

THE USE OF THE DASHBOARD IN THE TOURISM AND PUBLIC FOOD SERVICE UNITS

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Abstract:

Tourism and public food service are complementary services, where requirements are high. Due to the fierce competition among tourism units, the monitoring of the activity can be a veritable performance management tool. The emergence of the dashboard was a consequence of managers' needs to monitor a complex of indicators clearly showing how an activity is managed. In an increasingly unstable environment, tourism and public food companies tend to attach maximum importance to the responsiveness and the flexibility. The paper aims at presenting a dashboard model for the tourism and public food units.

Keywords: dashboard, tourism, public food, performance, sustainable development

JEL classification: Q 01, Q 56, L 83

1. INTRODUCTION

Management decisions in the tourism industry are made and implemented on the background of the action of interfering factors. The origins of these factors are both inside and outside the entity. In relation to the pressures exercised for these factors, manager can have a reactive behavior - trying to implement changes to adapt the entity to changes in its external and internal environment, is a proactive behavior - trying to anticipate changes in its external and internal environment in order to prevent the negative effects of these changes. In order to achieve an efficient management of tourism and public food entities, it is necessary to monitor and report performance, for which purpose several tools can be used, such as: the dashboard, reporting and balanced scorecard.

In recent decades, the financial models for assessing the company's performance began to be increasingly criticized, the opinion being that the company must achieve, in addition to the economic performance, overall performance including social and environmental performance. For sustainable development, the new economy needs rethinking from the environmental and social perspective, and the economic sciences must evolve in order to provide answers to the environmental problems manifested with increased intensity. Tourism industry, a part of the economy of any country must also fit into the requirements of sustainable development. The concerns for sustainable economic development emerged amid scarcity of resources available to mankind. In 1968, a group of scientists, industrialists and high officials from ten different countries founded a club that aims to analyze the world situation and the development trends. This club was later known as the Club of Rome. The main conclusions reached by the Club of Rome were as follows:

- mankind is facing resource depletion and an intolerable increase in the volume of waste; the economic growth is finite;
- such an economic growth must be invented.

The term *eco-development* was first used at the United Nations Conference on Environment held in Rio de Janeiro in 1972. Between this concept and the concept of *sustainable development*, subsequently presented in 1987 in the Brundtland report entitled "Our Common Future", there is a great similarity. It is now generally accepted that the development that destroys natural resources cannot be called development.

Sustainable development is a type of development that creates viable economic structures in time and provides economic growth and welfare on this basis. A sustainable economic system can be created only taking into account the principles of sustainable development. Currently, environmental policies are found in a growing number of companies, including tourism and public food ones. The adoption of these policies is made either under the pressure of the legal provisions in the field, or voluntary. Currently we are in the era of knowledge economy, but also of the green economy.

2. FEATURES OF THE PUBLIC FOOD AND TOURISM ENTITIES

Tourism is an important part in the structure of the economy of any country, being today one of the most dynamic components of services. Tourism is often associated with conditions such as relaxation, contemplation, inspiration and detachment of the routine of big cities, problems that most people face. In this context, it is not surprising that tourism has become so appreciated by consumers, and recorded a rapid evolution. Emotional considerations play an important role, as tourism is based on an emotional experience that leads to various degrees of attachment depending on the memories created through it.

Tourism is and has been a journey, an exploration of new territories as I. Ionescu (2003, pp. 15-24) recounts in his book, the events that favored the emergence of tourism begin over 2100 years ago when Cian – Tian, one of the great explorers of the time travelled to the lands of Central Asia in order to obtain the first geographical data about the mountains and waters of this area. Travel was also an opportunity to gather essential information about botany, zoology and mineralogy, about original human settlements, and even about the art of oratory and language. If in the past the access to certain destinations was difficult, with the discovery by the Chinese Emperor Hoang - Ti in 2637 BC of the magnetic needle and its quality (known today as the compass), and later in 200 BC of the meridian calculated by Eratosthenes, the degree of visiting continents and regions was simplified.

Due to the fact that public food is considered a service included in the tourism, we believe that it is useful to present this sector. The importance of public food is acknowledged by tourists and its dynamics in time is shown by the need to adapt offers according to the age, geographic region and specific lifestyle. Consumers appreciate the pleasant atmosphere, the friendly and well prepared staff, the timeliness of the serving, the quality of the taste of the traditional and exotic preparation recipes. All this significantly contributes to the creation of memories related to that destination.

In order to outline a clear picture of public food it is necessary to divide it into activities such as production and distribution of food and beverages, the supply of goods, the consumption of the productions on the spot or outside the units, and the creation of an ambiance favourable to relaxation and leisure for customers (P. Nistoreanu, 2002). The emergence of these serving entities dates back to antiquity, developing together with tourism. Taverns and inns are the first structures of this kind, where customers were hikers and travellers, who enjoyed meals at fixed hours with pre-established prices.

In terms of tourism, gradually, the demand for these services and the diversified competitive offer determined their improvement, the advantage immediately being the

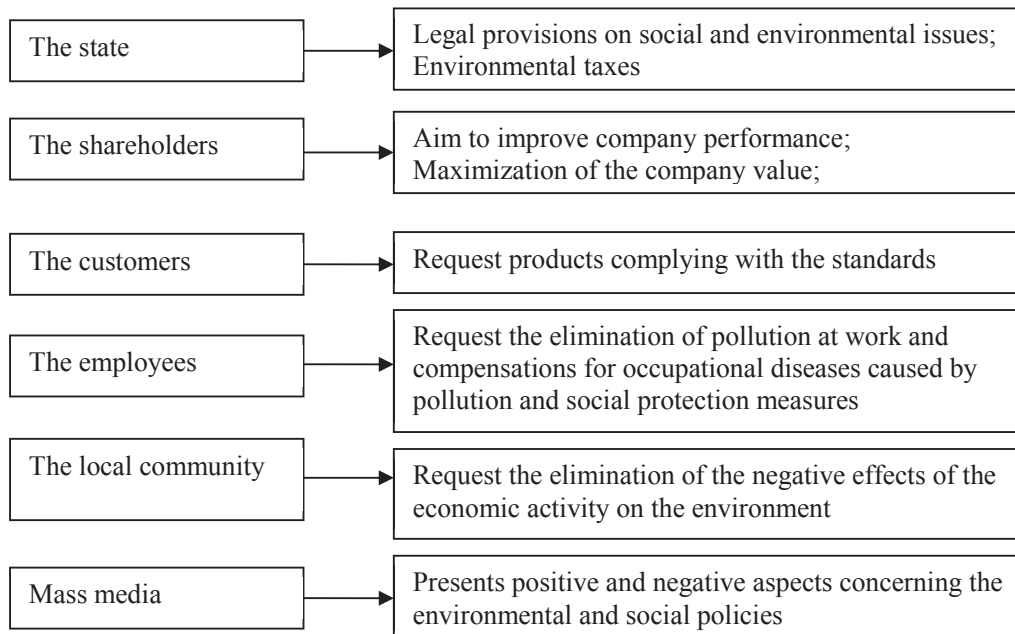
tourist customer loyalty increase, and the creation of a recognized brand coupled with a quality assessed as high; attracting new tourists in the respective destination; developing the local and national economy with well-known positive effects. We should take into account that any new designed to develop tourism requires funds (provided by local or national budgets, situations in which the development of the economy contributes to the tourism in terms of value), adequate strategies and policies, energy and innovation aimed at achieving the needs of tourists.

The expectations of the visitors are increasing, thus the tourism formed in time a complex nature. Tourist satisfaction depends on many factors, the internal – accommodation services being insufficient. The factors that support tourism are generally indispensable, are represented by the quality of the public food services, of the health, transport and infrastructure ones, the state of the natural environment and cultural elements, the diversity of the ways to spend time depending on the relief and the organization.

Most researchers agree that the development cannot be built only from the perspective of the environmental protection, the 3 pillars vital in creating sustainability being represented by the economic, natural and social fields. Sustainable development can be seen as an integrated, complex system that only operates if all its components are accessed for their concomitant evolution. To the 3 pillars, the culture one was added later, which supports other areas of development - traditions, customs, history, and all that is specific to a geographical area are elements included in the tourism potential.

Looking from another angle, the tourism impact is one aspect that cannot be neglected, the footprint of technical and economic progress is increasingly higher, thus, the infrastructure not adapted to the fragility of the environment and its requirements, as well as the alterations and tourists' lack of respect for residents' culture are only some of the negative influences of this sector. Due to the need to practice responsible tourism that meets the specific requirements of the sustainable development with the specificity of tourism, ecological tourism or ecotourism emerged, which has in comparison with other types of sustainable tourism the tourist training and education activities.

The tourism and public food establishments are pressured to achieve overall performance by a number of persons both inside and outside the entity, as shown in figure 1.



Source: prepared by the authors

Figure 1. Sources of pressure on the company on social and environmental problems

Tourism and public food are complementary areas where the demands are high. In the process of choosing a travel package luxury and comfort prevail, tourists paying to low attention to the effects of these holidays. We believe that sustainable development involves an internal change, a lifestyle that can be provided in time, as a result of an increased awareness of the need for change among population.

Companies working in public food and tourism have a major impact on the environment. Their activities can affect the environment through: waste remaining from tourists, high consumption of materials and supplies, pollution with dust and various powders released, pollution by dumping used cooking oils and leftovers, noise pollution and others. Public food and tourism entities can contribute to the protection of the environment through the selective collection of waste and by educating customers in this regard. In Romania you can see at some chain restaurants a campaign to encourage customers to practice the selective waste collection.

The aspects presented above lead to the need to use a dashboard that should reflect the overall performance of the entities operating in the tourism and public food fields. Consequently, the dashboard for tourism and public food entities should include both financial and non-financial indicators.

3. THE DASHBOARD - GENERAL ASPECTS

The dashboard was developed in France in the interwar period to tackle deficiencies in the accounting system starting from the analogy between this instrument and the dashboard of an aircraft. The emergence of the dashboard was a consequence of managers' need to track an ensemble of indicators that should clearly present how an activity is carried out. In an increasingly unstable environment the responsiveness and flexibility of the company can make the difference between success and failure. The evolution in time of the form and functions of the dashboard followed closely the development of the company management concepts.

The dashboard can be viewed as a useful tool for information and signalling because it compares the observable reality in a certain period of a company with the previously set objectives. By highlighting deviations from the expected level of the relevant indicators and their analysis it is possible to identify slippage and errors which is a prerequisite for the correction of the path of the company;

The dashboard is also a pilot tool, consisting of a set of indicators that allow managers to know the current situation of the company and identify its future trends. The use of the dashboard is also useful for assessing performance because it allows for the assessment of the results of the actions, and the dialogue between managers of different hierarchical levels. The use of such a tool allows for the application of self-corrective measures in time.

Most times, the dashboard is seen as a tool for the short-term action, including a limited number of indicators related to important decisions and to the objectives of the company, the purpose being to highlight the differences between the targets and the achievements of company.

The dashboard is a useful tool for steering the activity of the company, or, as highlighted by C. Caraianni and M. Dumitrana (2008, p. 400), of the action and the resources used to achieve the targeted performance. Therefore, to steer a company is to lead it towards the achievement of the objectives derived from its strategy, it means the current implementation of the strategy.

If we take into account the opinion of the author A. Profiroiu (2003), a steering system must meet a series of requirements:

- To be adapted to the structure of the organization in which it is integrated;
- to allow for focusing the attention on priorities, objectives and risk factors;
- to be constantly evolving and improving. It adapts to the people who animate it and who evolve towards a “managerial maturity” themselves.

With a very suggestive expression, J.Daum (2005) urges us to make an analogy between the dashboard of a company and the dashboard of a car or of an airplane, claiming that the purpose of a dashboard is not to determine the deviations from the plan after arrival/landing (at the end of the accounting period) in order not to make corrections for the following race or flight, but to allow for interventions during the race or flight.

The conclusion that emerges from the above mentioned facts is that the dashboard is not intended to monitor each process (the company, like a car or an airplane is a complex system) but it aims to focus on the key factors of success. Thus, fast reactions and the adoption of decisions despite the complexity of the steered system are allowed.

In relation to the opinions expressed in the specialty literature, in our opinion, the dashboard is a tool that managers can use to manage company performance. The dashboard allows for regularly measuring and monitoring aspects of the company activity such as the use of resources (humane, financial, material and informational).

4. THE DASHBOARD OF A TOURISM ENTITY

In a tourism entity several dashboards can be created. A general dashboard will monitor the activity of the whole tourism ensemble and will serve the information needs of the general manager. In each activity performed in the entity we can create a dashboard. Thus, we can design a dashboard for monitoring the accommodation activity and a dashboard to monitor the public food activity. The most important indicators of these two dashboards will be taken over in general dashboard.

Table 1 presents a model of general dashboard that can be used at a tourism entity.

Categories	Indicators
Activity indicators	Occupancy rate
	Average income on occupied place
	The productivity (Turnover/average number of employees)
	Average cost /tourist day
Financial indicators	Operating profit on 1000 RON operating incomes
	Turnover increase
Indicators concerning the customers	Customer Satisfaction
	Number of complaints from customers
Sustainable development indicators	Amount of waste recycled
	Employees sent to training courses

Source: prepared by the authors

Table 1. Proposal for a general dashboard at a tourism entity

The dashboard presents, in addition to several certain advantages, a number of limitations. Thus, certain information is repeatedly recorded both in the situations requested by the dashboard as well as in the current reporting of the company to various bodies. If the information collection, registration, transmission and processing is made manually, the workload is high, resulting in high staff costs and late obtaining of the value of the indicators.

The biggest drawback of the dashboard is its undefined structure. Due to the lack of predefined performance areas, there is a risk of implementing a dashboard that contains a set of performance indicators unbalanced from the financial and non-financial, strategic and operational point of view, and concerning the effectiveness and efficiency.

CONCLUSIONS

Often companies pay, in their dashboards, too much attention to the financial perspective compared with the recommendations in the specialty literature. Financial and budgetary dashboards contain financial indicators only. Financial indicators present a historic performance rather than forecasting future performance. Another disadvantage of the financial indicators is that they incite to investments that would bring immediate results at the expense of long-term value creation. Good short-term results should be followed but they should not take priority over the long term performance of the entity and its sustainable development. This perspective exists at microeconomic level and generates effects that spread over the whole society in its social, environmental, economic and cultural plans supporting the beginning of an era of beneficial changes in their understanding of the need of applying the equity principle and of the concept of sustainable development at global level.

Dashboards are often too complex, containing too many indicators. The risk is that important issues get lost in the multitude of information. The indicators are focused too much on the internal perspective and too little on the values concerning the customers and the external aspects.

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