

Announcement

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## **TOURISM IN FUNCTION OF DEVELOPMENT OF THE REPUBLIC OF SERBIA - Tourism as a Generator of Employment**

Conclusions of the 4<sup>th</sup> International Scientific Conference held at the Faculty of Hotel Management and Tourism in Vrnjačka Banja, May 30<sup>th</sup> – June 1<sup>st</sup>, 2019

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For the fourth consecutive year, the International Scientific Conference TOURISM IN FUNCTION OF DEVELOPMENT OF THE REPUBLIC OF SERBIA took place in Vrnjačka Banja. The Conference was held from May 30<sup>th</sup> to June 1<sup>st</sup>, 2019. The special theme of the Conference *Tourism as a Generator of Employment* was carefully selected, like in previous years, focusing on the impact of tourism on the creation of new jobs. The Conference was organized by the Faculty of Hotel Management and Tourism in Vrnjačka Banja in co-organization with numerous domestic and foreign institutions, with the support by the Ministry of Education, Science and Technological Development of the Republic of Serbia. The relevance of the topic brought together a large number of domestic and foreign participants (156 authors/co-authors of 85 scientific papers) coming from India, Portugal, Russia, Tanzania, Puerto Rico, Lebanon, Romania, Bulgaria, North Macedonia, Bosnia and Herzegovina, Montenegro, Croatia, Slovakia and Serbia.

The Conference participants were greeted by the Dean of the Faculty, Prof. Drago Cvijanović. Keynote speakers at the event were distinguished Prof. Boris Frumkin (Head of the Agri-Food Complex Research Sector at the Institute of Economics, Russian Academy of Sciences / Head of Group at Primakov National Research Institute of World Economy and International Relations, Russian Academy of Sciences, Moscow) and Prof. Nancy Duxbury (Senior Researcher and Co-coordinator of the Cities, Cultures and Architecture Research Group at the Centre for Social Studies, University of Coimbra, Portugal). Furthermore, the Conference was also greatly honored by hosting the representatives of the Ministry of Education, Science and Technological Development of the Republic of Serbia, Prof. Marija Kuzmanović (Assistant Minister for International Cooperation and European Integration) and Ms. Spomenka Simonić, (Assistant Minister for Student Standard and Investments) as well as the representative of the Ministry of Trade, Tourism and Telecommunications of the Republic of Serbia, Mrs. Vera Božić-Trefalt, (Assistant Minister for Tourist Inspection), Ambassador of India to Serbia, H.E. Mr. Subrata Bhattacharjee, President of the Municipality of Vrnjačka Banja, Mr. Boban Đurović and Rector of the University of Kragujevac, Prof. Nenad Filipović.

With the aim to establish a stronger cooperation with other institutions of higher education, Dean of the Faculty of Hotel Management and Tourism in Vrnjačka Banja, Prof. Drago Cvijanović, signed agreements with Prof. Natalia Dmitrievna Alekseeva, Head of Department of Hospitality and Cross-Cultural Communications, Volga Region State

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University of Service, Russian Federation and Prof. Andrei Vasile Jean, Director of The Research Network on Resources Economics and Bioeconomy Association (RebResNet), Romania.

In addition, at this occasion two other Agreements on Cooperation were signed between the Research Network on Resources Economics and Bioeconomy Association (RebResNet), Romania, represented by Prof. Andrei Vasile Jean and the Balkan Scientific Association of Agricultural Economists, Belgrade, Serbia and the Development Academy of Agriculture of Serbia, Belgrade, Serbia, represented by their presidents, Prof. Goran Maksimović and Prof. Drago Cvijanović, respectively.

The main focus of the Conference was in line with the issues and challenges related to the role and importance of tourism in generating new jobs, reducing the unemployment and increasing the living standard of the population of the Republic of Serbia and other countries. The presentation of the Conference participants' contributions was streamed in three sections. The first section addressed issues related to development of sustainable mining tourism, the indirect impact of tourism on the environment, contribution of ecotourism to sustainable development, socio-economic contribution of homestays, digital competences in the function of reducing unemployment, the impact of e-commerce on organizational performance of the travel agencies, relations between mountain tourism, demographic structure and employment, hotel architecture and ambience as an answer to the contemporary challenges of tourism. The second section focused on topics concerning policies and strategies aimed at increasing tourism competitiveness, agro-tourism, sustainable tourism development, cycle tourism, prospects for job creation and resource efficiency in rural areas. The third section, organized in cooperation with The Research Network on Resources Economics and Bioeconomy Association (RebResNet), was dedicated to the presentation of papers and promotion of young researchers under 35 years of age. Since all the papers presented within this session were highly competitive, RebResNet Young Researcher's Best Paper Award Commission decided to award the between authors of two papers. The first paper entitled *Homestay and Women Empowerment: A Case Study of Women Managed Tourism Product in Kasar Devi, Uttarakhand, India*, is authored by Binita Chakraborty. The second paper entitled *Perceptions and Attitudes of Students Regarding the Working Conditions in the Tourism Industry* is co-authored by Danijela Durkalić and Nataša Đorđević.

The remaining papers were presented in the form of poster presentations at the Hall of the Faculty where all the participants had not only the opportunity to direct questions to the authors of the respective papers, but also to see the Faculty publications comprised of 19 textbooks and 9 monographies, as well as the volumes of TISC Conference proceedings and the journal of Hotel and Tourism Management. Both Conference Proceedings and Journal of Hotel and Tourism Management are accessible online.<sup>1</sup> The Faculty publications are complemented with the two volumes of the Thematic Proceedings from this year's Conference (ISBN 978-86-89949-37-7, ISBN 978-86-89949-38-4, ISBN 978-86-89949-39-1) comprising a total of 85 scientific papers available to the wider scientific community.

As a result of valuable contributions of the authors in the form of scientific research, fruitful discussion and practical experience, the following Conference conclusions can be pointed out:

- Tourism and hospitality sector today depends mainly on the ability of service providers to create and deliver unique experiences each and every time. The destination leadership

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<sup>1</sup> For the further information please visit: <http://www.hit-vb.kg.ac.rs/conference/> and <http://www.hit-vb.kg.ac.rs/htmanagement/index.php/HITM>

should, therefore, build capacity in terms of creative endeavours. Destinations need an unabated supply of creative human power.

- Agritourism (or rural tourism) is becoming one of the most promising areas - almost the only type of tourism directly interconnected with the industrial and spatial development of a large sector of the economy - agriculture. Moreover, agritourism is primarily a way of supporting agricultural producers and solving social problems of the rural territories, and only secondly - a form of development of domestic and inbound tourism.
- Creative tourism, at its core, involves active learning experiences enabling creative self-expression and skill development. An essential feature in this process is the firm link of creativity to place and its embeddedness in the local milieu, enabling visitors to immerse themselves within the local culture, meaningfully interact, and actively create with local trainers/guides and other local residents.
- The long-term definition and establishment of a clear conceptual framework of the labour force demand is a great challenge that all countries are facing. Consequently, it is extremely important to deal strategically with the issues of education, establishment of educational programs in tourism that are adapted to real market needs, the issues of minimizing "grey" economy and informal work, seasonal employment issues, as well as establishment of a measurement system of direct and indirect tourism employment as well as monitoring of all other indicators that are important for the labour market in tourism industry.
- The tertiary sector occupies a dominant position in the number of employed in the Republic of Serbia. The number of employed in the tertiary sector has been continuously growing for years, as opposed to oscillatory movements in the number of employed in the primary and secondary sectors.
- Even though the implementation of tourism growth model in the Republic of Serbia by 2025, defined by the Tourism Development Strategy, can achieve exceptional economic effects on the entire national economy, especially in the field of employment, the question arises whether Serbia will have enough trained and skilled labour force who will be able to follow the projected growth of tourism.
- Accommodation and food service sector in Serbia employs the largest number of employees.
- Tourist activity, as well as its complementary activities, in synergy with cultural tourism, directly affects the economic growth and increase of the employment of each country, especially at the local level.
- The development of local economy through agro-tourism is possible through entrepreneurial activities in the form of micro, small and family organizations, as well as through additional activities.
- Tourism is such a business activity where employees are those who make the difference, who "mark" and differentiate tourist service from the competition.
- The high level of employee satisfaction has an impact on the quality of hotel services and thus on customer satisfaction, which confirms the indirect influence of the employer brand on these two variables. The social and development values of the employer brand have the strongest impact on employee satisfaction.
- One out of many factors affecting the unemployment rate in one country is the level of digital competences of its citizens. With the purpose of raising the level of these competences, significant efforts should be made by individuals, organizations, and the whole country.
- Tourism can accelerate the employment of vulnerable groups such as women, youth, long-term unemployed, ethnic minorities, and the like. Serbia needs to continue to create more favorable business opportunities for the employment of the most vulnerable categories, especially young people and women.

- The highest level of guests' satisfaction is present exactly because of the hotel staff (in Serbia), and that the staff is one of the factors that most respondents from abroad are most satisfied with.
- The specificity of innovations in tourism in relation to the production sector is less reliance on research development departments and intellectual property protection, while the key competences are related to employee competencies, investment in modern infrastructure, especially information and communication technologies, creation and implementation of superior business processes and external cooperation.
- Sustainability concept as such would contribute to the Republic of Serbia, as more jobs would be created, and with the help of enriched offer, tourism seasonality would be reduced.
- Contemporary technologies greatly support the implementation of the concept of sustainability in tourism. They influence the reduction of costs, but also time savings for all stakeholders in tourism.
- The application of e-commerce in travel agencies is still new and at an initial stage, and the importance of electronic commerce is not realized yet. The most common usage of e-commerce amongst the tour operators is for accepting the payments through debit/credit card followed by social media and mobile marketing for their services.
- In protecting tourist destinations and the environment from various forms of endangerment, one of the safest and most important tasks is adequate legal regulations governing this matter, fully harmonized with international legal standards.

Overall, exchange of comparative experiences and good practice between the Conference participants led to the general conclusion that Serbia has a potential for increasing tourism activities that will generate a greater number of jobs in either tourism or in related industries. However, the greatest challenge (for Serbia and less developed countries) would be to keep trained and skilled labour force who will be able to follow the projected growth of tourism.