# MANAGERIAL PERCEPTION OF EMPLOYEES IN TRAVEL AGENCIES IN MONTENEGRO

UDC 658.3:[338.48:656.079] Review

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Received 28 January 2012 Revised 2 February 2012 14 May 2012

#### Abstract

Many developing countries strive, through stimulating employment policy in tourism sector, to ensure the new opportunities for development. Specificity of perception of managers in that respect is influenced by a lot of factors, from personal characteristic of managers, internal forces of travel agencies, migrations and performance of workforce, and business cycle of a travel agency. It is also very important that managers do not prefer the "hard" to "soft" approach in human resource management, because that would demotivate human resources in the long run, and thereby jeopardize the competitive advantages of travel agencies. The basic aims of the research are to find dominant type of manager's approach in human resource management, and manager's motivation tchniques in travel agencies in Montenegro. General scientific methods of cognition, observation, surveying and the statistical method are used in the paper, and as regards special scientific methods of cognition, the methods of abstraction and concretization are used. The basic hypothesis in the research is that, managers in travel agencies in Montengro, favorable "soft" approach in human resource management, and non-matherial tehniques of human resource motivation. Research finding is that with combined motivation techniques of human resource motivation (material and non-material), managers could provide more significantly business results than they are nowadays in travel agencies in Montenegro.

Keywords Managerial perception, Employment, Motivation of employees, Travel agencies

## INTRODUCTION

Contribution of travel and tourism industry to employment in the global level is 6 to 7% (Tribe 2011, 365), while that percentage varies from one country to another and it is bigger in developing countries than in the developed countries. Taking into account the positive economic effects generated by tourism, the aim of every tourism destination is to ensure sustainable tourism development. One of the methods to ensure sustainability is raising quality of employment in tourism sector (UNWTO, 2011), i.e. through increase in number and quality of local jobs in tourism sector, and thereby travel agencies.

One of the methods to ensure competitive advantage of a business in tourism is effective and efficient human resource management, and it entails involvement of a manager in the domain of the following business activities: recruiting, selective hiring and firing, provision of employment security, setting up of a talent strategy, establishment of self-managed teams, decentralization, introduction of high wages contingent on organizational performance, training and skill development and costs, motivation of employees, reduction of status differences, sharing of information,

enforcement of work ethic, honesty/loyalty, deciding on layoff costs, providing for equal employment opportunity, and payment of compensations to all personnel (Williams, 2011; Reid and Sanders, 2011; Hollenbeck and Wright, 2011; Hitt and Ireland and Hoskisson, 2011; David, 2011; Schermerhor et al. 2010; Kamauff, 2010; Goldsmith and Carter, 2010; Armstrong, 2010; Chaung and Dellmann-Jenkins, 2010). Hiring and keeping of skilled employers contributes to better consumer satisfaction, by most authors (Stewart and Brown, 2011), which can also be applied to travel agencies. That is why hiring should be a planned process in which managers will envisage the number of workers they will hire in future, with which knowledge and skills, and which knowledge and skills the employees will acquire in the job, through various forms of training (Kurtz and Boone, 2011). In order to attain a successfully planned hiring process, it is necessary to have a positive image, i.e. a good employer image (Holbeche, 2010), especially in the micro and small travel agencies where local population is hired.

On the occasion of hiring workers, it is possible to rely on external and internal recruiting methods (Williams, 2011). In micro and small travel agencies, the managers mainly rely on internal recruiting methods; such is the case in Montenegro (hereinafter: MNE), where they use the internal methods of knowledge and skill assessment of individuals on the occasion of their employment. Managers often believe that in the processes of employment and motivation of workers, no specialised knowledge is necessary (Stewart and Brown, 2011), which is an error. That is why successful managers always rely on tests, by which they assess the general and specific behavioural, organizational and technical competencies of the potential employees.

In the process of planning of employment and motivation of employees in the future, the long-term tendencies in the labour market should be borne in mind. Therefore, for example, the trend of "growing green" in human resources (Mathis and Jackson, 2011), which is present in the travel and tourism industry and travel agencies should be taken into account. There is an increase in specialized travel agencies which have specialized programmes within selective tourism, (Vucetic, 2009), such as package arrangements in the field of ecotourism and adventure tourism, created and implemented by employees who are environmental specialists.

Motivation of employees represents a stimulus and guidance to employees on how to attain better business results than the usually expected ones in the process of attainment of travel agency objectives (Williams, 2011 and Martin, 2010), while the basic aim of motivation of employees is reflected in growth of employees satisfaction and organizational effectiveness (Kurtz and Boone, 2011). In order to achieve this, it is necessary to ensure: selective and careful hiring, organizational culture based on diversity, promotion within a team, thorough training of employees and development of the level of satisfaction of the employees (DeCenzo and Robbins, 2010).

Policy of permanent hiring and firing of employees pays out in the periods of high unemployment and in scopes of activities with low level of workforce qualifications (Russell and Taylor, 2011), which also applies to the travel and tourism industry, however it should be taken into account that qualification structure of employees in travel agencies is better than in the hotels, and that from that aspect, such policy would

not give good results in the longer term, which refers to the travel agencies in MNE, as well.

The basic purpose of this paper is to reflect on managerial perception of employment and motivation of employees in travel agencies in MNE, while the basic hypothesis is that the existing managerial perception in that regard should be changed, because permanent hiring and firing of workers will negatively affect motivation of employees, which will eventually result in decrease in all economic indicators of travel agencies in the longer term.

#### 1. METHODOLOGY

The paper is based on an in-depth survey of managers in travel agencies in Montenegro. In-depth survey was designed and conducted in 30 representative travel agencies. A representative sample of agencies was determined with regard to: distribution and structure of tourism turnover by regions, distribution and structure of resources at disposal of the travel agencies, and results of agencies' business operation. Survey was conducted in the period from May to November 2011, after which the results were processed in the SPSS statistical software. By application of the analytic-synthetic method and the generalization & specialization method, the data necessary for application of the method of proving and confuting of the initial research hypothesis were generated. Travel agencies are classified, according to the Montenegrin legislation into tour-operators and sub-agents. These are the wholesale and retail travel agencies, which are entered under code 63300 (CRCC, 2011) in the register of the Commercial Court.

### 2. FINDINGS

The purpose of the research is to reflect on the issue of perception of employment and motivation of employees in travel agencies in Montenegro; regardless of whether it comes to travel agents (retail travel agencies) or tour operators (wholesale travel agencies). The aim of research is to establish, through analysis of interviewed managers and analysis of employment criteria and motivation techniques used by managers, a relation towards the "soft" and "hard" approach to human resources management in travel agencies in Montenegro. Results of the research corroborated the initial hypothesis, according to which the managers are in favor of the "hard" approach to human resources management in travel agencies in Montenegro.

#### 3. BASIC CHARACTERISTICS OF MANAGERS

Bearing in mind that 86.7% travel agencies employ up to 9 workers, and that only 13.3% employ 10 to 49 workers, it is clear that micro and small agencies dominate in MNE. From total number of people surveyed, female are managers in 75% small (with 10 to 49 employees) and 80.8% micro travel agencies (with maximum 9 employees).

Table 1: Basic characteristics of travel agencies

Characteristics	Share (%)
Northern region	10
Central region	20
Southern region	70
Female managers	80
Male managers	20
Up to 29 years	23.3
From 30 to 39 years	26.6
From 40 to 49 years	26.6
From 50 to 59 years	16.6
60 years and above	6.9
Travel agents (retail travel agencies)	40
Tour operators (wholesale travel agencies)	60

Female managers in predominate in travel agencies, while their share in total number of female managers varies from one region to another, so in the northern region it is 12.5%, in the central region 20.8% and in the southern region 66.7%. This distribution is the result of the fact that female entrepreneurs are most numerous in the south, in the region with lowest level of gender discrimination, while they are least numerous in the north, as the most conservative region in MNE.

Table 2: Age structure of managers (%)

Age	Female managers	Male managers
Up to 29 years	85.7	14.3
From 30 to 39 years	62.5	37.5
From 40 to 49 years	100.0	-
From 50 to 59 years	80.0	20.0
60 years and above	50.0	50.0

Source: author

Compared to male managers, female managers are much more represented in the first years after completion of undergraduate study programs. Female in MNE are more rarely to continue master and doctoral studies, because male are still favoured in the community when it comes to continuation of education of children in families. In addition, female who are hired in travel agencies are more inclined to entrepreneurship than male. Besides, this is corroborated by the fact that in the age range from 40 to 49 years of age, there was not a single male manger; in addition, and that is the generation of female who got the opportunity to prove themselves as successful managers after dissolution of the former Yugoslavia, and they have achieved to do that.

Table 3: Educational structure of managers (%)

Level of education	Female managers	Male managers
Higher education	80.0	20.0
Bachelor	66.7	33.3
Post-secondary education	100.0	-
Secondary education	80.0	20.0

Female managers are much more educated than male managers, which is a result of the new educational opportunities for female from 1990s. They were more ambitions and successful than male. One of the reasons for that is that female predominates in hospitality activities, and thereby in the tourism sector and tourism intermediation. The fact that female still do not have an opportunity (gender equality is not at the desired level) to be more present in managerial positions in medium and large businesses can be stated as an important reason, therefore, they are left with the opportunity to be managers in micro and small businesses, such as travel agencies in MNE.

Table 4: **Professional structure of managers** (%)

Profession	Female managers	Male managers
Graduate tourism manager	100	-
Graduate in economy	60	40
Graduate in philology	100	-
Administrative technician	100	-
Tourism technician	100	-
Mechanical engineering technician	-	100
Other professions	50	50

Source: author

In addition to the better level of education, female managers are also of diverse professions. They are predominant in the professions which are closely connected to the necessary educational profiles needed in travel agencies, which points out to the fact that female are significantly more successful in planning of their business career in travel agencies.

Female managers are more inclined to lifelong learning than male managers. Thus, after completion of education, they have taken part in additional forms of education; compared to the overall education of managers their shares were the following: 85.7% at the courses regarding software from IATA (The Air Transport Association), 80.0% at computer courses, 77.7% at Amadeus software courses, 76.9% at foreign language courses, 66.7% at courses for animation of visitors, business ethics, marketing in the field of selective tourism, 63.6% at courses from the field of tour programmes creation and 55.6% at the courses from the field of travel agency management.

Table 5: Structure of managers with respect to working experience in the tourism sector (%)

Working experience	Female managers	Male managers
Up to 10 years	76.9	23.1
From 11 to 20 years	80	20
From 21 to 30 years	88.9	11.1
31 and above	66.7	33.3

As regards years of work in travel agencies, female managers are again ahead of male managers. When asked about satisfaction with their work in travel agencies: 62.5% female managers and 33.3% male managers were very satisfied; 37.5% female managers and 50% male managers were satisfied; while 16.7% male managers were neutral when answering this question.

From total number of surveyed managers, 40% said they are single owners (33.3% female and 6.7% male), and 23.3% that they are a minor owner of a travel agency (16.7% female and 6.6% male) which confirms the ownership predominance of female managers. It should be taken into account that in travel agencies which are 100% in private ownerships, share owners are usually members of one family.

#### 4. EMPLOYMENT CRITERIA

Since travel agencies in MNE are in the rank of micro and small tourism businesses, local managers prevail. Local managers are responsible for local employment and keeping of staff records (Enz, 2010), including the travel agencies. There are no special managers for hiring and firing of workers; that is, however, done by agency manager/director, and in a small number of cases, agency owner.

By number of workers engaged, travel agencies are the third-ranked in the tourism sector (tourism-related industries) right behind hotel and restaurant businesses. Taking into account their relatively small number and the fact that they are located in MNE which is, according to the size of its territory and population, a small tourism destination, the role of travel agencies in the domain of employment is modest, in absolute figures.

Table 6: Structure of workers in travel agencies (%)

Number of employees	Full-time workers	Seasonal workers
Up to 9 workers	66	78.3
From 10 to 49 workers	34	21.7

Source: author

As regards full-time workers, there are 83.7% female and 16.3% male, while there 68.5% female and 31.5% male who are seasonal workers. Agency managers are very satisfied in 32% cases and in 68% cases they are satisfied with work of full-time male workers. On the other hand, in 44.8% cases they are very satisfied, in 51.7% cases they are satisfied and in 3.4% cases they are neutral about work of full-time male workers. At the same time, 36% of them are very satisfied, 56% are satisfied and 8% are neutral when it comes to satisfaction with work of seasonal workers. From the total number of surveyed travel agencies, 16.7% of them do not hire seasonal workers, and these are micro agencies. Also, travel agency managers consider that female possess better general and specific competencies than male.

In the period from 2005 to 2010, from the overall number of agencies, there were 63.3% full-time workers hired and 90% fired in micro agencies. In the same period, there were 36.7% hired and 10% full-time workers fired in the small agencies, as a share in overall number of travel agencies. On the basis of the aforementioned, we can state that micro agencies have been employing more workers, as regards their share, and that stability and safety of full-time workers was significantly greater in the small than in micro agencies. Main reasons for such conditions should be looked for in size of agencies and their better positioning in the tourism market; in addition, these are the most successful tour operators in MNE.

Table 7: Ranking of forms of assessment of knowledge and skills of potential employees

Forms of assessment	Rating average
Oral assessment of knowledge and skills	2.58
Working assessment of knowledge and skills	2.17
Written assessment of knowledge and skills	1.52

Source: author

Managers preferred oral and practical knowledge's and skills, because employees have a very intensive interpersonal communication with customers. From total number of managers surveyed, 90% of them are personally interviewing the employees, while 10% of them do it sometimes, i.e. only when agency owners authorize them to do se. Ranking the significance of types of competencies they consider important on the occasion of interviewing of potential employees, they allocated: 2.86 to organizational skills, 1.80 to behavioural competencies and 1.56 to technical competencies.

When hiring a worker, written and oral testing is usually organized, entailing mathematical-logical and psychological testing of individuals, followed by scanning of the individual's references. In the first two rounds of testing, managers find it important that the employer has prominent social competencies, that s/he is not prone to social illnesses such as: drugs, violence, alcoholism and bullying. For managers, it is also important that the employees have: assistance in raising children; necessary working experience and age for certain types of work places; an apartment in the town or near town where travel agency is located; positive habits, including that they are non-smokers; as well as stable health condition and absence of infectious diseases.

It is important to mention that managers in most travel agencies in MNE expect specialized knowledge on the occasion of hiring new workers, and not only the ones related to travel agency operation, but also the specialized knowledge referring to certain forms of selective tourism such as: health tourism, nautical tourism, sports tourism, ecotourism, adventure tourism, MICE tourism, cultural tourism, agritourism, wine tourism, food tourism, rural tourism, religious tourism, and other forms of selective tourism (Vucetic, 2009). That is confirmed by the fact that from total number of travel agencies, there are 53.3% specialized, 40% combined and only 6.7% no specialized agencies.

Travel agency managers perform staff recruiting in a classical method, as well as hiring and firing of employees. On that occasion, they estimate whether some of the interviewees would fit into the organizational culture of the travel agency concerned. Decisions are influenced in the case concerned by the vision, mission and objectives which managers set in certain time period, s well as an assessment whether the worker is talented and whether s/he can contribute to improvement of business results of the travel agency. They discover the potential talented workers most often through the activities related to cooperation with the educational institutions and organizations, such as internship. Primary aim of these activities is to identify the young people who will have a long business career within their agencies.

Managers in travel agencies in MNE are directly encouraging employment through participation in the activities related to seasonal employment, by offering jobs to the best students in a generation during their studying, and selecting and hiring ethical employees. Thereby, they influence higher quality of selective employment of workers in the future. This entails giving of opportunities to the newly employed to demonstrate their unique talents through encouragement in implementation of their business ideas, with the aim of accomplishment of the best possible results of the travel agency.

Employment policy is influenced also by frequent changes in volume of demand, which force many companies to employ part-time workers (Slack and Chambers and Johnston, 2010; Cullen and Paraboteeah, 2010). Tourism demand in MNE is of high level of seasonality, so managers are forced to employ a higher number of seasonal workers. Due to relatively high fees paid on daily basis for non-residents who work in the tourism sector, most seasonal workers were engaged from MNE, while only the specialized staff the country lacks (e.g. specialized tour guides) were from abroad. Employment policy depends also on business cycle of the destination, so the recession which is still present in MNE (caused by multiannual internal weaknesses and economic crisis) contributes to decrease in the number of the newly employed in travel agencies, especially the full-time workers, the number of which is decreasing compared to the seasonal workers. Firing of workers is also frequent.

Table 8: Reasons for firing of workers in travel agencies

Reason for firing	Response %
Lack of knowledge and skills in agency operation	52.6
Lack of interest in business activities	52.6
Lack of working habits	42.1
Disloyalty to the travel agency	36.8
Transfer to another company	31.6
Lack of leadership features	21.2
Change of the place of residence of the employee	21.2
Other reasons	15.8

When asked whether they are satisfied by offer of workforce for travel agencies, the managers were: satisfied in 40% cases, neutral in 26.7%, dissatisfied in 23.3% cases and very dissatisfied in 10% cases. They list the following as main culprits for the imbalance between supply and demand of workforce in travel agencies: faculties for tourism and hospitality – 57.7%, Ministry of Sustainable Development and Tourism of MNE – 53.8%, Employment Agency of MNE and secondary vocational schools – 50%, Ministry of Education and Science of MNE – 42.3%, other factors – 26.9%, local administrations – 19.2%, employers – 15.4% and representatives of the statistics office – 11.5%.

It should be taken into account that firing of workers is directly connected to the results of business operation of travel agencies. If travel agencies are making a higher profit, the chances for business safety and opening of new jobs are greater. In time of recessions, managers are forced to fire workers and to replace the full-time workers by seasonal workers, which is the case in travel agencies in MNE. If managers do not wish to fire workers they tend to carry out: hiring freeze, salary reduction, reduction of the employee's workweek and reduction/elimination of bonuses.

# 5. TECHNIQUES OF EMPLOYEES MOTIVATION

The basic objective of introduction of motivational techniques by travel agency mangers is to develop the feeling of loyalty and commitment with employees. That is achieved by activities which influence increase in safety and satisfaction at work, i.e. activities aimed at meeting of the material and non-material needs of the employees. In that sense, travel agency managers in MNE use various techniques for employees' motivation. At 76.7% of surveyed managers, dominant motivation techniques are of material character, while at 23.3% of surveyed managers, dominant motivation techniques are of non-material character.

Table 9: Structure of material techniques for employees' motivation

Type of material motivation	Response %
Salary bonuses	70
Additional payment for well-done job	60
Payment of transportation costs	43.3
Business entertainment	36.7
Pecuniary awards for innovations	30
Allocation of agency shares	10
Assistance in solving the housing issue	10
Granting of interest rate free loans	10
Other forms of material motivations	10

Material motivation techniques are applied by managers mostly in the peak of the season. They are the most efficient means for motivation of the employees to attain better business results, both for the full-time workers and seasonal workers. By material motivation techniques, the managers stimulate in the peak season the better results of the employees working at round tours and trips, while out of season, they stimulate creation of new programmes and establishment of the new business contacts. As mall number of managers applies something that would keep the high quality staff in travel agencies, and that is allocation of agency shares; however employers are still sceptical towards this form of material motivations. It is good that care is taken of economic and social sustainability of the employees, through various forms of financial assistance, from which we should mention, within other material motivations, various gifts for employees and their family members such as buying of furniture and home appliances or allocation of grants to employees' children.

Table 10: Structure of employees' gross salaries

Amount of salary	Share (%)
Up to 500€	40
From 501 to 600 €	20
From 601 to 700 €	16.7
From 701 to 800 €	3.3
801 € and above	20

Source: author

In every company, the affirmation action plans are applied (Pride and Hughes and Kapoor, 2010), comprising recruiting, hiring, training, promotion, as well as payment of salaries to employees. They are applied also at the level of travel agencies in MNE, while salaries over  $801 \in$  are paid out in 15.4% micro and 50% small travel agencies, while salaries from 701 to  $800 \in$  are paid out only in 3.8% micro travel agencies. At the same time, salaries from 601 to  $700 \in$  are paid out in 19.2% micro travel agencies, and salaries from 501 to  $600 \in$  are paid out in 15.4% micro and  $50 \in$  small travel agencies, while salaries up to  $500 \in$  are paid out in  $46.2 \in$  micro travel agencies.

The amount of salaries is the most important motivational factor for the employees (Janta et al. 2011). It is a fact that the amount of gross salaries does not represent a good promotion for employment of domestic population in travel agencies, compared to hotels or some other types of organizations in tourism sector, but it should be also taken into account that average gross salary in MNE during 2010 amounted 715 €, and that average unemployment in same year was 19.7% (Monstat, 2011, 64-70). The "hard" approach to human resources management (UNWTO, 2011) in travel agencies restricts the number of employees and their salaries.

If we add to the aforementioned the recession affecting MNE, it is clear that managers cannot plan a significant increase in salaries of the employees and hiring of new workers in travel agencies in the following few years. That is confirmed by their answer to the question whether they have a defined strategy of staff development, where 23.3% stated that they do, 66.7% that they partly have it and 10% that they do not have it. In addition, the level of satisfaction of managers over staff employment is: satisfied in 51.7% cases, neutral in 34.5% cases, and very satisfied in 13.8% cases.

Table 11: Structure of non-material techniques for employees' motivation

Type of non-material motivation	Response %
Allocation of days off	70
Advancement in the agency	63.3
Managerial benefits	63.3
Flexible working hours	63.3
Allocation of interesting working tasks	53.5
Improvement of working conditions	50
Study trips	40
Other forms of non-material motivation	20
Additional education and incentive travels	20

Source: author

Non-material motivation techniques are applied by managers all year round, because they do not usually require financial support needed for material techniques of employees' motivation. They are very important for the employees; primarily due to increase in the level of their overall satisfaction over jobs they perform. When someone works more than 8 days in the peak season, it is very important that they have a day off after certain period of work, so that s/he can renew the mental and physical power. Improvement in working conditions through use of the new basic assets and equipment and managerial benefits can also significantly motivate the employees, and especially if some of the employees are provided with additional education free of charge, whether formal or non-formal.

Table 12: Structure of additionally educated/trained full-time workers' competencies

Type of competency	Rating
	average
Ability of management over hospitality offer of the agency	7.20
Ability of management over promotion of hospitality offer of the agency	7.07
Ability of management over distribution of hospitality offer of the agency	6.65
Ability of management over prices of services and goods of the agency	6.58
Ability of management over visitors	6.22
Ability of management over agency costs	5.26
Ability of management over stakeholders	4.00
Other competencies	2.25

In focus of manager's education investing is how to raise the level of full-time workers competencies related to marketing mix management activities. From total number of surveyed managers, 86.7% stated that they would send again the full-time workers for an additional education/training, 10% would maybe and 3.3% would not send again the full-time workers for an additional education/training. Also, 46.7% managers stated that travel agency would fully cover the costs of additional education, 50% managers consider that it should be a joint investment financed in the ratio ranging from 50%:50% to 90%:10% by travel agency and full-time workers, while only 3.3% managers consider that costs of education should be fully covered by the full-time workers. In 63.3% cases, managers have already been sending the full-time workers to additional education/trainings, after which results of education/training were evaluated by 63.2% very satisfied, 31.6% satisfied and 5.3% dissatisfied managers. Full time workers were sent to additional education/trainings to: Germany (18.3%), Russia, France, Spain (12.7% each), Great Britain (9.8%), U.S., Italy (8.5% each), Greece (4.2%), and other countries, Turkey (2.8% each), Czech, Poland, Netherlands, Belgium and Switzerland (1.4% each).

# CONCLUSION

In MNE, there is no adequate legislation regarding protection of workers' rights and equal treatment, such as in the United States. That is why it is very important to adopt legislation which will make impossible the discrimination of workers on the occasion of their hiring, such as discrimination regarding: age, sex, sexual orientation, race, ethnical affiliation and disabilities. It would be good to found a commission similar to Equal Employment Opportunity Commission in the United States.

Recession is far from favourable for managers when it comes to the issue of employment of new workers in travel agencies in MNE. What managers can do is organize better trainings and hiring freeze, in order to create a climate of trust and cooperativeness in the organization, which finally leads to attainment of better business results, as a prerequisite for new employment and use of higher quality material and non-material motivation techniques for employees.

Managerial perception of employment and motivation of employees will continue to be under dominant influence of the own managerial experience, because in MNE there are no specialized institutions for external evaluation of general and specific competencies of potential employees, and recruiting is made difficult because there is not a single serious database on the unemployed and their qualifications except for the Employment Agency of MNE.

Due to recession and numerous and harsh international competition, a lot of travel agencies are on the verge of profitability of business operation, which results in shutting down of many jobs, i.e. creates the negative trends in the domain of future employment and possibility of motivation of employees. That is why it is necessary that managers do not prefer, in their perception of employment and employees motivation, the "hard" approach to human resources management, which serves only the purpose of attainment of financial objectives of travel agencies. In such circumstances, with control of salaries and reduction in all material and non-material techniques of employees' motivation the employees would be demotivated in the long term and future competitive advantages of travel agencies would be jeopardized.

Managers should accept the combined model of human resources management in which "soft" approach to human resources management would be preferred in comparison to the "hard" approach. That means that in defining of their future perception of employment and motivation of employees, they would start form the position that employees and their motivation for work are the key factors of productivity, cost-efficiency and profitability of business operation of travel agencies.

Managers in travel agencies should define the strategy of employment and motivation of workers. In this manner, accomplishment of set goals of travel agencies would not be questioned, because the negative trends would be prevented by the higher quality of: employment planning, training of employees, techniques of material and non-material motivations of employees, and promotion of employment in travel agencies in the future.

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