

OPINIONS ON THE IMPACT OF MANAGEMENT DECISION ON PERFORMANCE IN TOURISM

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Abstract:

Addressing this issue is part of a broader research approach of the post-doctoral studies (the main theme "Deepening the directions for efficient operation of the accounting and fiscal information in Romanian tourism management"), during which I proposed myself the capitalization of part of the research results through a set of articles. Thus, in a recent article, I pointed out the views on issues affecting the performance of Romanian tourism, during which an important place is held by the quality of management. Therefore, based on the facts presented in my PhD thesis, entitled "Accounting information for management in tourism, hospitality and leisure", I will substantiate some opinions that I reached during my post-doctoral research.

Keywords: management, information, tourism, efficiency, competitiveness, analysis of results, decisions, performance.

Jel Classification: H32; L20 ; L21; M41; Q28.

I. Introduction

Romanian tourism performance issues are always a topic of discussion both in society and in the media. Therefore, in this debate, I proposed to elucidate some aspects of the impact of management decisions on performance in tourism.

To this end, I have presented some considerations related to performance in tourism, and the elements that contribute to this goal of any company that is completed by maximizing profit.

On this basis, I have continued my approach by highlighting the place and role of management in achieving the performance and in the end, I extracted some conclusions about the major impact of managerial decisions in the implementation tourism performance.

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II. Literature review

Perfecting management requires, among other things, a continuous theoretical input from academia. Therefore, the literature contains important works that address this topic.

Cornescu Viorel et.al, (2001), highlights issues on management functions, construction of organizations and, in particular, the place and role of management in organizations.

Căprărescu Gheorghică, (2009), treats the concept of strategic management, strategic capability analysis of the tourism business and strategic global piloting.

Calotă Traian -Ovidiu, (2013), highlights the role of accounting as an information system and decision support management and the permanent biunique relationship between general management and accounting management.

Mintzberg Henry, (2006) takes a documented plea on the fact that effective management depends on the balance of three poles: the science, art and craft, and the necessity of adopting proper training managers.

Ghenea Marius, (2011) puts a great emphasis on business management development and on the main management "fatal" mistakes.

III. Scientific Contents

3.1. Considerations on Performance in Tourism

The term performance is defined as "a great achievement in a field of activity (DEX - 2012). In the economic activity of an organization, the law refers to performance by determination of accounting on the "publication and keeping information about the financial position, financial performance and cash flows [...]" (Art. 2 Para. (1) of the Law 82/1991, republished). But, to achieve financial performance in a tourism company is required performance at each level of the functional structure, so that the company as a whole to have the ability to withstand competition, in other words, to be competitive.

Hence, if we adopt an approach based on the five powers of competition identified by Michael Porter, namely, the power of suppliers, power of customers, threat of new entrants, rivalry between the existing ones and the threat of substitutes of products or services, largely discussed in detail in literature, we conclude that the correct answer to each of these require a judicious organization based on specific techniques (such as in tourism) of a complete and adequate quality of information. But, to fulfill this challenge, decisive in performance of tourism, it requires the mobilization of a large volume and a variety of human and material resources. It is

also mandatory to anticipate risks from internal and external environment and the correct measurement of performance, a process in which a significant part of it is knowing the actual values of workload of the company, the cash flow and, and last but not least, productivity and turnover.

We note that performance measurement involves a series of procedures for accounting competence, which then must be materialized through specific reports to senior management.

However, in fact, the effective achievement of performance is the most important thing in tourism. Thus, the pursuit of the central objective of the business (maximizing profit) with success in fighting the competition, are directly dependent on the workload growth, profitability, quality of services and / or products offered, the quality of personnel etc. Also, in our opinion, the performance depends to a large extent, on the quality of management, who is primarily responsible for achieving the goals of investors, aim that should ensure convergence of efforts of the entire personnel of the company.

Specifically, it's about the quality of services, of tourism products, infrastructure and, not least, the personnel. Also, from here, it will inevitably reach to the essential indicator for every tourist, i.e. the relation quality/ price (tariff), the governing law of supply and demand. But all these are not possible without the integrating and decisional factor which is management, a topic which, without being exhaustive, we develop further.

3.2. Management and Performance in Tourism

From the beginning, we mention that in tourism, management is actually accomplished by a managerial hierarchy, encumbered on the role and place of each component structure in the tourist organization, which ensures the continuity of the information chain and respectively the decisional chain, as well as the orientation of all personnel for the fulfillment of the established objectives.

In practice, management does this by carrying out its functions in close connection with the corresponding elements. Details in Fig.1.

We note that to achieve the function of prevision, management should have clear objectives, to know the current situation but also the past situation, and the resources available to achieve the objectives.

The organization function aims the intellectual and physical work processes, as well as the resources of all kinds (material, human, financial etc.).

Coordination involves decisional harmonization at all hierarchical levels (for tourism and the entire flow, from receiving tourists until the end of their stay). This

means preventing any actions that could lead to disturbances and disorganization with a negative impact on the business activity.



Fig.1 Synthetic scheme of management its functions and corresponding elements (after Calotă Traian Ovidiu, PhD. Thesis on "Accounting information for management in tourism, hospitality and leisure, Bucharest, 2010, page 49

Management must be an ongoing concern for the implementation of measures that contribute to the training and motivation of the entire personnel for meeting the quality objectives. Also, last but not least, the control on the basis of laws and regulations has a major role in monitoring the gradual implementation of (over the operating cycle) performance and meeting the targets.

Based on these considerations, we consider that a determining factor in the performance of management functions and objectives of the tourism entity is the information system, which must address three main issues: providing a full and

detailed documentation and providing all information necessary for the functioning of operational structures and those decisional.

On this basis, in Fig.2 we explained through a flowcharts version the place and role of management in achieving performance in the tourism company.

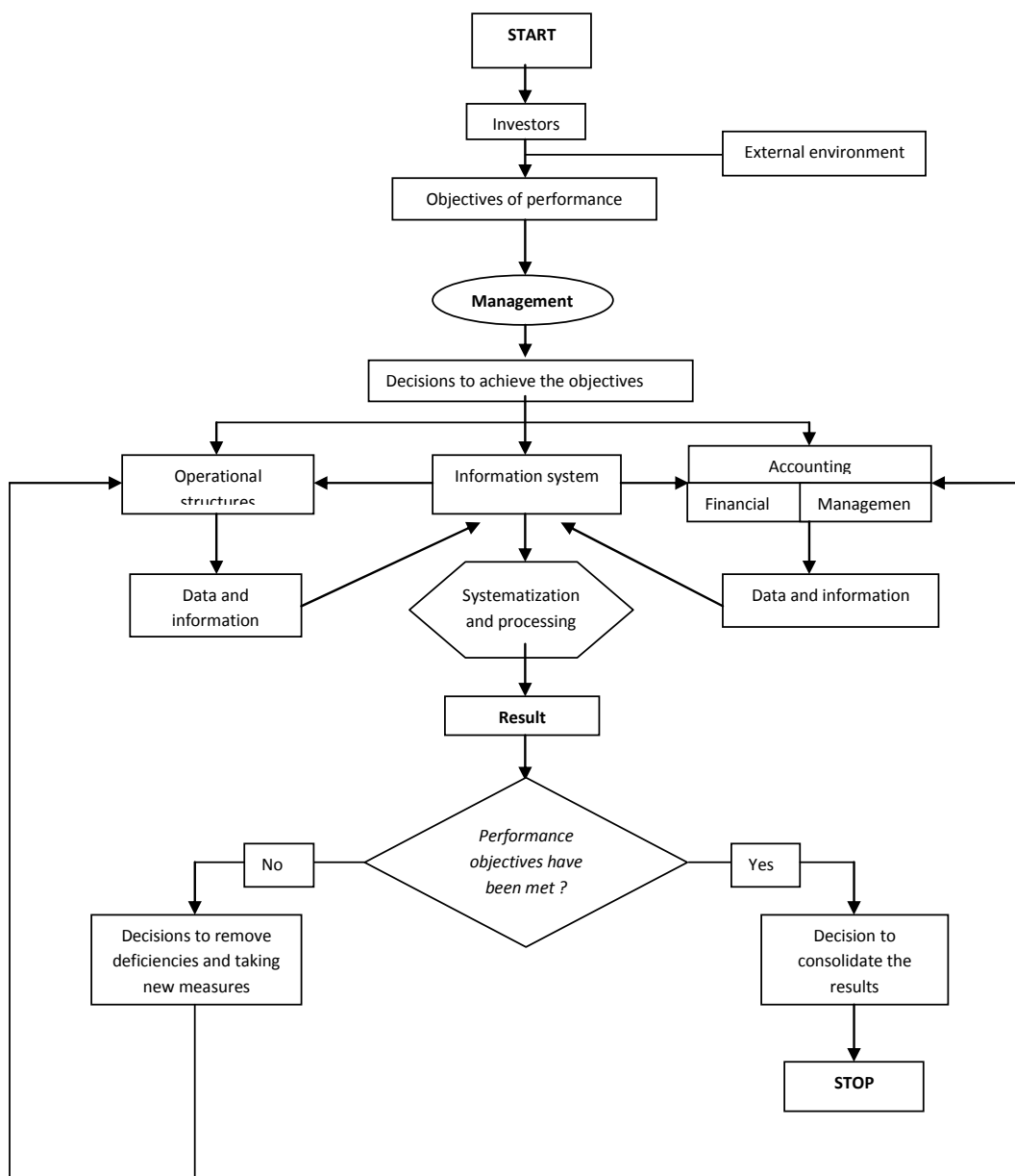


Fig. 2 Flowchart (version) of the place and role of management in achieving the tourism company performance

We note that, the goals set by investors and being also under the impact of information and external actions environment (authorities, competition etc.), the management elaborates, issues and delivers appropriate decisions to operational structures and accounting, including for the assurance of the functioning of the information system (and the Rules governing the functioning and organization, respectively Rules of internal procedures) by providing them data and information.

Systematization and data processing plays an essential role in providing the necessary elements to the analysis and configuration of the actual outcome of the exercise so that it can be properly assess the level of performance. Obviously, depending on the stage of achieving the objectives of performance, decisions will be appropriate to consolidate the results and / or eliminate deficiencies or further actions by the accounting and operational structures.

3.3. Conclusions and suggestions

From the results presented until now, ensues the place and the central role of management in achieving the performance. In tourism, this has a special significance because tourism products and services offered are subject to constant criticism from tourists, which are in a time of relaxation and recovery and they show maximum sensitivity. Therefore, management must be practically ubiquitous (by clear and precise procedures or permanent control). However, for this to be possible, the process described in Fig.2. has to be seen in its dynamic and permanent feature.

In practice, a tourism company, performance depends not only on the correct operation and permanent operation of its operational structures but, in large extend, it depends on the opportunity, fairness and firmness of decisions of the entire management hierarchy (starting from reception until the senior management). In particular, by these decisions is necessary to ensure that ambient so valued by tourists in top resorts, and so criticized in some resorts in Romania.

Based on all the above, it can be said that in tourism management decisions have a major impact on the completion of performance.

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