## Human resources as a competitive advantage in tourism development

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**Abstract:** Tourism itself, in the course of its development, experienced a great number of internal or external essential changes: it took and assumed different appearances and shapes, it was used in different means, it broadened its volume in spatial and quantitative sense, it changed structure and characteristics, enriched itself with new motives, received new functions, differently influenced the other aims and served different causes and targets, and while doing so, it never lost its economic characteristics. Modern mass tourism became the most important characteristic of this phenomenon and it has the core meaning in tourism research – especially in researching the economic effects and the influence on overall development. A glance at our current training programs or content of books and articles in the field of management, in addition to certain affirmation of principles of human resource management, shows us two tendencies of the negligence of the human resources. One of them is just a passing mention or no mentioning at all, as if not even noticed there is a new approach to the human component of business systems. The second tendency is shown by those who already realized that the human resources are a trend, so they bring the term in their texts and jargon, but more like a modern name for something already familiar. Therefore, if we want our siciety to properly use the doctrine of human resources, we have to persitently popularize its basic principles. So, what are those basic principles, or what is really new here?

**Key words:** Resources, Tourism, Development changes

## 1. Human resources in relation to other resources

Without people one organization couldn't possibly exist and function even when it is based on automatization of the highest level. Man is the one

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who puts life into one organization, moves and gives the sense and aims to the whole group of enterprise activity. People are the key business resources but at the same time they are simultaneously the most complex resources. This complex situation comes out of specific characteristics of human beings. Man is conscious and thoughtful being who has its own aims and life, which is not going on exclusively in the organization. So, for that reason, management of human resources is much more complex and requires more knowledge and skills than management of other resources. Because of the influence of other factors, it is hard to anticipate the final results, or the relation of input and output when human beings are in question. It is the reason why in the management of human resources the individual approach is necessary. Working result is the resultant not only of knowledge and skills, but the resultant of other numerous factors, individual internal factors as well as external, first of all organizational ones. But, human resources have extraordinary importance for organizational success. Exceptional importance of human resources can be seen in the following:<sup>4</sup>

**Human resources**, unlike other resources, can use their knowledge and creativity to put into operation all the biological, physical and other resources,

The synergistic effect, which only human resources possess, enables for the total operating result to be greater than the individual results; combining of individual abilities it is possible to receive qualitatively new organizational capabilities,

**Behavioral and motivation factors** allow increase or decrease of individual labor, and thus organizational results,

Only people possess **the creativity** and they can create a new non-standard products and services and provide organizational and personal development,

**Uniqueness** means that individual knowledge and skills are used in a specific way in each organization, which make organizational skills unique; this can't be copied and represents a competitive advantage,

The long-term effect assumes that human resources have a long-term impact on the performance of the organization and the implications of certain decisions and changes typically do not show up immediately in the

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<sup>&</sup>lt;sup>4</sup> More on: Pržulj, Ž. (2002) Management of human resources, BK Institute, Belgrade, p. 20

organizational reality, but with a "delay". That is why investment in human resources has long term effects,

**Multiple implications** reflect the organization's approach to human resources have simultaneously economic, social and health implications,

The ability of self-renewal and development means that human resources have almost unlimited internal development capability and this is the only resource that doesn't decrease with the usage, but increases,

**Connection with all business functions** confirms that all these functions depend on human resources, so the management of human resources has a direct impact on the quality of implementation of all business functions, and thus the organization as a whole,

The economic importance proves that the economic effects far outweigh the investments in human resources. Only a man with his work in the organization can create surplus value - the new value.

All this points to the need that the organizations should devote much more attention to human resources than to other resources. The interest of the organization for human resources is not primarily of a humanistic nature, but economic. However, it is understood that without respecting the human aspect of this resource, one can't get economic results. Therefore, the entire concept of human resource management is based on the principles of respect for human nature and connecting individual with organization goals.

People do not input into the organization only their qualifications and willingness to work, but also their personality and a part of their life. People bring their own perception of reality in the organization, their complexes, insecurity or arrogance, their desires, ambitions, anger, hatred, envy, dissatisfaction and everything can be turned into negative energy and destroy organizational goals. The task of human resource management is neutralizing such events and encouraging positive and creative energy. In contrast to the discipline of organizational behavior, dealing with "the study of behavior in organizations by systematically studying the individuals, groups, and organizational processes," human resources management has the task to discover, develop and launch human resources for the realization of organizational goals, while at the same working should bring personal satisfaction. Is this possible?

<sup>&</sup>lt;sup>5</sup> Grinber/Barn: «Behavior in organizations» Želnid», Beograd, 1998 page 6

We can't give a unique answer to this question, because the behavior in working atmosphere is a result of various factors, which makes it complicated. Even though there are no unique formulas or recipes, there is a certain level of possibility that some behavior will vanish in certain conditions. The management has the task to create favorable conditions for wanted behavior<sup>6</sup>.

## 2. The specifics of human resources in tourism

Tourism, as a segment of the service sector, is becoming the "industry of the future". There are few economic activities that depend on the human factor like tourism. While other tertiary activities are characterized by a greater or lesser extent, the presence of the bidders and buyers in tourism, who rightfully face to face, the weight of that contact is characterized and emphasize those facts that can be classified under the common denominator of "hospitality" of tourists. Quality temporary tourist stay largely depends on the quality, therefore engagement, goodwill and training of human resources at all levels of hospitality. This immediately implies questions about how to perceive the importance of the human factor, as the carrier and the executor of tourist activity in an area, which is likely to be highly receptive, be it on the region or the entire country.

Considerations on the issue of the human factor in tourism should start with the question about the level of acceptance and what is the general attitude of the entire population of tourism. If the local population has expressed a positive attitude towards tourists, who come for a temporary stay in their community, one can say that there is an essential prerequisite for their quality relation or relation to quality hospitality. This is to point out the fact and the need to create the general conditions for creating a favorable atmosphere in accordance with responsible behavior towards tourists. A positive attitude towards tourism, above all, shows the degree of social and cultural development of the population of an area, which is a basic prerequisite for the development of tourism, in which everyone agrees.

<sup>&</sup>lt;sup>6</sup> More in: Djordjević, B. (2001) Psihologija menadžmenta, Filozofski fakultet, Priština. In Serbian.

Consideration of the problem of human resources in tourism industry has a different weight when speaking about:<sup>7</sup>

- a space that has already reached a high level of tourist development,
- a space that is still developing,
- a space that only sees and plans its tourism development.

In most tourist destinations all the three features are present. The main question that arises is the question of sources of human resources. So, where to recruit the necessary personnel, are they present in the area viewed and how much we should turn to neighboring or distant sources. This is a seemingly simple question that, however, we should start looking for answers on key demographic characteristics of the area. This refers to the steady natural growth of population and tourism growth trends foreseen. This interdependence is extremely important, because we need to plan the mechanical inflow of population (eg. on islands).

Far more complex is the source of the problem of human resources in the areas of large concentration of tourist facilities. In this region, tourism is a priority activity, the headquarters of the economic and overall development, which gives complexity and multidimensionality. Here, the main accelerator and limiter of the overall development are human resources. In this respect, temporal dimension of human resources should be analyzed.

It should be repeated once again. There are two periods of business in tourism:

- Year-round operations when facilities are available to tourists throughout the year regardless of the degree of capacity utilization; facilities are often located in large urban areas and, as a rule, have lower capacity utilization during the weekend or in the heat of the main tourist season,
- Seasonal business when objects work for only a certain part of the year, while for the rest of the time they are closed; in principle, they operate during three different periods of intensity preseason, season and postseason.

In order to highlight the complexity of human resources in tourism, it is necessary to emphasize the complexity of tourist offer, therefore the market position where the human resources work. Contrary to tourists - a large number of subjects of tourist offer (catering and hotel services, transport and trade, producers of souvenirs and other products for the tourist market) are there for the consumers. All of them, if generalized, make the tourist offer, which would mean that staff that provides these services should also be included in the tourism human resources.

So, tourism is a labor-intensive industry, as stated in plain language means that for performing an economic activity it takes a lot of human potential. Known fact about the impact of automation, electronics and similar to the reduction of personnel needed in tourism has only a limited impact, because in spite of all attempts to introduce modern technological and technical solutions in the business of tourism enterprises, the man, however, remains the main "producer" of the services. Modern technical aids mainly contribute to accelerating certain work processes, work technologies changes, but, as a rule, are less effective in reducing the number of employees, particularly in the hospitality industry. In other economic activities this impact is more pronounced. That shows the ratio of realized income and the number of employees in certain economy branch. For the same level of income (gross domestic product) it is necessary to engage more employees. With the same number of employees, tourism earns less income (Gross Domestic Product).

So, the fact is that hospitality and travel agencies require an increased number of employees relative to other economic industries. From these findings it is possible to draw a conclusion that the positive growth trend of tourist income inevitably entails considerably increased needs for new work potential. So one can conclude that tourism is a powerful new jobs generator. In addition, four main features that characterize the problem of human resources for tourism should be highlighted. Those are:<sup>8</sup>

- a) A high level of employment of women,
- b) High participation of under qualified personnel,
- c) A high level of employment age,
- d) The need for numerous seasonal demand.

a) As for higher participation of women, it should be repeated once again that the tourism is an "industry of hospitality", and in some ways, by basic characteristics is suitable for women. In the hotel industry households work (room hygiene, cleaning, washing and linen cleaning, serving food and drinks, especially the numerous tasks in the kitchen), is carried out mostly by women. This also applies to the front desk, cashier, administrative and accounting tasks. In operations of travel agencies also dominate women. In general, a large number of other services used by tourists are performed most often by female population.

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<sup>&</sup>lt;sup>8</sup> Boris Pirjevec, Principles of Tourism, Mikorad, Zagreb, 2002.g, p.139

Considering only the main characteristics of employment in tourism, it is necessary to emphasize the role and the place and the part of the female population that is outside the working contingent or outside the records of the employee part of the population. One should begin with a well-known fact that a good part of accommodation capacities are households or, more popularly private accommodation. Although there is no statistical evidence of "employees" in this segment of accommodation, one could freely say that practically all tasks related to the operation of this form of accommodation are occupied by women. During the tourist season, the female part of the population, with their daily housekeeping obligations carry out many tasks related to the accommodation and service for customers, who are staying in their homes. It is this engagement that contributed to its great changes in the lives and cultural habits on the one hand, and on the other hand, it improved the living standards of families engaged in renting out their homes to foreign and domestic tourists.

b) The following main characteristic of employment in the tourism sector of the economy is the need for a high proportion of unskilled and semi-skilled human resources potential. There are a huge number of jobs which are not asking for special professional qualifications or complete education. In addition, it is known that the number of employees of such profile is inversely proportional to the category of accommodation facilities, ie. the higher category of the hotel building, it is in the structure of employment less those with lower qualifications. Because, to perform simple tasks, which are usually not in direct contact with guests, as a rule, there is a need for a large number of employees with lower qualification profiles (up to 20%). Of course, the question always arises as to whether and how to be with such a busy staff and provide quality services. High-quality services are the foundation of "hospitality industry".

Such a low qualification structure of employees, on the other hand shows that it takes relatively little time for their professional training and development. Therefore, the best way for their education is the principle of continuous education. It enables all the employees to quickly adapt to the radical changes in time and space, which are related to the growing needs of tourists. This will be discussed later.

c) Human resources in tourism are characterized by high levels of age structure of employees. From a macroeconomic point of view it is a reflection of the state of the economy and society and disorderly social policy. All those who can't follow the trends of modern knowledge and education remain without work engage in other industries, and thus seek salvation in the tourism industry.

On the other hand, tourism is an "industry of hospitality", which primarily requires dynamism, enthusiasm, cheerfulness and expertise of young people, who are ready to respond to anything and adapt to any challenge. The positive perception of a tourist destination or a pleasant first impression with tourists should be encouraged by young, ambitious, professional and ready (usually female) maidens with knowledge of several foreign languages and possessing a high quality information.

- d) Travel movements are, as a rule, linked to certain seasons as the entire tourism industry imposes seasonal business. Seasonal business creates one of the biggest problems of tourism the need for hiring seasonal staff. There are three main questions of the issues of "seasonal workers" who, as is well known, as a rule, do not live in tourist areas which are in need of these staff. Those are:
- \* necessary acquisitions of seasonal workers outside the place of employment,
- \* problem of their professional and educational profile required for a particular job,
  - \* problem of adapting to their new living and working environment.

Seasonal workers are sought from among the ranks of the unemployed, or as temporary employees, who usually have no or have insufficient work experience in positions that are taken into temporary employment. It is not rare that they do not have enough aptitude for the job. Of course, here now comes the question of the quality of service. Seasonal workers who are not recruited from the native population, during their stay in temporary employment in a variety of ways include themselves in the labor and environmental practices of their new environment. These are very serious social problems, especially reflected in children.

Finally, a few words about the working conditions in the tourism industry. There is well known saying among employees in the tourism industry, and this work may be performed only by true enthusiasts, lovers of tourism and whose tolerance is very low. Tourism work takes place in several shifts, holidays, seasons, when temperatures are not exactly the most pleasant etc. The result is increased fluctuations in both permanent and temporary employees, but also the lack of interest of young people to their working career in tourism. However, it should be noted that these conditions differ in a positive performance of the tourist mediation, particularly in income, but only a tenth of the people working in tourism work here.

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