
THE HR MANAGEMENT OF TOURISM COMPANIES DURING THE COVID PANDEMIC

Otar Japaridze

PHD student

East European University

Abstract

COVID-19 has been one of the biggest challenges of the modern world. The pandemic has adversely affected many industries throughout the world. Probably tourism is a field that has suffered the most, as the virus has restricted international and local travel. This, in turn, hinders the development of the tourism industry.

Like in many countries, the tourism industry has suffered a significant loss of profit in Georgia. This has affected the lifestyle of people involved in the tourism business in a way that they were forced to seek careers in other – more profitable fields.

The migration of professionals out of the industry is a huge challenge for tourism development and its post-pandemic rehabilitation, as much of its success depends on the professionalism of people involved in the field. Especially important is the proficiency of tour guides and tour managers, due to theoretical knowledge and the years of experience they have acquired throughout their careers.

The goal of this study is to identify the actions the people involved in the tourism business had to take in order to save the business and keep their employees during the pandemic. The study also highlights the essential factors for the quick recovery and steady development of tourism.

Keywords: *Tourism business, HR and tourism*

THE HR MANAGEMENT OF TOURISM COMPANIES DURING THE COVID PANDEMIC

Otar Japaridze

PHD student

East European University

Introduction

Despite the pleasingness and desirability of the travel process, moving in an unfamiliar medium includes some risks of different types, more so, when we deal with such a global problem as the pandemic, which spread is reasoned, among other factors, by open borders and endless travels on the global scale, in other words by tourism.

In the end of 2019, COVID-19 virus rapidly covered the whole world exactly due to free traveling. It happened so fast that the world's advanced countries failed to respond in due time and the pandemic virtually stopped the entire world (Japaridze O. 2021).

The tourism sector took a big hit due to COVID-19 effect. According to the World Travel and Tourism Council (WTTC) assessment, the economic impact of the pandemic turned out to be very heavy for many countries that caused a drastic fall in GDP, and tourism stopping played an important role in this slump. (UNWTO 2021)

Georgia is closely intertwined with international phenomena, and pandemic-related restrictions concerned to the maximum the tourism area of Georgia: many hotels have become deserted and virtually closed, and huge numbers of people employed in the tourism sector were left without a livelihood. The Pandemic affected all activities related to tourism – based on government regulations, restrictions covering hotel and restaurant service, domestic tourism, trading facilities and fairs, and many cultural events were cancelled.

As a result, companies left without incomes and functions were no more able to financially back up and frequently at least retain the maintenance personnel employed by them. In its turn, professionals who involuntarily lost their livelihood were forced to leave the tourism and service industry and migrate to the other, more persistent and flourishing industries at that moment (Naciye G. 2020).

The relevance of the present topic has been caused namely by the circumstance that retention of professionals employed in the touristic industry and their motivation to stay in the business is a very urgent problem/issue.

Empiric research conducted within the work serves the path searching of a possible settlement of the mentioned problem and development of recommendations in order to avoid the artificial putting on hold the touristic industry in the post-pandemic period caused by the absence of relevant personnel.

Explanation of basic notions

Domestic tourism – tourist service rendered to the citizens of Georgia within a country (domestically).

Tourist image of Georgia – the external image of Georgia related to travel attractiveness created in the international arena.

Guide – „guide“ is a French-origin word and denotes a road sign (direction sign). He/she is a person accompanying tourists, who familiarize them with the sights of towns or countries, or secures their safety under mountain conditions.

Tour manager – a person responsible for touristic product creation, sales and management.

Human resource (HR) management – human resources management process.

Basic part

a. The Problem under study

The problem under study is an issue of the potential drain of professional personnel from the tourism sector in both pandemic and post-pandemic periods.

The mentioned problem is urgent as far as the drain of professional staff previously employed in the tourism sector and left without incomes during the pandemic period under conditions of tourism put on hold due to the pandemic – really put in agenda.

The Problem caused by the personnel drain will certainly become apparent in the post-pandemic period and will reduce financially desirable touristic flows distinguished by high-paying capacity, therefore will do damage to the tourist image of the country.

So, the problem raised by the study is relevant, taking into account first its clear identification and furthermore, the necessity of path finding for its possible solution/prevention.

b. Research goal

The research goal is as follows: what ways have been used by successful tourism companies for retaining professional staff and for their proper motivation during pandemic; what way out they see in order to retain professional personnel and to leave them in the tourism sphere with the view to not to being forced to reduce service standards due to insufficient human resources.

c. Research hypotheses

1. Due to the crisis caused by the pandemic, professionals employed in the tourism sphere, who have lost their livelihood have started to migrate from the sector and look for jobs in other, more persistent industries; this circumstance respectively will reason a deficit of professionals engaged in the tourism sphere and will make the problem of service quality in the post-pandemic period even more aggravating.
2. Tourism companies with the purpose of retention of professional staff (guides, tour managers) have started to replan preplanned tours for the subsequent years at the same prices in such a way as not to cause problems for customers. This way they could retain their own personnel with the opportunity of simple integration in the tourism sphere during the post-pandemic period.
3. Tourism companies, trying to retain personnel and their own business, have refocused the area of activity on domestic tourism, emphasizing the opportunities for recreation in the bosom of nature, in the clean air, with less contacts and full compliance with hygienic standards.

III. Research methods and target groups

Based on the research goal, since we have had no need to generalize data and show the percentage distribution, and taking into account both substantial and quantitative features of the target segment of research (tour managers, local guides and tourism companies) – **the method of qualitative study**, namely **in-depth interview** has been defined for the acquisition of initial information.

As we have already mentioned, a target segment is presented by tourism companies, tour managers and local guides – those parties, which are directly concerned with the situation existing in the matter under study and which played an important role in the resolution and prevention of the given problem.

Respectively, the executive managers and/or HR managers (persons responsible for personnel policy) of 5 local large tourism companies, 8 local acting guides and 7 tour managers have been interrogated according to the in-depth interview format, who were directly concerned with the problem caused by the pandemic crisis and described by me.

IV. Analytical calculation of the research

The first research task was the determination of the ways used by the tourism companies after stopping touristic traveling in order to rescue their own business and retain employed professional personnel (what are the best practices of this problem solving).

Borders closure due to the pandemic did severe damage to the tourism companies, especially to travel agencies, since the income gained namely from tourists has been the lone and main source of revenue for these organizations.

That's why income deprivation became the uppermost and almost unsolved problem for tourism companies that in its turn lead to numerous companion problems, among which the problem of retention of human resources, which have been employed in this sector, was ranked foremost.

Stoppage of tourist travel has left the tourism business representatives (local guides and tour managers, which professional activity was directly related to the profit gained from tourists, are numbered among them) without income.

Tourism companies have faced not only the loss of professional employees, but the risk of disappearing from this business, since almost each of them has had bank indebtedness or other types of financial liability, fulfillment of which became impossible after the loss of sustenance.

The problem was aggravated by the fact that a major part of tours was sold beforehand and tours were preliminary planned by tourism companies, as well as independent guides, therefore they have faced the matter of the return of financial obligations incurred to already existing customers, that was not easy, since a great deal of incomes gained from tours sold in advance was already consumed for tours preparation and preliminary expenditures. A breach of obligations to partners (tourists), in its turn, did damage to the image of Georgian tourism companies and, in the long run, posed a threat to their stay in the business.

At that, the issue of business salvation and remuneration of professional personnel in some way was on the agenda, that could generate hopes for their retention in the tourism sphere and/or their return in the post-pandemic period.

That's why tourism companies have started to quickly think out how to maintain more or less stability – to preserve their image in front of partners, to keep collaboration with professional guides and tour managers, as well as to create at least small, but stable regular income, that enabled them to go through a crisis caused by tourist flows closure due to pandemic.

Tourism companies have found the following path and have scheduled the following plans for the near future:

- first of all, they started to resale already existing and sold tours, i.e. to reschedule them for the next (safe) year for the same and even lower price and high level of service, in order to avoid the necessity of paying back the money already taken;
- next, they introduce so-called „tour vouchers“ (as interviews showed, this experience has been adopted from foreign tourism companies) – in case of voucher purchases for some years to come, they offered very preferential prices and a number of additional services, for which tourist had to pay money under normal conditions. This scheme has included almost all sectors of tourism industry: restaurant business, hotel chains, owners of separate tourist infrastructures, guides or local small and individual entrepreneurs, which were also very pleased with the presale of their services, even at preferential prices, and thereby with getting some financial accommodation or promises for the future. This measure set a goal of at least a small strengthening of the financial condition of the company itself, on one hand, and retention of guides, tour managers and tour-related other professional personnel, and/or their return back to the tourism sphere in the post-covid period, on the second;
- and finally – tourism companies addressed their activity to the domestic tours and prepared travel packages for citizens of Georgia – for low, average and high price segments, in order to enable the population sick and tired of pandemic and border closure to travel at least within the country, within the budget approachable for them. Of course, this project was not so highly-profitable, like travel packages sold to outbound tourists, but gave some privileges to tourism companies and separate structures engaged in tour services, which remained without any income and functionless.

The second research goal was the determination of the following – does the tourism sector face the threat of professional personnel drain from the sphere and do they see a problem in this fact today, when touristic travel restoration has already begun.

In the post-pandemic period, in regard to tourist seasons restoration, the tourism companies assume that tourist flow reduction will increase competition that in the long run will indispensably have an impact on the quality increase, though for this end it will be necessary to conduct a variety of training and retraining programs in order to improve the service to the maximum, that naturally requires government support and even financial appropriations.

It is noteworthy the opinion of guides and tour managers, a substantial part of which waits with fear for the completion of pandemic background and has ambiguous expectations regarding post-pandemic situation, in particular: part of them supposes that the restoration of tourist flows after pandemic will reveal the problem of insufficient number of guides, as far as we mentioned before, the most of them are already employed in other spheres, so the tourism sector becomes unable to properly meet the requirements of the tourist market. This circumstance will cause service quality deterioration that in the long run leads to tourist dissatisfaction. So, this part of the guides thinks that the tourism sector will be forced to create the image and earn confidence anew that certainly will hinder the tourism sector development.

Though there is a second, radically different opinion, according to which, the reduced tourist flow will create strong competition among guides after the pandemic and thereby not the loss but on the contrary improvement of service quality, while the quality increase in its turn will cause image restoration and further development of the sphere.

As for today, despite the fact that tourism has been still unable to return to its groove and its turnover is substantially less compared to the pre-pandemic background, tourism companies already face a shortage of highly-qualified guides and tour managers, since, as was anticipated, part of them has been relocated to other spheres, while those who remain in business, either complains about lack of qualification (that was a problematic issue anyway) or faces serious demand for such professional guides and their price is prohibitive for companies, the more so that the post-pandemic tourism is calculated for expectations of low prices by tourists and they are not ready to pay substantial prices even to professional guides.

Here we have to note the efficiency of presales of so-called „tour vouchers“, as well, since such tours scheduled beforehand, are no more subject to price change and tourism companies simply and at preferential prices contact professional guides, with whom they came to an agreement several years ago, the more so that their advance agreement with the guide was a precondition of future prospects.

According to the third research goal, we have to establish, what is a way-out in the opinion of tourism industry representatives, in order to not to let professional personnel migrate from the sphere and to avoid service quality loss due to this fact in the post-pandemic period.

In this regard worth noticing the circumstance, that tourism companies, as well as separate guides and tour management, unanimously mentioned the very important role that government should play in the complete restoration of the sphere and the retention of professional personnel in the business. The government has to pursue the correct policy both in marketing direction and regarding the regulations taken towards parties involved in the tourism business. The latter is especially difficult based on the fact that these regulations have to provide human safety and have to secure uninterrupted operation of businesses as well which is almost impossible under conditions of regulations acting today.

When the sector has several billion debts, it is so difficult to return back to the old level of development; based on this, the necessity of establishment of tax privileges, as well as the need for grant programs initiation and foreign investment promotion have been emphasized.

When speaking about development plans, tourism representatives also touch upon the necessity of active pursuit of marketing activity and the need for a clear choice of target markets, and they suppose that in the post-pandemic period is especially important to capture a premium (highly financially reliable) segment and thereby to compensate reduced volume of tourist flows.

For these purposes, certification and retraining of personnel is essential in their opinion the more so that the risks of professional staff drain is still topical. If the tourism sector is not replenished with new professional personnel, this will have an impact on the quality of service, that in its turn will complicate the development of the tourism sector in the post-COVID situation.

Conclusion

In conclusion we can speak about research hypothesis checking and say that:

The first assumption has been **completely confirmed**, since travel agencies already mentioned enough about the shortage of local professional guides in the tourism industry, which was even more aggravated by the fact that they left without jobs and livelihood due to tourist flow stoppage during the pandemic, which, in its turn, caused their drain from tourism business to other industries. As for today, a major part of guides relocated from this sphere keep themselves from leaving the other jobs already found, since they have no hope of stability in tourism and are afraid to be left without income again. All this naturally induces a deficit of professionals and, therefore, generates the prospects of tourist service quality loss. Though it should not go unnoticed that professional guides don't mind turning to the sphere, however, they wait for the return of the more favorable and less risky period.

The second assumption **has not been confirmed**, since tours replan for subsequent years at the same prices turned out to be not enough for finding sufficient resources for retention of employees. Nevertheless, the mentioned measures carry out by tourism companies, really have had an effect on the maintenance of companies' image and their stay in the market.

On the other hand, the third assumption has **justified itself**, since tourism companies, in order to retain the personnel and to save at that their own business, truly refocused their area of activity to the domestic tours throughout Georgia, emphasizing the opportunity of rest in the bosom of nature, in the clean air, with less contacts and full compliance with hygienic standards. Though due to less profitability of the mentioned project, they were unable to completely retain professional personnel and couldn't eliminate their drain from the sphere, however, it gave some privileges to guides employed in the sphere.

Recommendations

Parties involved in the tourism sphere development have to support this business line and carry out those measures, which will promote uninterrupted tourist travels within the country and their service, in order to not let the sector, lose the professional personnel and thereby not to magnify the damage of the paused tourism industry even more.

For these purposes, it is necessary to:

- put in the agenda the issue of highly-qualified training and retraining of parties involved in the tourism business, especially representatives of service-delivering structures – maintenance personnel and guides operating both on a centralized basis and at local regional market, in order to maintain their high qualification;
- schedule proper positioning of the country and implement marketing activities, in the course of which tourists' profiles and respectively their specific interests, by means of offers will be taken into account that in its turn will provide the attraction of a new tourist segment, very desirable for us and, at the same time, preservation and maintenance of already available image;
- to make tourists sure of their health and plans safety that can be secured by insurance for their future travels and the possibility of changing travel dates and directions without paying a differential cost. The mentioned reform will assist tourists to schedule their travels more courageously that in the long run will provide tourists with mobility and continuity of their flows;
- the government has to take steps to rescue the sector which should be expressed in tax concessions for all businesses allied to the tourism sector.

What is most important, the solution to problems identified and taking recommendations into account requires an integrated approach on the part of the government, private businesses, local travel agencies, guides, population and tourists, on one hand, the government has to be legislatively and financially ready to settle the problems important for tourism development and, on the other, the rest parties interested in the tourism sphere should be ready to adopt and implement those necessary changes or initiatives, which will promote a new resurgence of the tourism in Georgia.

REFERENCES

Japaridze, O., & Bandzeladze, M. (2021). Mountain Tourism Problems and Development Prospects in Georgia. *Journal Ganatleba*, pp. 237-245.

Naciye, G., & Adem , A. (2020). Impacts of COVID-19 on global tourism industry: A cross-regional comparison. Sakaria, Turkey : Management Information Systems Department, Sakaria University.

UNWTO. (2021, 8 7). <https://www.unwto.org/international-tourism-and-covid-19>. Retrieved from unwto.org: [www.unwto.org: https://www.unwto.org/](https://www.unwto.org/)