Analysis of Tourism Destination Management Organizations in Hungary

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Goal and objectives of the dissertation

Goal

The goal of the dissertation is to increase the awareness of Hungarian Tourism Destination Management Organizations (TDMOs) taking account of several aspects and areas including regional sciences, human resources, working motivation of TDMO managers, knowledge management, European Union project properties and change management. Another important goal is to give feedback to the examined organizations on their work and management activities.

Research questions

The dissertation answers the following research questions:

- Is there any correlation between the geographic area of TDMOs and the number of working teams?

- How much responsibility does a TDMO manager have to take and is it possible to fill extra positions within the same organization?
- What factors motivate TDMO managers during their work?
- What kind of training, work experience, qualification and skills are required to become a TDMO manager? What factors drove them to absolve a TDM-oriented course?
- Which factors can play a significant role in the managers' fluctuation if it occurs?

Methodology

Research population includes all 88 TDMOs registered by the Ministry for National Economy as of April 2016. The survey was conducted between August 2014 and April 2016 with a self-designed questionnaire. The author made contact with every TDMO manager in order to have a representative sample. Finally, the sample obtained 74 professional executives (N=74) indicating an 84% response rate. In this respect, we can

say that the sample was representative. A number of statistical procedures were carried out through IBM SPSS program.

The doctoral dissertation originally aimed at comparison of TDMOs in two countries (see Table 1) along with exploring the respective theoretical and practical background and a short review of their financial and support features. Full comparison could not be made, but we can draw a parallel. We have to admit that the comparison of TDMOs within the same country is also a challenge because of different tourism products, operating mechanism or different position on TALC (Tourist Area Lifecycle). Due to the achieved small sample size (N=16 out of 40), the research in Slovakia only serves as a Central-European outlook, the focal point was on Hungarian organizations.

Hypotheses of the work:

1. There is an allegedly linear correlation between the TDMO's geographical area and the number of working teams. The more villages, towns and cities are covered by a

destination, the more employees the TDMO has.

2. The less employees a TDMO has, the more tasks the TDMO manager has to undertake.

3. Although TDMO managers are motivated in coming up with new and innovative ideas, yet they do not believe that innovation and creativity play a primary role in achieving organizational effectiveness.

4. The more experience the TDMO managers gain, the less their willingness is to take part in retraining.

5. As far as participating in several training programs is concerned, TDMO managers were attracted primarily by the image of a successful TDM-project and preferred master-level courses to other available training courses.

6. The fluctuation of TDMO managers is caused rather by social and human factors than economic ones.

Main characteristics of the sample

Figure 1 presents the location of Hungarian TDMOs involved in primary research: local

Table 1. *Details of primary researches*

Research area or country	Hungary as tourism destination	Slovakian Republic as tourism destination	South-east of Slovakia, area between Komárno and Šturovo
Target group of the research	TDMO managers	Directors of TDMOs	Potential stakeholders of a future TDMO (in Slovak language: 'Podunajsko OOCR'/Regional Association for Tourism the Danube Region)
Research period	2014-2016	April 2016	August 2014
Population size	88 TDMOs registered by Ministry for National Economy (according to status on 31. 12. 2015)	40	no available data
Achieved sample size (N)	74	16	22
Response rate (%)	84%	40%	cannot be calculated
Research method	Quantitative	Quantitative	Qualitative
Research tool	Specially designed questionnaire	Specially designed questionnaire available in Slovakian language	Interview
Data analysis method	IBM SPSS program	Microsoft Excel	
Interpretation in the dissertation	Main focus	Central-European outlook

Figure 1. Location of Hungarian TDMOs involved in primary research
Designed by András Tenk (2016)

and regional ones, as well. It is important to clarify that the marked towns and cities are only centres of organizations, so their management competence comprises much more municipalities than 74. Figure 1 demonstrates the geographic concentration and territorial disparity of the organizations. Initially, the author wished to compare Hungarian DMOs to Slovakian ones (see before). Present research is about to serve as a good practice for those destinations where establishment of DMOs is still very new like in Slovakia.

Results

Based on processing of secondary sources TDMOs can be considered as the results of organizational innovation. Stakeholder and network approaches (Madarász, 2016) must be taken into consideration. The author considers TDMO as a destination-specific network. Based on geographical concentration and expressive relations among local touristic stakeholders it can be stated

that TDMOs facilitate the exploitation of advantages (cost efficiency, special services for the members and special competences) related to localization. Local DMOs have more employees than regional ones. There is no correlation between geographical territory and work force. The research disproved that the more municipalities are covered by a destination and DMO, the more employees the TDMO has. It is proved that the level of DMOs (local or regional) does not affect the organization size.

Managers have more roles and tasks within the same TDMO at the same time. They are leaders/chairmen/directors; or hold other positions. Managers are also tourist information office/bureau managers. Furthermore, managers may be marketing managers at the same time.

Similarly, to geographical concentration, the managers' qualifications point out inequalities. Only 54% of the sample have qualification in

some way, 26% have short-time training, 21% have a Master degree and 7% have a Bachelor degree. There are 14 managers who do not have the necessary qualification, and on top of that they do not reckon it will be necessary in the future. There are 20 managers who are completing a TDM-oriented course in the period of research. Taking a TDM-oriented training was considered as an obligatory part of the EU-project. The necessary skills and competences required for holding a manager position were identified and analysed with factor analysis. Three factors (skills, purchased knowledge, business spirit) demonstrated the importance of competences. In relation to EU-projects, there is strong correlation between years of operation and years passed between establishment and the first support decision. The younger the TDMO is, the sooner it tends to submit a project. It is also pointed out that TDM-oriented training was motivated by successful projects.

Theoretical conclusions

When summarizing secondary sources on tourism destination, it was revealed that various aspects have to be taken into consideration in tourism theory. The author aimed to synthesize all definition regarding destination resulting the following nine approaches: (1) geographical space, (2) destination as business unit, (3) stakeholder and network concept, (4) operating mechanism and institutionalization, (5) destination as experiential space (because of heterogeneity of supply), (6) competition unit, (7) innovation system, (8) smart tourism destination (concerns ICT), and (9) learning tourism destination. System approach is also essential when discussing about TDM, that is inspiration for the author to launch a new concept and definition: the holistic tourism destination. This concept focuses on and integrates all types of management.

Practical application of the dissertation

There are many practical implications for those stakeholders who are interested in or concerned with tourist organizations, namely: DMO managers including future managers,

DMO teams, DMO members, tourism policy makers, managers of educational institutions offering tourism-related courses and researchers as well.

Regarding qualification level of DMO managers, the research highlights the fact that sadly not every manager possesses the necessary qualification. Moreover, some of them are not even willing to do further courses. For that reason, theoretical chapters of the dissertation would be recommendable for those managers who rejected DMO-focused courses. They must realise that strategic approach is essential when discussing destination and DMO. It was also revealed that Hungarian managers have so many tasks and positions affecting the efficient management in a negative way. Actors intending to establish a DMO in the future could also gain practical benefits from the dissertation. Future DMO managers will have a very good chance of improving their knowledge on the operational management and they will face various tasks.

The dissertation could be instructive for tourism policy makers as well. In case of possible tourism-related law modification in the future, policy makers may have comprehensive information about the operation and maintenance of DMOs. Integration of such information into the legislative act is worth considering. Educational institutions could also benefit from the study by focusing on mainly practice-oriented courses on the basis of managers' real demand and needs.

Content of the dissertation

Abstract of Chapter 1

Chapter 1 contains an introduction that highlights the topicality and problem-raising of the thesis. It discusses the motivation, goals and objectives of the doctoral dissertation and the respective research area as well.

Abstract of Chapter 2

Chapter 2 focuses on Tourism Destination Management as a theoretical background. First of all, considering that the central terminology is destination itself, the author

synthesized all approaches to destination emphasizing geographical space (Tóth & Dávid, 2010), competitiveness (Dávid & Tóth, 2012) unit, innovation and management-oriented approach (management unit by Pechlaner (2003) or meta-management by Sainaghi (2006)). Consequently, complexity and system-focus are crucial when discussing tourism destination. The next subchapter emphasizes the national terminology of TDM, the tasks and competences of TDMOs, followed by the Hungarian theory. Models and indicator systems were also reviewed. Operational framework, capitals and resources of TDMOs, geographical levels and stakeholder approach were characterized. As a consequence, an own idea called holistic tourism destination was illustrated.

Abstract of Chapter 3

Chapter 3 details materials and methods including hypotheses of the work.

Abstract of Chapter 4

Chapter 4 presents research results carried out in Hungary and Slovakia. The latter only serves as a Central-European outlook; the focal point is on Hungarian organizations. The last subchapter notes new and original scientific results of the research.

Abstract of Chapter 5

This chapter highlights conclusions and recommendations based on literature and empirical research. Future research orientation and emphasis are also presented.

Abstract of Chapter 6-7

Chapter 6 and 7 are summary in Hungarian and English language.

Abstract of Chapter 8

Chapter 8 encompasses appendices including references.

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