Abstract

Increasing number of theoretical and empirical studies, including many diverse perspectives of development, growth and competitiveness of small and medium-sized tourist enterprises especially in a regional aspect, reflect clearly fragmentariness of scientific knowledge in this range. However more and more scientists pay a very special attention to regional aspects. Regional circumstances and especially efficient and effective utilization locally diverse chances and developmental predispositions (tourist values) can be significant stimulus of micro, small and medium-sized tourist enterprises’ development. Among the various regional factors there is a group of elements relating to regional labour market. The aim of the paper is to present the importance and role of regional labour staff availability and quality as one of determinants of small and medium-sized enterprises’ development. The paper is based on the own empirical research conducted in late-2004 in Małopolskie Voivodeship. There were two research target groups, that are entrepreneurs and local authorities. The survey was conducted on the basis of questionnaire sent via post.

Key words: regional labour markets (R23), geographic labour mobility (J61), tourism and recreation (L83)

Introduction

Competitiveness of economic units, especially small and medium-sized enterprises (SMEs), is co-created by the conditions lied in the closest surroundings, both local and regional, therefore the understanding of proper sources of competitive advantage requires undertaking the analysis on a mezoeconomic level. Thus delimitation and identification of regional factors, taxonomy of regional business environment as well as possibilities of optimization is very crucial for understanding the impact of regional environment on small business success, development and growth. A good starting point to a discussion on regional factors as determinants for business success can be Tobler’s statement: ‘Everything is related to everything else, but near things are more related than distant things’ (Tobler, 1970). It is a paradigm, that some regions have a more entrepreneurial attitude than others. The Global Entrepreneurship Monitor (GEM) finds considerable differences in entrepreneurial attitudes be-
tween countries (Acs et al., 2004). German scientists find that these attitudes vary also in regions within one country (Bergmann et al., 2002). Studies on regional differences in start-up rates, development, growth and competitiveness of small and medium-sized enterprises can explain these differences in a large extent on the basis of differences in socio-demographic variables and the regional industry structure. Entrepreneurial attitudes are to some extent dependent on the region of origin, but a number of questions concerning the regional influence still remain unresolved in a theoretical and empirical way (Tamásy, 2002), and this was the inspiration of conducting this research.

The aim of the paper is to present regional labour market as far as regional business framework is concerned which affects small and medium-sized enterprises’ development. The paper presents results of own empirical research, which were conducted in late-2004 year within two groups: entrepreneurs (SMEs) and local authorities (communes). The research was restricted to one region in southern Poland – Małopolska (Lesser Poland Voivodeship). The first research group consisted of 74 micro, small and medium-sized firms random sample and the second one of 83 commune authorities. The empirical study was based on the numerous questions, from which one group of questions was thematically dedicated to regional labour market.

**Regional labour market as a determinant of SME’ competitiveness**

The southern areas of the Voivodeship are the most attractive natural regions of south Poland which contributed to the tourist development in this region. Landscape and tourist attractions make Małopolska yearly tourist region. In 2004 there were 9 million tourist arrivals in Małopolska and income from tourism was estimated to be approximately 3,3 billion PLN (Badanie ruchu …, 2004). The region leads in many rates which characterise tourist economy. On score of occupancy rate of foreign tourists region is situated on the second place in the country (just after Mazowsze). In addition, historical and communication attractions should be mentioned. The main axis of southern Polish region is historical corridor which combine Germany and West Europe with Ukraine and the East based on the A4 motorway. Railway transport is also very well developed. The regional rail links with the capital of the country are very good, because they take advantage of Central Railway Trunk-line (travel time by express Kraków-Warszawa is 2 h 45 min.). On score of air transport Małopolska is situated on leading position in the country scale. The air port in Kraków-Balice on score of passenger movement is situated on the second position (just after Warszawa) in the country.

The condition of tourist sector in Małopolskie Voivodeship is getting better year by year. Besides external tourism is well developing, Kraków is becoming more popular among foreign tourists (especially German, French and English-speaking tourists). There are good perspectives for agro-tourism development which enables persons from rural areas to find a job where unemployment rate is bigger than in big cities. In 2004 the number of agro-farms increased by approximately 5-7% in comparison to the previous year (Worek, 2004). The development of different kinds of tourism – inbound and outbound - provides opportunities for increasing employment in tourist sector and for creating new places of employment in service sector. It can be expected that this tendency will remain mainly because of:

- growth of tourists amount especially external tourists,
- aggressive competitive game on the market (opening new places, longer work hours).

T. Kalinowski and co-authors proved basing on scientific research conducted in former Gdański and Słupskie Voivodeships that group of factors connected with labour market (among other things availability of labour force resources, culture of work and attitude towards it) is extremely in stronger regional dependence than national (Czynniki lokalizacyjne …., 1997). This factor is also taken under consideration in other regional research on com-
petitiveness of small and medium-sized enterprises (Porter, 2001); (Frenkel, 2001); (Bergmann at al., 2002); (Malecki, 1997). This factor can be investigated in many ways, for instance as:

- availability of regional staff versus lack of regional staff,
- well qualified regional staff versus unqualified or not enough skilled regional staff.

Nevertheless local authorities should actively counteract to unemployment and undertake activation of local labour market by supporting some training programmes or qualification courses. Available personnel on the market ready to work is a necessary condition for development of each enterprise but the key role plays here mostly the level of professional education. The rate of education or the number of graduate schools are examples of quantitative rates and qualitative are mainly competences and skills of people with higher education. Graduate schools which deliver well qualified personnel especially for medium-sized enterprises plays here also essential role.

Human resources are the only kind of capital, which has autonomous ability to increase its value, especially in tourist trade. Without contribution of this capital in economic system or in process of creating tourist products (the services), the remaining kinds of capital first of all would not come into being, and secondly would reduce their value until its total loss. Human resources consist of the capital of knowledge and skill.

21st century marks new era in economy defined as knowledge-based-economy. The skills of using and enriching knowledge in present reality is the basis of competitive edge. Therefore ability to obtain competitive edge depends on possessed knowledge by tourist personnel. Knowledge has special significance in development of modern, innovative and high quality tourist product (the services). This is just knowledge which facilitates undertaking accurate decisions by subjects creating tourist product and rendering tourist services. It is accompanied by the process of education, and also the development of advanced information and communication technologies (ICT).

Growth of the consumer's consciousness is the integral element of present tourist services market. Customers are not grateful and passive buyers any more. They are active, they want innovatory and fashionable services. For their money they want to get more and more, which marks not necessarily, that they seek cheaper services. It seems, that the attitude of economy has already passed, consumers look for value, seeking the highest quality. They are prone to buy less, but better quality (Berbeka, 1999). Present consumers in larger degree use the criterion of quality, and not quantity. That is why classic conceptions of competition based only on price parameter turn out in practice of tourist enterprises functioning not only ineffective, but even destructive firm in longer period. Tourist enterprise will meet with long-term success and will reach high profitability thanks to creating and delivering the highest value to customers, which is source of their satisfaction. The most important element of enlightening tourist enterprises on customer has to be therefore solid understanding of his value definition and obligation all to creating, delivering and maintaining this value.

One of the most important values which customers expect from subjects creating and rendering services in tourism, is the high quality of staff and the customer service. Majority will not accept and tolerate average quality any longer. If tourist enterprises want to stay in competitive race and to stay profitable, then they have not got choice as to create the proper relation chain between an employer, a worker and a customer. Advantages from relations between mentioned subjects show essential dependences between quality, the satisfaction and the internal and external customers' loyalty, and in the end the profitability of created relationships. With the aim of raising personnel qualifications of tourist enterprises, special significance should be attributed to trainings which permit to reach the accurate type of knowledge and their development especially in the field of the customer service which gives competition edge. The trainings should contain general principles of the customer service, knowledge
from the field of communication, skills of making contact with members of team, techniques and the strategies of dealing with difficult customers, skill of making effective conversations through telephone etc.

Apart from comprehensive knowledge, basic subject of trainings should be ways of worker's behaviour during interactions as well as development of his psychologic - social competences. Having such features let employee use his professional knowledge in contact with customer and shift it on customer satisfaction. After achieving required level of comprehensive knowledge trainings should help the workers in developing abilities to recognize customer's needs. The care about high quality of services requires that trainings apart from knowledge only about enterprise, firm service offer, the techniques of communication with buyers, marketing orientation of firm contain also quality issue: the way of its understanding, the personal influence on level of the customer service etc. Trainings in extent of quality should make workers clear that important thing is permanent quality upgrading which positively influences on relations inside firm, on contacts with customer which is developing in workers respect and kindness to customers as well as on worker's development. Moreover on one hand motivation and creating among internal customers of a firm local patriotism and involvement in activity of firm is essential aspect, and on the other hand selection of proper workers it means orientated on customer, which determine high quality of the customer service. Qualifications, behaviour of persons having direct contact with customers as well as individual professional predispositions because low quality of one of services influences on quality of the whole service package (tourist product) have leading significance. If received service answers or over-fulfils the expectation of customer, he will be prone to buy the offer of given enterprise again. There is no doubt, that improvement of qualifications raises the quality of services, thanks to which customer service can become the source of competitiveness. It should be emphasized, that personnel problem does not restrain to persons directly employed in tourism trade (information, hostel objects, gastronomy), but concerns also paratourism sphere.

Methodological assumptions

With the aim of identifying conditions of functioning small and medium-sized enterprises on Polish tourist market in-depth literature analysis was conducted, where lots of attention was given to issues connected with enterprise environment. It has significant influence on functioning of enterprises. On basis of thorough literature study the initial list of conditions for small and medium-sized tourist enterprises functioning was prepared and was verified by expert method. This work served for conducting qualitative field research. With this aim two inquiries were constructed and directed to local government in Małopolskie Voivodeship, as well as to small and medium sized tourist enterprises in this Voivodeship chosen at random test and defined agreeably to classification of PKD (Polish Classification of Activities). Inquiries directed to firms were sent to 340 tourist enterprises in Małopolskie Voivodeship, which made up 1% of population. 74 complete inquiries were sent back, which permitted to conduct the investigation on 0,2 % of population. The return rate was 22%. The inquiry directed to local authorities was sent to all communes of Małopolskie Voivodeship. 83 completely filled inquiries and ready for more statistical processing were returned. In this case the return rate was 49,1 %.

The arrangement of inquiry and the list of investigative measures reflect the macro environment factors, as well as four basic groups of mezoenvironment factors influencing on small and medium-sized tourist enterprises functioning and development in Małopolskie Voivodeship. Conditions created on central level, and these in regional environment determine development of small and medium-sized tourist enterprises, but four distinguished fac-
tors of regional environment are created under influence of macro environment (figure 1). In conducted researches it was decided to limit the number of investigated regional environment factors only to four rates built basing on three or four different questions. These rates contained: availability of financial support in a region; availability and quality of potential human resources in a region; territorial government initiatives; regional infrastructure.

Figure 1. Research model: Impact of environment on tourist enterprises development

---

**MACROENVIRONMENT**
- economic context
- political and legal context
- socio and cultural context
- ecological and natural context
- technological context

**MICROENVIRONMENT**
- competitors within a sector
- suppliers
- buyers
- potential entrants
- substitute products and services

**MEZOENVIRONMENT**
- financial support in a region
- potential human resources in a region
- territorial government initiatives
- regional infrastructure

**DEVELOPMENT OF SMALL AND MEDIUM-SIZED TOURIST ENTERPRISES IN A GIVEN REGION**

Source: own compilation

**Empirical results**

The rate of potential available human resources in a region was built basing on competence estimation of available personnel in the market, as well as on the level of foreign language knowledge and on accessibility of trainings raising the qualifications and facilitating to run own tourist enterprise. The local government in majority favourably estimated available personnel in the region and influence of its competence on tourist enterprises functioning (45,8 % where 8,5 % as 'extremly favourably'). Only one fourth searched enterprises shared such opinion (figure 2), however the majority had opposite opinion (37,7 % where only 2,2 % as 'extremly unfavourably'). Taking under consideration the time of searched enterprises functioning on the market it was observed that considerably more mature enterprises than firms acting under 3,5 years on the market negatively estimated available human resources in the region prone to take up a job in tourist sector. It means that mature firms, which have more experience, straggle more often with recruitment and employment problems. Young firms are usually family firms, most often operating as self-employed businessmen or micro-enterprises (without employees except for an owner and his or her family). During study meeting entrepreneurs raised problems connected with finding qualified and having motiva-
tion to work persons. In season there is first of all lack of qualified waiters, servants and persons, who can deal with sale of tourist offers having skill of internet sale.

Figure 2. General evaluation of regional potential staff employed in tourist sector in entrepreneurs’ opinion (in %)

Source: own compilation

Taking into account partial results it should be emphasized that estimation of foreign language knowledge level among persons ready to take up a job in tourist enterprises was more optimistic (figure 3). The majority of examined enterprises favourably estimated foreign language knowledge on personnel market (40,6 % where only 2,7 % as 'extremely favourably'), when the majority of local government negatively estimated language skills of potential workers in tourist trade (the percentage of negative opinions 31,6 %, the percentage of positive opinions 28,0 %).

Figure 3. Language skills evaluation of regional potential staff employed in tourist sector in entrepreneurs’ opinion (in %)

Source: own compilation
Potential staff willing to undertake employment in tourist sector, as well as its availability and quality, is very important, but on the other hand it is obvious that already hired staff is also very if not more important. Thus it is worth focusing on the possibilities of further training and development of employed staff in tourist sector in a given region.

In detailed interview (on the sample of 37) entrepreneurs in majority (43.20%) favourably estimated market degree of training satisfaction (figure 4). Entrepreneurs mainly take advantage of trainings:

- improving professional skills (over 50%),
- raising the foreign language knowledge (near 35%),
- educating interpersonal skills (near 35%).

Figure 4. Degree of tourist enterprises satisfaction of training offer accessible on the market in entrepreneurs’ opinion (in %)

Source: own compilation

**Conclusions**

On the basis of received results of investigations it can be noted that regional factors, especially these connected with regional labour market play a key part in development of regional tourist entrepreneurship. Presented results will serve as indicator for further investigations especially in the range of regional development determinants of tourist enterprises as well as fields of building competitive advantage. There is a need of constructing a model which explain the growth of tourist entrepreneurship and also consider factors connected with regional environment as determinants of survival and success newly established firms next to factors connected with a founder and specific of tourist enterprise.

To cut a long story short it is necessary to emphasize that examined enterprises have experienced the problem relating to a lack of well qualified staff, especially during summer and winter seasons. What is more the enlargement of the European Union made it worse. Beyond tourist industry there is an impressive perspective of development, which can be blocked because of a lack of well qualified staff or availability not enough skilled staff located in a region.
REFERENCES: