Abstract

The authors wanted to demonstrate the management of Istrian touristic management resources emphasizing current conditions and development prospects. The main idea was an hypothesis: if the touristic management and the resources management is organized and strategically planned, positive synergy effects can be expected in each level of touristic management, and through the years, the positive impact to all destination will be a fact. That is also truth for Istrian undeveloped areas, such as middle istrian villages. Although Istria boasts reputation of a region with positive potentials, one must emphasize there are still undeveloped areas, a high number of uneducated population, shortage of staff in educational institutions, all which requires a more professional approach to the issue of management. Middle istrian villages can also become an interesting touristic micro – destinations. This research, first of its kind in the County of Istria, has attempted to gain a realistic insight into the condition of the Istrian County territory. The research has been conducted by means of
Delphy method in two intervals, the theory analysis method, observation and interview on a sample consisting of 34 local self-government units (municipalities and cities). Questions were replied by heads and municipal prefects of local self-government units and others in charge of management. The research objective was to determine the type of help and who provided it as well as the type of management required for a more quality development and touristic management. Though the Istrian region has been recognized as a quality tourist destination for years, its possibility for a bigger and better step forward must be pointed out in terms of managing the destination itself. To achieve optimal solutions, professional management modules and innovative guidelines set by tourism trends and new European programmes must be followed in order to adjust them to destination needs and requirements.

**Keywords**: tourism, management, resources, development, Istria.

**JEL Classification**: L83, O1, R11

1. **INTRODUCTION**

Starting from the basic definition of a management being a process of shaping and maintaining the environment in which individuals, working together in groups, efficiently achieve selected goals (Werhrich, Koontz, 1998.), we have reached the conclusion that quality management resources depends on many factors. Istrian territory has long been characterized by various issues which have resulted in its delayed development, including the loss of human resources, insufficient staff education and unsystematic touristic management, various natural, cultural and historic resources which has had a direct impact on the development of the tourism and the economy itself. This paper was written as a guideline for achieving a basic goal of presenting new solutions and answers to questions of managing Istria as a quality tourist destination. Having observed an increasing need for a more efficient tourism management, based on a balanced development and the use of potentials i.e. resources, this dissertation explores actual assertions and possibilities of new perspectives. Tourism destination management is a complex challenge requiring a multidisciplinary and interdisciplinary approach, synergy and coordination of all tourism entities, leading to the same result. The authors provided detailed information on the existing management style as well as findings resulting from the multi-month long field work based on the future of managing Istria as a tourist destination.
2. DEVELOPMENT MODEL OF TOURISTIC DESTINATION THROUGH IMPROVING EDUCATION AND NEW PRODUCTS

Resource management are general an extremely important link int he entire touristic development of a destination or region. The professional knowledge and not the politics is the only possible champion of management and development oft his or any other touristic region. The research has given insight into the presence of management in the delivery of the Istrian rural area development touristic programme, and the findings have shown the insufficient number of elementary expert staff. Due to insufficient founds, unresolved property issues and weak motivation as well as insufficient state incentives, most raw materials are imported and of questionable quality. In view of agriculture as the main business activity in rural areas of Istria, until few years ago, farmers have not been permitted to sell their products to their guests legally and on their own prices, but they were forced to transport their products to larger touristic towns to be sold. However, the situation today is a little bit different, but the problems of touristic development in rural Istrian areas (int he middle villages), are still an issue to resolve. Rural tourism development associations are still emerging in Croatia lacking professional employees. Schools in many villages are relatively badly equipped. We belive that a large chain of this process has been determined by human resources as a carrier of Istrian development towards a rich and respectable region. Furthermore, based on obtained research results, methods of tourism destination quality management have been offered. If tourism destination management is organized and synergistically conducted under agreed guidelines, more quality tourism results in line with those achieved by top destinations in our competitive regions can be expected.

Though the Istrian region has been recognized as a quality tourist destination for years, its possibility for a bigger and better step forward must be pointed out in terms of managing the destination itself. To achieve optimal solutions, professional management modules and innovative guidelines set by world tourism trends must be followed in order to adjust them to our needs and requirements. A certain reorganization of some management branches as well as permanent staff education is essential for tourism in Istria and Croatia as a whole. Cooperation between individual administrative bodies in the County is not satisfactory nor systematically organized. It depends on affinities of individ-
ual heads and other employees in administrative bodies. In terms of education, there is an insufficient number of employees with university degrees in regional self-government bodies as well as a very low number of the employed with the master’s degree (M.sc/M.A.) and a doctorate (Ph.D./D.Sc). One of the key tasks of the new development model must be evaluation and recognition of products and services for each micro-level. In this light, such programme development must include all interested parties, local development carriers from private, public or civil sectors in the County of Istria. Local and regional programming is of extreme importance because it is the only way for determining real local needs and rural touristic development. It is also important to propose a compromise when faced with choosing between local needs and available resources. As this paper has been focused on the issue of management as the basis for the very process of tourism destination development, it has been necessary to obtain opinions, experiences and suggestion from local tourism institutions and players to reach correct solutions based on obtained research information. The existing condition of Istrian tourism management as well as the condition of the destination itself is certainly not unsatisfactory. However, available resources and rather broad experience in tourism should contribute to the increased quality of the Istrian region as a tourist destination.

3. IMPLEMENTATION OF LEADER PROGRAMME PRINCIPLES IN RURAL AREA DEVELOPMENT

“Rural development is a new developmental model of the agricultural sector” (Plog et al., 2000, p. 392). “Apart from the increase in agricultural production competitiveness, it also includes protection of the environment, land management, diversification, improvement of life in rural areas and LEADER approach (Liaison Entre Actions de Développement de l’Economie rurale), which means that all the initiatives for starting of activities should come from the local community” (Moehler, 2006, p. 56). “One of the basic characteristics of rural development implementation in rural communities is putting an accent on local population, by which it is validated as a main factor of the overall rural area development. It is this particularity of trust in people who live in rural areas and in their abilities to discover what suits best their environment, culture, work traditions and skills itself that makes the LEADER Project special” (Štifanić, Debelić, 2009, p. 8). Connecting at the local level brings people together in or-
der for them to exchange their experiences and knowledge, inform themselves and promote rural development activities, find project partners, as well as create a feeling of belonging to a larger entity, such as the local action group.

During recent years in Croatia, there have been intensive talks about rural development. Plans and programmes are being produced, development strategies and laws are being proposed, legislation is being coordinated with the EU and the means/funds from the EU programmes, intended for those purposes, are being used (CARDS, INTERREG, SAPARD and other). However, in order to implement the rural development plans and programmes, Croatia needs expert consulting assistance from the EU, as well as a greater self-initiative. Given that Croatia is a candidate for accession to the European Union, it should dedicate itself more to familiarising with the experiences of the other EU member countries in the process of rural development in order to avoid other countries’ mistakes. The first analyses and evaluations of the EU rural development policy show that the means from the EU funds were mostly spent on structural measures, namely approximately 34%, which includes the increase in competitiveness, i.e. investment in companies and food production, assistance to young farmers and earlier retirement. Approximately 38% of means were spent on environmental protection, soil quality improvement, afforestation and natural resource protection. “A large part of the means was also spent on the preservation of old, traditional crafts, village reconstruction, improvement of life quality in rural areas, as well as the preservation of tradition for the purposes of the development of tourism in rural areas” (Montelone, Storti, 2004, p. 139).

Equally, rural tourism also, “as a growing business in the tourist industry offers many benefits to the local community development. It can be developed locally, in partnership with small businesses, local government, other agencies in the area and its development is not dependent on external or large companies’ decisions” (Kumrić, Franić, 2007, p. 135). The Leader approach supports innovative approaches and stimulation of unexploited resource development, or, just a different view on existing issues; the problem of rural areas, its preservation and sustainable development had been recognised in Europe much earlier than in Croatia. One more principle by which this programme is recognisable is local financing and management, which gives big powers to the LAGs in decision making and financing of specific programmes.
3.1. **Leader Programme principles**

Fundamental principles of the LEADER Programme in the rural communities sustainable development are based on the characteristics of the areas to which they are applied, which means that an attempt has been made to use own unexploited resources. This principle emanates from the participants’ need to base their development on local values.

According to the Leader’s action groups, there are four main values of this programme:

1. decentralised, integral approach, based on a specific area’s characteristics
2. community involvement
3. uniting of development bearers at the local level

For example, *the bottom-up* approach (typical for Italy), as opposed to the majority of developmental plans, is a completely opposite approach, by which an attempt was made to encompass the largest possible number of participants who would influence the decision making process for an area. Literally everyone who wishes and believes that they can assist the developmental process, whether it concerns the inhabitants or the public, private, or some other sector representatives. “The *bottom-up* approach means that the local factors take part in the decision making processes pertinent to the strategy and selection of the priorities which should be implemented in their local area. The European experience has shown that the bottom-up approach should not be considered as an alternative or contrast for the top-down approaches of national and/or regional authorities, but that they should be combined in order to achieve better overall results” (Štifanić, Debelić, 2009, p.11).

Therefore, the principles based on good European practice and LEADER approach are:

- Sustainable rural development which is based on preservation and development of environmental, human, social and creative/productive capital.
- Approach based on area characteristics, as they form a foundation for quality development.
• Starting up the community, as it lags behind in inclusion in developmental processes and needs support in order to get involved in developmental processes.

• Bottom-up approach – today’s development is not possible without involvement of the public. This is why all available forces in local communities should be involved in order to, by richness of ideas and possible solutions, as high a quality as possible development could be achieved.

• Development of local partnerships in approaches and actions – presently, fragmented initiatives are often condemned to failure beforehand, they lack power and trust.

• Networking and cooperation, as well as connecting, synergistic acting in developmental processes, exchange of knowledge and experiences, both in today’s modern Europe and here, in Croatia.

• Innovative quality and tradition, together with sustainable rural development, but innovations are essential in order for traditional values to be represented in a new and market competitive way.

• Integral approach – sector division is a frequent cause of problems in development. Horizontally, inter-sector linking, as well as the vertical one, linking of local, regional and national institutions, is of great importance in realisation of sustainable rural development.

• Local financing and project management – it is extremely important that local level activities should also be financed from local budgets.

4. LEADER PROGRAMME FUNCTION AND ITS ROLE IN RURAL DEVELOPMENT

Member countries of the European Union apply the rural development programme Leader in strengthening the local development as a counter-balance for europisation. In the period between the years 1991 and 2006, Leader I, Leader II and Leader+ Programmes demonstrated a new approach for integral and sustainable rural area development, strengthening local communities’ developmental policies.

In the solution of the problem of a less favourable position of rural Europe in comparison to the urban, the Leader programme represents a new social
and economic model (Ray, 2001, p. 280). In analysing rural development programmes in the European Union and in Croatia, an attempt was made to concentrate on the Leader Programme as a new and innovative approach to the development of rural community, village and agriculture. In the period when Croatia is negotiating its accession to the European Union we can observe the results of the Leader Programme and principles and give recommendations for its application in Croatia. The main advantage of the Leader Programme was the bottom-up approach, which helped activate local resources for the purposes of local community development. Additionally, it involves the local population who has the closest insight into the developmental opportunities and who is deemed partly responsible for and more dedicated to the project than the external active participants. Such an approach is not in opposition to the top-down approach in the sense of the influence coming from the top of the state, regional authorities or through relevant ministries. For Croatia, the Leader Programme is considered to be positive for the purposes of rural development and we expect fast adjustment of local active participants in the creation of LAGs, as well as strengthening of their role as developmental factors. For example, we find the first institutional initiative of that kind in the Istrian County’s attempts to include the Leader Programme in their rural development (Laginja and Ćorić, 2000). One of the non-government organisations using the Leader Programme principles is the Croatian Rural Development Network. After the years of informal work, in January 2006, it was formally registered with the task of gathering and representing civil society organisations which deal with the sustainable rural development of Croatia (www.odraz.hr, of 23. 10. 2011).

5. CONCLUSION

The research provide a good direction and a base for forming a single management and development strategy emphasizing the education of a new management staff, focused on individual growth as well as comprehensive development. Although oriented on the Istrian Region, conclusions can be transferred to other Croatian territories. The main advantage of the Leader Programme was the bottom-up approach, which helped activate local resources for the purposes of local community development. Additionally, it involves the local population who has the closest insight into the developmental opportunities and who is deemed partly responsible for and more dedicated to the project.
than the external active participants. Such an approach is not in opposition to the top-down approach in the sense of the influence coming from the top of the state, regional authorities or through relevant ministries. Only by managerial approach, respecting all managerial functions, is it possible to realise the concept of management and development as, objectively speaking, the situation in rural areas is stagnant and advancement cannot be felt. Regardless of the fact that it concerns the investment in the economic and non-economic sectors, it is possible to realise such an approach. If one wishes to have efficient management in the Istrian Region, one should also establish a system of quality communication, systematic monitoring and provide as much financial support to the entire development as well as to educate new people and work on increased education of the entire population. Equally, a team of people with managerial competencies, with knowledge about the matter of rural area management, can and ought to conduct rural development actions and stimulate the implementation of the EU programmes for rural part development.

Cooperation alone in that area goes further than the networking itself. It involves Local Action Groups which carry out a mutual project with another LEADER group, or with a group which has a similar approach in another region, member-country, or even in some third country. “Cooperation can help LEADER groups to bring into focus their local activities. This can enable them to solve particular problems or to add value to local resources”. (Štifanić, Debelić, 2009, p.27). The cooperation projects are not only a simple exchange of experiences; they have to include specific mutual projects, ideally conducted within a common structure. This system implies the establishment of institutions which come with costs, which can be non-profits ones, while founds needed for their operation can be found in various incentives and other self-governing measures. Correct solutions require pursuing professional management modules, which will demand certain reorganization as well as modern education in the management area.

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