

The integrative and innovative model of HRM in slovenian tourism

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Abstract

Tourism is important for the worldwide economy as well as for Slovenia. It is vital to strive to become a country with a developed culture of tourism comparable to other European countries within the next ten years. It is important to develop a modern model of human resources management by which Slovenian tourism shall exceed the gap between various educated personnel and the offer on the labour market and to acquire top professionals. Changing values, higher education and experiences, as well as the increasing needs and requirements of new consumers in tourism require an educated, communicative and innovative labour force capable of creating value for consumers. It is therefore necessary to employ highly qualified workers for the distribution, operation and management of the tourist product which depends on the knowledge, capabilities and abilities of the employees. The development and qualification of human resources aiming at improvement of individual's efficiency is of key importance. For the layout of the model of HR-management, attention should be paid to other important aspects as well.

Key words: management, tourism, Human Resources Management, model of HR-management, model of HR-management for Tourism

1 Introduction

The World Tourism Organization (WTO) has been proudly pointing out for several years that the tourism sector is the most powerful part of the global economy. Since the beginning of this millennium, tourism has contributed more to the global gross-social product than the production of petroleum products, automotives or the pharmaceutical industry. The WTO forecast is very optimistic: ninety eight million tourists in 2007 at the end of this decade will become more than one billion, and revenues from tourism are predicted to skyrocket from 33 billion US \$ (in 2006) to over a trillion US \$ (Lebe, Rok, Milfelner, Cvikl, Šarotar Žižek, Treven, Vrečko & Iršič, 2008). Tourism is also an important part of the economy in Slovenia, and one which needs a new, modern design due to the many challenges faced in human resources management (HRM).

In order to be able to present reasons why a new human resources management model in tourism is necessary, we must first define tourism and outline its significance. Afterwards, we will present human resources in light of the evolution of business systems. The review of different models of HRM is the basic starting point in designing our own model of management and human resources in tourism. We will end this contribution with our final thoughts on the topic.

The purpose of this article is the presentation of a new non-technological innovation aimed at crisis management. Economic theory is one-sided and unsuccessful in crisis resolution and should be solved keeping social responsibility (SR) in mind, the requisite holism of people (RH), and well-being (WB). We use qualitative analysis which links management, HRM, Systems Theories, and Dialectical Systems Theory. Findings in research papers support the new requisitely holistic approach to the managing of HRM. The originality/value of this paper is presented, because the available literature offers no similar holistic concept.

2 Tourism

2.1 The definition of tourism and its significance

The WTO - World Tourism Organization defines tourism as the activities of persons travelling to and staying in places outside the usual environment in which they usually stay and work, for not more than one consecutive year for leisure, business or other purposes (WTO, 1999).

Tourism is important for the whole economy, both in the world in general and in Slovenia. With about 8% of world exports¹ and about 10% of global employment², tourism is the largest global economic activity (Nemec Rudež, 2006). The WTO predicts that tourism will be an economic activity which will remain important in the future since the number of international tourist arrivals at 692.6 million in 2001 should increase to 1.56 billion in 2020 (Nemec Rudež, 2006; citing WTO, 2002).

Tourism is also an important economic activity in Slovenia; in 2007 approximately 8.3 million overnight tourists and 2.7 million tourist arrivals were registered in Slovenia (Slovenian Tourist Board, 2007). In order to accelerate the development of Slovenian tourism at the macro and regional levels a 'Development Plan and Policies of Slovene Tourism 2007-2011' was designed. The development of human resources within this plan were only the first steps in executing individual projects for upgrading education programmes and programmes for the improvement of practical education and training. The 'Development Plan and Policies of Slovene Tourism 2007-2011' sets out a vision (Slovenia will become a developed tourist destination with diversified and quality tourism focused on shorter holidays. Furthermore, Slovenia will also become a desired destination for longer vacations with its attractive and diversified integrated tourism products). The basic strategy will be carried out along with the development of HRM and education management at all

¹ According to the World Tourism Organization and the World Trade Organization (WTO, 2001).

² The data relates to the direct and indirect employment in tourism (WTO, 1999).

levels. Therefore it is not surprising that the measures and actions for achieving the fundamental strategic directions are defined in the human resources policy (Ministry of Economy, 2007). All this suggests that tourism is both a development and a business opportunity for Slovenia. In order to take advantage of this opportunity, education and the development of human potential is extremely important.

2.2 Reasons for developing a new human resources management model in tourism

In many countries including Slovenia, tourism growth exceeds the average growth rate of the economy as a whole (Lebe et al., 2008). The development of tourism as a labor-intensive industry depends on the development of human resources; however the working environment in tourism is marked by relatively low wages, limited opportunities for promotion and career development, demanding working hours (work on Sundays, holidays, nights) as well as unpleasant physical working conditions, the pronounced phenomenon of undeclared work mainly in hotels and restaurants etc. (Ministry of Economy, 2007). Therefore, developing a specific model of HRM is of the utmost importance.

The need for a new model of human resources management is supported by the fact that the Slovenian tourism industry faces the following weaknesses in the field of HRM:

- The demand in the tourism industry for new employees significantly exceeds supply in the labor market - this holds especially true for professions such as waiters and cooks.
- Reduction of interest in working in tourism, especially for professions which are characterized by personal contact with guests (e.g. waiters).
- People avoiding or leaving professions in tourism even individuals who are qualified for this kind of work as there is no system for retaining skilled, motivated workers in those occupations.
- The weak image of the tourism industry, particular employers and especially particular jobs in tourism.
- The unstimulating and uncompetitive remuneration of employees.
- Difficult working conditions characterized by the inconvenient hours of work and consequently the inadequate distinction between work and non-work hours.
- Current lack of skills and knowledge.
- Lack of quality and current training programs and educational programs at all levels of tourist activities.
- High staff turnover.
- A gap between the needs of the tourism industry and education.
- There is no comprehensive elaborated system of recruiting sufficient numbers of young people for careers in tourism and hospitality.
- Lack of understanding of tourism opportunities on the part of the local population.
- The lack of interdisciplinary collaboration and creativity of coworkers.
- Relatively high level of stress among employees and others.

In Slovenia, project infrastructure is not supported by project development, which has created new and additional infrastructure are not followed by development projects (qualitative element of the development), including the particular area of systemic development of personnel who are needed at the national level (such as adjustment of occupational standards and standards of activities to the new requirements of the modern business environment, adaptation of public-formal methods of training and education, promotion of strategically important deficient occupations, etc.), as well as at the company level (models of recruitment, promotion models, models of reward and motivation, models of personal development and training, etc.). Such projects themselves provide a range of direct effects in terms of increasing the efficiency of each business entity and consequently the whole sector. Indirectly, these projects encourage and enable the effective realization of new projects that will directly have these new effects. Such projects will certainly include the creation of new programs and offerings, increase innovation projects etc. (Lebe et al., 2008).

The groundwork for the further successful development of the tourism industry is therefore a new model of HRM, which must take into consideration the following (Lebe et al., 2008):

- the tourist industry remains an extremely dynamic project activity,
- the activity is becoming more diversified, and
- the current generation of youth - Generation Y, individuals born in approx the last. 15 years, have experienced intense technological and information development characterized by different life expectations, habits and values than previous generations.

The new model of human resources management at the level of tourist activity as a whole should include (Lebe et al., 2008) the viewpoints of:

- nation-wide issues (professions, primary, secondary and post-secondary and higher education programs ...);
- content issues in business systems (mentoring, scholarships, recruitment, ...);
- organizational partnership in implementation (the country, educational institutions and individual economic subjects);
- operational performance (completed detailed reports by the experts on the start up and realization of necessary projects with planning costs, effects, timing and contractors and their integration with the annual plans of implementing partners);
- promotion (information and the inclusion of information to all relevant individuals and other formally organized subjects in tourism - e.g. Tourist Associations, Trade Unions for hospitality and tourism workers, the Expert Council for Tourism at the Ministry of Economy, the Division of Hospitality and Tourism in the Slovenian Chamber of Trade, the Tourism Hospitality Chamber at the Chamber of Commerce and Industry of Slovenia, the Association of Tourist Agencies of Slovenia, Slovenian Natural Spas Community, etc.).

The new model of HRM will also consider that the employees in hospitality and tourism should implement the prescribed requirements relating to hygiene, health, the physical and psychological states of

coworkers, beyond the conditions that are typical for other activities (the direction and level of education, functional skills, etc.). Šuligoj (2006) points out that the following qualities from the employees in the tourism and hospitality industry are expected:

- Emotional stability: calmness, self-control and mental concentration in conflicts and other critical moments with guests and associates;
- General resourcefulness: flexibility, fast decision-making, negotiation skills, etc.;
- Moral and ethical virtues: tolerance in the workplace for people of different cultures, races, religions, etc.
- Attitude towards staff and property.

In addition to the aforementioned characteristics of the employees, the model will also result from some specific working conditions in hospitality and tourism (Šuligoj, 2006):

- Employees work in different temperature conditions; some employees work in air-conditioned rooms, often in a draught, while, for example cooks are exposed to both very high and very low temperatures.
- Cooks, waiters, chambermaids and cleaners come into contact with hot, sharp, slippery objects, thereby exposing them to injuries; they also come in contact with fire and various harmful gases and vapours.
- Potential violations of hygiene regulations can cause microbial poisoning of guests and employees.
- Certain work is carried out manually and can be dangerous.
- Heavy objects are lifted.
- Except the administrative staff, personnel do not sit at work.
- Shifts include holidays, weekends and night; on weekdays, the staff can create an overtime or "minus" hours.
- Except cooks and other support staff (maids, cleaners, administrative staff), all employees handle money.
- They are also exposed to airborne infections since they are in contact with people, etc.

The aim of the modern HRM model is to support the competitiveness of Slovenian tourism. This is because the key to getting and maintaining a competitive advantage of organizations in tourism is human resources development because in tourism, the employees are the individuals who provide quality and create guest satisfaction, as well as affect the level of productivity (Jerman et al. 2006, as cited in Bizjak et al., 2008).

Jerman et al. (2006, as cited in Bizjak et al., 2008) argue that in tourism a competitive advantage can be achieved in the following ways: by lowering prices, unique manufacturing processes, skills, methods of providing services, and the appearance and location of the destination. It also can be achieved by restructuring and making improvements to old products and quality service. This however, means a need for highly qualified staff and treating that staff accordingly. Because the environment in which employees work in the hospitality and tourism industry is rapidly changing, one must consider the evolutionary aspect of organizations and human resources which are presented in the next chapter.

The purpose of our paper is to design a new HRM model in tourism which will consider the existing HRM models as well as their evolution.

3 Evolution and human resources

To facilitate understanding of the impact and importance of individuals on organizational efficiency in the hospitality and tourism industry, we will use the evolution prism of business system models as the starting-point for a discussion on human resources. Kovač (2006) believes that as a rule, companies which are deeply rooted in the industrial era want to achieve greater success by the imitation and transplantation of better solutions which, in other contexts, have proven successful. This is so much easier in a rapidly changing and evolving business world. He draws attention to the fact that imitating others and transplanting the same solutions into a new environment cannot be a competitive advantage; but this is just an input

condition, while the organizations should create their own distinctive competitive bases from their own unique resources, unique strengths and potentials. The method of implementation and its success depends also on the evolutionary stage of the development of the organization.

Besides other aspects determining the development directions of business systems, the differences between successful and unsuccessful organizations in the hospitality and tourism industry are also determined by the uniqueness and diversity of the network of coworkers and their development, their creative expression, potential, and imagination. This means that HRM plays a decisive role in creating the aforementioned differentiation and becomes increasingly important. It is also vitally important that the principles of the industrial age slowly disappear, as society is passing into a holistic economy within which the model shall be based upon following the rules of natural law, basic values and virtues of a world ethos which all religions share, as well as respecting equality between individuals (Kovač, 2006).

The development of human resources in general is changing. Accordingly, the treatment of people involved within single manifestations of business systems is changing in terms of the creation of added value and advancement from hard work through knowledge and creativeness to intuitiveness (transcendence). According to Kovač (2006), HR development is defined by nine sources for creating the winning factors which can also be applied to the activity of hospitality and tourism.

Psychological contract

The psychological contract is a set of mutual, mostly hidden expectations that both employee and employer share. Individuals who create within the learning environment are faced with a “calculative”³ psychological contract, while the nature of the psychological contract in a thinking environment changes and becomes

³ Calculative psychological contract means that an individual has acquired various skills and is aware that they can be used. An individual acts according to how much he/she gets paid in a particular organization; thus he/she creates, where the payment is higher (Kovač, 2006).

“participatory”⁴. An informed environment is one which is characterized by “*identifying*” the psychological contract which provides for an individual’s aspirations and identification with the needs and goals of the company, thereby creating a motivational formula. The point becomes “to be” - “to have” is understood as a result of “to be”.

Reasons for education

Individual skills are also important in the work environment, typical for the hospitality and tourism industry. Individuals gain skills to be able to work, and therefore shall/can receive additional or other work, and be in a better competitive position. If individuals create in the learning environment, the reason for their education lies in gaining different skills. However, since the environment is changing, the individual needs different skills to be able to work at all. The transition to a thinking environment largely depends on the competence system which expands on individual skills and becomes one of the basic building blocks of relations between management and employees. This means that in the thinking environment, an individual learns to think, in the informed environment the assertion “I learn, that I am” is valid, the individual is aware of the element of social coexistence, and of the transcendence. Hence, such learning follows the idea of mind liberty and soul relaxation, self-actualization.

Proceeding method

Once, land-ownership provided the basic power while the individual was an instrument which cultivated land to enrich an individual’s assets, a new evolutionary phase created the awareness of individual potential. Organizations recognize potentials in different ways, but a lack of comprehensive models is noticeable. E³HRM⁵ fills this gap, among other things also with the disclosure of the personal profile, through the restoration of awareness of cognitive, conative and behavioral

profile personality. In a thinking environment, understanding on the part of those involved (as resources) and proceeding people as an investment becomes a winning factor. Once this will become a starting point, the organizations which are able to master the informed environment will begin to be fully aware of the individual’s unique value. The foundation of action will be the result of the value of a global ethos which is common to all religions and which will become the ethical basis of action. Dominant, of course, will be the work towards “*Do unto others what you would have others do unto you*”; and this will be internalized by individuals. Hence, the treatment method in particular forms of business systems is moving away from obedience, which doesn’t lead to a competitive distinctiveness, through awareness of one’s own talents and potentials of an individual and his/her values, to the uniqueness of a network of individuals, their energies, co-existence, membership and awareness of the social integration.

Activity focus

The activity center in the business or working environment finds answers to the question “WHAT” - what to do. In this way the worker is focused on the product/service and machines. This stage - “scientific management” - finds the winning factor in rescuing quality or regulatory processes and systems answering the question “HOW”, which accompanies the transition to the learning environment or so-called “new economy” or “human management”. By developing a database of expert answers to the question “HOW”, becoming only the entry conditions, organizations are starting to look for new winning factors. The creative economy or thinking environment will direct the activity to focus on finding an answer to the questions “WHY” and “WHY NOT”. This is a “self-administrative management” in which organizations and individuals begin to look for meaning.

Responsibility/competence

At the beginning of the evolutionary phase the development of business systems in a strictly hierarchical working environment results from competences and responsibilities concentrated in one person or a few individuals. There are increasingly complex changes

4 Participatory psychological contract is based on the fact that the individual is aware of the knowledge of others, willingness to cooperate in cross-functional teams and is looking for a sense of his/her own work. The individual knows that in this way he’s/she’s going to be more successful too (Kovač, 2006).

5 E³HRM is the methodology of strategic development of the human resource function to optimize the engagement of employees by creating an environment for development of thinking companies. The model was created by Violeta Bulc, Živa Gorup and Darko Kovač.

to the functional organization of the learning environment in the process organization; this means that the responsibilities and competences are delegated to several employees, a number of leaders, and the ideas of several leaders are implemented. The problem of a harmonized matrix of responsibilities and competences in the thinking environment leads to the growth of employee competence and confidence in themselves, which is then reflected in the generation of common ideas and delegating of responsibility to even more individuals. This still includes delegated responsibility, by which leaders give their employees power to implement their ideas. An informed environment brings with it expansion: the responsibility of every individual to realize his/her ideas is dominated by so-called empowerment. Empowerment is a process in which participants give and take the necessary autonomy to achieve both goals of the organizations and the individual personal goals. This means that the conscious individuals act according to their own conscience, also being ready and willing to accept the necessary autonomy that the environment is ready to provide.

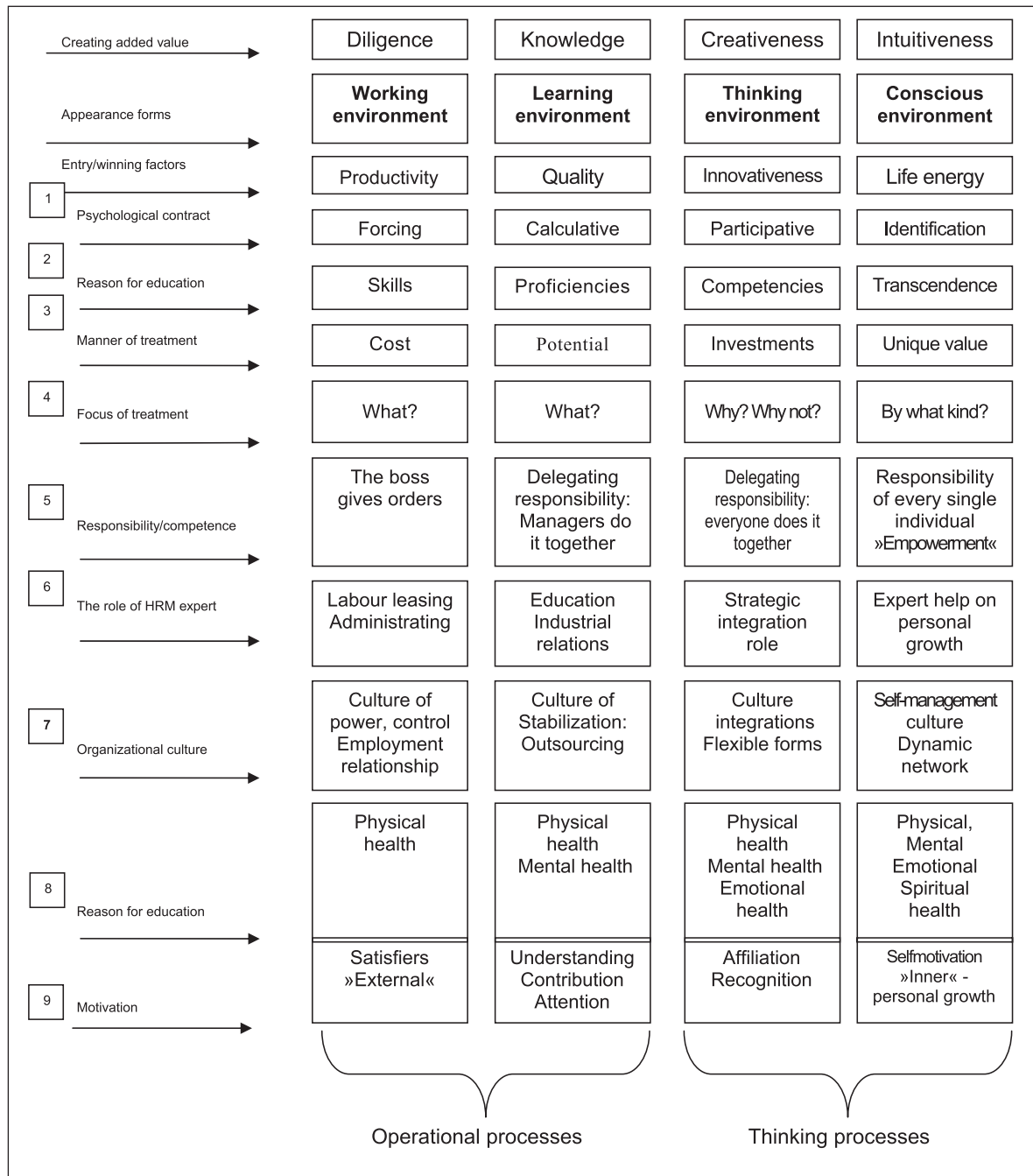
The role of HRM expert

The role of the expert and the HRM department changes in the transition throughout the individual appearances of evolutionary phases of business systems. As the individual as an employee becomes increasingly important, HRM experts gain new knowledge and modern approaches which also raise the necessity for their influence on the performance of organizations. In the working environment, the HRM experts have a supporting role which is reflected in administration, record keeping, preparing reports and various documents related to individuals, and assistance in hiring resources. In sophisticated working environments, the HRM expert's attention is also focused on how much employees cost. With the shift in the learning environment the role of HRM expert acquires new dimensions of industrial management challenges from (i) understanding the problems of work and productivity, (ii) advising in dealing with human capabilities and potentials, (iii) organizing and executing trainings for managing of people, and

other education. The transition of the organization in the thinking environment gives HRM experts a strategic integration role; they participate in the creation of business plans, they are members of administration, they integrate the aspect of human resources and business strategy development. The informed environment changes the role of HRM expert to a consultant aiming to assist in personal growth, who helps train and develop the basic human values based on natural law. This means that the HRM expert is recognized as a co-builder of community-conscious individuals who are connecting to each other as it is necessary and are in the context of "I am" also aware of the "social self".

Organizational culture

The rate of development of evolutionary stages or appearances of business systems defines the organizational culture in a particular stage. In the early appearances of business systems the decision-making power is concentrated in the hands of one or of a few individuals; in the work environment, the culture of power/control prevails. This appearance defines also a predominant method of integration of individuals through the employment relationship, which have the characteristics of the wage relationship. Once this is no longer a winning factor, it becomes an entry condition, which results in the establishment of the basic systems and processes in all areas of activity. Involvement of the individual becomes less strong, various forms of outsourcing appear. A so-called human management is established which is based on relationships. Therefore, the dominant organizational culture in the evolutionary stage of a learning environment is called the culture of stabilizing. When an organization or business system outgrows those frameworks as well, innovation on the basis of cooperation of several employees becomes a key source of the winning factors. The business environment is characterized by flexible forms of cooperation, shared decision-making power, increasing awareness of the contribution of each individual, the development of participatory models and the integration culture. This results in an informed environment, dominated by self-management culture based on dynamic net-

Fig. 1: Model of business system evolution from the view of HR development¹.

Source: Kovač (2006).

¹ The upgrade of the model is intellectual property of the Institute for business growth and creativity.

works⁶. The organizational structure is invisible and dynamic network links are operated by informed individuals who are aware of its uniqueness and its justifying their contribution, while their social awareness (social self) is a source of activity. This means that cooperation and competition merge, systems are self-organizing, while the decision-making power is fully distributed.

Reason for personality development

Individuals who seek a reason for their personal development characterize organizations. In the work environment physical health is of paramount importance for an individual, enabling him/her to fight for basic existence. By increasing the development level of production inputs, the development of systems and awareness of the importance of knowledge in a learning environment, individuals become increasingly interested in addition to the basic needs also of the intellectual dimension from viewpoint of their own professional careers. The reason for the individual's personal development is mental health. In the thinking environment, emotional literacy is gaining importance. Empathy and concern for balance prevail in one's life and determine its development. This is upgraded in the environment of self-dominance or transcendence in spiritual health. The individual is looking for a reason for his/her own personality development in spirituality.

And motivation

The evolution of business systems also requires changes in key motivators and is therefore not surprising that after the transition to a learning environment, satisfaction is no longer sufficient; the individual wants to understand and to hold information on all events. Individuals want to match their need to contribute and also want attention. This means that the aforementioned needs are motivators. The leader's task is to give employees the opportunity to contribute and »belong« in the final decision and implementation of work. The thinking environment is marked by two motivators; those are appurtenance and recognition.

⁶ Dynamic network is an invisible organizational structure, which connects individual experts, usually through computers (Kovač, 2006).

Fulfilled motivational needs lead to selfmotivation, intrinsic motivation, where the basic motivational need is personal growth, while other needs are already satisfied. The distinctive factor will be aware, socially conscious, spiritually fulfilled individuals who will mount their behavior automatically into the values of world's ethos and be aware of the uniqueness of each individual and their talents. This guarantees them inner strength or self- motivation.

When they are mastered by the majority, the individual winning factors become an entry condition within the evolution phases of business systems. By that time the successful differentiation can be created solely by mastering the new winning factors. Thus, the winning factors become the entry conditions, the new winning factors arise, which again become the entry conditions. Before introducing the individual winning factors we are presenting the influence of them in the Figure 1.

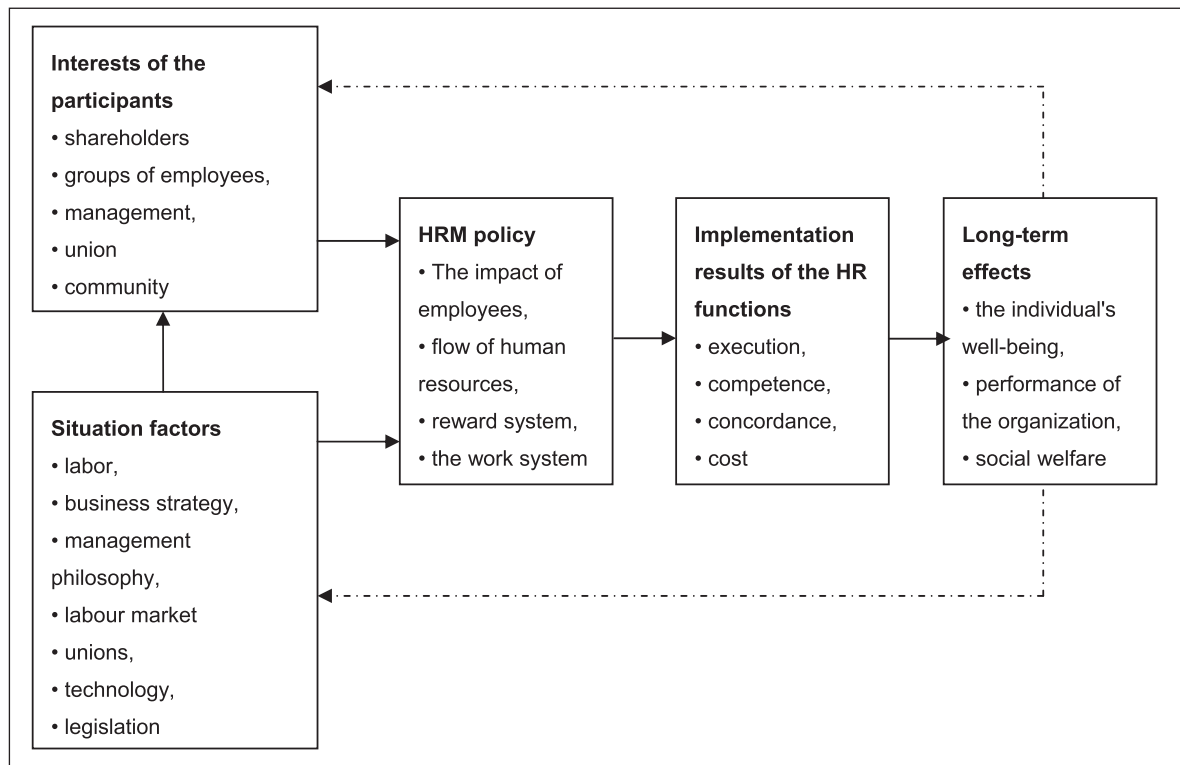
4 Current human resource management models

The presented evolution of business systems extends the current HRM models, which together with the presented starting-points provide the basis for a new model of HRM in hospitality and tourism. The new model is a combination of: (i) The Harvard HRM model, (ii) the HRM model based on business, the European model of human resources, linear HRM models and the HRM model, developed by Anthony, Perrewe and Kacmar (1993). For a better understanding of the modern HRM model in hospitality and tourism, we now present the models which it is based on.

4.1 Harvard Model of HRM

The Harvard HRM model is the most typical representative of soft models of HRM, dealing with man/woman as a social being. It covers the HRM relationship with the external environment and internal organization factors. It displays a link of groups that are associated with the organization in an unbiased

Fig. 2: Harvard Model of HRM.



Source: Beer, Spector, Lawrence, Mills & Walton, 1984.

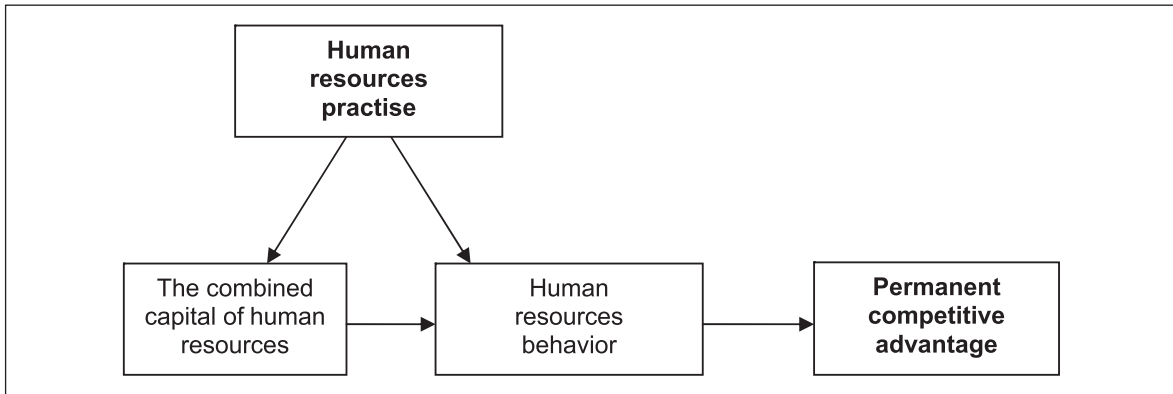
way (shareholders, management, groups of employees, government, community, trade unions), and situational factors related to HRM policies (labor, business strategy, management philosophy, labor market forces, trade unions, working technology, legislation), which affect the result of the implementation of human resources functions. Likewise, these results, through the aspect of long-term impact in the form of feedback, have an effect on both parameters. Long-term impact of the results of implementing the functions of human resources is reflected in the welfare of employees and the performance of the organization and social well-being of people (Beer, Spector, Lawrence, Mills & Walton, 1984).

The Harvard HRM model, shown in Figure 2, does not consider shareholders' interests and business efficiency of organization as a priority. Organizational performance is presented as a long-term impact of the results of the implementation of human resources func-

tions, together with the personal and social well-being of the people. Therefore, organizations that follow the Harvard HRM model actively involve employees in strategic decision-making processes and give them a high level of participation at all levels.

4.2 Model of Management of Human Resources Based on Business

Consideration of business and its core resources stimulated Boxallo (1996) to create a model for the development of the strategic management of human resources which is also based on a company's resources. The model focuses on the relationship between internal resources, strategies and performance of the enterprise. The essence of design is to advocate the sustainable competitive advantage through human resource development as the company's capital to achieve strategic objectives, but they must be unique and therefore difficult to imitate by competitors. Beside behavior, the

Fig. 3: Model of Management and Human Resources Based on Business.

Source: Boxall, 1996.

model also emphasizes human skills, knowledge, and capabilities. Figure 3 shows that a sustained competitive advantage requires, in accordance with the model, a combined capital and human resources knowledge too, since the latter derives from management practices in HRM.

4.3 The Model of Human Resources Management (Anthony, Perrewé & Kacmar, 1993)

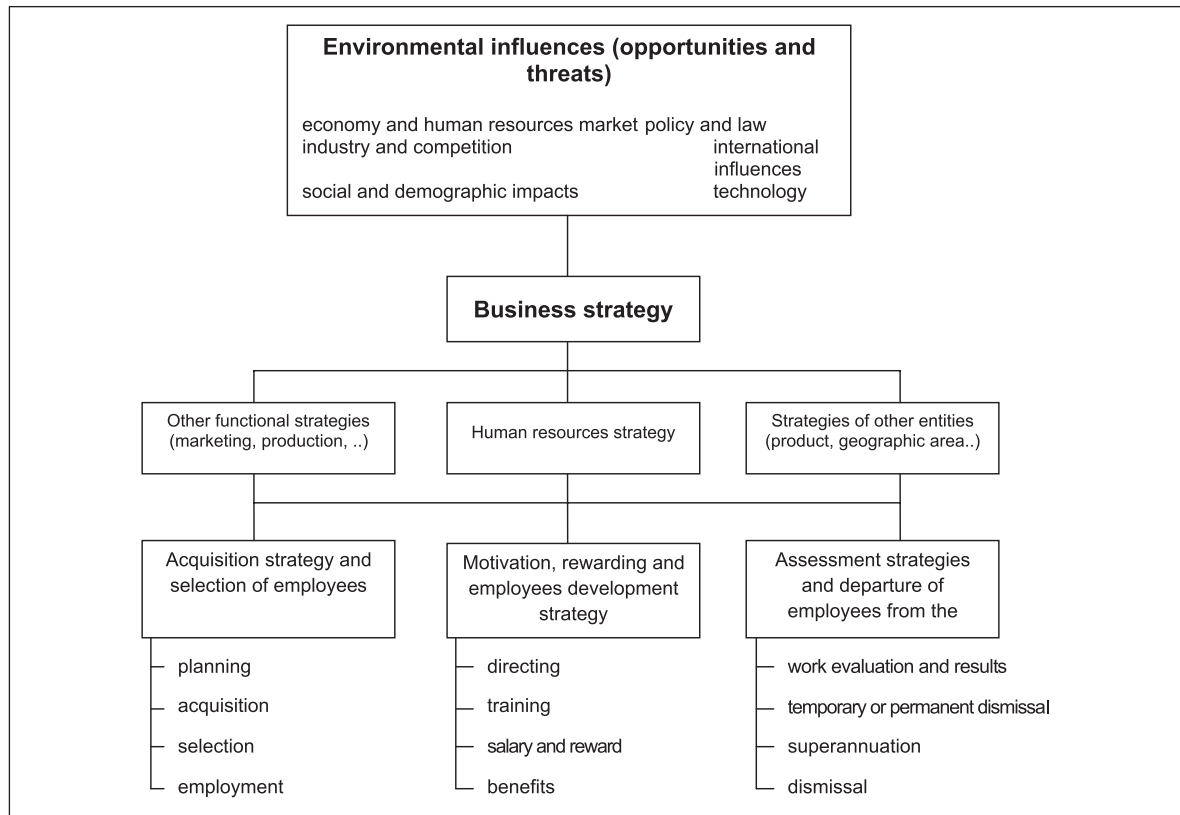
According to this HRM model, the opportunities and threats that a company perceived in the environment, affect the determination of its global strategy, and the latter determines the orientation of individual functional strategies. In other words, this means that the top management first chooses the business strategy as a whole and then determines the functional strategy to implement the initially chosen global strategy. But the individual functional strategy also affects the global business strategy. Before choosing the strategy, top management must consider the existing functional strategies. It should also take into account the strategy of human resources and the skills of employees in the company, because this is the only way to assess how effectively a global strategy would be executed.

Integration of the company's strategy with the strategy of human resources is shown in Figure 4. As we can see a series of functional strategies must contribute to the achievement of a (requisitely) holistic human

resources strategy. These are mainly strategies that are developed for: (1) the acquisition and selection of employees, (2) motivating, training and rewarding, and (3) evaluation of work and departure of employees from the company. With a strategy of human resources, managers are trying to achieve efficient use of all employee skills to achieve both the annual objectives of the company, and the expectations and development of employees in the company.

4.4 The European Model of Human Resource Management

The European HRM model was developed by Brewster & Bournois (1991), who studied the impact of environment on the functioning of HRM. Organization and HRM are not only related to the environment, but they are also a part of it. The model defines the creation of human resources policy based on various influences of the environment (national culture, industry, etc.). For this model, as it's shown in the Figure 5, a successful combination of three elements is characteristic: government, trade unions and employees. It is particularly interesting in the perspective of the strong role of trade unions in creating the human resources policy, which differs from the United States. The model allows the impact of national culture on human resource policy and reflects the fact that European countries have a much more developed social aspect of employment than what exists in the United States.

Fig. 4: *The Model of Human Resources Management.*

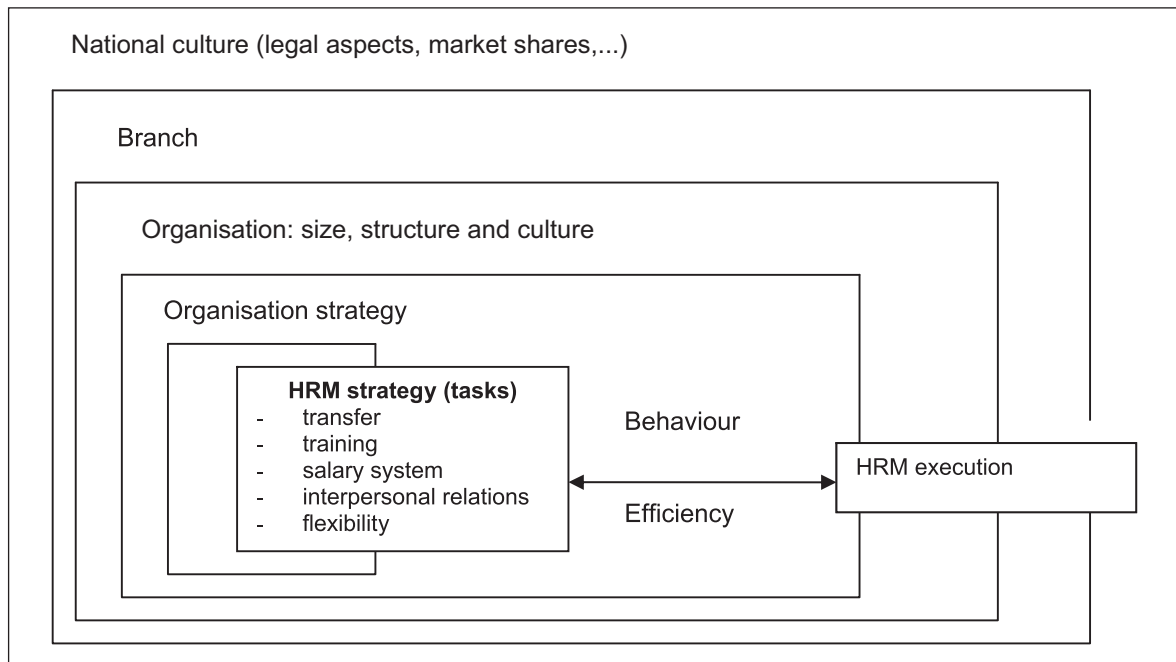
Source: Anthony, Perrewé & Krcmar, 1993.

4.5 The Linear Model of Human Resource Management

The linear HRM model is based on the assumption that pursuing a strategy is a rational and linear process. HRM strategy results from the business strategy and combines specific strategies in key areas of HRM. The process takes place under the influence of external and internal organization environment which defines financial, organizational issues and HRM issues that need to be considered. The linear model of HRM, presented in the Figure 6, can not be used in a strict sequence of defined steps in practical circumstances. Research has shown that it is not possible to first establish a clear business strategy under which a series of interactive supporting activities in the CV would then be defined.

4.6 The New Model of Human Resource Management in Tourism

Our guideline on developing the model was: people are the critical dimension for the successful implementation of a tourist service, thus the successful hospitality/tourist organizations are marked by excellent application of knowledge about the way to recruit optimal employees, how to manage them, how to train them, educate and develop them, how to evaluate and reward their work, and how to ensure their vocational and personal development by means of the permanent learning process (Fáilte Ireland 2005a; as cited in Baum, 2006a). So the key themes of the contemporary HRM in hospitality and tourism, which are also included in the proposed modern HRM model in hospitality and tourism, are the following (Page & Connell, 2006):

Fig. 5: *The European HRM Model.*

Source: Brewster & Bournois, 1991.

- creating of reputation of the work in hospitality and tourism,
- education and training of the employees,
- consideration of the influences of globalization,
- limiting employee turnover, regardless of market fluctuation,
- flexible employment forms,
- providing the necessary skills for employees ,
- offering adequate wages along with remuneration and facilities,
- gaining a balance between work and non-work,
- consideration of legislation and government measures,
- ensuring competitiveness.

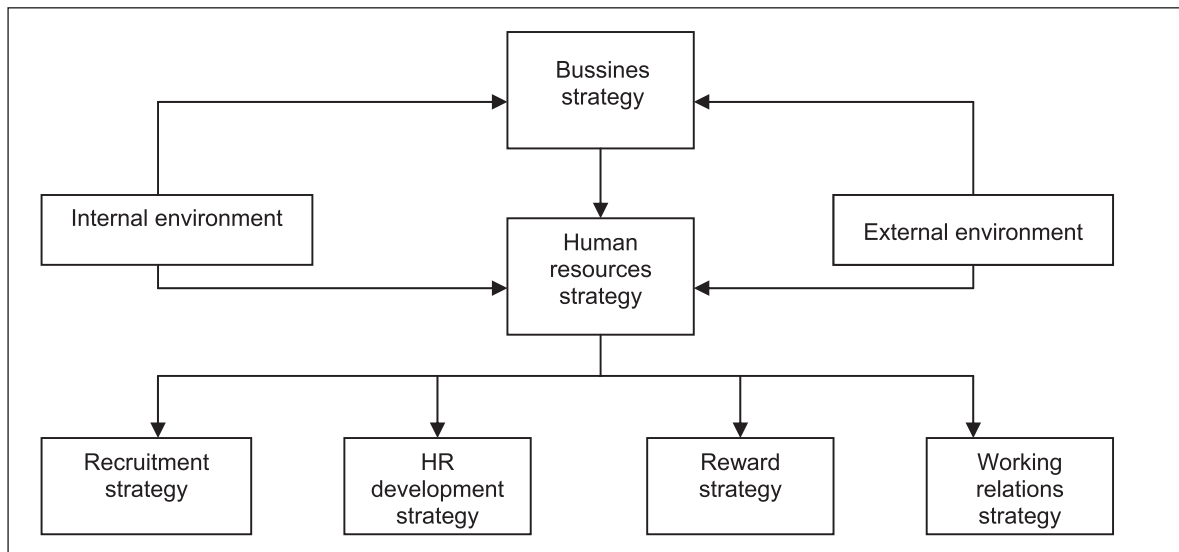
As a starting point we have also considered the necessity of a permanent and socially responsible HRM, which is referred to Baum (2006b).

The proposed HRM model in hospitality and tourism comprises the future challenges of HRM, which are mentioned by D'Annuzio-Green, Maxwell and Watson (2004). Here by relevance, are some of the challenges:

- ensuring affiliation, loyalty of employees in hospitality/tourist organizations,
- education and training of employees,
- quality of services,
- recruiting and selection of employees,
- team building,
- management development,
- professionalization of managers,
- business and finance awareness of employees,
- career planning,
- flexibility of the labour force,
- personal efficiency of managers,
- manner of appearance,
- etc.

The principal aim of HRM is linking all functions of human resources into an integrated form to reach strategic goals of organizations. The reasons for implementation of the suggested model that is introduced in the Figure 2, include the following factors: (i) restructuring of the market, (ii) decentralization, internationalization, mergers and acquisitions of the companies, (iii)

Fig. 6: The Linear Model of HRM.



Source: Armstrong, 2006.

endeavours for better quality of products and services, (iv) technological and other changes, etc.

According to this model the attributes of individual and organization, as well as the environmental influences⁷, determine the layout of global strategy which determines the orientation of single functional strategies including the strategy of human resources as well. The point is that the top management first selects the strategy of the company as a whole and then the functional strategies by which it strives to carry out the primary chosen global strategy. Every single functional strategy affects the global strategy as well. Before taking a decision about the choice of the strategy the top management has to consider the existent functional strategies. This act should include the strategy of human resources and accomplishments of the employees, as this is the only way to estimate how successfully the chosen global strategy will be carried out.

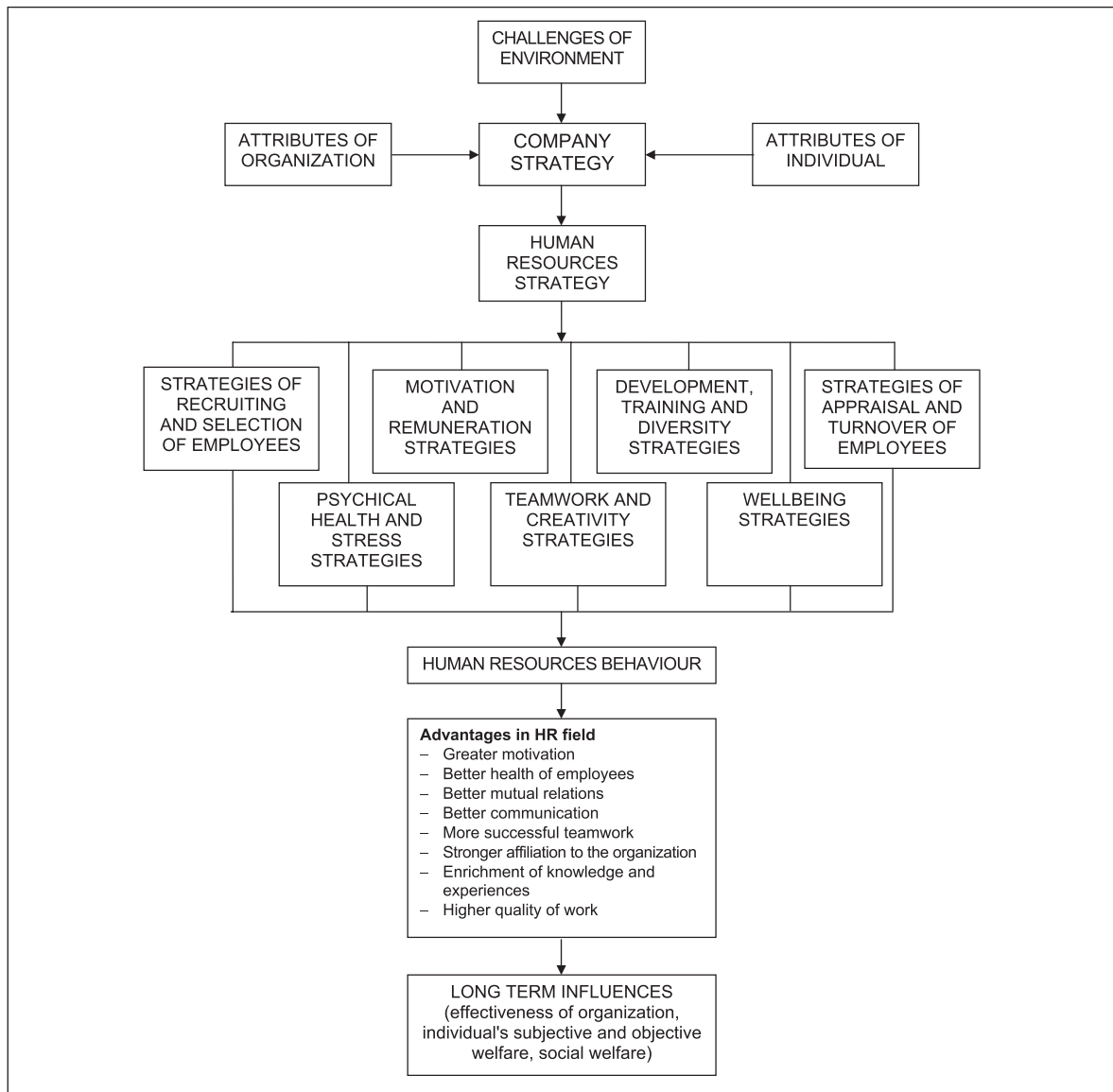
The integration of the company strategy with the strategy of human resources in hospitality and tourism is demonstrated in Figure 7. From the chart it is evident that several functional strategies are required which

⁷ The environmental influences the opportunities and risks in following fields include: (i) economy and personnel market, (ii) branch and competition, (iii) society and demographic influence, (iv) politics and law, (v) international influence, and (vi) technology.

contribute to the realization of the (requisitely) holistic strategy of human resources. These are particularly the strategies made for: (i) recruiting and selection of employees, (ii) motivation and remuneration, (iii), appraisal of work performance and turnover of employees, (iv) restoring and ensuring wellbeing, (v) development, training and management of diversity, (vi) stimulating of teamwork and creativeness as well as (vii) securing psychical health and stress reduction. Following the suggestion made by Nickson (2006), upon determining the number of strategies we have borne in mind that it is of crucial importance in the organizations to reach hospitableness and ensure top innovative services that have to be performed in an adequate organizational culture.

The result of the aforementioned functional strategies is the behaviour of human resources in organizations that create numerous advantages in the field of human resources such as higher motivation, better health of employees, better relations and communication, more successful (team) work, higher assessment for the organization, enrichment of knowledge and experiences, better quality of work performance. The advantage results from various created synergies (from the technological, cost, management to psychological), increased creativity, increased employee confidence

Fig. 7: Model of HR management.



in the organization, and their greater affiliation to the organization. These advantages have a long-term effect reflecting in a higher efficiency of organizations, the subjective and objective welfare of each individual and in social welfare. Following we are introducing in greater detail the single above mentioned strategies related to human resources.

Each model also has some disadvantages. These are the danger that the organizations would implement

the model only partly and not requisitely holistically. The advantage of this model is actually in its requisite integrity/wholeness. This is also its limitation.

Nevertheless, the model would contribute to the elimination of reasons for developing a new HRM model in tourism which we presented in chapter 2.2.

5 Conclusion

(Slovenian) tourism needs a new, modern HRM model, which will continue to provide accelerated development. The model that was developed for tourism is based on the evolution of business systems, attributes of the individual and the organization as well as the environmental challenges. All these affect the strategic management of the organization. It is a process in which management first defines the strategy at the organizational level or so-called global strategy for the organization. After having defined a global strategy, leadership uses these and defines different functional strategies, including human resources strategy. The purpose of the latter is the realization of the global strategy and reaching beyond the goals of the organization as well as meeting the expectations held by employees.

In the HRM model in tourism, we anticipate a series of functional strategies regarding human resources. The implementation of this strategy helps the organizations to create competitive advantages by human resources, such as increased motivation and improved employee health, better interacting relationships, bet-

ter teamwork, greater affiliation to the organization, enrichment of knowledge and experience, etc. They also make a positive impact on the performance of the organization, an individual's subjective and objective well-being as well as on social welfare in general.

Restriction concerning the implementing the presented model in Slovenian tourism organizations as the basis of Slovenian tourism, is the level of their development, which is significantly determined by the awareness level of managers. Therefore the model might be realized incompletely and thus the set goals would not be realized.

Further development of HRM in Slovenia should be based on regular monitoring the satisfaction of students of educational programs in tourism, and on systematic monitoring of not only satisfaction but also the well-being of employees in tourism organizations. Employee affiliation must also be observed, because it indirectly expresses satisfaction with the material and immaterial rewards, etc. It would also be useful to implement the suggested model in the most important organizations and monitor its effectiveness which would further enhance the changes in education of the tourism workers and do so at all levels.

Integrativni in inovativni model upravljanja s človeškimi viri v slovenskem turizmu

Povzetek

Turizem je pomembna panoga tako za svetovno kot za slovensko gospodarstvo. Za Slovenijo je bistvenega pomena, da si v naslednjih desetih letih prizadeva postati dežela z razvito turistično kulturo, primerljivo z drugimi evropskimi državami. Pomembno je, da razvije sodoben model upravljanja s človeškimi viri, s katerim bo slovenski turizem premostil vrzel med različno izobraženimi kadri in ponudbo na trgu dela ter zaposlil vrhunske strokovne delavce. Spreminjanje vrednot, visoka izobrazba in izkušnje pa tudi vse večje potrebe in zahteve novih potrošnikov v turizmu zahtevajo izobraženo, komunikativno in inovativno delovno silo, sposobno ustvariti dodano vrednost za potrošnike. Za distribucijo, delovanje in upravljanje turističnih produktov, ki temeljijo na znanju, sposobnostih in zmožnostih zaposlenih, je zato treba zaposlovati visoko izobražene delavce. Pri tem je bistvenega pomena razvoj in izobraževanje človeških virov, katerega namen je izboljšati posameznikovo učinkovitost. Pri razvijanju modela upravljanja s človeškimi viri je treba posvetiti pozornost tudi drugim pomembnim vidikom.

Ključne besede: upravljanje, turizem, upravljanje s človeškimi viri, model upravljanja s človeškimi viri, model upravljanja s človeškimi viri v turizmu

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