The government of Nepal set wage standards for the sector with variances in pay depending on the category of the H&T business and the position of the employee. Low level-positions in restaurants and homestays are the least paid while managers in hotels received the highest pay.

Some societal and cultural norms including family perceptions hinder the economic empowerment of women in Nepal and subsequent employment in the H&T sector. However, there are no socio-cultural restrictions for women to join the industry amongst more educated families. Some of the women interviewed in this study cite the financial costs of attending higher education or H&T training courses as a significant barrier for them. Women also face challenges in accessing work opportunities as the referral system is the recruitment practices of choice amongst businesses in the sector. This favour applicants who had connections to these networks.

And while women were thought to be competent and quite capable of performing the duties given to them, many women in the H&T sector were limited to lower rungs of the ladder. The reasons cited for low representation in leadership roles included societal and cultural barriers, limited education, and lack of self-confidence. Many housekeeping staff were either uneducated or under-educated and entered the workforce after dropping out from school. Moreover, balancing work and care responsibilities, especially after marriage, led to time constraints and competing priorities, resulting in increased absenteeism and a lack of confidence to take on bigger roles at work. Some switched to flexible or part-time work while others completely left the sector to stay at home. Female trekking guides faced unique circumstances compared to other women working in the H&T sector as they were mostly out in the field. There are safety concerns over the lack of privacy as there usually are not separate facilities for female guides out on the trails.

Female entrepreneurs also experienced challenges competing in a male-dominated industry. Many of them ran small businesses that were more vulnerable to volatility in the economy. Many of them showed a lack of confidence when starting a business due to the lack of management skills such as marketing and finance. Accessing financing for expansion and growth was the most challenging aspect of running a business as financial institutions required collateral for loans. And despite the government's focus on the growth of the H&T industry, respondents claim that banks and financial institutions have limited loan products that are suited to the needs of the sector.

While there were many factors affecting women's ability to thrive in the H&T sector of Nepal, there were a number of businesses, mainly star hotels and standard hotels, that have begun implementing interventions to support and empower women in their career aspirations in the sector. Separate facilities for women, flexible shift schedules, transportation services for late shift workers, paid maternity leave, coaching and mentoring, and a reward and recognition system, have all helped in retaining female staff and motivating them to take on more significant roles in the company.

The cost—benefit analysis revealed that H&T businesses implementing different interventions for female staff experienced increased revenue generation. Businesses were aware of the worth of investing in female staff – female staff were seen to be loyal, dedicated, trustworthy and provided warm hospitality and customer care to their guests. Furthermore, the return on investment calculations showed that businesses with at least 20 percent female staff exhibited the highest returns on investment, whether calculated with or without considering the time value of money. The category star hotels with at least 20 percent female staff was the only category that showed more than 100 percent ROI. Discounted ROI values for female-owned restaurants and tourist standard hotels were the lowest, emphasizing the challenges for women entrepreneurs.

This business case research has shown that the contributions of women to the sector as employees and entrepreneurs have resulted in positive cost-benefit ratios and increased returns on investment for the businesses. Supporting these women to be more economically empowered can benefit the H&T businesses through better performance by a more skilled workforce, increased customer satisfaction and loyalty, and further growth for the companies.

A number of recommendations are suggested to support women's access to job opportunities and career advancement in the H&T sector. An improved recruitment and selection system will help address the gaps in access to employment opportunities. Changing the perception of women and families about working H&T jobs will contribute to increasing female participation in the H&T labour market. Quality skills development programs are needed to increase the skill level of women, especially those who lack formal education. This requires a concerted effort from governments and other stakeholders to address the quality of H&T education institutes and their courses. Closer coordination between the vocational training schools and industry can help develop education courses that are more responsive to the needs of the industry.

H&T business need to start recognizing women's empowerment as beneficial to their business not costs, and emulate the good practices of star hotels in implementing interventions for women to thrive in the H&T sector. Proactively recruiting women into leadership positions will help address the lack of women in the leadership pipeline. These women would also require mentorship and coaching from the women who have broken the glass ceiling. Furthermore, the growth of women entrepreneurs can be enabled by the provision of ways to access financing and courses in business such as finance and marketing.

Most importantly, addressing women's time constraints and competing priorities will be critical in balancing career growth with family responsibilities at home. This requires involving men in the discussion and having a more equitable share of household responsibilities, support for women's career advancement and participation in the world of work.

# CHAPTER 1

## *INTRODUCTION*

---

**Background**

**Girls Advocacy Alliance Program**

**The Business Case Research**



## Background

The Asia-Pacific Hospitality and Tourism (H&T) sector is one of the fastest growing industries in the world. Driven by rising household income, low-cost transportation options, and infrastructure to facilitate international visit flows, the region grew by 6 percent and recorded over 300 million international visitors in 2018<sup>1</sup>. Pre-COVID19 estimates a sustained growth rate for the sector and double the number of visitors by 2030.

In the context of Nepal, the H&T sector has been considered as the backbone of the economy for the past decade. In 2017, the sector contributed to 4.04 percent of the country's GDP (NPR 195.0 Billion) and is pegged to increase in the next years<sup>2</sup>. International arrivals have also more than tripled in a span of 15 years, reaching 1.2 million in 2018<sup>3</sup>.

While at the surface level, the female-majority composition of the workforce suggests huge strides have been made to achieve gender parity in the hospitality and tourism sector, deeply entrenched barriers continue to impede women from accessing and thriving in the workplace. These manifests themselves in many ways, such as massive underrepresentation in senior and leadership positions, wage gaps, gender segregation, harassment, and discrimination. In Nepal, H&T directly supported 3.2 percent of total employment in the country and a total contribution (including indirect employment) of 6.6 percent of total employment. However, in the 3.2 percent employed who were employed in 2018, only 15 percent were women. Among the women employed in the sector, over half were in housekeeping, 30 percent are in front desk and food and beverage, and only 10 percent in managerial and executive level positions. Similarly, in the trekking sector, only 5 percent to 10 percent are female employees with a few of them as guides or trekking assistants<sup>4</sup>. Women are mostly involved in office work for the trekking companies, engaging customers and facilitating bookings and payments.

## Girls Advocacy Alliance (GAA) Program

The Girls Advocacy Alliance (GAA) program aims to contribute to building a society where young women and girls are free from gender-based violence and economic exclusion. Through the GAA Asia regional component, Plan International advocates for corporate policies and practices that support the economic empowerment of women in the hospitality and tourism sector. To do so, Plan engages hospitality and tourism sector employers and private sector alliances in South and South East Asia and requires robust, local evidence to help inform employers on what to do.

## The Business Case Research

In spite of a growing body of literature around the business case for women's empowerment in the sector, the relevance of these studies to GAA is limited because there is little evidence contextualized to Nepal's hospitality and tourism sector. Plan International commissioned a hospitality and tourism sector business case research in Nepal which would help to develop the business case for supporting women's economic empowerment in the sector. The research was carried out from 23 September 2019 to 22 December 2019 in the cities of Pokhara and Kathmandu of Nepal.

## Research Questions

The primary objectives of this research are to: (1) identify local corporate practices that have promoted young women's access to decent work in the H&T sector; (2) determine replicable strategies and approaches; and (3) assess the costs and benefits, as well as return on investment of these practices to employers themselves.

The main research questions to achieve these objectives are:

1. What is the business case for supporting young women's career progression and access to decent work opportunities in the hospitality and tourism sector of Nepal?
2. What impedes young women in Nepal from accessing decent work opportunities and advancing in the hospitality and tourism sector?
3. What motivates employers to invest in young women's empowerment in their companies?
4. What have employers done to support young women's career progression and access to decent work opportunities?
  - Why are these interventions successful? How do these go beyond compliance with existing laws and regulations?
  - What have been the returns of investment for the employers?
  - What needs to be considered by other employers replicating these interventions?
  - What resources and tools are available to support the replication of these interventions?

<sup>1</sup> UNWTO (2019). International tourist arrivals reach 1.4 billion two years ahead of forecasts. <https://www.unwto.org/global/press-release/2019-01-21/international-tourist-arrivals-reach-14-billion-two-years-ahead-forecasts>

<sup>2</sup> Kathmandu Post (2018). Travel, tourism pumps Rs195b into economy. <https://kathmandu.post.com/money/2018/03/28/travel-tourism-pumps-rs195b-into-economy>

<sup>3</sup> World Bank Group (n.d.). World Development Indicators. <https://data.worldbank.org/indicator>

<sup>4</sup> Dolma Impact (n.d.). A report on market data for private sector investments in Nepal. Dolma Development Fund and UKAid. [http://www.dolmainimpact.com/pdf/DIF%20%20Tourism%20Market%20Report\\_Final\\_1-10-2014.pdf](http://www.dolmainimpact.com/pdf/DIF%20%20Tourism%20Market%20Report_Final_1-10-2014.pdf)

## Research Approach and Design

### Selection of Research Locations

The cities of Pokhara and Kathmandu were chosen as primary sites due to being prime tourist destinations, which consequently translated to high numbers of tourist visits as well as H&T-related businesses, such as hotels, restaurants and trekking agencies. Thousands of international and domestic tourists visit Pokhara every year for trekking and adventure tourism. Thus, hundreds of tourist standard hotels, community homestays, restaurants, and trekking agencies operate in the city. Similarly, Kathmandu, as the capital city of Nepal and known for numerous UNESCO World Heritage Sites, attract visitors from all over the world every year. It also holds the highest numbers of hotels, ranging from tourist standards to star hotels, as well as restaurants, in the country.

### Selection of H&T Businesses

Table 1.1 describes the different categories of H&T businesses that have participated in the study: star hotel, tourist standard hotel, trekking agency, homestay, and restaurant.

### Methodology

Table 1.2 summarizes the data collection procedure for the research. The study utilized primary and secondary data gathering of quantitative and qualitative information from the different stakeholders of Nepal's H&T sector. The research instruments can be found in the annex.

**Table 1.1 Categories of H&T Businesses**

Business Type	Description
Star Hotel	The accommodation is more comfortable but more expensive compared to the other business types. It provides exquisite cuisine, room service, and other amenities.
Tourist Standard Hotel	A commercial establishment that provides lodging, meals, and other services to tourists at a lower price than star hotels.
Trekking Agency	These are private agencies that organize trekking for tourists which offer an experience of the Himalaya destinations.
Homestay	A private house offering accommodation to paying guests.
Restaurant	A place that serves food and drinks.

**Source:** Author for this business case (2019)

**Table 1.2 Summary of Data Collection Methods**

Data Collection Method	Target Respondents	Sample Size	Remarks
Desk research	Secondary data collection		
Key informant interviews	Leaders in H&T businesses	28	Either owners or managers of different categories of H&T businesses
Key informant interviews	Representatives from H&T industry associations	6	
Focus group discussions using KAP tool	Young women (18-30 years old)	5 FGDs	Either unemployed, trainees or currently employed in H&T businesses.
Survey form for cost-benefit analysis	H&T businesses from different categories	28	3% of 300 H&T businesses for each research location. Businesses either have at least 20% female staff, majority male staff, or owned and operated by women.
Validation meeting	Representatives from H&T businesses, H&T industry associations, academe, and civil society organizations	2 Meetings 26 Attendees	Sharing and validation of initial findings of the research

Desk research was initially conducted to review secondary data on young women's career progression and access to decent work opportunities in the H&T sector of Nepal. Furthermore, policy gaps on the effective participation of women in the labour market were also studied by reviewing existing policies and legislation of the Government of Nepal pertaining to labour, employment, and women's empowerment.

The research team then conducted in-depth interviews with 28 key informants from all five categories of H&T businesses in the cities of Pokhara and Kathmandu. The key informants interviewed were proprietors, general managers, operation managers and human resource managers of these businesses. Furthermore, six representatives from different H&T industry associations were also interviewed, including the Hotel Association of Nepal (HAN), Trekking Agencies Association of Nepal (TAAN), Restaurant and Bar Association of Nepal (REBAN).

The research team conducted six focus group discussion with young women who were unemployed, trainees, or employed in H&T businesses. A Knowledge, Attitude, and Perception (KAP) analysis tool<sup>5</sup> was used to assess the different factors, such as personal, social, and family considerations, that affected the employability and advancement of young women in the H&T sector.

Quantitative data for the cost-benefit analysis were gathered through survey forms that were accomplished by the businesses. The same 28 key informants that were interviewed also answered the survey for the cost-benefit analysis. The businesses for cost-benefit analysis were selected from a 3 percent sample size calculated from a sample frame of 300 registered businesses for each of the two research sites. Businesses were purposively selected through consultations with the H&T industry associations using one or more of the following criteria: (1) cover at least three H&T businesses categories, (2) gender composition of at least 20 percent female staff, (3) have a majority of male staff, and (4) businesses owned and operated by women. Furthermore, the selection of businesses was guided by additional considerations such as the presence of at least one woman in a supervisory level position, availability of baseline and end-line data for cost benefit analysis, and the willingness to participate in the research.

The breakdown of participants according to their H&T business category included:

- Six star hotels
- Six tourist standard hotels
- Six trekking agencies
- Six restaurants
- Two women-owned homestays
- Two community-owned homestays

Two meetings were organized to share the initial findings of the research and validate the results among executive members of the H&T industry associations, stakeholders from H&T businesses, representatives from academic institutions offering H&T courses, and civil society organizations working on women's economic empowerment.

### **Scope and Limitation**

This study's purpose was to identify local corporate practices and to determine replicable strategies and approaches that have promoted young women's access to decent work in the H&T sector. Moreover, this research also aimed to assess the costs, benefits and return on investment of these practices to the employers.

Given this, the research focused on selected H&T businesses in the cities of Pokhara and Kathmandu with representative samples covering three categories of H&T businesses and was guided by a set of criteria, as mentioned in the previous sections.

In addition, it is important to note that this study had the following limitations:

- There was limited literature available on women in the H&T sector and women's economic empowerment at large in the context of Nepal. Moreover, there was also a dearth in resources and literature correlating investing in women-friendly workplaces to the return on investment of a business.
- Due to limited resources and time constraints, only 28 businesses from both Pokhara and Kathmandu have been reviewed through interviews and survey questionnaires.
- The businesses interviewed for this study did not disclose their respective recorded and audited financial statuses (income and expenditure). Hence, the financial data collected by the research team were estimated figures of costs and benefits provided by the respective businesses.
- Keeping accounts of the costs of absenteeism and turnover were not practiced by the participating businesses. Hence, it limited the research in terms of calculating and interpreting the cost-benefit analysis.

<sup>5</sup> A KAP survey is a quantitative method using predefined questions formatted in standardized questionnaires that establish the baseline of respondents' knowledge, attitude and perceptions regarding a specific thematic area

# CHAPTER 2

## *WOMEN IN THE HOSPITALITY AND TOURISM SECTOR OF NEPAL*

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**Economic Participation of  
Women in Nepal**

**The Hospitality and Tourism  
Sector of Nepal**

**Profile of Women in the H&T  
Sector of Nepal**



The economic empowerment of women provides an immediate path towards gender equality, poverty eradication, and inclusive economic growth.<sup>6</sup> In fact, women contribute massively to economies, whether it is through businesses, on farms, as entrepreneurs, or through unpaid care work at home.<sup>7</sup> However, they also persist to be disproportionately affected by poverty, discrimination and exploitation. According to UN Women (n.d.), gender discrimination makes it difficult for women to access economic assets and they find themselves with limited opportunities for active participation in the economy. As a result, women often end up in indecent and low-paying jobs.<sup>8</sup>

### Economic Participation of Women in Nepal

In the context of Nepal, the Government, through its Ministry of Women, Children and Senior Citizens, have been implementing women development programs since 1981. Among these efforts is the President Women Advancement Program, which has supported Nepali women for equal participation in all stages of nation-building as well as promoting equal opportunity and social dignity of women. The program also focuses on economic empowerment of women, education, health, and ending gender-based violence. In addition to this, the Department of Industry of Nepal established a Women Entrepreneurship Development Fund to encourage women-led SMEs in the country.

Nepal has made strides in closing the gender gap, rising in rank from 111th globally in 2006 to 101th out of 153 countries in 2020. This improvement is primarily driven by the leap in political empowerment of women. Nepal’s scores in the economic participation and opportunity, as well as educational attainment indicators, made some gains compared to the country’s scores from previous years, demonstrating the progress of gender equality reforms in the country. However, Nepal’s global ranking in the same indicators have actually slipped, signifying that Nepal lags behind other countries in how fast they are closing their respective gaps<sup>9</sup>.

The issues faced by Nepalese women, and their social and economic situations, vary greatly depending on geographical region, caste, class, religion, ethnicity and where they live. In terms of economic participation and opportunity, country-level data shown in Table 2.1 illustrates the changes in labor force participation of men and women in Nepal over the last two decades. While the labor force participation of women slightly increased from 81.4 percent in 2000 to 82.8 percent in 2019, it is important to note that the participation rate of men decreased significantly from 90.4 percent to 85.1 percent in the same period. This resulted in the country moving closer to 1:1 ratio in terms of participation rate.

Diving deeper, the disparity between men and women in Nepal rests on the type and quality of employment. There is a huge number of economically active women in Nepal who have no access to economic resources. Women are largely employed in the informal sector, characterized by low wages and poor working conditions<sup>10</sup>. Only 10.7 percent of employed women are wage and salaried workers compared to 33 percent amongst men. Three-quarters of the unpaid family labor force is comprised of women. A lack of formal employment or alternative livelihood opportunities restrain women’s participation in the country’s economic growth, as well as discounting their contributions to it. Moreover, women are stuck in lower level jobs while men are also twice as likely to get jobs that require more skills, which are by nature, higher paid. This is compounded by a wage gap, wherein women in Nepal are paid almost 40 percent less than their male counterparts. Women are also less likely to climb the organizational ladder, resulting in limited female representation amongst those in leadership and managerial positions<sup>11</sup>.

From a policy standpoint, Nepal tallied 53.13 points out of 100 in the World Bank’s Women, Business, and the Law Report, lagging behind the global average of 75 points. This implies the presence of legal restrictions that impede Nepalese women’s ability to make economic decisions. Amongst the eight indicators, Nepal achieved the highest marks in terms of

Table 2.1 Gender gap for Nepal<sup>12</sup>

INDICATOR	2006 Rank	2006 Score	2020 Rank	2020 Score
Gender Gap Index	111	0.548	101	0.680
Economic participation and opportunity	110	0.465	101	0.632
Educational attainment	109	0.734	133	0.895
Health and survival	111	0.953	131	0.966
Political empowerment	102	0.039	59	0.227

<sup>6</sup> UN Women (nd). Women’s Economic Empowerment. <https://www.unwomen.org/en/what-we-do/economic-empowerment>

<sup>7</sup> Ibid.

<sup>8</sup> Ibid.

<sup>9</sup> World Economic Forum (2020). Gender Gap Report. [http://www3.weforum.org/docs/WEF\\_GGGR\\_2020.pdf](http://www3.weforum.org/docs/WEF_GGGR_2020.pdf)

<sup>10</sup> The Brookings Institution (2019). Investing in TVET would increase female labor force participation in Nepal. <https://www.brookings.edu/blog/education-plus-development/2019/10/10/investing-in-tvet-would-increase-female-labor-force-participation-in-nepal/>

<sup>11</sup> World Bank Group (2019). Gender data portal. <http://datatopics.worldbank.org/gender/country/nepal>

<sup>12</sup> World Economic Forum (2020). Gender Gap Report. [http://www3.weforum.org/docs/WEF\\_GGGR\\_2020.pdf](http://www3.weforum.org/docs/WEF_GGGR_2020.pdf)

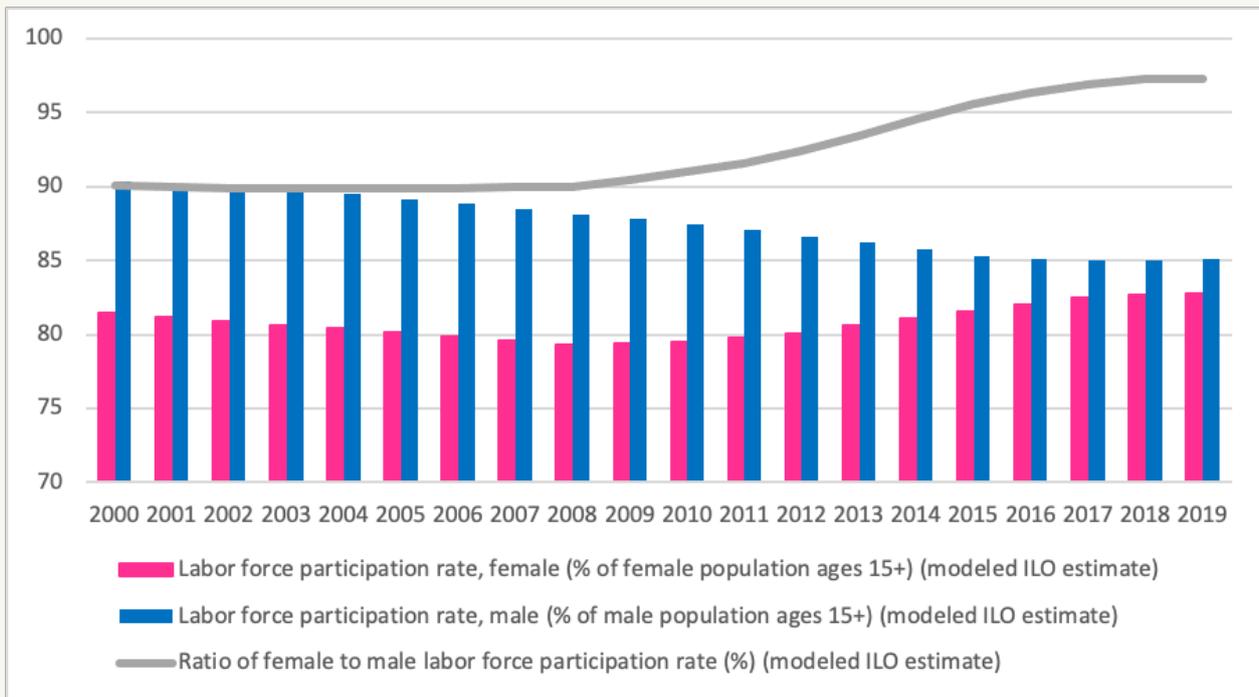


Figure 2.1 Labor force participation trends for Nepal 2000-2019<sup>13</sup>

reforms that enable women to get a job or start a business. However, barriers were found to exist in the ability of women to manage their assets based on property and inheritance laws, and the provisions that affect the size of women’s pensions. Nepal scored zero in terms of legal support for women’s work after pregnancy, which can severely hamper women’s return to work or career growth once they start having children.<sup>14</sup>

### The Hospitality and Tourism Sector of Nepal

The Hospitality and Tourism (H&T) sector of Nepal plays a pivotal role in the economic development of the country by generating employment opportunities, foreign exchange earnings, and reducing poverty in urban and rural areas. Currently, as the second largest employer in the country after the agricultural sector, the H&T sector of Nepal shows huge potential in driving inclusive growth further in the country.

Public investments and government ambitions to “increase annual international tourist arrivals to 2 million and increase employment in the tourism sector to 1 million by 2020” have further contributed to the sector’s growth (Ministry of Tourism and Civil Aviation, 2009). In particular, the National Tourism Strategy and Action Plan of Nepal (2015 - 2024) emphasized developing, diversifying, and improving services in response to their progressing H&T sector. As a result, international arrivals have also more than tripled in a span of 15 years, reaching 1.2 million visitors in 2018, as illustrated in Figure 2.2.

The dip in 2015 shows the effect of the magnitude 7.8 earthquake that struck Nepal, but the country has recovered since then. The World Travel and Tourism Council estimates that sector comprised 4.04 percent of Nepal’s Gross Domestic Product (GDP) in 2018<sup>15</sup>.

The rise of tourism in the country has correspondingly spurred the growth in the number of hospitality and tourism establishments. As of 2018, Nepal has 129 Star Hotels with a total daily capacity of 11,146 beds; 1,125 tourist hotels providing 29,710 beds; and 364 registered homestays with 1,006 beds. Hundreds of restaurants, bars, and fast food are registered with Restaurant & Bar Association of Nepal (REBAN). There has also been an observed increase in the number of travel agencies, trekking agencies, tour operators, and tour guides, all indicating a booming industry<sup>16</sup>.

### Women in the H&T Sector of Nepal

The Hospitality and Tourism (H&T) sector is one of the largest employers and job creators across the globe.<sup>17</sup> In Nepal, the Hospitality Association of Nepal (HAN) estimates the H&T sector to be directly responsible for providing employment to one million people, 20-25 percent of whom are women. Among the different H&T businesses surveyed, more women work in homestays while the least number of women are employed by trekking agencies.<sup>18,19</sup>

<sup>13</sup> World Bank Group (2019). World Development Indicators. <https://data.worldbank.org/indicator>

<sup>14</sup> Women, Business and the Law Report 2019. <http://pubdocs.worldbank.org/en/702301554216687135/WBL-DECADE-OF-REFORM-2019-WEB-04-01.pdf>

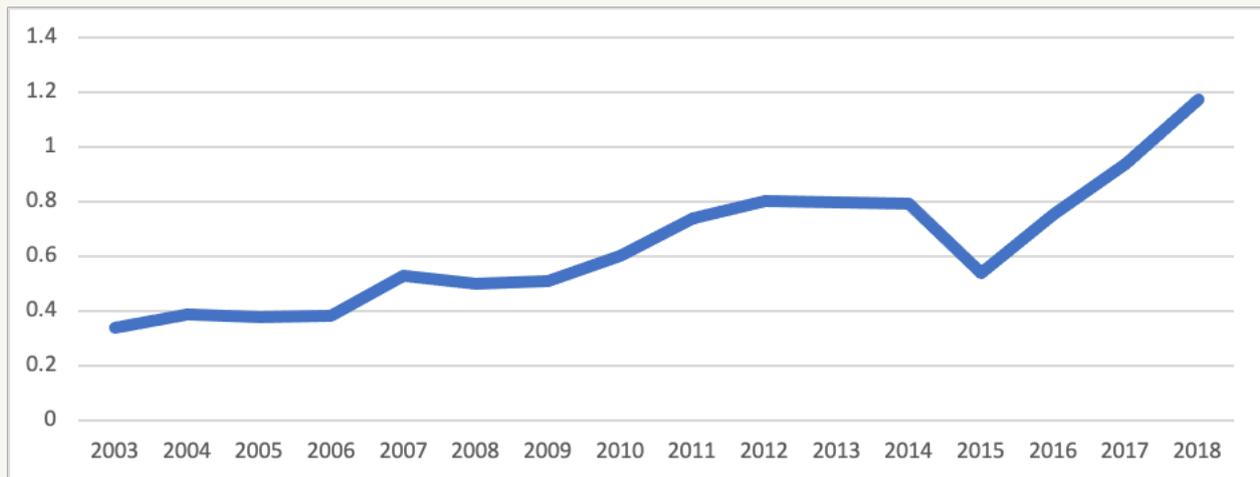
<sup>15</sup> World Bank Group (n.d). TCdata360. Travel and tourism direct contribution to GDP. [https://tcdata360.worldbank.org/indicators/tot.direct.gdp?country=NPL&indicator=24648&viz=line\\_chart&years=1995,2028](https://tcdata360.worldbank.org/indicators/tot.direct.gdp?country=NPL&indicator=24648&viz=line_chart&years=1995,2028)

<sup>16</sup> Government of Nepal, Ministry of Culture, Tourism, and Civil Aviation (2018). Nepal Tourism Statistics 2018.

<sup>17</sup> World Travel and Tourism Council (WTTC). (2019). Travel & Tourism: Driving Women’s Success.

<sup>18</sup> Ibid.

<sup>19</sup> Acharya, B. P., & Halpenny, E. A. (2013). Homestay as an Alternative Tourism Product for Sustainable Community Development: A Case Study of Women-Managed Product in Rural Nepal.



**Figure 2.2 International tourism arrivals in Nepal, 2003-2018 (in millions)<sup>20</sup>**

The 28 H&T businesses sampled in this study employ 1,526 staff members, with women comprising 34% of the total workforce. Gender composition is expected to be less than 50 percent women since there are more hotels and trekking agencies that participated in this research compared to homestays.

### Access to Jobs in the H&T Sector

The majority (89 percent) of respondents indicate that referrals from the general manager's networks is the preferred means of recruiting staff, especially for entry-level positions. Fewer

businesses, mainly the star hotels, have formal recruitment announcements and processes in place. The use of a headhunting firm is commonly practiced by the industry to search for an experienced general manager and other senior positions, who once hired, are expected to fill in the remaining vacant positions. Very few of the sampled business utilize recruitment agencies. Many of the general manager's previous staff are also brought on board and supplemented by referrals. This results in a high turnover rate in the H&T sector since employees easily transfer from one organization to the next.

**Table 2.2 Proportion of Workers in Selected Business Categories, by Nature of Employment and by Sex**

Business Category	Nature of Employment					
	Regular		Seasonal		Total	
	Male	Female	Male	Female	Male	Female
Star Hotel	78	22	75	25	78	22
Standard Hotel	75	25	65	35	74	26
Trekking Agency	78	22	91	9	90	10
Homestay	44	56	41	59	43	57

<sup>20</sup>World Bank Group (n.d.). World Development Indicators. Retrieved from <https://data.worldbank.org/indicator><sup>7</sup> Ibid.

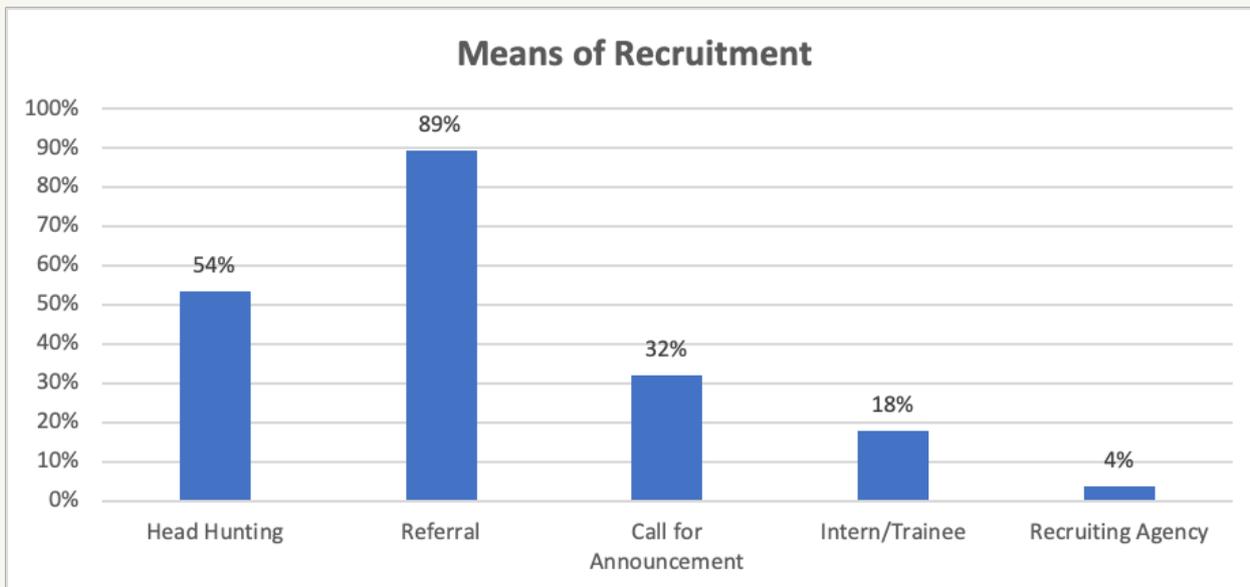


Figure 2.3 Means of recruitment for the H&T businesses

Interns and on-the-job trainees also provide a viable candidate pool for hotels that have a training program in place. These trainees are evaluated during their program, with the best performers offered a job with the company. Interns and trainees are already familiar with the business operations of the company and would require less on boarding.

### Women in the H&T Sector by Leadership Positions

Women’s participation in the sectors is primarily concentrated in lower skilled occupations as these are stereotypical roles of women commonly present in patriarchal societies that limit women’s progress in the workplace.<sup>21</sup> According to HAN, over half (60 percent) of the women employed by the sector are in housekeeping, 30 percent are in the front desk and food service, with only 10 percent having achieved managerial and executive-level positions. This proportion is similarly reflected by the sampled businesses where most of the female staff are mainly in housekeeping positions or work as an assistant in front desk management, admin, sales and marketing and food service. Trekking guides are also classified by HAN as an assistant level position even if some guides are freelancers. Only 18 percent hold supervisory positions, while the numbers further dwindle to a mere 7 percent for women designated as managers or department heads. With the exception of women-owned businesses, none of the participating businesses have female general managers.

### Wage Range in the H&T Sector

The Government of Nepal recently adjusted the minimum salary for full-time workers at NPR 13,450<sup>22</sup> (US\$119<sup>23</sup>) per month. Formally registered H&T enterprises are required to comply with this provision. Thus, Nepal’s H&T sector now offers a competitive salary for female staff.

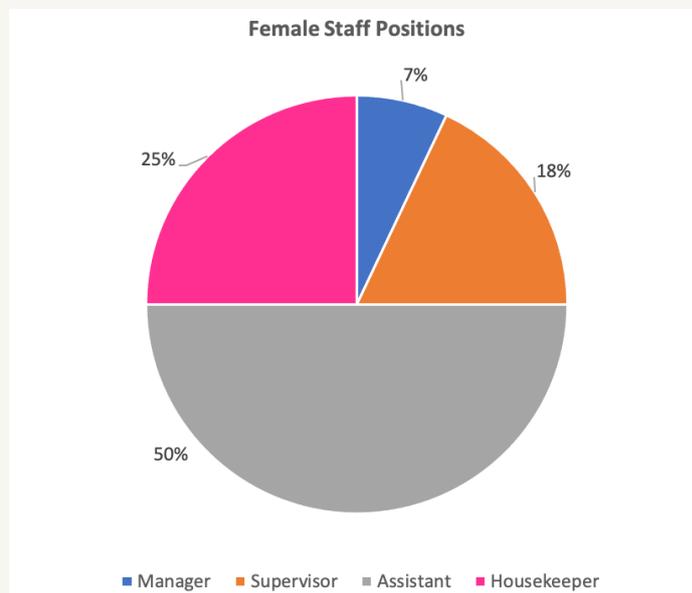


Figure 2.4 Distribution of female staff by position

Table 2.3 presents the salary range of female staff holding different positions in studied H&T businesses. Star hotels offer the highest compensation to female workers in any given position with those employed by standard hotels not far behind. This is followed by trekking agencies, restaurants, and lastly, homestays. Female guides often work freelance and fees vary depending on the trekking destination. They charge an average of NPR 2,500 (US\$ 22) per day plus per diem, with trips lasting between two weeks to a month. Homestay employees are paid the least because these businesses are mainly owned by families or the community, with some even operating informally. Homeowners act as the managers while family members or local residents pitch in as needed and are paid correspondingly. Aside from the daily wage, restaurant

<sup>21</sup> Ibid.  
<sup>22</sup> Kathmandu Post. (2018). Minimum wage raised to RS 13,450 per month. <https://kathmandupost.com/money/2018/07/10/minimum-wage-raised-to-rs13450-per-month>  
<sup>23</sup> Exchange Rate set by Central Bank of Nepal for US\$ 1 = NPR 113 as of reporting date.

**Table 2.3 Salary Ranges for Female Employees in the H&T Sector (2019)**

Business Category	Housekeeper/Helper		Front Desk/Assistant		Supervisor/Officer		Manager/Executive	
	Min	Max	Min	Max	Min	Max	Min	Max
	In NPR per month							
Homestay	-	-	4,500	8,000	3,000	16,000	12,000	30,000
Restaurant	3,500	14,500	11,500	14,500	12,000	35,000	12,000	35,000
Trekking Agency	8,000	13,000	12,000	20,000	15,000	35,000	15,000	40,000
Standard Hotel	10,000	14,000	10,000	17,000	14,000	30,000	40,000	50,000
Star Hotel	12,500	16,000	16,000	25,000	22,000	40,000	30,000	60,000

employees also receive 68 percent of the service charge collected from diners plus accident insurance coverage.

Interestingly, among the studied H&T businesses, there is no perceived wage difference between male and female workers according to the respondents. The differences in salaries received are instead based on the position and depth of their work experience. It should be noted that women in general have less work experience, meaning their salaries would be on

the lower end of the scale. Managers of both star and standard hotels receive good remuneration packages, with salaries that are almost double than that of the managers of other H&T businesses and at least four times more than what the average housekeeper in the same organization makes. However, managerial positions have the least female representation, indicating that women are still yet to break the glass ceiling. Women could also face setbacks in salary negotiations given that there are few women in senior positions.



# CHAPTER 3

## *KEY FINDINGS IN ACCESSING JOBS AND CAREER ADVANCEMENT IN THE H&T SECTOR*

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### **Societal expectations chief among existing barriers for access to employment in the H&T sector.**

Some societal and cultural norms hinder the economic empowerment of women in Nepal and subsequent employment in the H&T sector. Different forms of discrimination exist based on gender, caste, ethnicity, physical ability, geographical location, class, age group or religion and these have created a barrier for citizens to enjoy equal rights. Nepal's women, on the whole, have a lower status than men and are less well-off.

In spite of showing a keen interest to work in the H&T sector, young women are still reluctant to seek employment due to society's negative perception towards the industries where women were employed. Society's negative perception mainly refers to the assumption of the sector being an unsafe place to work for women. This perception mostly prevails among traditional and lower educated societies in Nepal.



### **Tertiary education is one of the drivers for women to enter the H&T sector.**

There are no socio-cultural restrictions for women to join the industry amongst more educated families. Women who have a higher level of education are keen to enter the H&T sector. Many of these women, primarily from urban areas, enroll in related certificate or diploma courses; some were pursuing bachelor's degrees. However, some women cite the financial costs of attending these programs as a significant barrier for them. A bachelor's degree in hospitality management from IIMS College in Nepal is estimated to cost US\$ 9,600 for the entire four-year program. In contrast, training courses at the Nepal Academy of Tourism and Hotel Management cost between US\$ 22 for the six-month housekeeping course to US\$ 256 for the six-month food preparation costs. The trekking porter guide course takes the shortest time to complete at three weeks and costs US\$ 26 to complete<sup>24</sup>.



### **The recruitment and selection process favor applicants with connections to networks.**

It is common practice in the H&T sector to recruit talent by headhunting or through referrals from different industry insiders, lowering the cost of recruitment for employers. However, many young women do not have the necessary social networks and connections with formal and informal recruiters due to their socio-economic background and are unable to take advantage of internship and recruitment opportunities.



### **Women can access jobs in the H&T sector in general but have less opportunities for leadership positions.**

Majority (75 percent) of the respondents express that the female staff are very competent and capable of performing the duties given to them. The staff have the necessary skills and knowledge coupled with a professional attitude. Employers have a high preference to recruit female workers mainly due to their sincerity, loyalty, dedication, trustworthiness, reliability and attention to detail. However, the remaining respondents assessed that female employees who are graduates of short-term training programs tend to lack practical skills due to the limited training period.

Many women in the H&T sector are limited to lower rungs of the ladder. A third of the female staff surveyed are found working mainly in housekeeping, front desk management, sales and marketing and food serving positions. Only 7 percent have advanced to a managerial level position. Survey respondents are getting a minimum salary of NPR 6,000 (US\$ 50) to maximum NPR 60,000 (US\$ 500) per month, depending on position. The reasons for low representation in leadership roles include societal and cultural barriers, limited education, and lack of self-confidence.



### **Limited education and lack of self-confidence hinder career advancement in the H&T sector.**

Many of the study's respondents are unable to advance their career despite the growth of the H&T sector in Nepal. Many female employees exhibit low self-esteem and lack confidence to take on bigger roles at work. Unlike their male counterparts, female employees rarely put themselves forward for promotion or more benefits.

Limited education and professional opportunities also prohibit women to advance their careers. Many housekeeping staff are either uneducated or under-educated and enter the workforce after dropping out from school. They are often unable to progress into more skilled positions even after working in the industry for more than a decade. The lack of English language skills also hinders the ability to switch towards more customer-facing roles. This is in contrast to educated women who only work in Nepal to gain industry experience before being lured by overseas employment.

<sup>24</sup> Based on the published course information at the IIMS and NATHM websites.



### **Lack of women-friendly facilities a deterrent for female trekking guides.**

Unlike other professions, female trekking guides are mainly deterred by the physical strength and fitness required by the job. They also cite the lack of separate toilet and overnight accommodation facilities during the trek as one of the factors that place them in a vulnerable situation.



### **Time constraints and competing priorities were the main barriers to advancement once women marry and have children.**

Balancing work and home pose a tough challenge for many career-focused women. When these young Nepalese women get married, their work productivity sharply declines as they are required to spend more time doing care work. H&T businesses are not set-up with day-care facilities or after school care systems that would allow parents to bring their children to work. These competing priorities increase young women's time constraints, resulting in the dilemma to do either flexible or part-time work. It should be noted that part-time work can be a good practice as the choice is made by the woman herself in agreement with the spouse and family. In some cases, the lack of family support causes women to eventually resign, leave the workforce altogether and stay at home full time. On the other hand, women who have the support of their spouses and extended family are able to continue advancing their career.



### **Organizational learning and development programs are crucial to skills development.**

The previous section describes that 50 percent of female workers in the H&T sector hold assistant positions. Young women advance from housekeeping to assistant positions by attending short courses on their own. However, many of the businesses participating in this study cite that these courses were mainly theoretical in nature and lacked the practical knowledge for improving skills and competencies. Companies still have to invest on capacity-building programs for their staff, including re-training the graduates of these short courses. Most of the programs are outsourced to training providers as very few businesses, mostly star hotels, have in-house learning and development resource persons. The businesses, on average, conduct these training programs twice a year.



### **Female entrepreneurs experience challenges competing in a male-dominated industry.**

Female entrepreneurs who run their own H&T business also face difficulties. Compared to other economic sectors, there are very few women entrepreneurs engaged in hospitality and tourism. Many women entrepreneurs also run smaller businesses such as sweets and snack shops, cafes, and homestays. There is a lack of confidence to take the risk in starting a business among women due to a lack of skills and knowledge such as marketing and finance.

Women also face a lack of control over assets, agency and have minimal support from their families. Their inability to grow their business is mainly due to the lack of access to adequate capital and financing options. Despite the government's policy of allocating 10 percent of total business financing schemes to the H&T sector, there is a lack of access for women as banking and financial institutions required assets as collateral for the loans. And despite the government's focus on the growth of the H&T industry, respondents claim that banks and financial institutions have limited loan products that are suited to the needs of the sector. It is also tough to compete in a sector where most business owners are male. The H&T sector in Nepal is highly dominated and is underpinned by restrictive gender norms, stereotypes and gender-based violence. Women business owners at times have been harassed by male business owners and accused of trying to take away the ability of these male business owners to provide for their families. Furthermore, limited networking opportunities compared to men result in less chances to generate more revenue.



### **Good practices of H&T businesses in empowering women workers.**

Some H&T businesses in Nepal implement several good practices towards increasing access to employment and allowing young women to thrive in their careers in the sector. Most businesses provide separate lavatory and changing rooms, allowing female staff to be safe and secure. Flexible working schedules allow women to be assigned to shifts that foster balance between work and home care duties, leading to higher retention rates even after they get married. Transportation service from the workplace to residence is also provided to those working the evening shift. This permits women the option to work up to ten in the evening without compromising safety. Several star hotels offer up to three months paid maternity leave to new mothers. While Nepalese law mandates a total of 98 days of maternity leave, poor enforcement of the law results establishments not being compliant. Women can file a legal case against their employers, but most just quit their jobs. And though almost all of the businesses provide training and skills upgrades, some establishments take it further by providing on-site job coaching and counseling to motivate female staff, especially those in junior positions. Recognition from the company in the form of appreciation letters, awards for best staff, and birthday tokens are also effective in motivating female employees.

<sup>25</sup> Gurubacharya, B (2014). The women who are shaking up Nepal's male-dominated trekking industry. Associated Press. <https://skift.com/2014/05/02/the-women-who-are-shaking-up-nepals-male-dominated-trekking-industry/>

# CHAPTER 4

## *KEY FINDINGS ON THE BENEFITS OF INVESTING IN WOMEN IN THE H&T SECTOR*

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**Findings from the Cost-Benefit Analysis**

**Findings from the Return on Investment (ROI) calculations**



### Employers perceived interpersonal skills as top benefit of hiring female staff.

The H&T sector is highly serviced-oriented and the ability to provide excellent service can be a source of competitive advantage for business. Employees should thus possess interpersonal skills to be employable in the industry. Based on the survey with the different businesses, employers cite different interpersonal skills as the realized benefit of hiring female staff: hospitality, loyalty and trustworthiness, politeness, and impressive personality. It should be noted that these tend to be stereotypical traits ascribed to women in Nepal. Fewer respondents select performance-related benefits such as high productivity, dedication, and persuasion, which are traditionally admired in men or those in leadership positions. While respondents claim that good interpersonal skills lead to increased sales for the businesses, this is somewhat discriminatory as it pigeonholes women into roles that require interpersonal skills and limited them from moving into different positions within the company.

On the other hand, employers cite physical weakness, time devoted to work and corresponding absenteeism, and the lack of decision-making capability as the primary challenges of working with female staff. Physical weakness primarily refers to trekking guides, kitchen helpers and other jobs that required constant physical activity. Women handle majority of the care work at home. Taking time to attend to family obligations results in time constraints at work and absenteeism. Marriage and children are the precursors for quitting their jobs. Household duties gave the impression that women are less devoted to men when it came to work. Finally, female staff are perceived to lack decision-making ability, often needing the guidance of their supervisors. Digging deeper, this stems from a lack of confidence due to lower educational attainment amongst female staff.

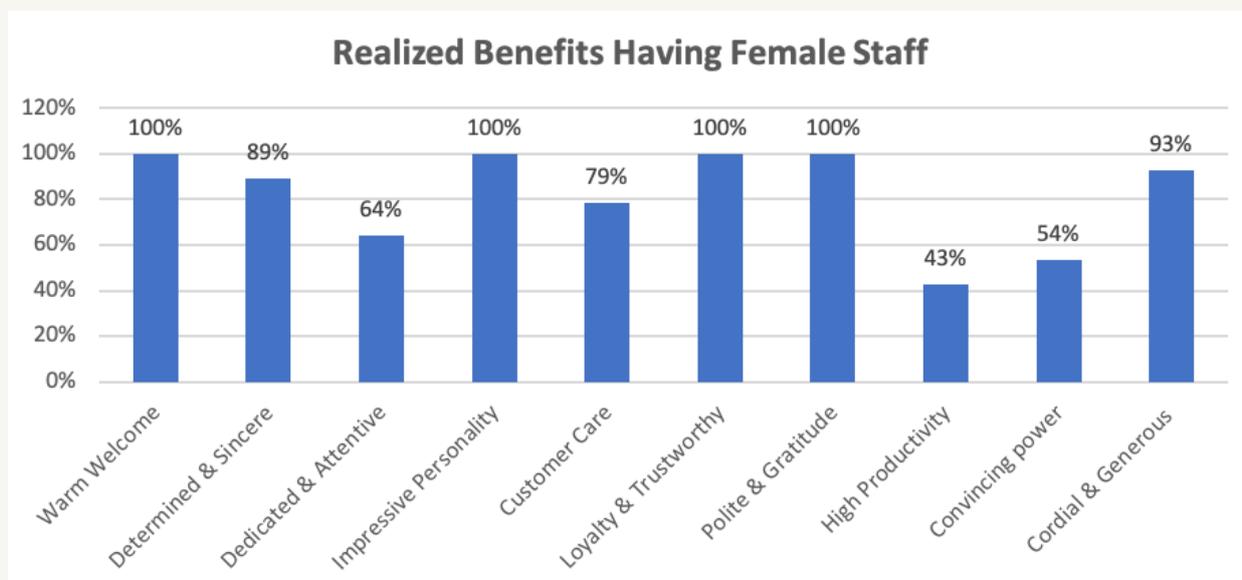


Figure 4.1 Survey results on the realized benefits of having female staff

### Findings from the Cost-Benefit Analysis

H&T businesses that implement different interventions for female staff experience increased revenue generation. Female staff perform well at work and are seen to be loyal, dedicated, trustworthy and provided warm hospitality and customer care to their guests.

A cost-benefit analysis (CBA) is the process used to measure the benefits of an investment decision minus the costs associated with taking that action. Cost calculations are based on direct and indirect costs, and might include intangible costs, opportunity costs, and costs associated with risks. The calculation of benefits is mainly from revenue or sales and might include intangible benefits or market share gains. Gross

benefit is calculated by deducting total expenditure incurred in business from the total business income. Net benefit is also calculated by deducting tax and other service charge provisions for the benefits gain from gross benefit.

CBA calculations are performed twice for each of the the different employer interventions for female staff. The first set of CBA calculations consider the value of money right now while the second set of calculations takes into account the time value of money to determine the present value of the cash flows at the required rate of return of the business. This is also referred to as discounting. Cost-benefit ratios, with or without discount, that are less than 1.0 are assessed to be favorable. Values closer to zero are deemed to be more favorable, as it generated more benefit for every NPR spent.

The following assumptions are used in the computation:

- Discounting rate is applied at 12 percent on capital investment;
- Business operational and revenue uses 2016 as the base year and 2018 as end year;
- Operational costs are assumed to increase at 8.6 percent of the base year and 11.1 percent of the succeeding years;
- Sales revenue-generating i.e total benefits are assumed to decrease at 3 percent of the base year and 5 percent of the succeeding years.

The figures below present the consolidated cost-benefit analysis for the different H&T businesses, with the first chart showing an analysis without discounting while the second chart takes into account the time value of money through discounting.

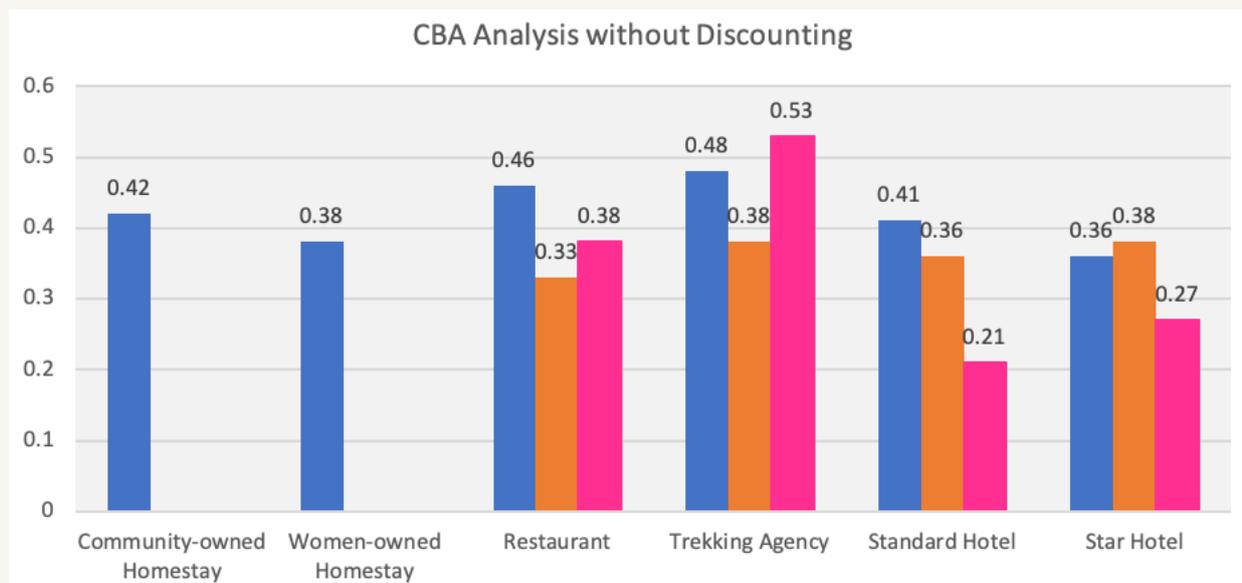


Figure 4.2 Consolidated cost-benefit analysis for H&T businesses without discounting

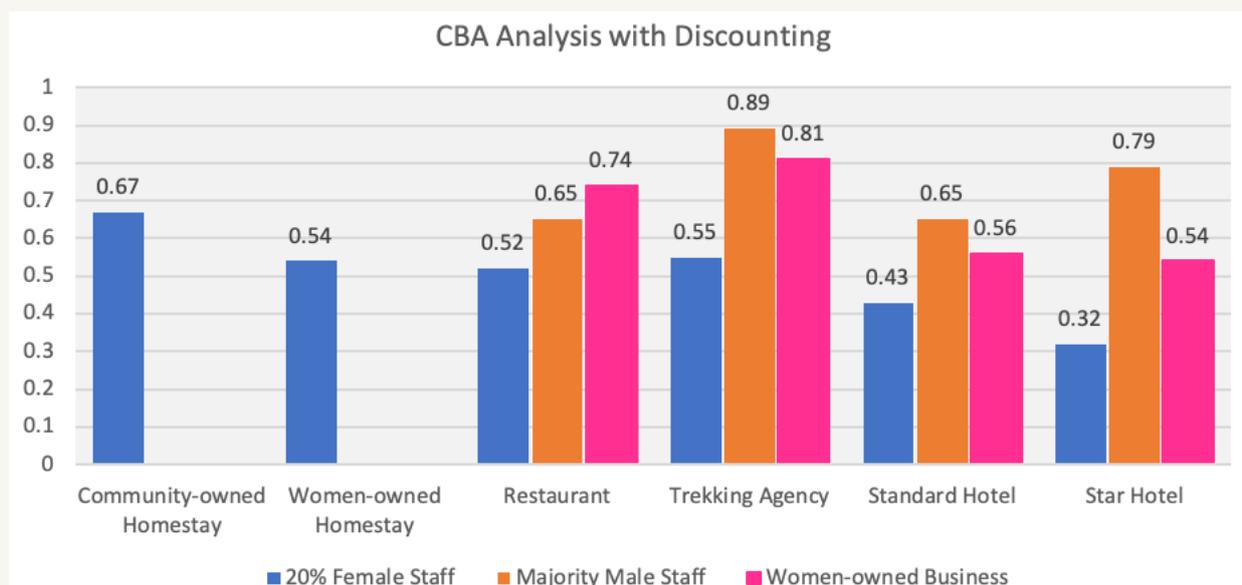


Figure 4.3 Consolidated cost-benefit analysis for H&T businesses with discounting

### CBA for businesses having at least 20 percent female staff

All CBA calculations for the different H&T business categories result in favorable cost-benefit ratios for the establishments. This indicates that having at least 20 percent female staff contributes to increased direct income for the companies. Star hotels, with a CBA value of 0.36 without discounting and 0.32 with discounting, have the best cost-benefit ratio compared to other

businesses mainly due to high sales revenues. Among calculations with discounting, star hotels with at least 20 percent female staff outperforms all types of businesses featured in the study. This higher cost-benefit ratio is attributed to the 10 percent growth of the contribution to the total revenue of the hotel from Year 1 to Year 3 of the CBA calculations due to the excellent performance of women in their respective jobs within the hotel.



Figure 4.4 CBA for businesses with at least 20 percent female staff

### CBA for businesses with a majority of male workers

All CBA calculations for the different H&T business categories are less than 1.0, resulting in favorable cost-benefit ratios for the establishments. This indicates that having a majority of male workers contributed to generating financial benefit for companies with every NPR spent. Restaurants outperform the other business categories while trekking agencies generate the least amount of benefits for every NPR spent. It is also interesting to note that in the absence of discounting, businesses with a majority of male workers have lower cost-benefit ratios compared to establishments with at least 20 percent female staff. However, when time value of money is considered in the discounted calculations, businesses with at least 20 percent female staff outperform establishments with a predominantly male workforce by a significant margin.



Figure 4.5 CBA for businesses with at majority male workers

### CBA for women-owned and operated businesses

Women-owned and operated tourist standard hotels, and star hotels show the best cost-benefit ratios without discounting. In fact, tourist standard hotels that are owned by women perform the best among all calculations that does not consider the time value of money. With discounting, both types of businesses still offer the best cost-benefit ratios. On the other hand, women-owned trekking agencies have the worst cost-benefit ratios. Women-owned trekking agencies tend to hire female guides, a trend that was started by the 3 Sisters Adventure Trekking agency, as a means to improving the lives of disadvantaged Nepali women and girls through adventure tourism and sports. Interviews reveal that women trekking guides were perceived to have less strength compared to their male counterparts, which can make it difficult to compete for business.



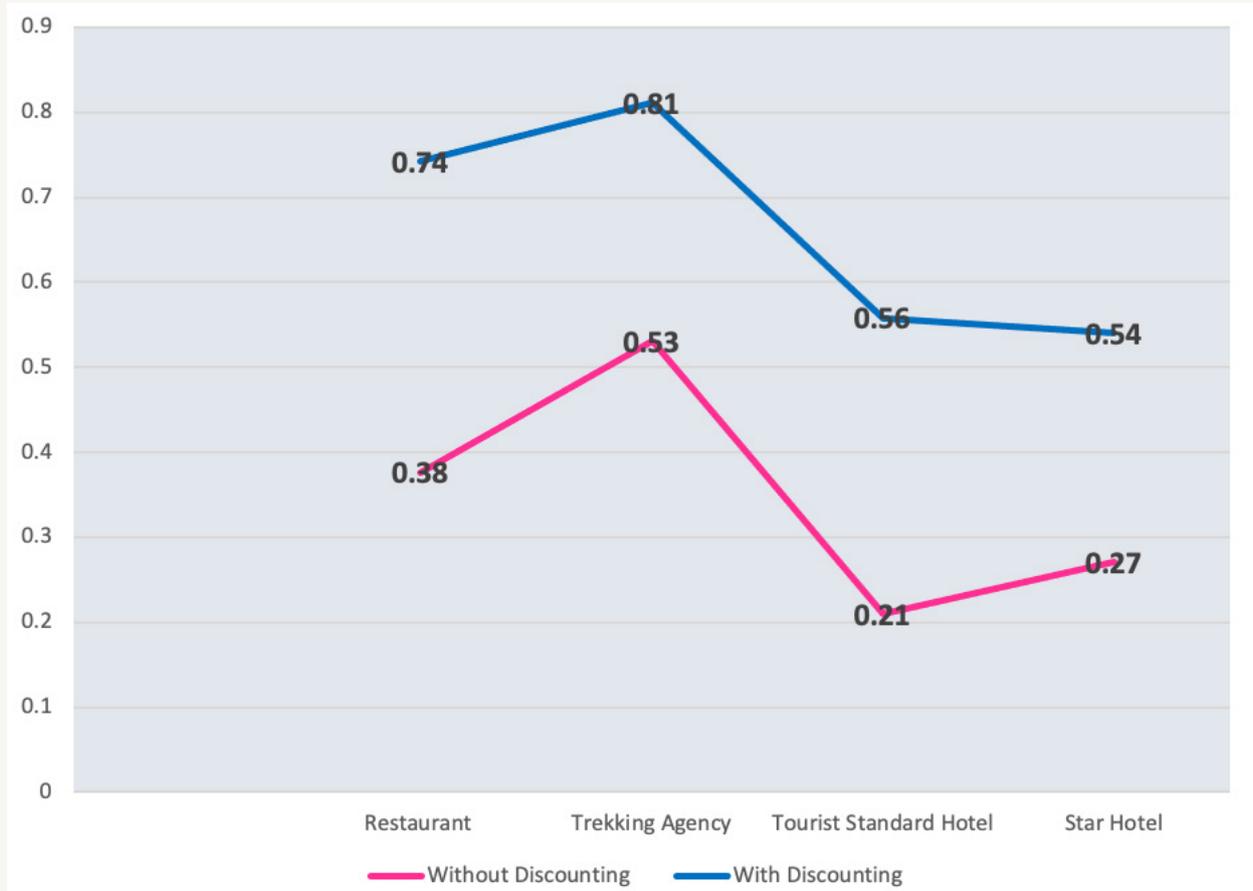
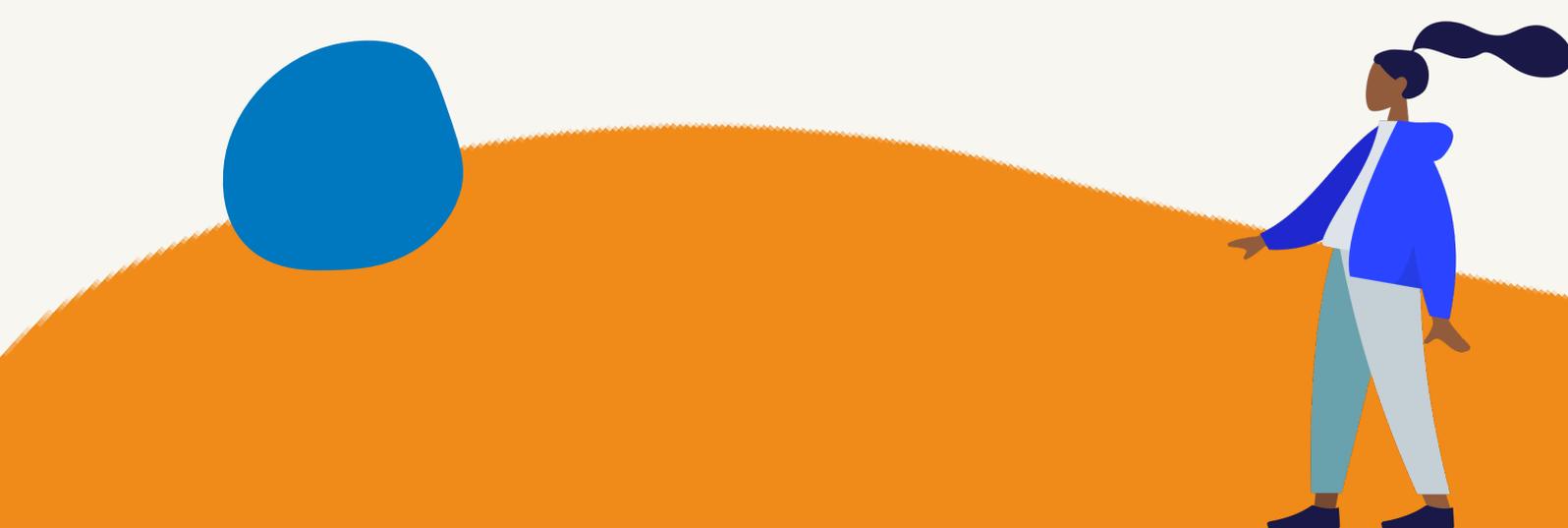


Figure 4.6 CBA for women-owned and operated businesses

### CBA for businesses with a majority of male workers

All CBA calculations for the different H&T business categories are less than 1.0, resulting in favorable cost-benefit ratios for the establishments. This indicates that having a majority of male workers contributed to generating benefit for companies with every NPR spent. Restaurants outperform the other business categories while trekking agencies generate the least amount of benefits for every NPR spent. It is also interesting to note that in the absence of discounting, businesses with majority male workers have lower cost-benefit ratios compared to establishments with at least 20 percent female staff. However, when time value of money is considered in the discounted calculations, businesses with at least 20 percent female staff outperform establishments with a predominantly male workforce by a significant margin.



**Table 4.1 Summary of ROI values for the selected businesses**

Business Type	At least 20% of Female Workers		Majority of Male Workers		Women-owned and Operated	
	ROI in %		ROI in %		ROI in %	
	Without discounting	With discounting	Without discounting	With discounting	Without discounting	With discounting
Restaurants	81.04	63.48	57.42	29.14	51.55	26.16
Trekking Agencies	76.29	59.61	48.08	23.40	51.33	37.07
Tourist Standard Hotels	98.04	75.64	60.62	34.45	58.95	21.63
Star Hotels	129.42	103.03	51.99	27.76	62.98	28.83
Business Type	Women-Owned		Community-Owned			
	ROI in %		ROI in %			
	Without discounting	With discounting	Without discounting	With discounting		
Homestays	57.96	38.54	71.51	46.99		

**ROI for businesses having at least 20 percent female staff**

All ROI calculations for the different H&T business categories show positive rate of returns, with lower values for discounted calculations. This is expected as discounted calculations factor in future value of money, which is often less valuable due to inflation eroding its buying power. Star hotels in particular, exhibited an ROI of more than 100%, implying that the investment can be recouped within the first year. Standard hotels also demonstrate high ROI, indicating that both types of hotels are able to reap the benefits of hiring women despite the cost of the interventions implemented by hotels. Larger establishments are also able to take advantage of economies of scale, which drive costs down. Homestays, on the other hand, exhibit the lowest ROI values, probably due to the cheaper price per night. However, all values have returns higher than 33 percent, denoting the investment can be recouped at the end of the third year.

**ROI for businesses with a majority of male workers**

All ROI calculations for the different H&T business categories also show positive rate of returns, with lower values for discounted calculations. The trends for the different categories are the same, regardless of the time value of money. Standard tourist hotels exhibit the largest ROI value, followed by restaurants. This indicates that star hotels with majority male workers take longer to realize the benefits of the investment. Trekking establishments exhibit the lowest ROI indicating that the smaller revenue generated by these businesses is offset by a higher cost structure, perhaps from the cost of permits and investing in trekking gear. With discounting, restaurants, trekking agencies and star hotels would all need more than three years to recoup their investments.





Figure 4.7 ROI for businesses with at least 20 percent female staff



Figure 4.6 ROI for businesses with a majority of male workers

### ROI for women-owned and operated businesses

All ROI calculations for the different H&T business categories also show a positive rate of returns. ROI values without discounting are comparable except for homestays, which are much lower, but all establishments would still be able to fully recoup their investments at the end of the third year. Unlike the previous ROI calculations where the discounted ROI is always less than the nondiscounted one, the ROI increased for homestays when time value of money was factored in. Homestays are able to recoup the initial investment by the second year. Discounting raises the ROI for investments where the more significant costs come later, and more substantial gains arrive early. In the case of homestays, the discount effect is more significant for the late-arriving costs, while the impact is less for the substantial gains that arrive early. Factoring in time value for money, restaurants, tourist standard hotels, and star hotels would need more than three years for the return of the entire investment amount.



Figure 4.9 CBA for women-owned and operated businesses

# CHAPTER 5

## *CONCLUSIONS*

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# CHAPTER 6

*RECOMMENDATIONS TO MOVE FORWARD*

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### **Improved recruitment and selection systems will help address the gaps in access to employment opportunities.**

Developing a recruitment and selection system that provides up-to-date information on relevant employment opportunities would help address crucial gaps in how young women access work in the sector. Industry-wide recruitment programs such as industry job fairs or caravans, spearheaded by associations such as HAN, TAAN, and REBAN, which extend to communities outside of urban centers, are needed to assure that there is an adequate workforce supply in the pipeline and that potentially hires are recruited as fair as possible. A transparent and accessible system allows all job seekers with access to internet to learn about job opportunities, their specific requirements and the company hosting the position. The company will have a larger pool to recruit from and with the detailed job descriptions and steps in selection of candidates, they stand a higher chance of hiring the best person for the job.



### **Changing the perception of women and families about working H&T sector jobs will increase female participation in the H&T labor market.**

Outreach to communities and family members to encourage support for women's employment in general, and in the H&T sector is critical to enabling young women to pursue opportunities. Family members are key influencers in a young woman's career and changing their perceptions is critical to fostering a family support system for young women. Promoting the benefits of working in the H&T sector such as earning a decent salary and working in a conducive environment for women can help alter the negative perception of women being employed in hospitality and tourism. This can be done through information education campaigns, mobilizing career guidance counselors in schools, job fairs exclusive to the industry, one-day immersion in a H&T business, and testimonials from successful women in the sector. Furthermore, the government as well as industry associations should carefully regulate and monitor the working conditions of the H&T sector so that more women are enticed to seek employment. This includes making sure that businesses operate according to the standards set by tourism policies and comply with labor laws, including the provision of paid maternity leave benefits. Businesses should be held liable for noncompliance either through fines and penalties, suspension of the business permit, and loss of accreditation as an H&T business.



### **Addressing women's time constraints and competing priorities will be critical in balancing career growth with family responsibilities at home.**

While leadership program can be put in place, but women's time constraints and competing priorities needs to be addressed, and this happens not just in the office but at home as well. This requires involving men in the discussion and having a more equitable share of household responsibilities, support for women's career advancement and participation in the world of work. This can begin by advocating to male leaders and colleagues to also take action on gender inequality and women's time constraints and competing priorities both at work and at home. It also steers the conversation towards women's access to day care and pre- and after school care facilities that would ease the burden of competing priorities.



### **Quality skills development programs are needed to upskill women, especially those who lack formal education.**

Female staff can move up into senior roles or more positions with increasing responsibilities within their companies if they are able to receive training that would enable them to grow professionally. The H&T sector can partner with relevant government agencies, private and non-government service providers in delivering training modules or courses that adhere to high standards to prepare women seeking employment for jobs in the sector or upskill those that are already employed by the hotel and tourism sector. Industry-academia partnerships will also be critical in ensuring that the education and training content is responsive to industry needs. Furthermore, internships or on-the-job training would enhance practical skills, improve interpersonal skills, allow the trainee to gain more confidence. This should be complemented by having mentors and peers to coach and provide support to access opportunities. It also assures that a pipeline of competent staff will always be available to the sector.



**Recognize women’s empowerment as an investment, not a cost, and emulate the good practices of star hotels in investing in women.**

Most of the current good practices such as flexible work schedules, paid maternity leave, separate lavatory and changing rooms for women, job counseling, performance recognition, and provision of transportation facilities for those working the late shift, were mostly implemented by star hotels. The ROI calculations show that these initiatives were not considered as costs, but as investments, since they provided returns. By investing in women, star hotels enjoy the highest ROI values. While star hotels have more resources to mobilize, other H&T businesses could invest in their female staff by emulating one or more of these practices. They can start with the solutions that are lower in cost and easier to implement such as a monthly recognition for stellar employees.



**Proactively recruit women into leadership positions.**

Managerial and leadership positions in the H&T sector are still predominantly male. Human resource heads must keep an eye out for female talent and groom them for promotion. Leadership programs specifically for women in the H&T sector can prepare them to take on leadership roles in the future. At the same time, commitment from the top is needed to address the underlying issues hindering women to advance their careers. This includes a shift in the corporate culture to open up a career pathway for women to advance to senior positions, tackling wage gaps, setting quotas to always include women in shortlisting for promotions and improving work conditions to be gender-responsive to the needs of both men and women.



**Mentorship and coaching from the women who have broken the glass ceiling.**

Mentorship and coaching from thriving female entrepreneurs and female employees who have reached managerial positions within their organizations serve as role models to help motivate young women to aspire for similar successes. With other women guiding the way, young women will be less hesitant to climb the ladder.



**Foster women entrepreneurs by providing ways to access financing.**

Many women-owned enterprises such as hotels and homestays are unable to compete alongside male-owned businesses because they lack the right networks to access financial institutions and loans. Access to networks, industry associations, non-governmental organizations and governments can support, and facilitate easier access to loans or credit options specifically for women would go a long way towards helping women entrepreneurs invest in the growth of their businesses.

The 2030 Agenda and the Sustainable Development Goals rethink development by including gender equality as part of the enabling factors of inclusive and sustainable development. One of the World Tourism Organization’s goals is for sustainable tourism to bring about greater gender equality and empowerment of women. Entrepreneurship and employment in Nepal’s H&T sector offer women opportunities for growth and development. However, as this study found out, Nepalese women are concentrated in the lowest position in the industry, meaning they are some of the lowest paid, are the lowest skilled and are often burdened with unpaid work in small tourism enterprises such as homestays. Women have difficulty advancing to leadership positions in the sector.

Transforming Nepal’s H&T sector requires a shift towards sustainable tourism principles, starting with mainstreaming gender issues into the tourism policy of Nepal. Gender and women’s issues should be at the core of planning and implementation of every H&T related plan, program, and activity and should be supported by a corresponding budget. It should also address the constraints due to Nepalese culture and norms.

Mobilizing the private sector is also key to mainstreaming gender equality initiatives in H&T businesses. Targeted interventions such as investments in skills training for women, ensuring the workplace is safe for female employees and increasing flexibility in work arrangements to factor in women’s time constraints and competing priorities are already being implemented by some H&T business but are still not commonplace. The cost benefit analyses show that investing in women results in returns for the businesses. However, much still needs to be done to mainstream these interventions and to also develop a clear leadership pathway for women in the sector.

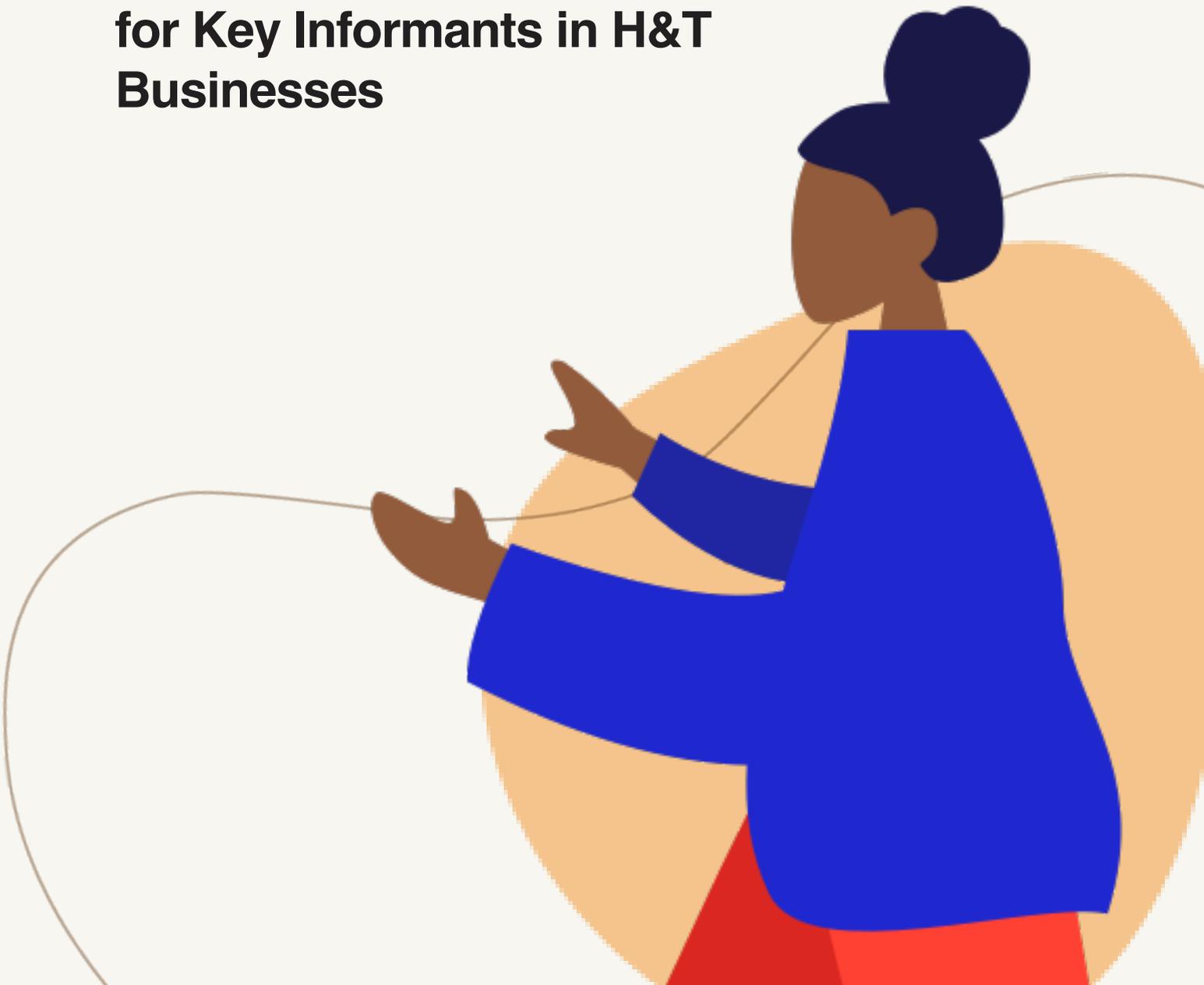
By addressing gender-related issues, Nepal’s hospitality and tourism is poised for inclusive growth that unlocks the untapped potential of Nepal’s female workforce, creates a flourishing H&T sector which is inclusive and gender transformative, and inspires Nepali women within the sector to become financially independent, defy stereotypes and start their own enterprises.

# ANNEXES

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**Guide Questions for Focus Group  
Discussion Questions with Young  
Women**

**Interview and Survey Questions  
for Key Informants in H&T  
Businesses**



# ANNEX A:

## GUIDE QUESTIONS FOR FOCUS GROUP DISCUSSION

### QUESTIONS WITH YOUNG WOMEN

1. What are the motivational factors for you to join in the hospitality/tourism professions?
  - a. Own interest
  - b. Family's interest
  - c. Employment
  - d. Studied course
  - e. Overseas employment
2. What are the career prospects for young women to work in the hospitality sector?
  - a. Decent work
  - b. Better pay
  - c. Training and learning opportunities
  - d. Overseas employment
  - e. Others, please specify.
3. What are the major challenges for young women to enter the hospitality sector?
4. What are the major challenges for young employees like you to grow their careers in the hospitality sector?
5. In your opinion, why do women employees leave their job frequently in the hospitality and tourism sector?
  - a. Marriage
  - b. Pregnancy
  - c. Unfavorable timing
  - d. To continue education
  - e. Harassment
  - f. Low career growth prospect
  - g. Less salary and benefits
  - h. Aspiration to go overseas
  - i. Lack of confidence among employers on our competencies
  - j. Others, please specify.
6. In your opinion, what should employers do to prolong your stay in your job?
  - a. Motivation
  - b. Equal pay
  - c. Equal opportunity
  - d. Flexible timing of work
7. In your opinion, how should your family members cooperate with you to prolong your stay in the job?
8. Do you feel discrimination against your male counterparts at work from employers? How?
9. In your opinion, why do employers prefer to hire more women in their enterprise?
10. In your opinion, what are the value addition for your employers to give you a job than men?
11. In your opinion, how to attract more young women into hospitality professions?
12. In your opinion, how employers should make the working environment conducive for young women to retain their professions?
13. In your opinion, what are the prevailing/possible reasons for women unable to secure a top managerial position in the hospitality sector in a given local context?
14. Did you receive any job placement support from your training provider?

# ANNEX B: INTERVIEW AND SURVEY QUESTIONS FOR KEY INFORMANTS IN H&T BUSINESS

## Section 1. General Information

1.1	Name of the Enterprise	
1.2	Name of the Respondent	
1.3	Position of the Respondent	
1.4	Address	
1.5	Mobile Phone Number	
1.6	Year of Establishment	
1.7	Type of Enterprise	
1.8	Registration	
1.9	Affiliation	

## Section 2. Total Staff

Level of Skill	Male	Female	Full-time	Part-time
Highly-skilled (Manager & Senior)				
Skilled (Supervisor & Officer)				
Semi-skilled (Assistant)				
Unskilled (Labor)				
<b>Total</b>				

2.1	How do you recruit your required workforce?	<ol style="list-style-type: none"> <li>1. Head hunting</li> <li>2. Referral</li> <li>3. Call for Application/Online</li> <li>4. Job placed by training institute</li> <li>5. Selected among intern</li> <li>6. Others (if any)</li> </ol>
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2.2 If you have female staff members, please tell us about their employment details? (If not then skip below questions and go to Section-3)

Position	Number of Staff	Salary per month	Non-salary benefits

2.3	How do you build the technical capacity of your female staff members?	<ol style="list-style-type: none"> <li>1. In-house training</li> <li>2. Outside training</li> <li>3. Learning by doing</li> <li>4. Any others</li> </ol>
2.4	What is your opinion regarding the competency of female staff members after they were hired?	<ol style="list-style-type: none"> <li>1. Very competent</li> <li>2. Competent</li> <li>3. Little competent</li> <li>4. Not at all competent</li> </ol>

2.5	How did you came to this conclusion? (multiple answers possible)	1. Possessing relevant skills 2. Possessing relevant knowledge 3. Possessing a professional attitude 4. Lack of relevant skills 5. Lack of relevant knowledge 6. Lack of professional attitude 7. Others
2.6	Do you think female trainees who follow a short-term training of up to 3 to 6 months are sufficiently trained and have the required skills (both technical and soft) for the position for which they have been hired?	Yes <input type="radio"/> No <input type="radio"/>
2.7	What is the average cost of training per female staff, if you train them in-house?	NPR.
2.8	List the type of training courses/classes which you normally provided to your female staff members.	1. 2. 3. 4. 5.

### Section 3. Challenges and Opportunities of Women Workforce

3.1 What are the prevailing/possible barriers related to both access to jobs and career advancement that you have perceived from your female staff members?

3.2 What are the possible opportunities you have realized having female staff members in your enterprise?

3.3 In your opinion, is it necessary to have female staff members to grow your business?

3.4 In your opinion, what are the merits of having female staff members in your enterprise?

3.5 In your opinion, what are the demerits of having female staff members in your enterprise?

3.6 In your opinion, what are the challenges for women entrepreneurs to enter and grow in the hospitality and tourism sector in Nepal?

3.7 In your opinion, what are the opportunities for women entrepreneurs to enter and grow in the hospitality and tourism sector in Nepal?

3.8 Why do you prefer to hire young women in your enterprise?

3.9 In your experiences, among men and female staff members in your enterprise, which one has got the highest turnover?

3.10 What are the prevailing/possible reasons for turnover among female staff members?

- a. Marriage
- b. Pregnancy
- c. To Continue formal education
- d. Overseas employment
- e. Low pay and benefits compared to male counterparts
- f. Lack of career development prospect
- g. Society's negative perception of the hospitality profession
- h. Unable to spend the required time (e.g. family restriction for late night duty)
- i. Others, please specify

3.11 Despite said reasons for high turnover, why do you still prefer to hire women as staff members in your enterprise?

- a. It increases my sales
- b. It increases my customer's stay
- c. Just because of reliability
- d. Customer care
- e. Accuracy in the competency level
- f. Less demanding
- g. Others please specify

## Section 4. Cost-Benefits and Return on Investment of Different Interventions

4.1 What is your operational cost/ expenditure for female staff members over the last three years?

Cost Expenditure Items	Year (2016) (In NRs.)	Year 2 (2017) (In NRs.)	Year 3 (2018) (In NRs.)
Salary			
Provident Fund			
Gratuity			
Insurance			
Bonus			
Transportation			
Food			
Uniform			
Accommodation			
Tips including 10% service charge			
Maternity leave (only if paid)			
Daycare/Child Care facilities			
Orientation on hygiene & sanitation			
Skills training			
Study leave (only if paid)			
Others (please specify)			

4.2 4.2 What is the contribution to your annual turnover (value addition) from female staff members over the last three years?

Type of Annual Business Income	Year (2016) (In NRs.)	Year 2 (2017) (In NRs.)	Year 3 (2018) (In NRs.)
Direct Income (please specify)			
Indirect Income (please specify)			
Contribution of women workforce in total income			

4.3 What is the cost of fixed assets you have invested in your business for female staff members?

- Invested for fixed assets: NRs \_\_\_\_\_
- Applied depreciation rate of fixed assets: \_\_\_\_\_%

4.4 In your opinion, how is the frequency rate of your guest (after making different interventions to female staff)?

- High
- Moderate
- Fair
- Poor
- Not at all

4.5 In your opinion, what are the needs of the hospitality and tourism industry for its further development?

4.6 In your opinion, do you see any multiplier effect after you have made on different interventions on your female staff members?

4.7 Do you have any personal remarks on the interventions to female staff members?

4.8 What are your Annual sales turnover over the last three years?

Type of Annual Business Income	Year (2016) (In NRs.)	Year 2 (2017) (In NRs.)	Year 3 (2018) (In NRs.)
Direct Income (please specify)			
Indirect Income (please specify)			

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We believe in the power and potential of every child. But this is often suppressed by poverty, violence, exclusion and discrimination. And it's girls who are most affected. Working together with children, young people, our supporters and partners, we strive for a just world, tackling the root causes of the challenges facing girls and all vulnerable children.

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