

Full Length Research Paper

The management of administrative capacity and the development of the Touristic models in the Albanian Region

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Abstract

Information and Communication Technologies (ICT) have recognized a significant development in the tourism industry. Digitization of all processes of the tourism chain, is a modern alternative to the rapidly growing tourism industry in developing countries like Albania. Technology opportunities today offer the possibility of excellence and development in the field of ICT in the tourism industry. However, the level of tourism development varies according to regions, countries and continents. The main objective of this research is to examine the ICT developments in tourism in Albania, particularly in its applications in hotels in the Vlora Ionian coast, as a great opportunity to bring them on the international tourism market. In particular, the research examines the extent of ICT in enterprises of small and medium tourism. The level of Internet presence is sufficient to study the level of the Destination Management System. Results show that the market district of Vlora is in the early stages of its deployment. However, the low spread of ICT expresses once again the lack of cooperation between tour operators and structures responsible for tourism development. It also shows a lack of cooperation between companies that operate in the ICT sector and operators in the tourism sector. The spread of ICT is a great opportunity to raise the revenues of small and medium tourism enterprises through their presence in the global market.

Keywords: Socio-demographic, Internet use, Touristic models, Decision making, SWOT analyse.

INTRODUCTION

The Albania Government has in its focus issues related to tourism. The ITC Department is adapting the projects for using ITC in all sectors aiming the development of the Albanian economy and improving welfare in Albania. The early phases of decentralization witnessed the transfer of political autonomy, limited administrative and fiscal authority to local governments, inadequate legislation outlining central/local responsibilities, scarce financial resources and developing ITC projects to manage touristic services. In January 2006, the government promulgated a national Strategy for the Decentralization and the Local Autonomy which included laws to strengthen the autonomy of local governments and increase their capacity to manage local infrastructure and services.

The aim of this paper is to analyze the Internet utilisation by families, students, SME, touristic entrepreneurship in a developing the touristic regions of Albania, in the cities such as Vlora, Orikum, Himare and the other surrounding regions. The methodology of this paper research includes questionnaires made to some of the students in Vlora's University, also includes persons from municipalities, local businesses and different subjects. All of them were asked as representatives of their families, about the Internet utilisation, the frequency, the reasons for using it or not and other issues about the service's quality.

After the questionnaire, we have specified the two assessments using the econometric models, the first about internet and its home access and the other about the frequency of the Internet's utilisation in other places including the purpose of use, reasons for getting Internet service as well as its impact on improving social revenues. These questions provide more details about price structures than simple supply and demand, thereby

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guiding investment and capital expenditure decision-making. Advanced econometric techniques are used to present an assessment of demand about the Internet functions, including socio-demographic characteristics of individuals and their families. Firstly it is presented a graphic which analyzes the data and searches for possible connections between different characteristics.

Albania and administrative developing, conceptual and organizational factors

These questions provide more details about price structures than simple supply and demand, thereby guiding investment and capital expenditure decision-making. This paper identifies and addresses all the underlying important factors of the conceptual and economical model for decision-making in Albania and changes according to the form of the organization, under the administrative and the implementation of the reforms related to the development of the touristic models in Albania. The theoretical solution of the underlying mathematical problem that of fair, envy-free division among many parties, might lead eventually to tools that heads of state could apply to deciding disputes like the division decisions. Primary data are gathered with a quality of demands of ITC services offering in touristic services in Albania.

Literature Review and Collecting Data

An econometric pioneer focuses on the adoption of the broadband Internet service (Madden, Savage and Simpson 1996), with data collected in the Australians homes. These authors were the first to discover that demographic characteristics are one of the main influences on the individual decision to use the broadband Internet service. Goolsbee (2000), Duffy and Deno (2001), Kridel and Taylor (2002), also examined the demand for Broadband Internet access with data from different samples in US cities and households. U.S. Department of Commerce (2002) has its contribution in this regard too. Finally, we should mention the report issued by the OECD (2001) which analyzes the adoption of Wideband Internet connections in 30 countries. After a careful consideration of literature review, primary data were collected through a survey done in the University of Vlora. Students gave the answers as representatives of a middle level family type, including so families of all regions (Vlora, Fier, Berat, Orikum, Himara etc)

Hypotheses and Descriptive statistic management plan

Socio-demographic characteristics and ITC operators in Albania

The level of the Internet presence is sufficient to study the level of the Destination Management System. Results show that the market district of Albania region with towns like: Vlora is in the early stages of its deployment. However, the low spread of ICT shows once again the lack of cooperation between tour operators and structures responsible for tourism development. It also shows a lack of cooperation between companies that operate in the ICT sector and operators in the tourism sector. The spread of ICT is a great opportunity to raise the revenues of small and medium tourism enterprises through their presence in the global market. The aim of the paper research is to build on the existing know-how in the aforementioned fields and identify effective partnerships to set up concrete ideas on how to make sustainable tourism a driver in promoting tolerance, intercultural understanding and mutual respect between nations, while preserving their core cultural values.

MMDM and management analyses

Mathematics Models and Decision Making help in such cases when we want to plan a management strategy and management SWOT analyses. Sometimes, the mathematical models use to create a root strategy for the statistical and modelling decisions in management analyses.

-H1 The development of the platforms of Mathematical Models of Economical Decision Making Processes for developing the touristic region in Albania.

The economy of Albania maintained macroeconomic stability and positive growth during and in the aftermath of the global crisis. (Clark, J., Baker, T., and Li, M. (2007) One of the best performing economies in Central and Eastern Europe since 2009, Albania's progress has been marked by a positive GDP growth, an upward trend in GDP per capita, low and improving inflation rate, descending budget deficit to GDP ratio, ascending current account deficit coverage ratio of exports, relatively stable national currency and sustainable fiscal and financial policies. (James Mac and Gregor Burns 1999)

These improvements led to an upgrade in long-term sovereign rating grades from 'BB' to 'BB+' despite the existence of a large grey economy, relatively undeveloped infrastructure throughout the country, recent debt crisis in its major international trading partners and the political stalemate that have hampered the government's capacity to implement necessary structural reforms (JCR Journal March 2012)

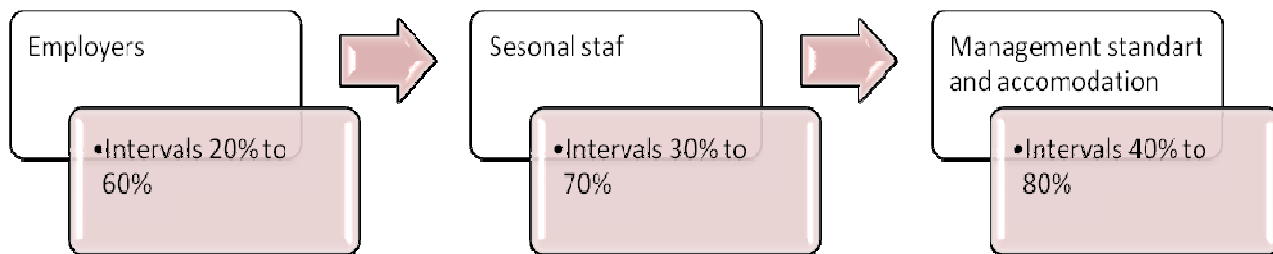


Figure 1. The structure of working time

H2 Demographic characteristics, important step for touristic development in Albanian conditions

Ionian coast hotels occupy an important place in the tourism industry in Albania. The increase of their activity is closely linked with the spread of information and communication technologies (ICTs). It is very important to present first of all their demographic characteristics. According to our assessment 58% of all the properties are family owned and about 13% of them have an ownership group. 83% of the structures are multi-storey buildings and 17% of them are only one-floor buildings.

METHODOLOGY AND QUESTIONER ANALYZE

Research Goal

By analyzing the equipment and use of Internet in the hotels of the coast of Vlora the results are shown below. About 43.8% of them have Internet service. The signal is supplied through dial up in 90% of the cases and only in 10% of them with DSL. In all 100% of them they have Internet wireless. The speed of the signal is 1 megabit per second in 30% of hotels which are equipped with an Internet connection. 60% of them offer Internet with the speed of 2 megabit /sec. More than 85% are satisfied with the service of their Internet Provider and only 5% of them are not satisfied with the quality of this service.

Data show that only 10% of the interviewed hotels have more than 40 rooms, 22% have 10-14 rooms. None of the hotels have a capacity greater than 80 rooms. About 96% of all rooms are single, while the largest number of rooms is composed of double, triple ore matrimonial rooms. As regarding the number of the apartments available, data show that only 10% of hotels have two to three apartments, while hotels with more than three apartments are only 3% of hotels in the sample. A good part of them offer services such as restaurant, bar, respectively 85% and 82%. Only 17% do not have restaurants. The working time in 60% of the structures of the sample is the entire year while the rest, 40%, work only seasonally (Figure 1)

Regarding their location we can state that 56% of them are located on the seashore, 16.6% of them are 50m far from the sea, and 12.5% of them more than 100

meters from the sea. The number of employees changes from season to season. A great part of hotels in the region consider seasonal employment. In the low season 38% of the hotels have only one employee and only 7% of them have more than 10 employees. In the high season, 22% of hotels have on average 6 employees and 10% have more than 20 employees. Maximum number of employees in the high season is 40. There are no hotels that have employed at peak more than 40 employees.

About 30% of hotels have built their structures after year 2000 and 8% are built in 2008 while 4.2% are built in 2009. In recent years the pace of construction in this sector appears low their supplements are about 5%. Prices of rooms are different in different parts of Ionian touristic places.

We can say that 33% of respondents stated that the prices of rooms are 30 Euros. It should be noted that 75% of the room prices fall between the intervals from 30 euro to 50 euro in the high season. Only 12% of the hotels put prices above 35 Euros per room in the high season. The room price is more than 60 euro only in 6% of the hotels. In the low season prices fall in less than 20 euro in 70% of cases (Figure 2)

The classification according to the claim of the owners on the number of stars is that 44% of them are with two or three stars, while 4% of their claim to be 5 star hotels. In terms of education level of the owners, statistics show that 42% of the hotel owners have a university degree while 48% have only the high school education. 94% of the owners are males. From the data the average number of children of the owners is 2.5 or we can say that 54% have two or three children.

The situation of ICTs in the families of the owners shows that about 80% of them use at least a computer, 75% of them have Internet at home and only 10% do not have computers at home. In terms of ICT equipment, telephone, fax, computer and photocopies data show that 57% of all hotels do not have a landline, only 23% have fax, 22% of them have a photocopy machine and 38% have a computer for the hotel. By analyzing the equipment and use of Internet in the hotels of the coast of Vlora the results are shown below. About 43.8% of them have Internet service. (Figure 3)

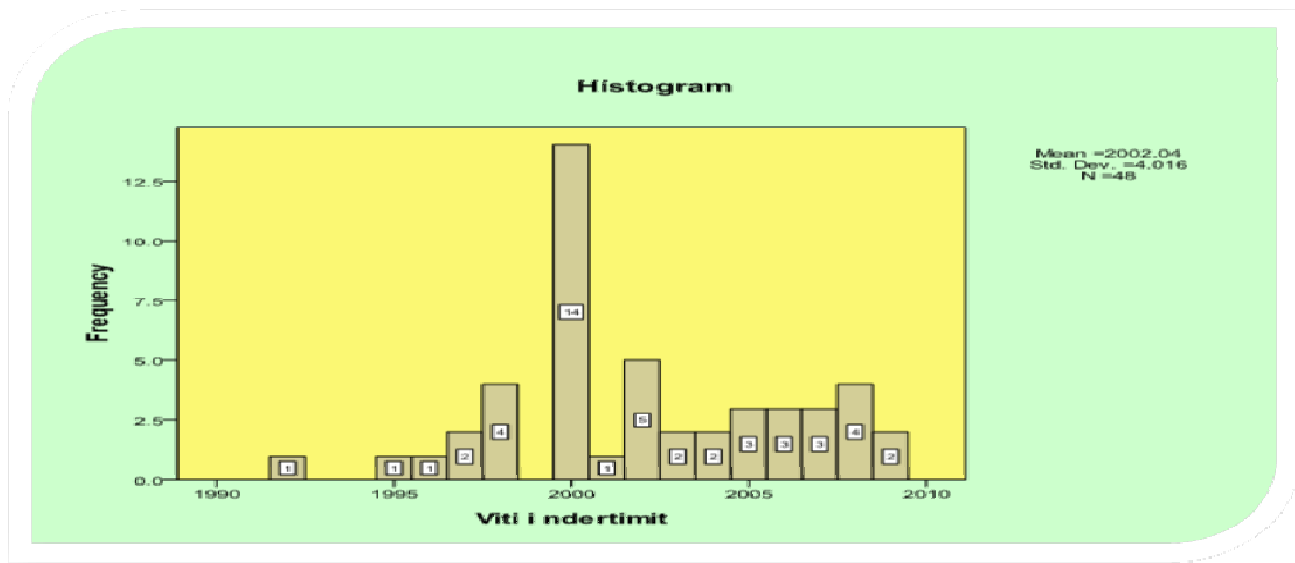


Figure 2. The histogram of the hotels and the frequency of ITC

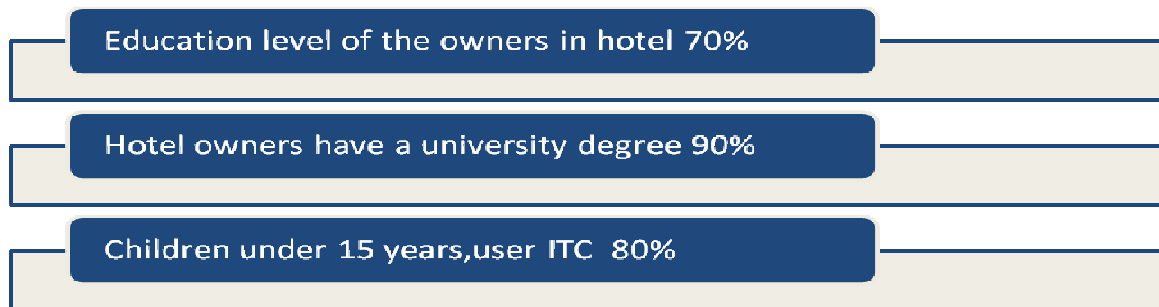


Figure3. The classification of ITC Users in touristic hotels.

The equipment and the use of ICT in hotel

In all 100% of them they have Internet wireless. The speed of the signal is 1 megabit per second in 30% of hotels which are equipped with an Internet connection. 60% of them offer Internet with the speed of 2 megabit /sec. More than 85% are satisfied with the service of their Internet Provider and only 5% of them are not satisfied with the quality of this service. All hotel owners claim that the interest of the clients has increased for the Internet service and 100% of them claim that customers ask about the existence of this service. In terms of payment for this service, the hotel pays monthly to the ISP, from a minimum of 20 euro to a maximum of 150 euro. 28% of them pay up to 20 at 30 euro per month while 27% of them pay 40-50 euro per month. By analyzing the data extracted from the interviews, 21% of operators say they have often received bookings through the Internet and 11% of them claimed that bookings are made electro-

nically only occasionally.

ANALYSES AND RESULTS OF PAPER RESEARCH

As a result of this request, 35.4% of hotels have an email address. Regarding the question "Is there a web site of the hotel, where customers can find information and make reservations" can be concluded that approximately 69.7% of hotels do not have a web page. According to the study 95.2% of respondents who have a web site, claim that there are other web sites where visitors can find the information necessary for their activity. The question "In your opinion, which of the following reasons explains the fact that you do not have internet in the hotel?" is answered by 75% of them who do not have Internet connection as a lack of infrastructure in the area where they are. Price has not a great weight due to the lack of this service. Only 6.3% consider that

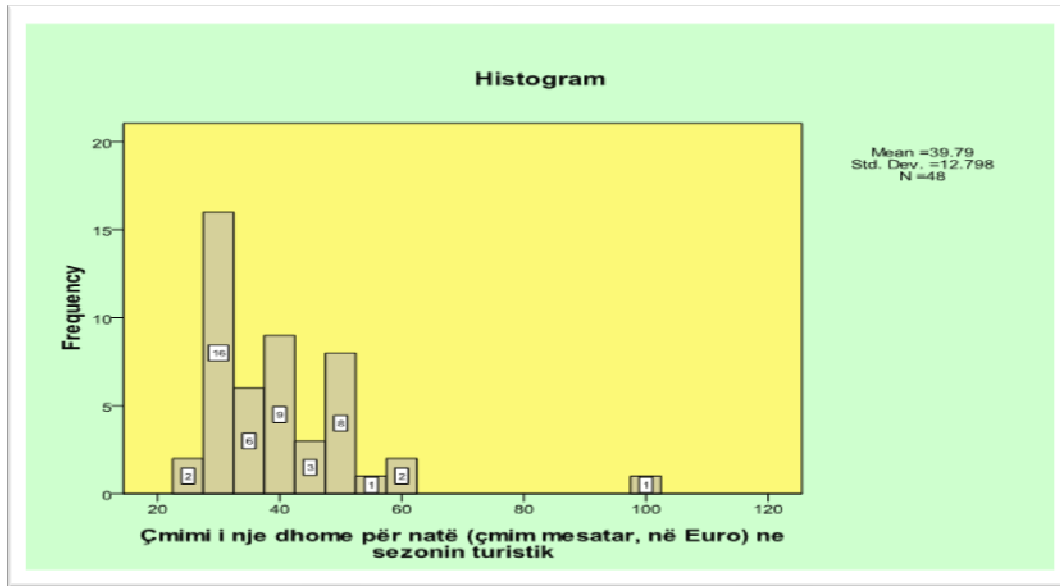


Figure 4. The price for staying a night during the touristic season.

this is only a costly service.

According to Taylor (1994), there are two types of respondents to the questionnaire:

G_0 : the set of respondents without access to the network and G_1 : the set of respondents with access to the network.

The individual utility function is expressed in the form

$$U^i = U^i(x^i, q^i, \delta^i)$$

where x^i is the vector of goods consumed by individual i , dichotomous variables that determine the access status of an individual if he has (use) Internet access; Otherwise

$q^i = q, \forall a \in G_1$ and $q^i = 0, \forall a \in G_0$
 $\delta^i = 1$, if the individual has access and $\delta^i = 0$, otherwise.

The problem of maximizing service later said the individual functions for each type of individual as follows:

$$U^1 = U^1(x^1, q) \text{ if } \delta = 1$$

$$U^0 = U^0(x^1) \text{ if } \delta = 0$$

MATERIAL AND METHODS OF PAPER RESEARCH

The questions were asked about the use of the Internet to perform different actions for the hotel, such as payments etc., 81.2% of respondents answered that they have never used it. The Internet is used for communication with state agencies in a very low level, since 91.6% of hotels have never used it for such

purposes. Nevertheless 77.1% of respondents reported that they have Internet on mobile phone. (David, Fred, R 1999)

The following graph shows the answers of hotel owners for comparisons of tourist season for years 2011 and 2010: 54,17 % of respondents says that touristic flows in 2011 have been worse than in 2010, 18,7% says that touristic flows have been better in 2011, while 27% claim the same level of touristic flows. (Dumi A and Ramosacaj M 2012) 77.8% of hotels keep data about customers while 22.2% do not keep a register for customers. In 40% of the cases hotels do not have a space and a workplace for the reception. Their accommodation capacity limits somehow also the presence of facilities for seminars and conferences, 70.8% do not have such facilities. The number of foreign clients is claimed to be raising in the last years in 68,7% of the cases and only 14,6% of them say that foreign clients have been in a lower level. The financial result, asked as a perception of the respondents, with an evaluation from 1 to 10 is shown in the graph below (Figure 5)

CONCLUSIONS

The literature suggests that Internet users differ from other users of telecommunication about the kind of attributes that are important. This is supported by studies in 2002, when they describe the differences between the phone application and Internet application

All hotel owners claim that the interest of the clients has increased for the Internet service and 100% of them claim that customers ask about the existence of this

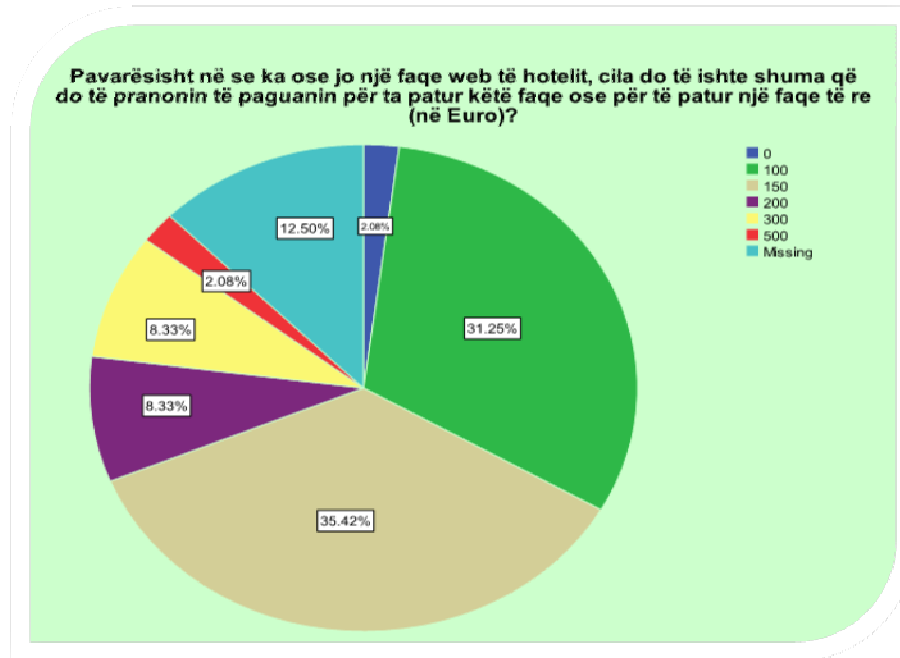


Figure 5. The web page of the hotel

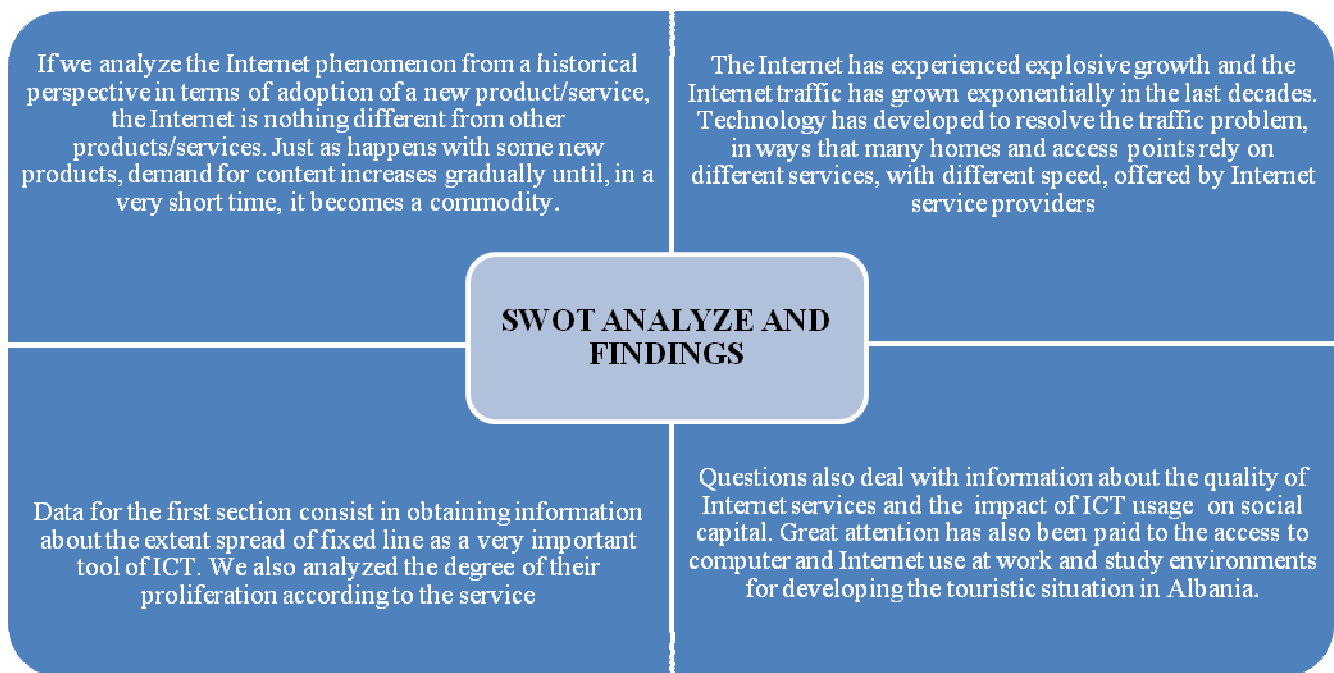


Figure 6. Swot Analyze and Findings

service. During this analyse we are find these conclusions: 1.The internet lines are very useful in Albanian business. 2. All hotel owners claim that the interest of the clients has increased for the Internet service and 100% of them claim that customers ask about the existence of this service. In terms of payment

for this service, the hotel pays monthly to the ISP, from a minimum of 20 euro to a maximum of 150 euro. 28% of them pay up to 20 at 30 euro per month while 27% of them pay 40-50 euro per month.

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