# STUDIES ON THE MANAGEMENT ISSUES IN THE GUESTHOUSES

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#### Abstract

The laws governing the activity of guesthouses did not pass. Within a study carried out by the Romanian Association of Eco-tourism analyzing the problems of owners and managers of guesthouses and their opinion regarding the laws in the field, owners of guesthouses have only awarded a 4.80 score to the laws ruling the activity in this field. The results of the study have been officially released during Bucharest Tourism Fair within a seminar taking place on March 15<sup>th</sup>, 2013. The study showed that tourism direct legislation does not represent a problem for guesthouses, but adjacent fields such as sanitary, veterinary, fire fighting or labour procedures stand as a brake for the development of the guesthouses sector.

## INTRODUCTION

In order to *support* some approaches in this field, it was established the Advocacy Group for Guesthouses (GAP), realized by the Romanian Association of Eco-Tourism, the National Association for Rural, Ecological and Cultural Tourism (ANTREC) Association of the Most Beautiful Villages in Romania (ACFSR). GAP's target is the real support of the guesthouses sector by means of an integrated approach of the legal field where all sectors adjacent to the tourism activity would meet up in an unitary frame, which needs to be analyzed once more and simplified at least as far as small guesthouses are concerned in order to support and encourage this economic sector which is so useful for the rural area. [Beciu, S., 2011]. The hereby research wishes to give warning with regard to the real problems that small guesthousesin the rural area deal with.

## **MATERIALS AND METHODS**

The hereby study has been carried out within the **Advocacy Project** for environmental protection and tourism sustainable development implemented by the Romanian Association of Eco-Tourism (AER) in partnership with the Retezat Association of Tourism and the Tara Dornelor Association of Eco-Tourism, financed by the Foundation for Partnership and the CEE Corporation.

This study has been carried out by the Romanian Association of Eco-Tourism (AER) from August to December 2012 in order to identify the problems that owners and managers of guesthouses deal with from a legal point of view. [Creţu Romeo Cătălin,2012].

Analyzedguesthousesare part of all classification categories. The questionnaire that stood as basis to the study is made up of **40 questions** concerning the entire construction, authorization, functioning and control process of guesthouses. [Tindeche Cristiana, 2013]

## RESULTS AND DISCUSSIONS

The research reveals some problems and some deficiencies of the legal frame that should stand as basis of a national study on a representative number of respondents for the following purposes:

- -To have a clear and well fundamented image of the legal problems in this field;
- -To gather statistical information concerning the real dimension of the economic impact of guesthouses in the rural area (including those

in the grey and dark zone of the economy). The characteristics of the business types that filled in the questionnaire are the following:

- -Lodging capacity from 4 to 43 places;
- -Classification between 1 to 4 flowers
- -Affiliations: The Romanian Association of Eco-Tourism, Retezat Association of Tourism, Tara Dornelor Association of Tourism, Nature Friends International, ANTREC;
- -Year of establishment: 1995 2012;
- -Localization: Suceava, Hunedoara, Brașov, Maramureș, Tulcea, Covasna;
- -53% of the guesthouses have registered an average staying duration of 3 to 5 nights;
- -86% of the guesthouses do not receive any or under 30% of tourists through travelling agencies;

Along with this quick evaluation by means of the questionnaire, in order to get a global image of the problems in this field, as well as for purposes of identifying the solutions at European level, the following activities have been carried out:

- 1. Analysis of the Romanian legislation existing in the field done by a jurist;
- 2.Study of the situation existing in the rural tourism/eco-tourism in the following countries (with tradition in rural tourism): Spain, Ireland, Sweden, Austria.

These activities are part of the project called "Advocacy for environmental protection and sustainable development through tourism", implemented by AER in partnership with the Tara Dornelor Association of Eco-Tourism (AETD) and the Retezat Association of Tourism (ATR) and financed by the Foundation for Partnership and the Trust for Civil Society in Central and Eastern Europe from April 1<sup>st</sup>, 2013 to March, 31<sup>st</sup> 2013.

## Results of the research

Before presenting the centralized results of the research, we would like to underline the fact that these show strictly the respondents' opinion, therefore they comprise a note of partialism based on their own experience in interacting with the institutions which are responsible for the activity of guesthouses. Sometimes, the answers to some open questions stand as a proof of not knowing the laws in force or even the mislead of the respondent.

[HonţuşAdelaida, 2005]

## **Section A:**

The vast majority of the answers to this question refer to the amenities for serving meals, owners being dissatisfied by the fact that a 4 bedrooms guesthouse must have the same amenities as a restaurant. This way, it becomes clear that a small guesthouse cannot afford from a financial point of view to meet these requirements, being forced therefore to offer food services without authorization.

**Section B:** Food supplying services

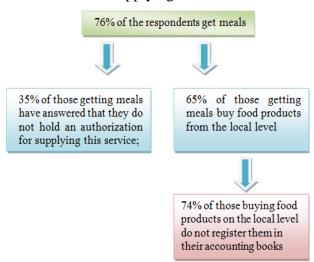


Fig. 1.Food supplying services

Out of those answering that they serve meals, 35% have answered that they do not hold authorization for this kind of service. Thus, 50% of all respondents do not serve meals at all or they do it without authorization especially due to the fact that legal stipulations are not adapted to the reduced size of this type of business. In most cases, this situation is to be seen at small and very small guesthouses (fewer than 5 rooms) that cannot afford from a financial point of view to equip proper kitchens at a restaurant's level.

## **Section C:** Authorization

The below diagram shows a few very interesting aspects. Therefore, as an answer to the question how difficult it has been to get the authorizations needed for opening a guesthouse, most of the reported problems had to do with the prevention and fire fighting procedures, as well as with the environmental and sanitary-veterinary requirements. For

classification purposes, it is important that over 90% of the respondents have declared that it has been very easy or easy for them to get the classification certificate.

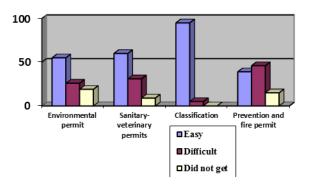


Fig.2. Diagramdifficultyobtaining the authorization (%)

Therefore, the conclusion is that the tourism legislation does not really represent an impediment for the owners of guesthouses, but rather the laws existing in other fields that have an impact over this economic sector. It is equally important the fact that almost 20% did not get any of the above mentioned authorisations.

Table 1. Problems encountered during the authorization

Environmental permit: Toolong time Bureaucracy Lack of information	Classification certificate: Toolong time Bureaucracy
Sanitary-Veterinary permit: Bureaucracy Toolong time Lack of information Bribe	Prevention and fire fighting permit: Tooolong time Costs Bureaucracy Lack of information

As far as the problems encountered during the authorization and re-authorization process are concerned, most have reported problems that have to do with too long time and bureaucracy. An interesting point of view is the one that has to do with the high costs for obtaining the prevention and fire fighting authorization, while very few problems have been reported in relation to obtaining the classification certificate from the Ministry of Tourism.

## **Section D:** Check-ups

This section provides a perspective over the activity of guesthouses. Practically, there are no less than 7 (seven) inspection institutions, each of these being able to do an unlimited

number of check-ups every year. It all leads to the conclusion that the owners and the managers of this type of accommodation structures are busy more with check-up inspectors than with tourists. The below diagram shows us the frequency of check-ups for each institution over the past two years. The conclusion is that fire brigade runs check-ups on a regular basis, once a year in most cases. Most institutions have carried out even more than 5 (five) check-ups to the same entity in only two years.

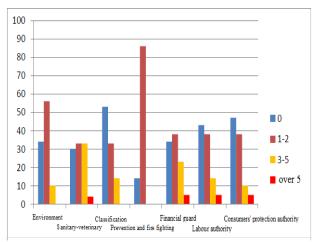


Fig.3. Frequency of check-ups

When being questioned with regard to the number of fines that they got during the past two years, the conclusion is that over 50% have got at least one fine, while 5% of the respondents have declared that they even got more than 5 fines. Despite all this, the majority have declared that inspectors have shown flexibility in awarding penalties.

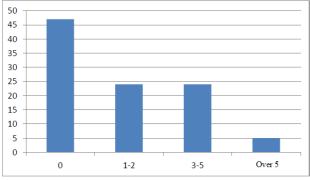


Fig.4.Number of fines

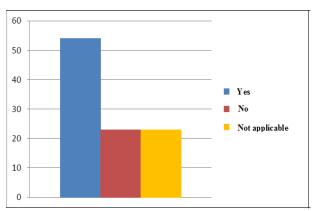


Fig.5. Flexibility in awarding penalties

## Section E: Tourism fee

As far as this research is concerned, it was a great interest in finding out if the destination of the tourism fee established by decision of the Local Council is known.

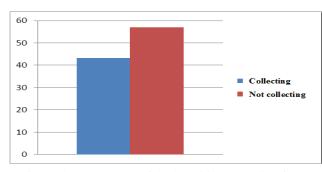


Fig.6. The percentage of the localities collecting fee

### CONCLUSIONS

Evaluation of the legislation in force.

One of the conclusions is that the fee is collected in 43% of the cases, but none of the respondents could not indicate how the collected amounts are spent. We would like to underline the fact that the respondents are

located mainly in the rural area, some of them poorly developed from a touristic point of view[Creţu, R.F., Şerban, E.C. 2011]. This explains the low percentage of the localities collecting this fee, but does not account for the lack of transparency on the authorities' side. Thus, from the point of view of the owners and managers of guesthouses, the laws in force in the field do not even succeed in scoring a passing level.

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280