

Demand for Management Staff in tourism sector of Wielkopolska

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Abstract: - In the paper author has presented basic definitions of labour market, tourism and consequently tourism sector as a labour market. Moreover, based on strategies prepared by local government of the Wielkopolska Region in Poland the author has described current situation in the tourism sector in the region and predicted demand for management staff in the local tourism labour market.

Key-Words: - Labour market, demand and supply on the labour market, tourism sector, management staff, tourism in the Wielkopolska

1 Introduction

Tourism sector is one of the most important sector of contemporary economy. As one of segments of service sector it creates labour market and source of income for many countries, regions, families and individuals as well. Diversity of forms, sizes and types of companies involved in tourism industry makes it available both for entrepreneurs from SME sector and for global corporations. That is one of those markets that is still possible to fine niche on.

Poland and of course the Wielkopolska as a part of it, also started different strategies and activities to develop tourist sector. Significant impact in acceleration of tourism comes from European Union that has donated Poland, and those funds were divided into several regions of the country to be correctly invested in particular needs of those regions. But, it would not be any success without efficient programs of implementation and involvement of people who live in the region. On the other hand, reading analysis presented in the paper it is obvious to conclude that tourism in the Wielkopolska is still very attractive market, also labour market in many aspects.

The Wielkopolska Region [16] is one of the largest regions in Poland. In the terms of area (29,825 sq. km) it is the second largest in the country, and the third most densely populated (3,355 thousand). Almost 58% of the Province's inhabitants live in cities and towns. The

second largest urban area of Kalisz and Ostrów is located in the southern part of the region and has a population of nearly 200 thousand. Other major cities of the region include the following: Kalisz, Konin, Piła, Ostrów Wielkopolski, Gniezno i Leszno. The Wielkopolska is conveniently situated at the junction of major European communication routes. It is at the crossroads of a major route from Berlin through Poznań, to Konin and Warsaw and on to Moscow, and from Prague through Leszno and Poznań to the Baltic Sea. Poznań Ławica airport operates both domestic and international flights. From tourism perspective the Wielkopolska is also very attractive because of varied landscape (ideal for for active leisure), local forests and lakes, hills, natural landscape parks (walking routes, bicycle trails), many enchanting historic mansions, palaces and residences and historical monuments (in Poznań, Gniezno, Kalisz, etc.). The Wielkopolska is located in the lowland river basin of three rivers: the Warta, Noteć and Prosna. The Wielkopolska Province boasts various sites connected with the cultural heritage of the country; the Polish statehood was born here after all. This region is also an ideal tourist destination because of its highly developed tourist infrastructure.[17]

So, many different factors indicate the Wielkopolska as promising environment of tourism development.

2 Problem Formulation

The main problem presented in the paper is to answer for the question: what types of management staff does the Wielkopolska tourism market need and what to do to achieve it? To present suggested solutions it is necessary to analyze tourism labour market from wide perspective and show all segments it consist of and cooperate with.

2.1 Tourism sector as a labour market of management staff

Based on Sloman's [10;4] definition, by labour we should understand all forms of human input, both physical and mental, into current production. So, labour market is a place (real or virtual) of meeting of those who look for employees with those who look for job.

Labour market can be analyzed from different perspectives, i.e. national, regional and local (that may differ because of scale, geographical factors, demography, culture, etc.) or from demand and supply side. British researchers [3] preparing report of local labour markets focused on few particular ratios and qualitative factors to describe situation; to estimate demand on the labour market, understood as recruitment activity by employers [3;7], they analysed total recruitment activity (based on central statistical data), geography of demand, skills and qualifications required, and finally work description instead of name of industrial sector. On the other hand, supply on the labour market includes both workless population and the in-work population, was analyzed based on quantitative data of employed and unemployed population.

Supply is created either by demand on the labour market [3;7] or by need of money for goods and services [6;191]. According to Begg, Fischer and Dornbusch [11;169] labour supply should be analysed in two stages: how many hours people work once in the labour force and whether people join the labour force at all.

Polish Central Statistical Office preparing the quarterly labour force survey (LFS) analyzes all persons aged 15 and more, who are members of the sampled households (excluded from the survey is population living in the institutional households i.e. workers hostels, boarding houses, dormitories, barracks, social welfare homes etc.). The LFS methodology is based on definitions recommended by the International Labour Office and Eurostat. The basic criterion for division of population from the point of view of economic activity, into the employed, the unemployed and the economically inactive is work, i.e. performing, having or seeking a job in the reference week [7].

Apart from micro- and macro economical point of view, evaluation of labour should be analysed from human resource management perspective. Such analysis consist of team work and individuals work evaluation in

particular sector or company. The main descriptors used then are [9;9-12]: organizational philosophy and structure; licensing and other government-mandated requirements; responsibilities (authority and accountability of each jobholder); professional standards; job context (environment that surrounds the job); products and services; machines, tools, equipment, work aids and checklists; work performance indicators; personal job demands (physical demands, i.e. climbing, lifting heavy objects, but also such factors like enduring the stress of heat, cold, gravity, etc.); elemental motions; worker activities (everything that worker should do at work from his point of view); work activities (list of duties of a worker); worker characteristic requirements; future changes (i.e. new technology); critical incident (i.e. situations that can appear accidentally at work, like robbery in a bank).

To analyse tourism sector as a labour market it is necessary to define tourism sector first. In theory, definitions of tourism are presented from different points of view. According to Goeldner and Ritchie [4] four, basic meanings of tourism are:

1. tourism as activity of tourists (with psychological background of human behaviour as tourists, gaining experience and satisfaction, etc.),
2. the business providing tourist goods and services (opportunity for business people to make profit),
3. the government of the host community or area (perspective of income for citizens, foreign exchange, etc.),
4. host community (cultural and employment factor for people living in particular region or local community).

The most common definition of tourism is that of the World Tourism Organisation [12] presented tourism which leads to management of all resources in such a way that economic, social and aesthetic needs can be fulfilled while maintaining cultural integrity, essential ecological processes, biological diversity and life support systems.

Another important definitions related to sources of labour in tourism are definitions of tourism industry and tourism economy. Tourism industry [13;34] refers to production of goods and services closely related to tourism, i.e. accommodation, catering, transport, etc. to fulfil tourists needs. While tourism economy should be understand wider as all activities answering demand created by tourism [13;34].

When complexity of tourism labour market is shortly explained, next step of the problem solving is classification of professions commonly called management staff. From the configuration concept of organizational structure (levels in organizational hierarchy) managers could be divided into three groups [20;5]: top managers, middle level managers and

operational level manager. Similar classification named “functional specialisation” was presented by Boddy [18;11-12], who listed: general managers (a head of complete unit of the organisation), functional managers (responsible for an area of work), line manager (in charge of a function that creates value directly by supplying products or services to customers), staff managers (in charge of activities such as finance, personnel, purchasing or legal affairs that support the line managers) and project managers (responsible for temporary team created to plan and implement a change). Giffin [19;13] combined both above mentioned theories and presented classification of managers as a matrix of two dimensions: level and area. So, based on the model we can find i.e. top manager of finance department, middle manager of marketing department or first-line manager in personnel unit.

Completely different point of view about business people on the labour market was presented by M.Gerber [21] who divided management staff into three groups: entrepreneurs, managers and specialists. Entrepreneurs who start their own business, managers who are skilled to run business in everyday life and specialists who can professionally do their job.

Gerber’s theory in the context of tourism labour market create three different types of management staff: 1/ owners - people who decide to start their own business related with tourism, those who build quantity if SME market; 2/ managers – who work for big companies (hotels, transport, etc.); 3/ specialists – professionals responsible for managing particular function in some company related with tourism (i.e. manager of the restaurant in the hotel, manager of the tour organized by some travel agency, etc.).

Divers analysis of management staff was the base of conclusions presented in the paper.

2.2 Strategies related to tourism sector in the Wielkopolska Region

In December 19th, 2005 Marshal Office of the Wielkopolska Region officially accepted and introduced a document titled *Development Strategy of Wielkopolska Region until 2020*[1]. Based on interdisciplinary analysis of the region authors of the strategy established four general strategic goals. Each of them was divided into operational goals. So, under strategic goal number two (*Increase of effectiveness of utilization of developing potential of the region*) it can be found operational goal number 2.4. focused on *Increase of contribution of tourism services and recreation in economy of the region*. As it has been described, the goal should be realized by such tools as: investments in infrastructure improving current development of areas attractive for tourism and recreation with respect of environment protection policy; development of hotel and catering

base; entrepreneurship promotion in tourism sector; support for agritourism development; promotion of alternative tourism.

As a continuation and more detailed presentation of *Development Strategy of Wielkopolska Region until 2020* in the area of tourism sector, The Board of the Wielkopolska Region accepted in June 25th, 2007 another document titled *Development Strategy of Tourism in Wielkopolska Region*[2]. According to that publication, the Wielkopolska is one of the most attractive region in Poland for tourism and other activities related to that part of market. But analysis of tourists flow showed that the Wielkopolska has not used its potential as it should do. In 2005 the Wielkopolska was visited by 4,6 mln tourists (3 mln from other parts of Poland, 1,6 mln from abroad), so it gave the Wielkopolska 4th place in country. Most of visitors (both Polish and foreign) preferred short stay (2-4 days). Polish guests of the region came from such regions as (in order to quantity of tourists): zachodniopomorskie, kujawsko - pomorskie, dolnośląski, śląskie, pomorskie, mazowieckie, lubuskie and łódzkie. The main reason of their visit was family and friends meeting.

Foreign guests were from: Germany, Ukraine, Belarus, Russia, Holland, Lithuania, Sweden, Denmark, France, Great Britain, Czech Republic, Belgium, Italy, Hungary and Norway. For them the Wielkopolska is mostly a place for business trips.

Both Polish and foreign guests organize visit in the region itself. They very rarely (3% for Polish guests, 12-20% for foreigners) visits were organized by tour operators.

Foreign guests prefer hotels (87,1% of guests in 2005) in contrast to Polish guests who prefer staying in friends or family house. Apart from hotels, in the Wielkopolska there are many other types of accommodation for tourists. In 2005 there was not reliable data presenting that market, but based on questionnaire done by The Institute of Tourism it was evaluated that in the Wielkopolska there were 5,4% of all beds in agritourism in Poland and 1,4% of beds for stay in private houses in Poland. According to Central Statistical Office the structure of collective tourist accommodation establishments change from different, small size and diversified forms into hotel.

Table 1 Collective tourist accommodation establishments in the Wielkopolska 2000 – 2009

Specification	2000	2005	2008	2009
Facilities	615	530	540	547
of which hotels	79	125	162	180

Source: www.stat.gov.pl

Table 2 Collective tourist accommodation establishments in Poznań 2008 – 2010

Tourists accommodated	2008	2009	2010
Total	532 704	496 286	582 975
of which foreigners	159 472	153 484	163 071

Source: *Biuletyn Statystyczny Poznań* (Statistical Bulletin Poznań), Urząd Statystyczny w Poznaniu, IV kwartał 2010, p.72

Season for tourism in the Wielkopolska starts in May and is finished in October. In 2005, 64,9% of all guests visited the region that period.

The most attractive point in the Wielkopolska is Poznań, of course. In 2005, 434 000 people visited that city (165 700 of them were foreigners).

Second important market in tourism industry is catering. In 2004, catering base consist of 6840 places, 940 restaurants in it. Other types of that activity were: bars, cafeterias, and canteens.

Table 3 Catering in Poznań 2000 – 2009

Specification	2000	2005	2008	2009
Numbers of catering establishments	639	829	932	897
of which restaurants	242	326	406	371

Source: www.stat.gov.pl

Based on data from Department of Sport and Tourism of Marshal Office, in the Wielkopolska tourists could use 84 sport halls, 2 halls for gymnastics and 37 courts, 6 stadiums, 38 swimming pools (in halls), 33 open swimming pools, 69 natural swimming pools, 5 rinks, 1 springboard and 2 toboggans, 496 tennis courts, etc.

The structure of tourism market form organizational perspective and based on data from 2006, consisted on 216 travel agencies (1,8 travel agency per 10 000 population). In the Strategy there was not detailed data about institutions offering tourist information as a services. There was only a general description and list of the most popular information points like: The Centre of Tourism Information in Poznań, The Centre of City Information and few more other. As additional institution, presented in the strategy, supporting tourism market were cinemas (49), theatres (11), concert halls (2) and culture centers (312).

Important part tourism market belong to NGO's (local societies, foundations, etc.). Those institutions organize and support a lot of events promoting local tourism, agritourism, culture, food, habits, etc.

Analyzing types of tourism activity in the Wielkopolska authors of strategy pointed few the most common one, that are: hiking tours (focused on nature and history), qualified tours (active, sport focused), leisure tourism, agritourism, business tourism and transit (mostly cars). In all above mentioned categories the Wielkopolska was market as very attractive. First,

because of forests, palaces, churches, museum, etc. Secondly, because of incredibly good conditions for: cycling, kayak tourism, motorboat activity, sailing, horse riding, hunting and aerotourism.

Summarizing all conclusions presented by authors of the strategy focused on particular fields of improvement, i.e. stocktaking of tourism attractions of the Wielkopolska, agritourism development, activation of qualified tours, expansion of tourist routes, increase quantity of hotels and catering companies, increase quantity of sport halls and other places, activate promotion of the region, develop tourist information base.

All above directions were put in order as strategic goals divided into strategic fields that were:

1. tourist product,
2. natural and cultural values,
3. space management,
4. marketing and promotion
5. human resources,
6. organizational structures.

For the purpose of the paper, very interesting is fifth field (Human resources; with Priority No.5: Development of social activity and personnel) that consist of 3 strategic goals and additionally for operational goals:

1. Activation of society for tourism and touring,
2. Education and training of personnel for tourism sector,
3. Increase level of employment in tourism sector.

Strategy seemed to be complex and realistic. After four years from implementation results are not significant.

2.3 Labour market in the Wielkopolska

Based on the European Union evaluation of the Wielkopolska labour market [5] the region is characterised by one of the lowest levels of unemployment in Poland. The registered unemployment rate in the the Wielkopolska Region is 10.1% (end-March 2010 data). The professional activity coefficient is 56.2%. The employment rate stands at 51.4%, and the unemployment rate according to BAEL¹ is 8.6%.

Presented analysis confirm that strategy of tourism development in the Wielkopolska is implemented successfully because according to EU the hotel industry

^{1/} BAEL - Badanie Aktywności Ekonomicznej Ludności (LFS - Labour Force Survey) – basic source of information about situation on the labour market; methodology of survey comes from International Organization of Labour and EUROSTAT

and catering are developing the best, just like: industry, trade and services, transport and construction.

Unfortunately tourism sector is still not the biggest employer; the largest employers in the region include: Jeronimo Martins Dystrybucja SA (cigarettes), Volkswagen Poznań Sp. z o.o. (cars), Grupa Enea SA (energy), Grupa Eurocash SA (trade), GK Kompania Piwowarska SA (beer), GK GlaxoSmithKline Pharmaceuticals SA (pharmaceutical market), Philips Lighting Poland SA, Grupa Muszkieterów (trade), Selgros Sp. z o.o. (trade) and GK PBG SA. (finance).

Foreign investors (more than 5,000 foreign capital companies are operating in the region) are also do not interested in tourism sector in the region. They prefer the trade and services industries, (IT and finance-accounting services) and industrial productivity (the motor industry, foodstuffs and pharmaceuticals).

EU prediction for demand on the labour market goes to conclusions that in the nearest future in the Wielkopolska following groups of professions would be necessary: unskilled employees in trade and services, employees belonging to the remaining specialisations, office workers, shop assistants, auxiliary workers in the manufacturing industry, miners and construction workers, other industrial workers and craftsmen, personal services and security officers, machining operators, vehicle drivers and operators. So, according to EU, tourism in the Wielkopolska would not be a major field of development.

On the other hand in the *Development Strategy of Tourism in Wielkopolska Region* [2] tourism should become an important labour market, especially for self-employment solution. Analysing tourism labour market only as a amount of people who work in hotels, restaurants and tourist agencies, in 2004, 19 300 citizens of the Wielkopolska worked in that sector of economy (8,3% of all people working in tourism in Poland).

2.4 Prediction of tourism labour market needs in the Wielkopolska

Orczyk [14;25] predicts that services, especially business services like hotels and restaurants would have a dynamic growth because it offers attractive, flexible work time for people looking for part-time job; according to his suggestions private sector (labour market of private services) is so important for development of the region that authorities of all levels and also different types of organizations should be truly interested and involved in increase of jobs in services.

Table 4 Employed in non-public service sector in the Wielkopolska

Specification	2000	2007
Employed	29,9	33,1

Source: *Sytuacja na rynku pracy w województwie wielkopolskim w latach 2000 – 2007*, Urząd Statystyczny w Poznaniu, Poznań 2009, p.65

Based on Polish Central Statistical Office [7], in 2009 in the Wielkopolska 1,89% of employed in the region worked in private service sector related with accommodation and catering and only 0,44% of employed in the region worked in public service sector related with accommodation and catering. Same time, both in private and public sector of above mentioned activity, appeared 1389 newly created jobs.

Supportive function of local strategies in activation of labour market underlined Górna-Kubacka [14] who presented goals and priorities of the Wielkopolska employment strategy. Based on her analysis two main directions of activities should be pointed: entrepreneurship and education. In service sector the Wielkopolska should encourage people to start up their own business and by that create solid fundamentals of economy based on SMEs. On the other hand to allow people to work in a tourism industry local education centres (schools, universities, training companies, chambers of commerce, etc.) should educate people about legal and financial aspects of running business, but same time transfer knowledge related to all aspects of tourism industry.

So, following vision of development of tourism in the Wielkopolska, labour market of that sector will create demand for three types of management staff:

- a) mostly entrepreneurs - owners of private SME,
- b) specialists – skilled to run particular events and functions,
- c) managers – all levels of organizational structure for big corporation, or network companies.

Areas of activity of management staff, especially for first type of managers presented above, is very wide. From such obvious like: accommodation (hotels, motels, agritourism, hostels, guest rooms, etc.), travel agencies, tour operators, catering (restaurants, bars, pubs, etc.), transport, museums, theatres, cinemas, etc. to more sophisticated (i.e. related with typical local food industry, local attractions like visit in old ring of forts in Poznan) or particular activity (i.e. cycling tour organizing, hunting activity, horse riding, etc.).

On the other hand satellite businesses will develop like: agriculture purchasing products for catering companies, furniture delivering goods for accommodation and catering companies, petrol stations, marketing agencies, printing houses, cleaning companies, trades purchasing sport and tourist equipment, building and renovation companies, multimedia suppliers, etc.

Also, new professions can appear or some professions can activate their significance, like: event manager,

coaches for many types of sport activities, translator, guide, etc.

From owner of a hotel to taxi driver everybody should be interested in tourism labour market development.

3 Conclusion

Development Strategy of Tourism prepared by authorities of the Wielkopolska seems to be perfect background for tourism labour market growth in the nearest future. Wide range of job possibilities makes it attractive for investors both local and international. The only weak point of strategy implementation is bureaucracy related with starting new business (registration process of a new company) and EU funds distributions. Many examples shows that young people having will and skills to run business in tourism is lost in quantity of applications, forms, offices, licences, etc. But, implementation process is still in progress, so final conclusions must wait. For sure, tourism as a field of prospective business activity or place where professional life would be located seems to be very interesting and attractive.

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