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**Article**

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*Review*  
(accepted March 10, 2015)

## SOME ASPECTS AND FEATURES OF TOURISM MANAGEMENT IN MACEDONIA

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### **Abstract**

The importance of human resource management is important in every field of work and in every enterprise, especially in enterprises operating in the tourism sector. We underline this because the tourism commercial sector is mainly based and depends on qualified human potential which will be correctly managed. The same applies to the question of the human resources management in Republic of Macedonia. The employees in tourism field have to be enabled and qualified to fulfil all future requests and standards connected with their working performances. The specificity of our companies included in the tourist sector is the fact that there are small companies operating according to the number of employees; in such cases, the managers commonly do not perform only the leadership function only, but in most cases there is an overlapping with the executive function. For these reasons, it is hard to discuss a classical type of management because, as we mentioned, the Macedonian companies compared to those from more developed countries, are different in their size, and therefore in their style of management.

**Keywords:** management, human resources, tourism, education, leadership.

*Jel Classification:* M00

### **INTRODUCTION**

In the new era of rapid technological changes and innovation, the liberation of the mind and the creative potentials of the employees, is a factor that moves the business in all spheres of the society. For this purpose, we need manager — leaders, which will be commonly educated and trained, who understand the economy, the sociological and cultural trends, the technological innovations, the changes of value, the international trends and other aspects important for the existence of one business. The aim of the management is to achieve good and efficient results. The existence of results implies an

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implementation of an asset of values for the nature of those results and their meaning for which they have to be achieved. To become a successful manager means to develop a capacity in order to understand the nature of the results and the achievements so that they can be connected with relevant value systems. Having said this, the management is not and cannot be neutral as regards the values and results (Petkovski and Pelivanova 2009).

People learn how to become successful managers, both throughout the process of organizations management and formal, non-formal and informal education. The management is expressed throughout behaviour. If management implies an asset of actions, then a compulsory criterion for success is the length of the application of those results which are achieved and those goals which are transformed in evident changes.

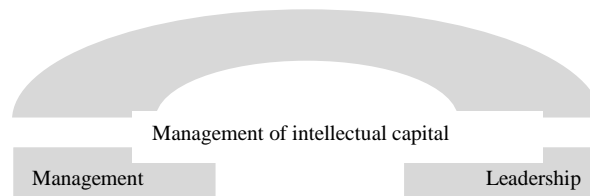
## 1. MANAGEMENT IN TOURISM

Contemporary tendencies and conditions clearly show that there is an emergent need of continuous changes in the organizations in all fields of work and living, which become their benchmark. This particularly applies to the organisations in the field of tourism. With the changes in the organizations, there are bigger needs and expectations in relation to management and the need for bigger expertise of the labour force. If these needs are met, there will be a powerful organization with competitive advantage. The importance of the quality work force in the tourism sector is stressed out by (Kulas et al. 2014) and according to them *Tourism is an extremely labor intensive and dynamic activity, which means that tourism services are based on the quality of human resources*. The function of the human resources in future will include staff with different experience, skills and competences, creating bigger perspective of what this profession means. The management of human resources is strictly connected with organizational performances and achievements. This sets the need of organization management by brave people which have the ability to direct the behavior towards targets, to ensure that the organizations have management models which will ensure cohesion of the work force, in hard and good times. The managers in tourism have to possess abilities for management of all resources, especially human resources. They have to be able to efficiently carry out their tasks and to achieve the organizational goals, in order to be able to recognize and attract quality work force, with specific skills, that they will inspire and motivate and support in order to be innovative and able for changes. The fact that the quality work force is of utter importance for the tourism sector is confirmed by (Bowie and Buttle 2004) who make a link between the management of human resources in tourism and tourism marketing. *Although recruiting, training and rewarding employees is a human resource management function, marketers need to understand the employment strategies to ensure that the brand values and standards are delivered...*

The sustainability of the competent work force in tourism has to contain a mixture of competences, both professional, and other personal qualities in order to meet the variations in the demands and needs of the client. This is a mixture that possesses competences and behavior such as: knowledge, competences, created attitudes, acquired values, behavior and motivation indispensable in order to achieve the requested results in adequate time and efficient manner. The employees in tourism have to be able to satisfy all future requests and standards related to their performances in their workplace. Besides this, performances undergo other factors, apart from the

competences, such as the motivation to fulfill the tasks and realization of the organization goals.

The focus on the human resources has brought to the fact that the same are promoted as an intellectual capital and potential in which one should invest. The further development of the society and their modernization has influenced the discourse of entrepreneurship and informatics society in which the key factor is the human being, while the leadership becomes a *key for opening and developing of their potential*. This is why today we discuss the leadership not only as a phenomenon of the group dynamics but as a contemporary approach in management. According to this, the management of the intellectual capital (the human resources management) represents one phase of the management development which as a bridge brings us towards an establishment of the leadership as a contemporary development phase of the management. We can see this in the following figure:



**Figure 1.** Connection between management of intellectual capital and leadership

Good managers in tourism have understood the philosophy of success in this particularly important economical field for every state. They have understood that it is, in fact, their responsibility and task to build a learning organization which is a condition to be able to adjust the changes, and that means to learn from the experience and to introduce innovations in order to enhance the performances. In other words, that would imply the application of bench- marking.

Among the fundamental skills for which the manager is responsible is also the creation of communication culture, information management, practical problem solving skills, positive attitude and behaviour, adaptability and responsibility and efficient working. The proactive managers in tourism have the ability to recognize the client's needs and changes coming from the environment, which means they plan and implement the changes in order to achieve efficiency and effectiveness throughout better performances of the employees. The implementation of the changes and the problem management is particularly difficult task for every organization.

Therefore, it is clear that in tourism field we need managers with leadership capacities, which means they should possess certain qualities. Key skills that every leader should possess are: basic skills for leadership, individual and personal effectiveness and ability to create and work in team, project management.

## 2. LEADERSHIP AND EMOTIONAL INTELLIGENCE

Emotional intelligence is "something" intangible in all of us, which determines how we manage our behaviour, how we overcome the social complexity, and how we make personal decisions that lead to success in work – life balance. Large or small, changes are moving the world of work. The author Peter Vail a professor of human systems at the University, George Washington calls this "the state of constant white sparkling water" in the middle of continuous innovation.

Emotionally intelligent leaders can stabilize the chaos. They give directions and flow reliability in many confusing situations which happen today very often. It inspires, motivates and creates a sense of commitment among employees, which is crucial for the success of the organization.

There are two sets of skills that refer to emotionally intelligent leadership. The first set includes the core skills of emotional intelligence that are important for every individual and every job place (Feldman 1999): knowledge about ourselves, maintaining control, the ability to "read" others, awareness of public opinion, flexible communication. When leading other people, beside the basic there is a necessity for the second level of skills. With these skills we inspire other people. These skills of higher order are: taking responsibility, generating choices, vision that instigates confidence, courage and determination.

Leadership competencies can be divided into 15 leadership competencies divided into three groups (UMEA Sweden):

- Emotional: self-awareness, emotional reasoning, motivation, sensitivity, influence, intuition and thoroughness.
- Intellectual: critical analysis and reasoning, imagination and vision, strategic perspective.
- Management: encourages communication, manages resources, trains, develops and achieves.

## 3. RESULTS FROM THE EMPIRICAL RESEARCH

Successful employers interpret the investment in working forces skills as one of the most powerful means which will lead them to successful business management. It is indispensable to create a culture in which every employee will understand this. The working force that has the necessary skills is more successful, innovative and creates powerful business. The competences and possibilities grow globally, and therefore we have to provide conditions in which the employees will have the indispensable skills for the future of the business. The philosophy of management of human potential implies the need of managers in tourism that have to possess specific skills.

In context of the prior discussion, and in order to gain specific knowledge two researches have been conducted in the period between 2012 and 2014. However, before undertaking received from the research we have to underline that the structure of companies dealing with tourism is much more different from the idea of how they should be and what size. We will give an example for the sector of catering and gastronomy industry where in 2013 in Republic of Macedonia there were 1949 active legal subjects among which only 153 are hotels. The complex number of persons was 12441 or average 4,6 employed in the gastronomy enterprise. All this implies that

there are more little entities and very small number of bigger hotel with higher number of employees where the classical management would function.

When we discuss travel agencies, their condition and the current situation is not much different from the sector of the hotel and gastronomy industry. In the territory of Macedonia there are approximately 400 travel agencies and only one tour operator. All this corresponds with the degree and the level of development of the tourism as commercial branch where the participation in the creation of the GDP is more than 2% and in this frame the same number of employees in the complex quantity of employees in the country, which is below 3%. We could also consider that in future the role of the travel agencies will be decreased, and this is underlined by consideration of the world tourism organisation that the role of the agencies in the past two decades was decreased of 30% percent in the mediation of tourist's travels. All this comes as a result of the development of the contemporary informatics technologies, where tourists on their own, without mediation of travel agencies make their reservation in hotels and other accommodation facilities.

The first survey was made on a sample of 297 interviewees (employed in various travel agencies). For this purpose the research team organizes a scale of attitudes and opinions with complex 16 statements, divided in 8 statements in two groups, and each one of two groups is connected with two key factors or qualities which should be possessed by one good tourism manager and that is:

1. Tourism's manager ability to manage resources
2. Personal skills deemed necessary for the tourism manager

Every interviewee gave an evaluation note from 1 to 5 for every statement on the basis of their opinion on the importance, and agreement with the statement, and the notes from 1 to 5 had the following meaning:

**Table 1.** Relation between valuation and given expression

Grade 1	Grade 2	Grade 3	Grade 4	Grade 5
Low level		Medium level		High level

Received data were analysed in the following table:

**Table 2.** Results of the survey

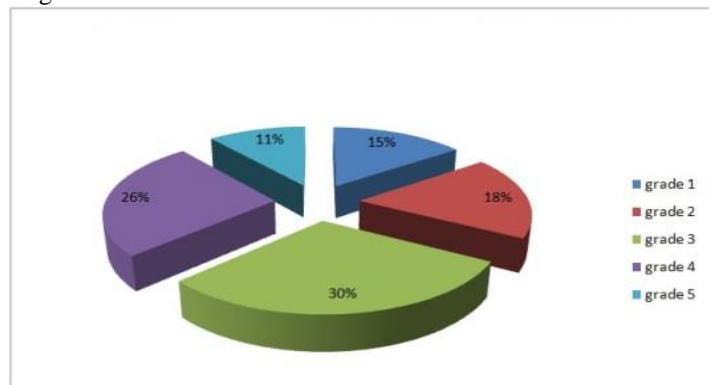
		Grade 1	Grade 2	Grade 3	Grade 4	Grade 5	Average
1	Managers in tourism have to be able to use contemporary technology in their work	37	54	99	78	29	3.03
2	Managers in tourism have to be communicative persons	5	11	37	163	81	4.02
3	Manager in tourism have to be able to manage finance	7	13	29	157	91	4.05
4	Manager in tourism should prefer team work	6	12	34	149	96	4.07
5	Managers in tourism have to be able to manage material-technical tools (space, equipment and working material)	19	23	106	118	31	3.40
6	Managers in tourism should be skilled for creative thinking (generating new ideas)	12	18	87	113	67	3.37
7	Managers in tourism have to be able to manage human resources	2	9	59	158	69	3.95

**Table 2.** (continued)

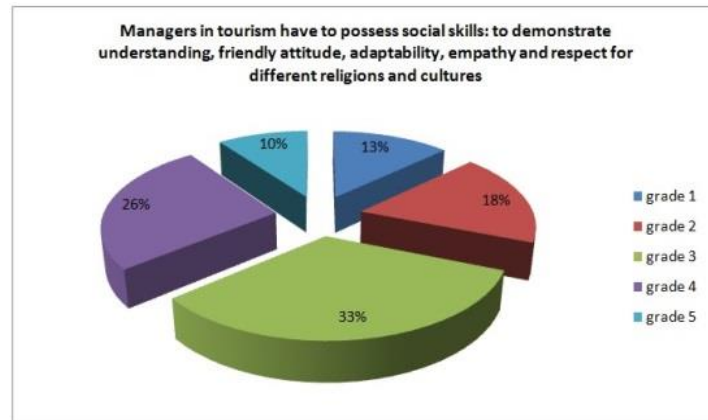
		Grade					Average
		1	2	3	4	5	
8	Managers in tourism have to practice time management	27	46	103	76	45	3.32
9	Managers in tourism have to be able to fulfil the clients expectations	8	13	55	137	84	3.93
10	Managers in tourism have to possess social skills: to demonstrate understanding, friendly attitude, adaptability, empathy and respect for different religions and cultures	21	34	102	97	43	3.36
11	Managers in tourism have to able to apply coaching	45	52	89	77	34	3.01
12	Managers in tourism should be persons with high degree of self-confidence, to believe in their own value and to maintain a positive image of themselves	37	46	107	78	29	3.04
13	Managers in tourism have to able to take good decisions: to set targets and limitations, to find alternatives, to take risks and to evaluate and chose alternative solutions	3	24	73	118	79	3.90
14	Managers in tourism have to be Proactive (responsible and apt to initiative): to perform hig level of enthusiasm and to be result oriented.	17	22	91	121	46	3.53
15	Managers in tourism have to be able to solve problems: to identify the problems and to apply action plan	7	22	71	124	73	3.79
16	Managers in tourism have to possess an integrity: to choose an ethical attitude in their work and in their relation to other people.	17	31	113	94	42	3.24

The statements under number 1, 3, 5, 7, 9, 11, 13, 15 refer to the initial key factor: *the ability of the tourism managers to manage resources* and the acquired results demonstrate that the media average level is medium level (in media 3.63).

A bigger exception from this average media have the statements under number 1 and 11, which shows that the interviewees do not put significant importance to the managers skills to use contemporary technology in their work (3.03), and this is and will be an elementary tool together with the knowledge of foreign languages and the linguistic skills for the function of everyone who deems to endeavour a tourism business, and tourism managers ability to apply coaching (3.01). This is perhaps understandable if we take into consideration the fact that the word coaching is pretty new in our region.



**Figure 1.** Managers in tourism have to able to apply coaching



**Figure 2.** Managers in tourism have to possess social skills: to demonstrate understanding, friendly attitude, adaptability, empathy and respect for different religions and cultures

The statements with number 2, 4, 6, 8, 10, 12, 14, 16 refer to the second key factor: necessary personal skills for the tourism managers and from the received results we could define that it is ranked on the mid-level as regards the importance (media 3.49).

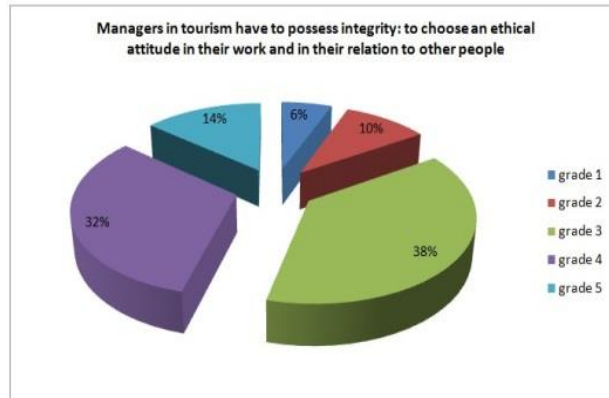
Relatively bigger exception from this calculated media have the statements under 6,8,10 and 16, which reveals the fact that the interviewees do not put too much attention to the need of creativity and the manager's skill to rely on timemanagement. It is not by chance that often in the work of our tourist workers some errors occur in the performances and the management and all that decreases the satisfactions of the clients. Perhaps the time management is the most important in this field because the overall activity is connected with time and precision especially when it comes to traffic services and timely arrivals, accommodation and departures from hotels, where even the smallest mistake can irritate the users of the service. If we consider this as something new and atypical as regards the traditional approach, then the answers under 10 and 16 are surprising.

Namely, there is a pretty low level of 3.36 shown in the need tourism managers to be persons with social skills (to demonstrate understanding, sociability, adaptability, empathy and respect of different religions and cultures). This does not correspond with the core concept of tourism where there is continuous contact with people with different religious and ethnical origin and the communication has to be on a higher level without moments of dissatisfaction.

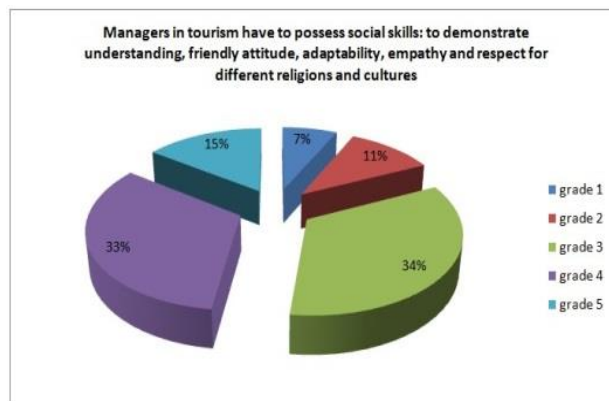
There is also a low level of 3.24 received on the basis of the statement: Managers in tourism have to possess an integrity: to choose an ethical attitude in their work and in their relation to other people.

This corresponds with the namely so-called "Balkan culture of behaviour" which is problematic in relation to the development of foreign tourism.





**Figure 3.** Managers in tourism have to possess social skills: to demonstrate understanding, friendly attitude, adaptability, empathy and respect for different religions and cultures



**Figure 4.** Managers in tourism have to possess integrity: to choose an ethical attitude in their work and in their relation to other people

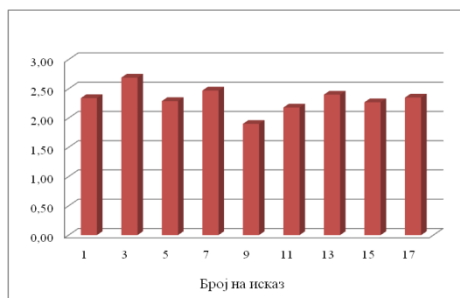
The second survey is conducted on 62 managers from different tourist organizations. For this survey we have used a questionnaire with 18 statements which refer to two categories with 9 statements entitled as “people” and “tasks”. Namely the questions number 1, 4, 6, 9, 10, 12, 14, 16, and 17 are connected to the manager’s behavior which put their focus on human resources (“people”), while the questions with number 2, 3, 5, 7, 8, 11, 13, 15 and 18 are connected with manager’s behavior which put the focus on the performance of the job (“task”).

The interviewees, while answering, had on their disposal three alternatives: never (1), sometimes (2) and always (3). We have classified the received results in the following chart.

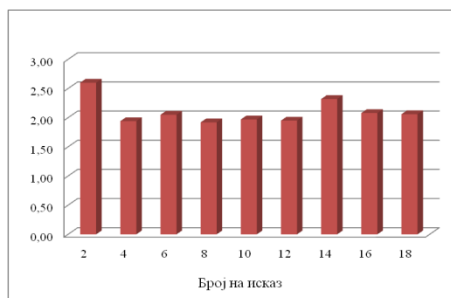
**Table 3.** Results of the survey

		1	2	3	Average
1	I encourage my team to participate in the decision making process and I try to implement their ideas and suggestions	5	31	26	2.34
2	Nothing matters as the fulfilment of the goals and the tasks	2	21	39	2.60
3	I control and supervise the agenda regularly to be convinced that all tasks and the project will be carried out	3	13	46	2.69
4	I enjoy to train the employees on new duties and procedures	19	28	15	1.94
5	As much as the duty is challenging, I feel more enjoyment	5	34	23	2.29
6	I encourage my employees to be creative in their work	13	33	16	2.05
7	When I see a complex task during the project, I make sure that each detail has been taken into consideration seriously	2	29	31	2.47
8	It is easy to deal with several complex duties at the same time	16	35	11	1.92
9	I enjoy reading articles, books and reviews on training, leadership and psychology and then apply the read knowledge into practice	18	32	12	1.90
10	When I overcome the mistakes, I do not take into consideration the fact that interpersonal relations might be put into jeopardy	19	26	17	1.97
11	I manage my time efficiently	7	37	18	2.18
12	I enjoy explaining the complexity and the details of a delicate task or project to my employees	18	29	15	1.95
13	Building big projects on small scale executive tasks is my priority	5	27	30	2.40
14	Nothing matters so much like the big team building	8	26	28	2.32
15	I enjoy when analysing problems	7	31	24	2.27
16	I respect the limits between other people	11	35	16	2.08
17	Consulting with my employees in order to improve their effectiveness or behaviour is my priority	7	26	29	2.35
18	I enjoy reading articles, books and newspapers as regards my profession: then, I apply the new procedures that I have learnt	16	26	20	2.06

If we compare the processes from the two groups, we can conclude that the interviewed managers in the tourist organizations in Republic of Macedonia are more focused on effective carrying out the job (2.32) while on human resources (2.10). This correlates with the results of the first research where the interviewees – employed in travel and tourist organizations in Republic of Macedonia give more importance on the manager's abilities rather than on their personal skills. This clearly shows that in travel agencies in Republic of Macedonia managers prefer managerial rather than leadership style of organisation management, and this corresponds with the aforementioned where we have analysed their number and the employment rate. There are lot of entities which according to their size, the number of employees and the organisational structure can be achieved that leadership approach of management.




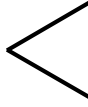
**Diagram 1.** Category – work with human resources („people“)



**Diagram 2.** Category – effective performance of the job („task“)

The following comparative table, illustrates very well the essence and the difference between a manager with classical managerial style and manager with a leadership style of management of one travel organization:

**Table 4.** Manager features with classic style and manager with leadership style of management

MANAGER		RESULT ORIENTED (immediately)	P
		SEEKS FOR ORDER AND DISCIPLINE	A
LEADER		DEVELOPMENT ORIENTED (future – vision)	E
		UNIFIES THE STAFF WHEN REALIZING THE VISION	I

We have to mention that with P, A, E, I are marked the four style of behaviour of the individuals, according IsacAdizes, with meaning:

P – typical style of behaviour, oriented towards delivering a product and a result.

A – typical style of behaviour focused on implementing order in work – administering.

E – typical style of behaviour focused on generating new ideas and changes – entrepreneur.

I – typical style of behaviour, focused on integrating or uniting.

According to the aforementioned illustration grid, the manager who prefers managerial relation, mainly represents the “RA” type, while the leadership oriented manager is of an „EI“ type.

## CONCLUSION

At the very end, from the aforementioned as regards the management of human potential, and which results from the researches done in Macedonian companies who deal with tourism activity, we could make interesting conclusions and suggestions, which could make their own contribution in eliminating such situations. It is evident that the companies are pretty small in size and it is difficult to apply the model of classical management typical for big companies. There is no severe differentiation of the job positions and often occurs that one person is in charge of several positions. The research has shown that in the management field there is an overlapping between the managerial and the leadership function. The results and the effects would be even bigger when the manager would perform leadership style of management and focus on development making in the company and future vision, rather than dealing with the classical managerial style. This means that there should be a team of quality individuals where the manager would have only a leader’s role. The second way is to focus on the current state and results immediately, where the manager the most part of his time would spend it in operative activities, but then the question rises how that will be reflected on longer term if there is no an adequate vision for the future development. It is evident that there has to be a retailoring process towards bigger size of the companies so they become more competitive on the tourist market, and at the same time to invest

and to work on the quality and the competences of the employees. The research has shown that there is still not sufficient work on the application of contemporary technologies as a basic tool for the work in this sector, development of social skills, and the not sufficient application of time management and coaching. This implies that one of the priority activities that has to be done is to work on the increasing the skills and the competences of the employees in all senses. This could be achieved with a combination of formal and especially informal and non-formal education where, through the system of life-long learning, the quality of the human potential would be upgraded in the tourism commercial sector in Republic of Macedonia.

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