

## SOCIAL AND ECONOMIC EFFICIENCY IN ROMANIAN TOURISM

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**Abstract:** *Tourism efficiency presents the common defining characteristics for all branches and activities from the economy. In the same time, the specificity of this area, reflected in the variety and the nature of the consumed resources, the complexity and variety of the processes which take place, the diversity of the externalization forms of its results marks the efficiency of its own determination and particularities.*

*The efficiency depends on efforts and effects, but not least on their assessment methods, on the fact that the value realized through prices includes the inflation and other influences, distort the real result of the activities performed. Under these circumstances, a complex and correct analysis, should take into account also other elements like: the structure of the resources and results, time, the quality of the effects and their impact. The efficiency, in this context has a wide and comprehensive meaning referring to the types of usage of all resource categories: natural, human, material and financial in all the components of the activity: production, trade, and service, to their qualitative, quantitative, economic, social, direct and indirect aspects.*

**Key words:** *efficiency, tourism, economic sector, social sector, tourism market*

### INTRODUCTION

Tourism – understood as all the relations and phenomena generated by the satisfaction of the consumption needs of the travelers – responds to the requirements of a distinct area of activity, representing an important branch of the national economies.

The diversity of activities contained by the tourism industry and also the presence of some of them in other branches of the economy, characterize the tourism as a branch of interference and synthesis. From here results the amplitude and complexity of the links between tourism and the other components of the economy; so, in order to perform tourism activity we need input from other branched also: agriculture, food industry, building industry and indirectly the construction materials, energy industry, car industry, etc; also tourism is directly connected to transportation, telecommunication, culture and art.

Tourism contributes also to insure the population consumption, sharing this task with education, health, trade and others, according to the products it offers.

All these show the important position of tourism in the structure of the economic mechanism and its active role in the development and modernization process of the economy and society.

Tourism, viewed as a distinct economic sector, includes a variety of services, starting with advertising services, promotion, information, accommodation, food, spa treatment, various leisure and entertainment activities.

Therefore, in the entire national economy, tourism acts as a dynamic element of the global economic system, requiring a specific demand of goods and services, demand which involves an increase in the area of their production. Also, the tourism demand determines an adjustment of the offer, materialized in the development of the tourism structures and indirectly in the stimulation of the production in the participant branches to: the construction and realization of transportation means, entertainment facilities for winter sports, nautical sports, etc. The tourism development leads to a significant production increase.

## MATERIALS AND METHODS

In this article the author present a point of view regarding social and economic efficiency in Romanian tourism. In order to do that, author used different publications from the specialized literature, sources which were mentioned in the biography section. The stages from the realization of the article were: setting the purpose of the article, study of the specialized literature, setting the targets and conclusion stating.

## RESEARCH RESULTS

The tourism as any other component of the global socio – economic system, in order to function and to accomplish its mission, is a product consumer and producer of effects and results.

Its efficiency represents the defining characteristics common for every branch and activity of the economy. In the same time, the specialty of this area, reflected in the variety and the nature of the consumed resources, the complexity and diversity of the deployed processes, the diversity of the exteriorization forms marks the efficiency of some own determinations and case particularities.

The efficiency depends on effects and efforts, but not least on their evaluation method, on the fact that the expression of value, realized through prices, contains inflation and other influences, altering the real result of the deployed activity. In these conditions, for a complex and correct analysis we need to take into consideration also other elements like: the structure of the resources and results, time, quality of the effects, their impact. The efficiency has, in this context, a large and comprising content, referring to the usage of all resource categories: natural, human, material and financial, to all activity components: production, trade, service, to their quantitative, qualitative, social, economic, direct and indirect aspects.

The specificity of the Romanian tourism activities, compared to the total efficiency is reported sequentially according to:

- the usage efficiency of the production factors, defined by the results obtained with the minimum cost of opportunity;
- the efficiency of resource allocation, expressed by the optimum combination of the production factors used to obtain goods and services, distributed according to the consumers' desires and intentions to spend their available incomes.

The Romanian tourism efficiency means, in the first place, the rational management of the raw materials, fuel and energy, manpower and natural attractions and the full usage of the accommodation, transportation and capacity or of the financial funds.

Also, the efficiency expresses the opportunity of some expenditure – for introducing new production technologies, for development and modernization – as the activities fulfill the tourists' needs and which can be procured in optimum conditions and used with maximum results.

The tourism efficiency is represented by various sides and expressed with a large range of indicators, trying to include the complexity of the activity, the results obtained for each components or process, transportation, accommodation, food, entertainment, domestic tourism, international tourism and of the entire area, the social and economic side, and the direct and indirect effects.

For example, at global, macroeconomic level, the tourism efficiency is influenced by the allocation of resources in the economy – between consumption and investment, but also between other branches, starting from the reality that these are limited and that the society has, at some point, some priorities. From this point of view we have to highlight a

socio-political side of the efficiency, a correlation of the immediate needs with the future ones.

Another aspect refers to the relation between the economic and social side of the efficiency. Without any doubt, obtaining profit represents the main, defining element of any activity. But taking into consideration the functions of the Romanian tourism, its contribution to the improvement and maintenance of the population health and implicitly of the manpower, to the broadening of the cultural knowledge horizon of the individual, to the promotion of a peaceful, understanding and collaboration climate at international level, we have to relate also to the effects produced at European Union level.

In correlation with the requirement to report to the market needs, the efficiency represents also the last of the main means of evaluation of the activity, of appreciating the organization of an area, of consolidating the economic and financial decisions. More and more convincing are the arguments related to the idea that for the evaluation of an activity, at any level, the efficiency, the capacity to produce profit, are more important compared to other elements like the coverage, the size of the allocated funds or production capacity.

Last but not least, the efficiency represents a fundamental condition of the development. Speaking about efficiency and its meanings, we must mention also its relationship with the quality of the tourism products and services. The relationship between efficiency and quality has a complex meaning and can be approached both from producer point of view and of the user point of view. The optimization of relationship quality – efficiency guarantees the deployment of the activity according to the consumers' requirements and the market demand.

The accommodation has the most important role in the current structure of the tourism activity, it represents 40%. Beside this, it has also many other influences on other elements of the tourism product and represents a support of the tourism activity. So, the quality and efficiency of this service should be decisive when establishing the results of the entire tourism activity.

The efficiency of the accommodation service can be evaluated using the general criteria and indicators, and also based on several elements related to the specificity of this activity.

So, we operate with effort indicators like: the average number of personnel, the average value of the fixed assets, expenses for the accommodation activity, the available capacity expressed in places, days, etc; and with effect indicators like: incomes from hotel services, incomes from additional services, profit etc.

The incomes are provided by the encashment from the hotel services in direct correlation with the volume of activity represented by the number of tourists, with the quality of services (represented by the comfort category of the accommodation unit and the prices level), with the range of additional services offered (renting, cloths cleaning, special services, etc).

The expenses represent, by their structure and content, the specificity of the activity: the expenses with the salaries represent almost 40% of the total expenses, the rent expenses for the accommodation fixed assets represent 10 – 15%, the general expenses represent almost 10%, the maintenance expenses represent 5%, the payback is 5%, etc, while the expenses for transportation and storage are missing or insignificant.

In the hotel activity (only accommodation services) the expenses represent 60 – 69% of the total income reflected in a profitability rate (36 – 40%). Compared to this average level, there are deviations determined by the comfort category, occupation with domestic and foreign tourists, unit positioning in an area with high tourism circulation or with low tourism circulation.

In the efficiency indicator system for the accommodation activity, the mostly used are:

- 1) labor productivity ( $W$ ), expressed in value ( $Wv$ ) by the income volume ( $I$ ) reported to the employees number ( $Np$ ), or physically ( $Wf$ ) by the annual number of overnight accommodations ( $N$ ) reported to the employees number;
- 2) the average income for the service unit ( $im$ ) is a specific indicator for this activity, resulted from the incomes reported to the accommodation capacity, expressed in places or places-days.
- 3) the average expenses per service unit ( $cm$ ), is a specific indicator representing the resource consumption per place or place-day.
- 3) the relative level of costs ( $n$ ) expresses the expenses for 100 (1000) lei turnover ( $CA$ ).

For evaluating and measuring the economic efficiency in tourism as in any other activity sector, we use a large range of criteria and indicators, resulted from the complexity, content of the processes, diversity of the consumed resources and variety of the materialization forms of the effects.

We can find criteria and indicators with general usage, common for all economy branches, and specific ones resulted from the specificity of the activity from this area.

The tourism efficiency is, under these conditions, expresses by the net income rate realized through pure and materialized labor economies obtained from the activity deployed, through the way of usage of every consumed production factor: related nature, labor and capital and can be used as efficiency evaluation criteria: size of the net income and in association the profitability; costs level, level of labor usage and of the technical and financial capital.

To all these, we can add the investment efficiency for representing the development effort performance. Also the complexity and the large range of tourism coverage, the various effects is has, are reflected in the need to use a system of indicators in order to measure the efficiency which should contain both the overall results of this area and those obtained by using a single resource from one of the activities components like: hotel, transportation, international tourism, etc; and also with these indicators we have to insure the quantification of the direct and indirect effects.

We also have to add that, usually each criterion has as correspondent one or more indicators to quantify the efficiency. Establishing the indicators system for the economic efficiency of tourism is based on: general principles for economic calculation; structure of the used resources; materialization form of results.

Starting from the general formula for efficiency determination – by comparing the results versus resource – to express it, we build relationships like: effect/effect, effect/effort; effort/effort, showing the variety of approaches for the link between the two defining elements; so, beside the classic relation between effect and effort, for the evaluation of the tourism efficiency, the ratio of the differences – components of the results or differences – category of resources involved in obtaining a certain effect is also important.

The deployment of the tourism activity in Romania, using the existing resources, generates not only economic effects but also social ones, which reflect the extent and the way of satisfaction of the material and spiritual needs of those who travel.

In these conditions, the evaluation and the measurement of the social effects complete the range of evaluation means of this area. In correspondence with the functions it fulfills, the social effects of the tourism refer to aspects like: spare time spending in a pleasant way, recreation and relaxation, regeneration of the physical capacity of the organism, broadening of the knowledge horizon and increasing the training level,

satisfaction of some spiritual knowledge needs and improving the skills level, satisfaction of some needs related to friendship, association, dignity and respect from others, promotion of a peaceful and understanding climate.

Although the Romanian tourism, in general produces social effects, some of its forms – treatment tourism and medical spa tourism, cultural tourism, rural tourism, youth tourism – have a higher social level.

If tourism is generally considered a culture act, some of its forms have a higher contribution to broadening the knowledge, to increase the training, civilization and education level. Participating to various cultural events – shows, festivals, round tables, museums visiting, memorial houses visiting or some other places related to the history and tradition of a nation, vacation for learning a foreign language are considered forms of the cultural tourism and support knowledge improvement in different areas satisfying the spiritual needs of the travelers.

In this area we include the youth tourism and the cultural tourism. We must add that when we use quantitative indicators to evaluate the social efficiency, they partially reflect the obtained results.

As in the economic efficiency, the evaluation of the social effects of tourism involves the definition of evaluation criteria and of a measurement system.

If for the criteria the situation is simpler, meaning the possibility to convert the social functions of tourism in efficiency evaluation elements: the level of satisfaction of the tourist, improvement of health condition and restoration of the manpower, level of training, level of culture; environment protection, etc, the elaboration of an indicator system is more difficult, almost impossible to realize taking into consideration the qualitative aspects of the social efficiency. However, the specialized literature mentions patterns, quantitative indicators which measure, often partially and indirectly, the social effects; the most common ones are those related to the service level and health improvement.

The characterization of the service level can be realized using indicators like:

1. number of tourism products types (vacations) or specific services offered in general, in a touristic area or by a unit. It is easy to notice that a large variety of products will get closer to the consumers products, insuring a higher level of their satisfaction;
2. structure according to comfort category of the accommodation and food means;
3. number of accommodation units/places;
4. number of units/places compared to the size of the area;
5. number of tourists for an employee;
6. waiting time and/or serving time.

The Romanian social tourism contains the characteristics of the tourism in general or of any type of travel, being distinguished by the category of consumers to which it is addressed and the financing methods of the vacations.

The receivers of this type of tourism are the categories of population with low financial resources, represented by those with incomes from the minimum economic level or with a social status which confirms this: pensioners, unemployed, students, agriculture workers, etc.

Related to the travelling possibilities, these are insured, partially or totally, by subventions granted by the society, through social protection services or other organizations: social insurance offices, credit unions for pensioners, trade unions, youth organizations, foundations, and payment facilities offered by the economic agents from tourism (price decrease, lower fees). These characteristics of the social tourism lead to a significant increase of the demand for vacations being confused many times with the mass tourism.

## CONCLUSIONS

The social tourism, conceived to insure the access to vacation for a larger number of population and to respect the right for travelling of the individual, is stimulated and supported by the general policy for tourism development of any country, by creating specialized institutions.

Also in the case of Romanian tourism there are stimulating measures in order to promote the tourism activities: social, cultural, spa, etc; the most recent measure is providing vacation vouchers for the budgetary and private sector employees. This measure will stimulate the practice of social tourism in Romania, these voucher are valid only in Romania.

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