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UDC 658.3:338.48:640.4(497.5)
Received: 05.03.2001
Technical papers

PERSONNEL DEVELOPMENT AND MANAGEMENT IN TOURISM

The global market and global communications mark the beginning of a new story, a story that has a significant effect on the tourist economy and its personnel. These developments and other social changes indicate that firms in the tourist industry have to do some rethinking, and sometimes modify their strategy and system of management of resources and work processes. In order to gain insight into the present state and method of managing the processes of developing human resources, we have conducted a survey among fifty personnel managers in hospitality and tourist firms.

The intention of this research was to establish what steps are firms in tourism undertaking in the domain of personnel development? Efforts were also made to gather information regarding the current situation of personnel activities in the tourist economy of Croatia. The results and main characteristics of the mentioned gathering of information are presented in this paper. It also endeavors to plan a contemporary system of personnel management and personnel development processes in tourism.

Key words: personnel development, training, personnel processes, management.

INTRODUCTION

The significance of the tourist industry as an important sector of the economy and its capacity to generate employment has been proved through statistics and forecasts on a worldwide level (Pirjavec, B. 1998). The growing structural changes, globalization of the market and communications presented with new technologies and an information system have drastically changed the business and personnel strategy that has hitherto existed in tourist firms. Criticism of former methods of strategic management show that the basic reasons for poor handling of business lies in a low-quality relationship towards buyers and in inferior teamwork. Theoreticians in the organization of work and management point out that there is a very small number of successfully implemented strategies (Buble, M., 2000.) Actuated by an awareness of these cognitions we chose a targeted sample of fifty members of the Croatian Association for Personnel Management that professionally conduct personnel operations in hospitality and tourist firms. By means of an opinion poll questionnaire we wished to:

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- Establish the level of development of the personnel administration in tourist firms
- Gather information on the opinions of personnel managers regarding the conducting of personnel processes and staff development in tourism

32 of the 50 chosen personnel managers completed and duly returned the questionnaires. At the time of the survey (September, 2000) their firms employed 9,800 workers, which is almost 25% of the total number of permanently employed in hospitality and tourism firms.

1. A REVIEW OF THE SURVEY RESULTS

In reply to query *"Does your company have a defined policy of further training and advancement of staff members?"* 26 of them or 81% of the respondents' personnel experts gave a negative reply. On the other hand, the answer was "yes" to the queries *"Do you consider permanent training and advancement necessary for excellent running of business in your enterprise?"* and *"Would you include employees of your company into various seminars?"* meaning in no less than 31 firms, or 97% of the respondents.

How are we to understand these two contradictory answers? Tourist firms are aware of the importance of staff education, but due to objective, or perhaps better to say subjective weak points, such educational training is insufficiently implemented. By posing these two questions we were able to conclude that the development processes of tourism without comprehensive training, not only of employees, but also of the whole populace, would progress much slower than presently assumed.

For the moment the situation in tourist firms in the realm of education could be depicted in the answer to query *"Have you thus far carried out investigations within your enterprise and planned the needs for education and advancement of staff on all levels?"* Only one-third of the tourist firms (ten firms, or respectively 31% of the respondents) made investigations and planned the needs for staff training. Almost 70% of the respondents or two-thirds never do such a thing.

1.1. Organizational level of the personnel administration

In our research of the organizational level of tourist firms, our respondents were asked the following questions: *"Which department or operational unit is in charge of the educational administration in your company?"* and *"Who brings decisions in your company as to which employees will be chosen to attend a training program?"*

It is indicative that in 64% of the companies the educational administration is performed by departments for legal, personnel and administrative services, in 18% of the companies this is done by managing boards, in 16% by personnel departments, and

only 2% in sectors or services for human resources. On basis of these replies it may be concluded that the organizational structure of tourist firms is not synchronized with the modern structures of present-day economics. In the many working organizations in tourism, very little attention is paid to the function of staff-education. Without a well-organized and professionally fit personnel administration, it is difficult to make preparations for the tourist season and prevent our tourist economy from falling behind.

The final decision as to who will attend a certain form of educational training is brought by: the director himself in 55% of the cases, in 18% it is the director in agreement with the personnel department, in 24% it is the decision of the heads of various organizational units in agreement with the director, and only in 3% of the cases it is left to the independent decision of the personnel department.

1.2. The working organization's needs to train employees

On basis of this research it may quite positively be concluded that in the absence of an organized and better-defined long-term development of human resources in our economy, 35% of the employees work at jobs that are less complex than their actual qualifications. At the same time, 40% of the employees in our economy do not fulfill the formal professional requirements needed for the complexities of their posts and jobs. Obviously, this has a negative impact on work, motivation, productivity and performance.

The possibility for promotion is considerably reduced for a great majority of employees. Our poll shows that the majority of employees working in tourism, almost 85% of them, spend most of their years of service doing the same jobs. Instead of being promoted to more complex jobs, which require additional training, the employees in most cases, as a rule, remain for years, sometimes their entire active life on the same job.

In order to establish the requirements and fields of study that tourist organizations need, we put the following question to our respondents: "*Which jobs would it be necessary to organize training for in your working organization?*" According to the answers, 83% were primarily interested in training their personnel for better performance of ongoing jobs. 13% of the respondents expressed the need to expand knowledge for developmental activities. The least number, only 4%, was oriented toward career development, in other words toward preparing the staff for further promotion and advancement within the system structure of the company.

In response to question, "*What are the momentary needs for training your employees?*" up to 60% of the respondents expressed the biggest interest in managerial training in the domain of financial management, information science technology, and personnel management. 40% emphasized the need for education in business communication and public relations, marketing, standards of quality and other know-how, such as learning of foreign languages, advancement of computer literacy, etc.

2. THE GROWING IMPORTANCE OF PERSONNEL DEVELOPMENT

Personnel development in this paper is to be understood as the comprehensive measures and activities that are being undertaken in working organizations for the purpose of reaching optimal coordination between the desires and abilities of employees on the one hand, and the goals of the company on the other. It is a developmental activity that dynamically studies people, their potentials and needs, in permanent movement in such a way that simultaneously includes present and future activities and goals of the company and the individual. From this, it is noticeable that personnel development is becoming the major assignment not only of the personnel department, but also of the entire company management.

On the market of global competition the function of the personnel department is faced with numerous tasks that not only relate to the success of the company but also to winning the satisfaction of the buyers, employers, managers, employees and of the society as a whole. It undertakes the specific tasks, such as planning, analyzing and formation of jobs; finding, selecting and initiating people for the jobs; developing business ethics and culture; conducting and monitoring of agreed-on measures linked to development and training of personnel within the firm, as well as an array of other tasks and assignments (Bahtijarević Šiber, F., 1999, p. 17).

This wide spectrum of tasks makes it clear that the personnel administration contains much more than is commonly supposed under the term that is usually considered as further education or training in general (Pongrac, S., 1990, p. 38). Advancement and training jointly make up the contents of personnel development. In the process, the term **advancement** in most cases includes activities oriented toward the position of the individual in the firm, or toward his or her professional development, while the term **training** refers to mediation and coordination of abilities and knowledge that the firm demands (Florijančić, J., 1995. p. 98).

The contents of training within the firm were hitherto mainly directed towards the firm's needs, but today's life-long concept of personnel development, besides the needs of the firm, the ideas and desires of employees are likewise taken into consideration (Jereb, J., 1996 p. 140). A difficult assignment is being placed upon personnel development, since it is supposed to uphold the balance between the aims of the firm and the personal aims of the employees. The assignment set before the personnel development is not new: it has always been the rule of working organizations "to appoint the right man for the right job". It is in the interest of every employer to properly recognize, maintain and further develop the capabilities of his employees. The current practice in the economy shows that the innovation of employee know-how by means of personnel development substantially contributes to the working organization's business superiority. In 1999 American professor Steiner of the University of California asked managers from all parts of the world for an answer to the following question: "Which strategic measure will in the course of year 2000 contribute most to the success of your working organization?" The answer from the majority of the respondents was: "To increase the productivity and quality of products and services" (Beziat, G., 2000.). Personnel development notably contributes to reaching this aim.

The reasons for the steadily growing importance of personnel development are manifolded. They partially involve the same influential factors that contributed to increased evaluation of the total personnel policy. The most essential causes are encompassed in the following trends:

- The attitude and expectations of employees towards their job have changed; instead of material needs the desire has grown for greater responsibility and individual self-realization. Employees look forward to more demanding assignments and career promotion.
- Structural social and technological changes on the labor market increasingly press firms to solve the problems of inadequate know-how by themselves, namely, on their own.
- To a much greater extent than previously, the critical public keeps an eye on everything that is happening within a working organization, especially in the realm of the personnel administration. By means of local management and self-management the public indirectly reckons what is happening in a working organization and on basis of these judgments instigates or hinders the development of the working organization.
- The growing personnel costs and increased shortening of weekly working hours also oblige the staff policy to implement stricter personnel criteria for the purpose of optimal use of human resources. The working week has decreased in the past 50 years by eight hours and in the beginning of year 2001 the workweek in most of the developed countries will be 40 work hours per week.
- Quicker economic and technological changes bring about alterations in conducting business operations. Today the knowledge acquired through formal education is inadequate to last during one's entire active life. Compulsory adaptation to changes and retraining by means of informal methods and studies are on the rise. There is a decline of employer demands for formal diplomas and an increase in testing of knowledge and skills. The time will come when the diploma on completion of studies will of itself be insufficient for entry into the world of work and business. There is an increasing demand for records and proof of possession of specialized knowledge and capabilities.

The indicated influences and trends have contributed by giving greater significance to personnel development and making it become a central and crucial assignment, relevant to the global market and global communications.

In our research we have identified the structure of the participants of various training programs that tourist enterprises in the Republic of Croatia organize. According to collected data the semiskilled workers (chambermaids, scrubwomen, doormen) and skilled workers (waiters, cooks, barmen) are not included into programs of organized training, in other words, into innovation of know-how. Specialized jobs (receptionists, hostesses and other employees) are on the other hand included into training and innovation programs, but on a basis that is irregular, unplanned and unobligatory.

The empirical norms for the average time required for innovation of know-how and enhancement of employee skill in the contemporary economy (without considering the learning of foreign languages and formal education) are as follow:

- Management in administration 16-24 days in the course of a calendar year, respectively 10-15% of the total working time;
- Personnel managers 8-16 days per year, respectively 5-10% of the total working time;
- Other employees 4-8 days per year, or 2-5% of the total working time (Vujić, V., 1998).

In the economy of the Republic of Croatia that refers to innovation of know-how of all managers and employees, the average time amounts to 0-0,3% of the working time, in other words from zero to a maximum of five hours per year. This fact needs no comment, save to ask the question whether our economy and the quality of our tourist product can be enhanced and developed without know-how. Obviously not!

Respondents quote that the reason for the very low percentage of participants in training programs is the lack of readiness of employees to upgrade their education and the lack of educational measures and financial means within the firms. On the other hand it is assumed that certain categories of employees continually develop various forms of adaptation, but these forms can hardly be considered as training and development programs.

2.1. Problems of personnel development

Our research also clarifies the problems that are encountered in tourism in the domain of personnel development. These problems are particularly reflected when we become aware of the following:

- Systematic personnel development is only partially conducted. Training is organized more at random than planned. It is mainly initiated through programs that come in from various organizers of informal forms of training, and not on the working organization's established needs.
- Information on the possibilities of further education in most cases is addressed to the working organization's management, and on basis of their own estimations and cognition the management usually does not pass it further on.
- Systematic inclusion of the need for personnel development is almost non-existent. Furthermore there is no monitoring or evaluation of training.
- Whenever cut downs of expenses are introduced, the first to be reduced or completely abolished are the means intended for education and personnel development.
- Only ten of the polled managers or 30% of the queried working organizations have their own premises for holding seminars, and these are in most cases poorly equipped for didactic purposes.
- The costs for employee training in tourist firms are booked under various items of account, so that it is hard to establish the controlling and surveying of total means invested in personnel development.

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- The management does not recognize to a sufficient degree the purpose and break-through that training can achieve within the working organization. Besides, there is a lack of checking to what extent managers and superiors conduct the education of their subordinates, and even more so, achievements are very seldom rewarded.
- As a rule the managements of working organizations fail to implement systematic planning of personnel development and its financing.
- The changes to be achieved through training are often erroneously defined, or are not defined at all.
- In external training programs, we usually encounter a presentation of principles, methods and techniques that are in contrast to the procedures applied in the working organization of the participants.

The indicated weak points and shortcomings can easily be eliminated, since the working organization itself can do something about them. With a good personnel structure and satisfied employees the working organization is a step ahead of its competitors, acquires an advantage in comparison to the companies that do not have personnel development, in addition to marketing advantages on the market of supplying with manpower. As a result of systematic personnel development a smaller fluctuation rate may be expected and a more positive picture of the whole working organization in the eyes of the public.

Joseph M. Juran claims that the future working organization will be under the influence of mutually linked systems, both the technical (equipment, procedures, etc.) and the social system (manpower, infrastructure, etc.). According to him, 15% of the responsibility for inefficient work and poor quality poor quality lies on the employees, whereas 85% are the result of managerial faults. Deming also agrees with this assertion and rests assured that only the Management and in-line managers of a working organization can bring about changes in a system, and that in 98% of the cases the errors are theirs. According to them, "employees work within the system, and managers work above the system" (J. M. Juran and Frank M. Gryna, 1999, p. 153). They, and no one else, are responsible for the system of business and its perpetual enhancement. The greatest expenses in any company are a product of an imperfect system. It is impossible to form a perfect system without a modern method of working with people. Only satisfied employees reach high results. Good results make people even more content and so it goes on into infinity. And vice versa, if the employees are not content. With regard to this, the task of the manager within the business system is to discover, stimulate and develop the positive personal potential of the employee, and prevent the negative.

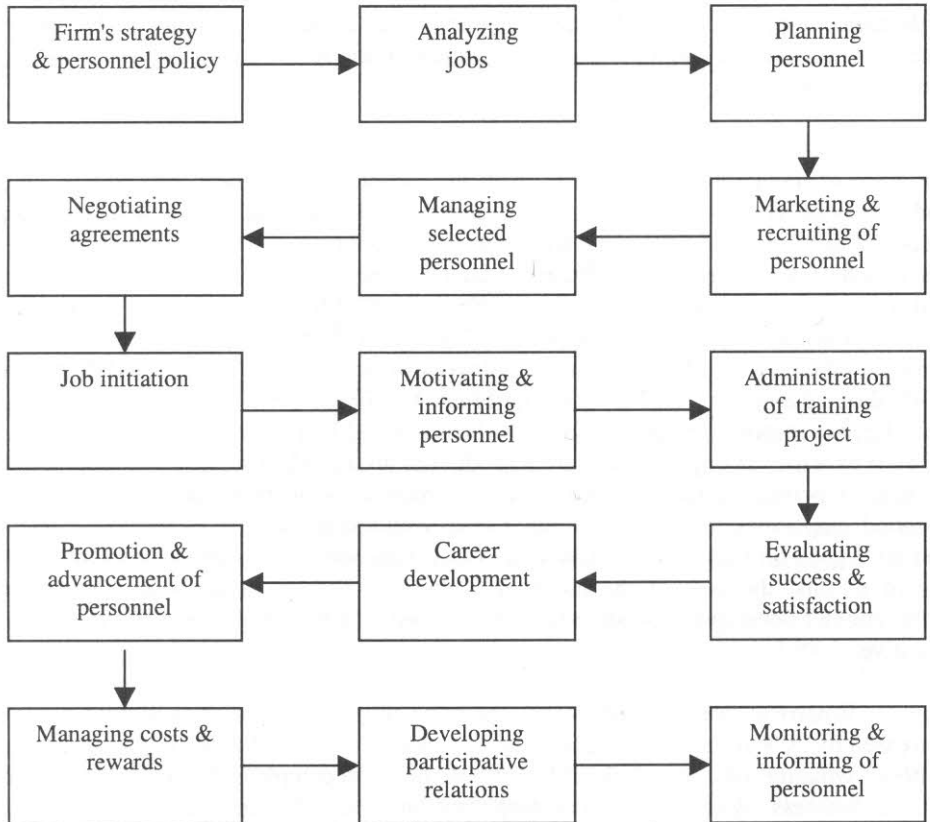
Empirical practice shows that the efficiency of the business system can be increased by 30% if people are approached in another manner (Napan, K., 1994, p. 44). Without winning over employees it is not possible to accomplish the mission and aims of the business system. Such contemporary methods of management establish a relationship between all employees. The relations flow in both directions, underlines Marušić, from top to bottom and the other way round (Marušić, S., 1994, p. 56). The in-line managers (the middle-level and operating managers) become the ones who administer the human potentials (Kanz, D. and Kahn, R. L., 1996, p. 121). They bring

the decisions on salaries, selecting, assuring qualified manpower and innovating of employee know-how. They have to know what is to be done before, in the course of, and after, the promotion of employees. If they do not have the knowledge in the domain of personnel administration that is required for achieving business excellence, the chances are very small.

3. PROCESSES OF DEVELOPING HUMAN POTENTIALS

In order to achieve excellence, all company managers must have knowledge about the basic processes of developing human potentials, shown under Scheme 1 *Processes of Developing Human Potentials* according to the standards of ISO 9001:2000.

Scheme 1. Processes of Developing Human Potentials



Source: Innovated according to Vujić, V., (1999) How to Make the Perfect Team QM 5/99

We give brief explanations of each of the personnel processes depicted in Scheme 1 without going into the details of procedures and performance instructions that each is consisted of and that characterize it.

Strategy as a personnel process implies the trend and method of administering human potentials. It stems from the working organization's vision and mission, the analysis of its milieu and establishment of long-term goals, and from defining the ways and methods of their realization within the working organization. It gives the answer to the question, which activities will provide the realization of established goals and bring the company to where it wants to be. **Policy** defines the measures and deliberate influence of the working organization's management on activities that the firm will undertake for the purpose of realization of the vision and strategy of development of its economic and personnel aims.

Analyzing jobs is the groundwork for the execution of all management assignments and functions of the working organization. It is done for the purpose of drafting the organizational layout, thereafter for choosing the means of production, for establishing the requirements that the job demands, for determining the complexities and evaluation of tasks, and for administering an efficient personnel policy. The job descriptions that result from the analysis are a fundamental document in contemporary business. The job description outlines the requirements that the job calls for, the desired personal profile, the means of production and working space, and the corresponding working conditions without which it would be impossible to carry out any job or working assignment.

Personnel planning are a significant step in the implementation of business strategy and method of achieving it. The business plans of each organizational unit and function in a working organization arise from its vision, strategy and goals. The planning of personnel includes the preparation of the strategic and operational planning of human resources, namely the forecasting of changes and studying of the fundamental principles, methods and techniques of personnel planning.

Marketing and recruiting of personnel begins with the defining of the needs, continues with the analyzing of the existing personnel structure in the working organization, and ends with an announcement of the needs to the employment office or through the mass media, private agencies, schools, colleges or in special ways such as various quiz-show competitions, symposiums, seminars and the like. Marketing is so universal that it cannot be considered a separate business function. It is a matter of overall business observed through the prism of its end result, the satisfied customer (Kotler, P., 1994, p. 1).

Managing the selected personnel is an important activity of the personnel department in the working organization. Business results depend on this activity and its quality. Selecting personnel is also based on the strategy and business philosophy of the management, and is founded on the criteria and various techniques and methods such as tests, interviews, documentary analysis and the candidate's achievements, along with the testing of knowledge and capability. At the same time it is necessary to consider the

expectations of potential candidates and adapt one's practice by offering them what they want and what is simultaneously profitable to the working organization.

Negotiating agreements (work contracts) is not only a legal obligation, but also a significant activity which defines the type of employment, working hours, duration of the working day or week or vacation, also the commencement of the employment, the amount of the basic salary and compensation, terms of notice, and other conditions and duties.

Job initiation is a process of importance both for development of the candidate's career, motivation and identification with the company, as well as for his immediate company manager and other associates. The initiation is based on the mentor's and working organization's preparations for informing, running in and monitoring of the new candidate's working achievements.

Motivating and informing personnel is a collective term for all the factors that challenge and direct human behavior and determine the intensity of duration. The significance of this process has been dealt with in a large number of studies on the subject (Kotter, J. P., 1996, p. 67). The great interest of theorists and managers in practice arises from the growing needs to increase production and improve the quality of workmanship, to promote participative relations along with competitive abilities and business excellence.

Administrating the training project is an important process that is related to the internal standards and training of personnel for current business performance, but also for the activities that are to be realized in the future. Planned training and upgrading of employees is one of the most efficient methods of development of personnel and of the working organization. It is becoming the fundamental condition not only for the company, but also for the society as a whole.

Evaluation of success and satisfaction of employees is a basic assignment of every manager. It should be performed every day or periodically. It is executed by means of polls, questionnaires, comparisons, rankings and other methods and techniques of evaluation of the degree of success of the personnel.

Career development is the point of departure for the efficient performance of most jobs. Whether a person will have an efficacious career depends on a number of factors and especially on the professional competence and innovative inclinations of the individual and the company management. In the working organization and the society as a whole, three basic approaches for career development are outstanding. The first is to train the person to contribute to society. The second is to give the person a chance to do so. The third is to motivate and stimulate the person to permanently innovate and improve his knowledge and capabilities.

Promotion and advancement of personnel is founded on the fulfillment of two conditions: that they deserve it and that it is allocated to them. The current practice of promotion of personnel is somewhat more inclined towards the "obedient

performers” and less towards the capable and talented personnel. Every promotion of personnel within the company should be founded on criteria and documented procedures that evaluate the references and characteristics of each individual, and determine the distinctions between the requirements of the job description and the knowledge and capability of the candidate. In the process it is necessary to give thought to the components of human performance: to know, to be able, to want to and to be free to do it.

Managing costs and rewarding personnel in the economy and particularly in tourism (where employee costs reach levels between 20-30 % of the total costs of the working organization) is a significant activity not only for the personnel manager. Financial incentive of individual and collective work and in-house behavior demands special study and planning of direct and indirect incentives and bonuses. »Only a well-paid worker is a good worker. The most costly work is cheap work.« (Avelini Holjevac, I., 1998, p. 117).

Developing participative relations are imposed by prescribed standards and conditions that increasingly protect workers. The rights of the board of employees and workers’ representatives in the supervisory boards have expanded perceptibly: an example of this is the participation of the labor union and board of employees in personnel planning and vocational training. The development of democracy and expansion of workers rights in bringing essential decisions in all areas of labor has intensified the need to introduce participative management in tourist firms.

Monitoring and informing of personnel and management on achievements demands a follow-up and analysis of personnel cost and of the complete efficiency of the personnel function. In that way, not only is the administration of human potentials enhanced, but also so are the firm’s total business results.

The indicated personnel processes allow glimpses of numerous procedures and assignments that personnel development is faced with. Personnel processes in the firm always make up a system of related procedures and activities. Each procedure has an influence on the following or subsequent activity, directly or indirectly, and on the results not only of the previous process but also on the working organization’s total results.

4. ADMINISTERING THE DEVELOPMENT OF HUMAN POTENTIALS

On all levels of leadership and in all fields of the economy, in large or small companies, the capability of management of the people in working organizations is one more skill that managers must adopt and utilize. The manager must know how to lead the development of his personnel so that all the members in his team can develop practical knowledge and skills necessary to make them more efficient in their job and to enable them to participate in the realization of mutual aims (Deželjin, J. and Vujić, V.,

1995, p. 19). Therefore, the identifying and gratifying of personnel needs is equally important as the establishment and delegation of particular assignments.

Personnel development and training of employees should be related to the needs of the company, otherwise it would not bear any fruit. On the other hand it must comply with the needs of the individual, otherwise the employee will not gladly accept to work and study, and in that case we cannot expect positive results. In order to be sure that your associates are doing what is expected of them, regardless of whether that refers to resolving problems or facing new challenges, you must synchronize individual possibilities with the needs of the company. Furthermore, if you are introducing new processes, new systems or new facilities, individuals will feel the need for job-oriented education. Consequently, for numerous reasons, different individuals will have different needs. But regardless of whether the needs are related to the organization, the individual, or both, it is useful to remember the existence of three fundamental groups of skills that are indispensable for efficient performance of work in tourism. These skills are: technical, communicative and administrative.

Technical skills may refer to anything, from the way that a person behaves to the way of how the person handles a tool or a machine in the working process.

Communicative skills often refer to business communication or to put it simply, "to know how to work with people". This faculty is the essence of managerial skill and most of the staff in a trading company must possess it. Lacking such skills, all those who do business with clients—tourists are likely to fail, regardless of whether the communication is direct or by telephone. In both cases the staff must master the skills of communication with clients. In addition to this, the employees must also be skillful in handling the **administrative business** that their jobs call for. Here we may include attending to correspondence and forming of different types of letters, from the drawing up of development plans in reference to the business, to those obliging services that are seemingly unimportant.

All employees should be included in the phase of discovering the requirements for education and advancement of personnel. Namely, it is necessary *to learn what individuals want, what they know, what they can do, what and how they do it, what they promise, what they find acceptable and what are their conditions* (Brekić, J., 1994, p. 98). In which field do they feel the need for supplementary training? It is very good that they themselves recognize and agree as to why they need further training at all, what they expect of it and in what way will it help them. Otherwise, the whole process may prove to be meaningless. It must in no way be assumed that all employees and associates will have the same needs. Some of them will be deficient in technical know-how, others in communication skills, and other still in administrative dexterity – as well as in the various variants arising therefrom. These cognitions and mutually established aims create space for successful professional development and efficient personnel promotion.

4.1. Meaning and objectives of personnel management

In the sciences and contemporary economic practice, personnel management has a number of components and meanings. Its features are interdisciplinarian and are also considered a separate scientific discipline, as well as a new business philosophy and a business and managerial function. In literature this term is often identified with the term called management of human potentials and personnel administration or management (Bahtijarević Šiber, F., 1999, p.3).

Personnel management fulfills its purpose by reaching the working organization's goals. These objectives must acknowledge the challenges of society, of the working organization, of the business functions and of the people involved in them. A mistake in recognizing them may do harm to the firm's activities, its profit, even its survival. These challenges emphasize four objectives that are common to the management of human potentials.

The social objective: This means being socially responsible towards the needs and challenges of society while minimizing the negative effects of such demands on the firm. A mistake by the firm in utilizing its resources for social benefit may result in restrictions. For example, local administration and self-management may enact laws that limit the decisions of working organizations and personnel.

The working organization's objective. The management of human potentials is not an objective *per se*, but only a means of assisting the firm in the fulfillment of its primary goals. To put it simply, the objective exists to be at the disposal of all business functions and employees involved.

The functional objective. This means to maintain the departmental share on a level suitable for the needs of the working organization. Resources go to waste when the management of human potentials is developed more or less than the organization demands. The level of departmental service must be coordinated with the organization in which the department operates. During planning and functioning of the system of organization not a single business function is to be allowed to have greater or lesser significance, since every one is important and essential for success in business.

The personal objective. The helping and stimulating of employees by the management to achieve their personal objectives, significantly contributes to, and enables the realization of, the goals of the firm. Personal objectives of employees must be fulfilled otherwise their discontent may have a negative impact on the business results and move them to give notice to quit their contract of employment.

4.2. Personnel management activities

In order to accomplish its purpose and objectives, the personnel management recruits, develops, uses, appraises, retains and supports all the workers. All this is done for the purpose of providing the firm with good personnel. When these goals are fulfilled, the purpose of management of human potentials is also accomplished, and accomplished through people who contribute to all the organizational objectives, which are maximum effect and efficiency.

Personnel management activities can best be viewed in Scheme 2. The scheme we show the management's objectives and its activities of support in contrast to the objectives that were previously explained. The scheme indicates that every activity contributes to the aim or objectives. For example, the appraisal of the level of success contributes to the organizational, functional and personal goals. If any of the activities do not contribute to the goal or goals, then they should not be made public in the working organization.

Scheme 2. Activities and objectives of personnel management

MANAGEMENT OBJECTIVES	ACTIVITIES
SOCIAL OBJECTIVE	Legal obligations Quality of product and services Participative relations
ORGANIZATIONAL OBJECTIVE	Personnel planning Quality of products and services Choosing and selecting personnel Training and personnel development Appraisal of personnel achievement Placement and promotion of personnel Monitoring and reporting
FUNCTIONAL OBJECTIVE	Appraisal of personnel achievement Placement and promotion of personnel Monitoring and reporting
PERSONAL OBJECTIVE	Training and personnel development Appraisal of personnel achievement Development of personal career Compensations and rewards Monitoring and reporting

The responsibility for activities and support of personnel in a firm lies upon each manager. If the managers do not accept responsibility for personnel development on all levels, then the activities of the personnel administration can be carried out only partially or not at all. When the personnel function or its share of activities is organized through various organizational units of the firm, we then have dual responsibility between the in-line managers and personnel experts. The in-line managers remain actively included in planning, selecting, job initiating, training, developing, achievement appraisal and other activities, even though they may be delegated and performed by experts employed in the personnel function. However, such delegations and performances do not lessen the obligations of managers and their responsibility for the personnel policy of the working organization.

CONCLUSION

Many managers in tourism did not recognize the symptoms of causative problems that arise from inadequate leadership of the personnel process. Our research has indicated that the personnel administration and personnel function in tourist firms are not given the significance that they deserve to get. From that standpoint personnel development should be redefined and modernly organized. If personnel processes are appropriately organized and executed we shall soon see that they are a very beneficial means for the realization of business excellence.

The global market and structural changes demand of today's managers to resolve multiple and sometimes conflicting demands and objectives. They are increasingly obliged to tend to the development of their associates, in other words to be concerned with the realization of personal, organizational, functional and social objectives. These objectives are reached through various procedures and activities. In order to fulfill them with high-quality results, all managers and employees should spend far more time innovating their knowledge, far more than has been the practice in tourism up to now.

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Sažetak

KADROVSKI RAZVOJ I MENADŽMENT U TURIZMU

Globalno tržište i globalne komunikacije započinju novu priču, priču koja se značajno odražava na turističko gospodarstvo i kadrove. Te pojave i druge društvene promjene ukazuju da i turističke tvrtke moraju preispitati, a ponekad i preinačiti svoju strategiju i sustav upravljanja resursima i procesima rada. Kako bi stekli uvid u sadašnje stanje i način upravljanja procesima razvoja ljudskih potencijala, anketirali smo pedeset kadrovskih menadžera u ugostiteljsko-turističkim tvrtkama.

Istraživanjem smo željeli utvrditi što turističke tvrtke čine u području kadrovskog razvoja? Također se nastojalo propitati kakvo je trenutno stanje kadrovske djelatnosti u turističkom gospodarstvu Hrvatske. Rezultati i glavne značajke naznačenog propitivanja predstavljaju se u ovom radu. U njemu se također pokušava projektirati suvremeni sustav upravljanja kadrovima i kadrovskim procesima u turizmu.

Ključne riječi: razvoj kadrova, izobrazba, kadrovski procesi, menadžment.

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