

**RECRUITMENT AND SELECTION PROCESS OF HUMAN RESOURCES: A SAMPLE OF TRAVEL AGENCIES OPERATING IN FETHİYE**

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**Abstract**

The purpose of the study was to understand the recruitment and selection process of travel agencies' employees operating in Fethiye. The data was collected from the department managers hired in travel agencies operating in Fethiye and analyzed using the statistical package programs. According to the results, the selection criteria were different between incoming agencies and the agencies that were not incoming. Besides, there was another difference on the agencies that have human resource departments. This study aimed to help the applicants to understand the selection criteria of travel agencies.

**Keywords:** Travel Agency, Recruitment, Selection, Human Resources.

**Jel Classification:** M12

## **1. INTRODUCTION**

Travel agencies are the retail arm of the travel and tourism industry. In the same way that a clothes shop sells products to shoppers, so travel agencies retail their products to the general public. The difference between these two types of retail outlets, is that, unlike the clothes retailer, travel agencies do not buy in stock in advance, but react to the wishes of their customers before contacting the holiday companies. (Youell, 1995: 96) The number of staff working in travel agencies might be less than those working in industry managements but travel agency staff should have some abilities and skills.(Hacıoğlu,163) Not only do they need technical skills in reading timetables, calculating fares and an ability to write tickets, they also need good interpersonal skills in closing a sale and in being able to use technology (e.g. CRS). Agents also need to be able to explain the growing complexity of air fares and the conditions attached to them in simple, plain English.(Page, 2007:265) Therefore, travel agencies should find and select the right personnel and in order to achieve this, they should determine the right policy on their recruitment and selection processes.

## **2. TRAVEL AGENCIES AS A COMPONENT OF TOURISM INDUSTRY**

Tourism industry is the term to describe firms and establishments providing attractions, facilities and services for tourists. (Medlik,2003:166) Tourism industry provides tourists with the services and products they need to make their trip, such as transportation to get them there and hotels and restaurants to stay and eat in.(Spilsbury,2012:6) Travel agencies are active businesses in tourism industry which are related to the selling of traveling based products and services, specially package tours, to end user customers on behalf of third party travel suppliers, such as airlines, hotels, tour companies and cruise lines. (Singh,2008:1) Travel agencies earn commission from the principals whose products they sell. The commission payment is usually expressed as a percentage and varies according to the product being sold and the commission policy of the principal. (Youell, 1995:97)

The services to be offered by Turkish Travel Agencies were informed by the Law concerning Turkish Travel Agencies and the Association of Turkish Travel Agencies. According to the Law 1618 effective as of 04.09.1996, the services of travel agencies were; Organizing tours, transfer, reservation, information, organizing congress and conferences, renting out individual vehicles for tour purposes, selling tickets for transport vehicles and selling the products of travel agencies. ([www.tursab.org.tr](http://www.tursab.org.tr))

## **2.1 The Classification and Influence of the Agencies**

According to the Law 1618, travel agencies were divided into three groups such as Group A,B and C. Group A agencies were the most comprehensive of all agencies and could perform all the services specified above. Group B agencies sell tickets for international land, sea and air transport and tours arranged by A group travel agencies. Finally, group C agencies organise and sell domestic tours for Turkish citizens. Group B and C agencies can also carry out the services which are entrusted to them by A group travel agencies.([www.tursab.org.tr](http://www.tursab.org.tr))

Travel agencies can functionally be divided into two categories as incoming and outgoing agencies. The local travel agencies that serve the international tourists in agency's country are defined as incoming agencies(Öner,1997:95) and the agencies that organize trips to abroad are defined as outgoing agencies. (Mısırlı, 2002: 51)

Travel agencies have an important influence on customers' travel choice. Customers might apply to travel agencies to buy the tourism product. Almost three fourths of the travel customers rely heavily on the agent for guidance in selecting the carrier, for recommending a package/tour vacation or a hotel. An almost equal percentage rely on agents for help in picking side trips, sightseeing trips and for selecting car rental agencies.(Lundberg,1976:103) As the staff working in a travel agency is in contact with the customers, they should be able to explain product or service benefits in a clear and structured way and have good communication and listening skills.

## **3. RECRUITMENT AND SELECTION PROCESS OF HUMAN RESOURCES**

Employees are one of the most valuable resources companies have to remain competitive. They can also be one of the most expensive liabilities a company has if they do not match market and internal needs.( Segalla,Alfonso and Turati, 2001 : 41) An organisation may have all of the latest technology and the best physical resources, but if it does not have the right people, it will struggle to achieve the results it requires. When organisations choose the right people for the job, train them well and treat them appropriately, these people not only produce good results but also tend to stay with the organisation longer. (<http://businesscasestudies.co.uk>) In order to achieve the objectives, the organisations should find the right people which depends on an effective recruitment and selection process.

### **3.1 Recruitment Process**

Recruitment involves attracting a pool of qualified applicants for the positions available. (Treven,2001:180) In other words, the recruitment process provides the organisation with a pool of potentially qualified job candidates.

As tourism industry has a high employee turnover rate, tourism enterprises should analyze the positions in detail based on its development and forecast the employee demand to recruit appropriate members at the right time. After determining the demand for employees , recruitment in tourism enterprises should pay attention to the complementary of each other, because of their structures.(Xiaoting:438) While incoming and outgoing agencies have been working with different nationalities, cultural difference is another important factor that should be considered. National culture may be an important moderator of relationships between recruitment activities and outcomes across all phases of the recruitment process. By taking different cultural values into consideration, firms may be able to have an advantage over competitors.(Ma,2009:344) Recruiting might be done either internally by recruitment within the firm or externally by recruiting people from outside.(Yilmazer, 2010:106) Filling open positions with inside candidates has many benefits. First, there is no really substitute for knowing a candidate's strengths and weaknesses. Inside candidates may also be more committed to the company. Morale may rise if employees see promotions as rewards for loyalty and competence. Inside candidates may also require less orientation and training than outsiders. (Dessler,2005:162)However, a drawback of internal recruitment is that it refrains the organization from new blood. Also, not all the manpower requirements can be met through internal recruitment.

([www.managementstudyguide.com](http://www.managementstudyguide.com)) .

### **3.2 Selection Process**

Selection requires choosing the candidates from the pool whose qualifications most closely match the job requirements. (Treven,2001:180) Since the employee is considered as the most important factor in an organisation's success, selection process is one of the most important activities of human resources. The right choice will have a positive effect on the labor turnover rate which will increase the productivity and decrease training costs of the organisation. (Yilmazer, 2010:108)

The selection process typically consists of following step as initial screening interview, completing the application form, employment tests, comprehensive interview, background investigation, a conditional job offer, physical examination and the permanent job offer(Robbins, 1999:161)

#### **4.TRAVEL AGENCIES IN FETHİYE**

Fethiye, one of Turkey's most beautiful seaside towns that is located in South-West Mediterranean Turkey. It is a district of Muğla province and has approximately 200.000 inhabitants. ([www.fethiyelife.com](http://www.fethiyelife.com)) There are 204 travel agencies that have A Group business licensed in the town by the end of 2012 and 52 of them have been operating in town centre.(Fethiye TÜRŞAB)

#### **5.THE SURVEY**

Data for this study was collected from primary sources. Primary data was obtained by means of questionnaires. The data was collected from the general and department managers of travel agencies including operation, accounting, reservation, contract and area. The first nine questions of the questionnaire aimed to identify demographic characteristics of the travel agencies and managers. Questions between 10-11 asked to gather information on the sources used to select the administrative and non administrative staff . Questions between 12-19 intend to elicit information on determining which criterias were considered important on selection of the staff by different department managers. The statements were rated on a five point Likert scale as follows;

- 1-Strongly agree, 2-Agree, 3-Neither agree nor disagree, 4-Disagree  
5-Strongly disagree

All the A group travel agencies operating in Fethiye town centre were invited to take part in the study. The fieldwork which started in November 2012 lasted February 2013. Some travel agency managers were not co-operative hence 6 questionnaires did not return. 46 responses were received, achieving a response rate of 88.4%. The data collected from the field was edited, coded and processed using the Statistical Package for the Social Sciences.

Frequency analysis was conducted to examine demographic characteristics of the managers and travel agencies.Independent Samples t test was used to determine whether there was a difference on the answers between incoming travel agencies and the ones that were not incoming, travel agencies which have human resource department and the ones that have not and gender of managers.One way Anova

and Duncan tests were used to determine whether there was a difference on the answers between education level of managers, age of managers and department of managers.

## 6. FINDINGS

We used frequency analysis to determine the demographic characteristics. Of the 46 respondents 89,1% were male, 10,9% were female. 34 managers (73,9%) were ranging in age from 21 to 40. 13 managers have been working in the same agency with the highest ratio (28,3%). Almost half of the managers (47,8 %) were graduated from a secondary school. 93,5% of the organisations didn't have a human resource department. That means human resources department did not take part in recruitment and selection processes of 43 travel agencies. While 14 of travel agencies with 30,4% were incoming, the rest of them (69,6%) were not incoming. Incoming agencies welcome customers from abroad, providing them with services in the country where they're based. (worldvillage.com) During their stay, main priority of incoming agencies will be to ensure their customers have a fun and enjoyable holiday. Unlike the others, incoming travel agencies represent foreign tour operators. (Öner, 1997:95)

We used Independent Samples t test to determine if there was a difference on the answers of managers whose agencies were incoming and not incoming.

Factors with 95% confidence interval and under 0,05 significance level were exhibited on Table I as follows.

**Table I : Independent Samples t test Analysis Findings**

Characteristics	t	Df	Sig. (2-tailed)
Importance of driving license for accounting dept.	5,028	44	0,000
Importance of driving license for operation dept.	-2,516	44	0,016
The effect of business image on job applications	-3.896	44	0,000

**P<0.05**

According to Independent Samples t-test; the answers given by managers ,whose agencies were incoming and not incoming, differ in 3 statements. These statements were as follows.

**Statement 1:** Driving license is an important factor for the staff that will be employed in accounting department.

**Statement 2:** Driving license is an important factor for the staff that will be employed in operation department.

**Statement 3:** Business image is an effective factor on job applications.

According to incoming agencies, driving license was less important for the staff who will be employed in accounting department , but more important for the staff who will be employed in operation department. Operation department makes necessary arrangements of transportation, accomodation and so on for daily and weekly trips and transfers ( <http://www.goktepe.net>). It is considered that in order to decrease the transportation costs, incoming agencies use their own staff with driving license. Both incoming agency managers and the ones that were not incoming agree to third statement , but the attendance rate of incoming agency managers were higher than the ones that were not incoming.

We used Independent Samples t test to determine if there was a difference on the answers of managers depending on their genders.

**Table II : Indepent Samples t test Analysis Findings(Gender)**

Characteristics	t	Df	Sig. (2-tailed)
The importance of reference for accounting dept.	-3,217	44	0,002
The importance of reference for reservation dept	-2,749	44	0,009
The importance of gender for operation dept	2,229	44	0,031

**P<0.05**

According to Independent Samples t-test; the answers given by women and men managers differ in 3 statements. These statements were as follows.

**Statement 1:** Reference is an important factor for the staff that will be employed in accounting department.

**Statement 2:** Reference is an important factor for the staff that will be employed in reservation department.

**Statement 3:** Gender of the applicant is an important factor for the staff that will be employed in operation department .

According to men managers, reference was more important for the staff who will be employed in accounting and reservation departments. On the other side, gender of the applicant for operation department is more important according to women managers.

Independent Samples t test was used to determine if there was a difference on the answers of managers whose organisation has human resource department and whose has not.

**Table III : Independent Samples t test Analysis Findings(Human Resources Department)**

Characteristics	T	Df	Sig. (2-tailed)
The importance of diploma in business life	-2,294	44	0,027

**P<0.05**

According to Independent Samples t-test; the answers given by managers ,whose agencies has human resources department and whose has not , differ in 1 statement. This statement was as follows.

**Statement 1:** Diploma is an essential factor in business life.

Travel agency managers whose agency has human resources department agreed the statement more than the ones that has not human resources department.

We used One Way Anova to determine if there was a difference on the answers of managers depending on their positions at work. Factors, under 0,05 significance level were exhibited on Table IV as follows.

**Table IV: One Way Anova**

Characteristics	Df	F	Sig.
To be flexible at education level in order to find the right staff	in5	3,057	0,020

**P<0.05**

According to One Way Anova findings, the answers given by different managers , differ in the following statement.

“The firm should be flexible at education level of the applicant to find the right staff.”

While some reservation and accounting managers strongly agreed and agreed to statement, some operation and contract managers disagreed, some neither agreed nor disagreed to statement.

We finally used frequency analysis to find the sources(internal or external) that travel agencies used to employ administrative and subordinate staff.

**Table V : Employing Administrative Staff From Internal&External Sources**

Sources	Frequency	Percent
Internal Sources	30	65
External Sources	16	35

Of the 46 respondents, 30 of them used internal sources to employ their administrative staff. The rest used external sources such as newspaper, television and internet advertising.

**Table VI : Employing Subordinate Staff From Internal&External Sources**

Sources	Frequency	Percent
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Internal Sources	6	13
External Sources	40	87

Of the 46 respondents, 6 of them used internal sources to employ their subordinate staff. The rest used external sources such as newspaper, television and internet advertising, employment agencies, educational institutes, recommendations and so on.

## 7. CONCLUSION

The purpose of the study was to understand the recruitment and selection process of travel agencies' employees operating in Fethiye and help the applicants to understand the selection criteria of travel agencies. According to the results, 65% of travel agencies have been using internal sources to employ their administrative staff. 65% of organisations may consider an increase in employee's productivity as their motivation level increases. On the other side, 87% of organisations have been using external sources to employ their subordinate staff. Besides the other external sources, existence of vocational undergraduate and secondary schools in Fethiye, is considered to be an important source for organisations. Almost none of the travel agencies(6%) operating in Fethiye has human resource department. That means human resources department did not take part in recruitment and selection processes of 43 travel agencies. Besides recruitment and selection, the main functions of human resource department are; job design, job analysis, planning, hiring, induction, performance evaluation, compensation management, training and development, employee movements, welfare administration, health and safety administration, discipline administration, grievance handling and labour relations ([www.tutebox.com](http://www.tutebox.com)). Therefore we consider lack of human resources department is a drawback for 94% of travel agencies in Fethiye. 14 of 46 travel agencies were incoming. That means, they meet the guests, transfer them to their accommodations, organize trips and solve their problems that might occur during their holidays. According to independent samples t test analysis findings, compared to agencies that were not incoming, driving license was an important

factor for the staff employed in operation department. As mentioned above, operation department in incoming agencies makes necessary arrangements of transportation, accomodation and so on for daily and weekly trips and transfers; so that we consider, in order to decrease the transportation costs, incoming agencies use their own staff. Travel agencies that have human resources department agreed the importance of diploma in business life more than the ones that have not. Qualified staff were assumed to increase organisation's professionalism therefore we consider, travel agencies that have not human resources should be aware of this fact and select their staff accordingly.

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