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Abstract: Currently, an estimated 100 million tourists visit the Mediterranean region annually. Due to the seasonally increasing demand of multilingual and cost effective workforce in the field of tourism, the employers have to deal with financial and HR planning challenges. Despite the serious effect of the economical difficulties and crisis of certain Southern countries such as Greece or Spain on the employment rate, the tourism sector still can indicate continuously increasing. This paper aims to find answers to the following questions: Which are the major benefits of participating in mobility programs and gain work experience in the field of tourism from the students' perspective? Is the employment of interns cost effective solution compared to hiring of local workforce? Is it sustainable on long term?

Keywords: international mobility, Mediterranean, seasonal labour, Erasmus+ work experience, HRM

1 Relevance of the topic

Despite of the continuously rising unemployment rates in the Mediterranean labour markets, the tourism sector shows significant growing in case of more countries such as Greece, Malta or France where guest night have been increased by more than 40% between 2005 and 2014 [1]. Unemployment is negatively related to tourism and the bigger employers of classic holiday destinations

survived the economical crises and still can produce positive numbers regarding the guest nights and its contribution to the GDP [2].

Rising the participants of the Erasmus+ international mobility programme contribute to the increasing seasonal workforce needs of employers and hotels in the Southern countries while guarantee cost effective and flexible solution to their strategic HR planning difficulties and due to the multilingual and qualified interns the general level of guest service can be developed as well.

This paper presents comparative analysis for hiring local workforce versus interns in the context of flexibility and cost effectiveness which are the keywords of Human Resource Management (HRM) strategies of the Mediterranean enterprises.

2 European Mobility programs

2.1 EU Cohesion Policy, the origin of the mobility programs

Europe is the world's most fragmented continent, especially considering the linguistic or cultural, economic or the geographical perspectives. Today we distinguish — on various level of independence- about three hundred subunits, mentioned most of the time as regions. The natural and cultural regionalization have a rich history in Europe, however the supra-national integration organizations have an important role in the development and strengthening of the European regionalism. To this comprehensive indirect process the EU institutions contribute enormous financial support on regional level.

The EU's main investment policy, the Cohesion Policy, targets all regions and cities in the Union in order to support business competitiveness, sustainable development, job creation, economic growth underpins solidarity and improve citizens' quality of life. It has also strong impact on several other sectors like the EU objectives education, energy, the environment, R&D and innovation.

Relating to the topic, the free movement of workers should be noted as one of the four freedoms enjoyed by EU citizens [3]. This includes the rights of movement and residence for workers, the rights of entry and residence for family members, and the right to work in another Member State and be treated on an equal footing with nationals of that Member State. Restrictions apply in some countries for citizens of Member States that have recently acceded to the EU. The rules on access to social benefits are currently shaped primarily by the case law of the Court of Justice [4].

In case of the higher education, training and the present research, the European Commission's key department should be pointed out: the Directorate General for Education and Culture. It is the executive of the EU and responsible for the guidance on education, culture, youth, languages, sport. The contentious points through a variety of projects and programmes, namely Creative Europe and Erasmus+ are supported and supervised by them. One of these parts, the Strategic

framework – Education & Training 2020 policy is conceived to support national action and common challenges. Some examples are ageing societies, skills deficits in the workforce, and global competition [5].

2.2 Erasmus+ and work experience

The Erasmus+ regulation was signed at the end of 2013. The new programme combines and supports (budget of €14.7 billion) all the EU's current schemes for education, training, youth and sport, including the Lifelong Learning, Youth in Action, moreover the 5 from the international cooperation sphere (Erasmus Mundus, Tempus, Alfa, Edulink).

Within the framework of the Erasmus+ Programme over 4 million Europeans have opportunities for mobility by transnational partnerships which are also highlighted among Education, Training, and Youth organisations to connect the world of Education and Work in practice [6].

In regard to the training/work experience abroad, Erasmus+ programme improves employability while provides opportunities for students to gain work experience in international environment, allowing them to practice languages and learn new skills. Preparation is an important part of the activity and can include cultural and practical preparation as well as language classes (via Erasmus+ Online Linguistic Support) [7].

2.3 Erasmus+ Traineeship opportunities in the Mediterranean

Within the framework of Erasmus+ Programme, students can study or gain working experience abroad for up to 12 months (during each cycle of tertiary education). Considerable proportion of placements concerns the field of tourism and hospitality for the following reasons:

- 1. Hotels provide significant number of open positions which do not require previous experience or relevant studies, but the increased needs cannot be fully covered based on local labour force.
- 2. The demand of hiring multilingual staff from abroad is growing in the field of tourism.
- 3. Many enterprises use services of recruitment agencies, cooperate with educational institutions or student organizations in order to simplify the recruitment procedure.

Erasmus+ programme provides different amount of scholarship for the participants according to the rating of the host country. In the case of Hungarian students this financial support is between 400 and 600 Euro per month. Moreover, interns might receive salary/"pocket money" and other allowances such as free accommodation or meals on duty.

Host Country	Scholarship
Countries with high living expenses:	600 € / month
France, Italy, United Kingdom, Austria, Finland, Sweden,	
Denmark, Ireland, Norway, Liechtenstein, Switzerland	
Countries with general living expenses:	500 € / month
Spain, Germany, Turkey, The Netherlands, Belgium, Czech	
Republic, Portugal, Greece, Slovenia, Croatia, Luxembourg,	
Cyprus, Iceland	
Countries with low living expenses:	400 € / month
Poland, Romania, Hungary, Lithuania, Slovakia, Bulgaria, Latvia,	
Estonia, Malta, Macedonia	

Table 1 Country categories according to the amount of monthly Erasmus+ scholarship Source: [8]

If we compare profitability of traineeships from the point of view of a Hungarian student, the difference is significant. On the basis of 12 weeks long internship, Erasmus+ programme offers min. 400 Euro monthly scholarship, which is approximately net 125.000 Forint. If the hosting country is Hungary, the monthly salary of an intern is approximately net 63.000 Forint based on the current regulation [9].

In addition to the financial advantage, participating in Erasmus+ programmes expand the possibilities of acquiring experience abroad, offer excellent language practising opportunity and allows students to discover cultural differences.

3 The tourism sector and labour costs in the Mediterranean countries

3.1. Country profiles, share of the tourism sector

Among the Mediterranean European Union member states, the present research reflects on Cyprus, France, Greece, Italy, Malta and Spain. In these countries the tourism and hospitality sector has large impact on the national economy and labour market.

The tourism market is one of the largest economic sectors in most of these countries, therefore governments are in an attempt to reduce the tourism seasonality effect, aims to extend the tourism season as much as possible.

Since Greece counts approximately 22 million visitors annually (2014), and the tourism employs almost the 10% of their workers, not to mention the 3 million related jobs in Italy, clear is that all the efforts should be taken to improve the sector and offer more along the Mediterranean coastline. Tourism to Malta is highly diversified with lower than average seasonality when compared to other Mediterranean destinations. The 16.0% of total employment worked directly in the travel & tourism, while a total of 77 550 students followed courses at local English language specialised schools [10].

	Tourism sector's direct contribution to the GDP	Tourism sector's direct contribution to the rate of employment	Change of youth unemploy ment rate (2005-2014)	Change of nights spent (2005- 2014)	Minimum wage* (EUR)	Average internation al trainee salary** (EUR)
Spain	5,6%	5%	+33.6%	+0.3%	764,40	~300
Greece	7%	9,4%	+26.6%	+40.6%	683,76	510
Cyprus	7%	7,7%	+22.1%	-21.0%	~870	~500
Malta	14,7%	16%	-4.4%	+42.5%	728,04	~150
France	3,6%	4,1%	+3.9%	+44.6%	1 466,62	554
Italy	4,1%	4,8%	+18.6%	-7.6%	~1008	~400

Table 2
The tourism sector and labour costs in the Mediterranean countries

Sources: [11]; [12]; [13]; own data

The most well known Mediterranean destinations are Spain and Greece, despite of the highest rising of unemployment rate during the last 10 years (+33.6% and +26.6%). While Greece could gain expressively the number of tourist (+40.6%), Spain products small change in numbers (+0.3%). The biggest winner of development of last ten years was France, which represents the lower rate change of unemployment (+3.9%), while could increase the number of guest nights by +44.6%.

^{*} Countries without defined minimum wage set by the government in European Union (these countries have some collective bargaining agreements), the minimal wage was calculated according to national statistics (in this case Cyprus and Italy)

^{**} Based on national statistics and own data

In regard to the labour cost, Mediterranean countries shows significant differences, but supporting of employment of interns is common interest. Each country defines lower minimum wage in case of employment of students, which ensures that the younger generation can gain useful work experience while the companies benefit from the lower labour cost.

3.2 Seasonal labour in the tourism sector of Mediterranean

Based on the geographical differences of the Mediterranean, the seasonality of tourism shows notable differences compared to the Northern countries. Due to the weather conditions, most of the hotels operate only between April and November and close during the winter months Effective Human Resources Management (HRM), especially recruitment strategy is a challenging task for the enterprises in the field of hospitality and critical for the success.

3.2.1 Recruitment methods

Due to the seasonality, the staffing need of the hotels is not permanent. The high number of seasonal, temporary positions cannot be covered by local workforce easily. Studying the Greek labour market, the reasons can be attributed to the following [14]:

- Inflexibility of the labour market: hiring and firing practices, protective rules, and collective or individual dismissals are heavily regulated.
- The demand for individuals with high qualifications does not match with the supply, caused by two reasons: Firstly, the relation between the labour market and education is weak. Secondly, high percentage of student study abroad and individuals choose their studies according to their financial status not according to their employment perspectives [15].
- Training systems for the unemployed do not link to the needs of the labour market.
- Local workforce is less involved in manual labour, impact of immigrants on the labour market is beneficial.

The method of hotel chains for sourcing candidates can include many different channels. The method consists of practices such as holding job fairs abroad, online recruiting, cooperation with recruitment agencies, developing university relations and hosting internship programs. In many cases, hotels entrust employment or recruitment agencies as part of their strategy. An agency can save businesses the hassle involved with the initial screening of outside resumes, assessing qualifications and checking references. Establishing direct partnership with sending institutions (colleges and universities, vocational schools) can provide permanent supply of interns, which guarantees the most flexible cost effective solution for the seasonal labour needs of the hotels [16].

3.2.2 Need of more flexible working practices

High percentage of the positions in the hotel sector (except managerial level) does not require previous experience or relevant studies (assistant waiters, chambermaids and kitchen helpers).

According to the rapidly changing staffing needs during the season, based on the changes of the bookings, the key to maintaining a sufficient workforce is to recruit and retain young practitioners for these positions.

Without cost effective and flexible interns the necessary changes cannot be implemented in practice quickly. Recruiting local, full time workers can be a difficult and slow process, and collective or individual dismissals are heavily regulated.

4 Measure and Methods

The study is supported by primary and secondary data. Primary data was collected by an international student exchange agency coordinates Erasmus+ and different work experience placements to the Mediterranean area. The program participants filled in an online registration form which took approximately 5 minutes to complete. The database contains detailed information about gender, age, nationality, address, language skills, preferred position and location, salary expectation. The collected data indicates the final, completed placement information as well such as duration, position, host country, salary. Sensitive personal details of the participants (name, punctual address, date of birth, etc.) have been removed, the review and analysis were done anonymously.

Total number of applicants is 2225 (full-time students or fresh graduates), mostly (97.5%) from Hungary heading to one of the Mediterranean countries (Spain, France, Italy, Cyprus, Greece or Malta). The rest of the participants (2.5%) are from other countries of the EU. The average age is 24.55 years. There is significant difference on the basis of gender. 69.61% of the candidates are females, 30.38% are males, which means female applicants have about two times higher mobility potential regarding the Southern area.

5 Discussion of the Results

5.1 The students' benefits

The results revealed that mobility programs have positive impact on the students based on the following conclusions:

5.1.1 Higher, but established salary expectations

The 20-24 years old age group has the highest unemployment rate (29.4 %) in Hungary compared to other age groups [17]. The unemployment rate of males in the Hungarian population is 7.4% (with university degree) and 4.3 percent (with college degree). The same indicators in case of the female population are 11.4 and 5.0% which indicate major differences regarding finding an employment in Hungary [18]. The important differences between the employment possibilities of the two genders revealed based on the dissimilar monthly salary of the entrants – males earn approximately 55.000 Forint (~177 Euro) more than females [19]. In regard to the research of the database there was no correlation between the probable salary of the entrants in Hungary and the expected salary during the Erasmus+ placements.

Salary expectation of the male and female participants are almost equal and indicate realistic demand in regard to the scholarship amount of the most popular host countries such as Greece and Spain.



Figure 1 Average monthly net salary of the placed students in different countries $(\mbox{\ensuremath{\mathfrak{E}}})$ Source: own data

The average salary expectation of students is 393.03 Euro (per month) which is 65.37% higher than the net minimum wage in Hungary (80.000 Forint (~257 Euro) [20]. Total number of placements in the experimented period was 1151 which means 51.7% of the applicants have found traineeship position successfully. Based on the data about the placements, the average monthly salary of an intern is 394 Euro.

5.1.2 Higher earning potential compared to the Hungary

If the compulsory traineeship is hosted at a Hungarian company, the normative monthly wage is 60% of the national minimum wage, which points out the financial benefits of mobility programs from the aspects of student.

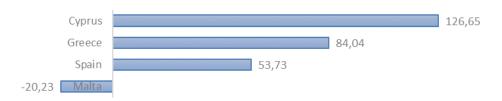


Figure 2

Percentage of general monthly salary of interns compared to the Hungarian minimum trainee wage.

Source: own data

The biggest demonstrable difference appears in case of the placements of Cyprus, where the average monthly salary is 527.50 Euro, which is 126.65 percent more than the available salary in Hungary. It is followed by Greece (84.04% higher internship salary) and Spain (52.7%). In case of Malta the difference has negative direction (-20.2%) due to the lower monthly salary. Practice shows that in case of Maltese placements, students are granted by their sending institution (Erasmus+scholarship), which means monthly 400 Euro contribution to the traineeship program.

In regard to the country preference, 50% of the candidates applied to Greece, 44% to Spain, 4% to Cyprus and 2% to Malta, which indicates individual preferences as well beyond prospective salary.

5.1.3 Improvement of language and personal skills

The main reason of increasing the time gap between finishing the studies and the graduation is based on the lack of the proper language skills and necessary language certification required by the studies [21]. The findings of this research seem to indicate that there is correlation between increased number of participants in the age group 23-26 (61.85% of the candidates) and the need to improve language skills due to their studies.

While studies indicate that over-education cannot help individuals to find employment, participating in Erasmus+ programme in a foreign country can help develop the language and personal skills of the students due to the multilingual working environment [22]. Previous studies examined relationships among training, job satisfaction, and confidence of future career possibilities. The author found that students perceive their work experiences positively [23].

5.2 Perspective of hotels/enterprises

The results revealed that mobility programs have positive impact on the hotels based on the following conclusions:

5.2.1 Benefits of multilingual staff

From the aspect of the employer, employment of multilingual students or fresh graduates can increase the quality of their service provided for the guest, and can reduce the difficulties of the integration of new employees due to the lack of language barriers, and can increase productivity due to more effective communication in the organization.

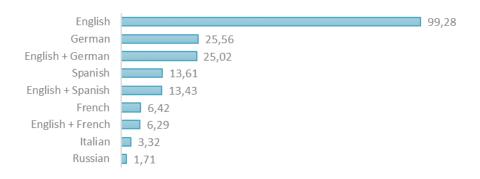


Figure 3
Percentage of applicants based on spoken language(s) (%).

Source: own data

99,28% of applicants speaks English, followed by 25,56% of German speakers which shows similar results as the survey of Tempus Public Foundation which demonstrates that 89.8% of fresh graduates speak English and 65.7% speak German [21], 57.9% of the students speaks just one language, 42.9% of them can use 2 or more foreign languages. The most remarkable combinations are English and German (25.02%), followed by English and Spanish (13.43%), and English and French (6.29%). The results show that rate of Russian speakers is very low, only 1.71% of the students can use it in daily interactions.

5.2.2 More flexible Human Resources Management (HRM) planning

Managerial positions have to be filled in before the hotel open (in case of seasonality) or number have to be stable if the hotel operates all year round. In regard to the positions which effected by the number of bookings, the margin is bigger. The recruitment strategy of the following positions has to be directly proportioned to the number of the guests in a particular period of the season: chambermaids, waiters, kitchen assistants.

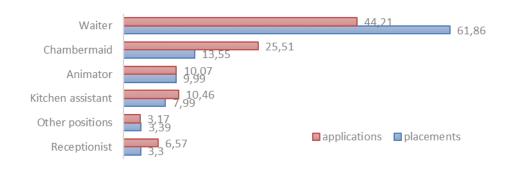


Figure 4 Comparison of percentage of applications and successful placements according to positions. $Source: own \ data$

44,21% of the student applied for waiter position, 25,55% for chambermaid, 10,46% for kitchen assistant, 10,07% for animator, 6.57% for receptionist while the 3,17% preferred other positions. Animator and receptionist positions require previous experience and one extra language beyond English which confirms the lower application and placement percentages compared to the standard positions which requires just one spoken language and no previous experience. 83,32% of the student have been placed in waiter (61,86%), chambermaid (13,55%) or kitchen assistant (7,91%%) positions, while the jobs with higher requirements display 13.29%.

Experiment of the duration of the internship indicates that the average length of a traineeship in the Mediterranean is 3,8 months. These are approximately 15 weeks long short-term contracts can help the enterprises to cover their increased number of open positions in the peak season. If the number of scheduled reservations drops, the wage cost of untapped trainees is still competitive compared to the employment of local, permanent workforce.

5.2.1 Reduction on wage costs

The result of analysing the database regarding the placements indicates that the amount of attainable reduction of wage costs is significant.

To present the numerical differences, details of internship contract of a famous Spanish hotel chain have been highlighted. The concerned enterprise asked for anonymity. In 2015, 65 students have been placed at the enterprise as an intern during the year (hotels operate all year long). The average monthly salary was 335 Euro, while 46 students received 350 Euro/month, 19 interns earned 300 Euro/month. 32 of them worked as waiter, 13 as kitchen assistant, 11 as chambermaid, 6 as receptionist and 3 as animator. The average length of an

internship was 4.06 month. The total wage cost of the 65 students was 89.610 Euro in 2015. In this year, the minimal wage in Spain was 764.4 Euro. In case of employment of locals, the wage cost of 65 workers for the same working hours (which covers 263.4 months) would have been 203,050 Euro.

The result indicate that employment of interns reduced the wage costs of the Spanish enterprise by 55.9%, which saving rate can increase if we take into account further costs, such as tax and social security contributions have to be paid by the employer.

Based on the completion of the same calculations in case of the internship placements of other Mediterranean countries, the results indicate the following:



Figure 5

A comparative analysis on wage costs savings in case of Erasmus interns compared to. local workforce

Source: own data

In case of the Spanish hotels, the total saving is 823 623 Euro (54.54%), followed by Greek ones, where the amount is 599 283 Euro (35.12%). Enterprises of Malta could save 75 388 Euro, but this country indicate the highest percentage of saving, 79.40 % as most of the trainees are granted almost only by Erasmus+ scholarship. Hotels in Cyprus saved 45 190 Euro (36.94%).

In regard to the total number of placed participants the student exchange agency assisted to save 1 560 695 Euro for its clients in 2015, which indicates 45.46% saving on wage costs for the hotels.

Conclusion

The results revealed that mobility programs have positive impact on the students and offer outstanding financial benefits over against a domestic placement. In case of gaining work experience in the Mediterranean, the average monthly benefit of a student from Hungary can be ~700 Euro, if the sending institution provides Erasmus+ scholarship beside the salary received from the local employer. Furthermore, the accommodation and meals are always provided for free by the hotels to their interns, which result excellent allowance compared to the placement options with no assured accommodation.

While the student can enjoy the numerous advantages of participating in a mobility program, the enterprises benefit from the possibilities of employing multilingual individuals and can save significant amount of wage costs due to the financial characteristic of internships. According to the presented research, 42 enterprises of the Mediterranean reduce their overall wage costs in 2015 by 1 560 695 Euro, which indicates 45.46% savings as an impressive result of internship programmes.

To maximize the benefits and to be able to cover their seasonal employment needs, hotels tend to establish cooperation with sending institutions and develop HRM strategies for the employment of interns in the future.

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