

**YASAR UNIVERSITY
INSTITUTE OF SOCIAL SCIENCES
DEPARTMENT OF TOURISM MANAGEMENT
MASTER THESIS**

**DEVELOPMENT OF TOURISM INDUSTRY IN THE REPUBLIC OF
KAZAKHSTAN USING EFFECTIVE WAYS OF HUMAN RESOURCES**




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TEXT OF OATH

I declare and honestly confirm that my study “*Development of Tourism Industry in Republic of Kazakhstan using effective ways of Human Resources*” and presented as a Master’s Thesis has been written in accordance with scientific ethics and traditions, all sources have been cited and included in the bibliography.

Date:

Signature:



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Izmir, 2016

ABSTRACT

Master Thesis

DEVELOPMENT OF TOURISM INDUSTRY IN REPUBLIC OF KAZAKHSTAN USING EFFECTIVE WAYS OF HUMAN RESOURCES

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The role of Tourism and Human Resources are significant in the global industry. Nowadays, most of the countries as a base of tourism development are trying to develop their personnel management system in order to make it more comfortable and attractive for tourists. This thesis focuses on how Human Resources are engaged in the Tourism Industry and aims to discover interrelationships between Tourism Industry and Human Resources of the Republic of Kazakhstan. Furthermore, observing employment data on the tourism sector is a significant step in gaining a better understanding of employment structure in tourism industries and for analyzing its importance for development of tourism in the Republic of Kazakhstan. The thesis focused on defining input of employees to the tourism sector, and explains the dependence of the tourism industry on employees' quality. The main human resource challenge for the tourism industry related to the creation of effectiveness of the labour productivity. Qualified and skilled workforce leading source of high competitiveness which stimulate development of job prospects. Improvement of tourism sector by means of Human Resources is a good strategy for tourism industries as it is consist of many segments. Tourism is diverse and each sector has many job opportunities. All these sectors of the tourism industry have to focus on increasing productivity of employees in order to stay competitive

and contribute to the development of the tourism industry in the Republic of Kazakhstan.

Keywords: *Tourism Industry, Human Resources, Tourism Services, Unemployment*



ÖZET

Yüksek Lisans Tezi

ETKİLİ İNSAN KAYNAKLARI YÖNETEMLERİ KULLANARAK KAZAKISTAN CUMHURİYETİ'NDE TURİZM ENDÜSTRİSİNİN GELİŞİMİ

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Sosyal Bilimler Turizm Yüksek Lisansı

Turizm ve İnsan Kaynaklarının küresel endüstride rolü önemlidir. Bugünlerde ülkelerin çoğu turizm gelişimi için temel olarak turistler için daha rahat ve ilgi çekici olması için kendi yönetim sistemlerini geliştirmeye çalışmaktadır. Bu tez İnsan Kaynaklarının Turizm endüstrisi ile nasıl bağlantılı olduğuna ve Kazakistan Cumhuriyetindeki Turizm Endüstrisi ve İnsan Kaynakları arasındaki karşılıklı ilişkilerin ortaya çıkarmaya odaklanmaktadır. Ayrıca, Turizm endüstrisindeki istihdam yapısını daha iyi anlamak ve Kazakistan Cumhuriyeti Turizm Endüstrisinin gelişimi için önemini incelemek için turizm sektöründeki istihdam verilerini gözlemlemek önemli bir adımdır. Bu tez turizm sektöründe çalışanların verilerini tanımlamaya ve turizm sektörünün çalışanlarının kaliteli olmasına bağlılığına odaklanır. İnsan Kaynaklarının, Turizm Endüstrisindeki temel zorluğu iş verimliliğinin etkinliğinin yaratımına ilişkindir. Turizm çeşitlidir ve her sektör birçok iş imkanına sahiptir. Kazakistan Cumhuriyetinde rekabeti sağlamak ve turizm endüstrisinin gelişimine katkıda bulunmak için turizm endüstrisinin tüm bu sektörlerinin çalışan verimliliğini arttırmaya odaklanmalıdır.

Anahtar kelimeler: *Turizm Endüstrisi, İnsan Kaynakları, Turizm Hizmetleri, İşsizlik*

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ABBREVIATIONS

CA	Central Asia
CAREC	Central Asia Regional Economic Cooperation
GDP	Gross Domestic Product
HR	Human Resources
HRD	Human Recourses Development
HRM	Human Resources Management
KZT	Kazakhstani Tenge
RK	Republic of Kazakhstan
UNESCO	United Nations Educational, Scientific and Cultural Organization
USSR	Union of Soviet Socialist Republic
WTO	World Tourism Organization
WTTC	World Travel & Tourism Council

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INTRODUCTION

The Republic of Kazakhstan reveals the rapid growth and development in tourism nowadays. The tourism industry of Kazakhstan become competitive and attractive in the global market of tourism. Growth of tourism in Kazakhstan contributed to improvement of private and state entrepreneurs in tourism sector, provided job opportunities for population and increased flow of the foreign currency to the country. The tourism development is significant in the national economy as tourism stimulates the production of products and services. Great impact of tourism for the economy of Kazakhstan is income of foreign currency annually.

Development of the tourism creates a possibility of reduction of the unemployment in the country and increasing the number of labor forces in the tourism. It is vital to state that increase of income of the population effect on life standards, making it more comfortable and wealthy. Tourism development also has influence on the growth of tourism entrepreneurs in the Republic of Kazakhstan. As a result the growth of entrepreneurs will generate work places in tourism industries. Development in Tourism in the Republic of Kazakhstan depends on various factors such as productivity of the tourism activities, improvement of tourist infrastructure, and specialized manpower in the tourism industry. Emphases will be concentrated on tourism development through the effectiveness of the human recourses and its management of personnel. The main task of human resources in tourism is extremely important and other significance is planning and managing specialized labor forces in the field of tourism.

The performance of the services is related to the knowledge and quality of the personnel. Therefore qualified and experienced human resources can have a positive effect on customers' preferences and behavior which will lead to the satisfaction of the tourism sector. As a result, it will be platform for enhancing the number of tourists in country. Enhancement of tourists' arrival to the country will provide establishment of different types of the entrepreneurs as a base of increasing employment in population. For example, travel agencies are engaged in small and

very large businesses. Tourism firms mostly generates different job profiles such as travel counselors, advertising managers, tour guides.

This study aims to demonstrate the effects of human resources in the tourism industry as a leverage of development of tourism in the Republic of Kazakhstan. Research consists of three parts. Primary part of the study focuses on the concept of tourism and the tourism industry in the Republic of Kazakhstan. The second part of the study includes significance of labor force in the tourism industry in the Republic of Kazakhstan. The third part of the study report on the findings demonstrate connection of human resources and tourism industry. The results will illustrate though the correlation analysis of the tourism industry and human resources in the Republic of Kazakhstan.

CHAPTER I

1. STRUCTURE OF TOURISM INDUSTRY AND TOURISM IN THE REPUBLIC OF KAZAKHSTAN

1.1. An Overview of Tourism Industry

Tourism is a sector of production units in different industries that supply consumption goods and service demanded from visitor's side (WTO, 2015). Tourism is a valuable economic activity in different countries in the globe. Tourism is considered as one of the major elements of the economy and interacts with many different economic activities. Continuously growth of travel business in the world states this importance in the economy (Cooper et al., 2011:17). Travelling is the way of life for tourists and for individuals as well. It will always be a priority for people in the world despite their ages and status. Tourism industry establishes great opportunity to develop economy in the future, as it occupies all branches of the tourism industry. This sector takes leading role being one of the dynamic and productive industries of economy (McIntosh et al, 1995:4). High rates of its development, large volumes of currency flow have impact on various sectors of economy that promotes forming of tourist industry. An important benefit of a tourist industry is what in case of rather small investments allows gaining income at the same time.

MacIntosh et al. (1995:10) noted that tourism is not a single cohesive industry, but have impacts in many traditional sectors and activities from basic to advanced service industries: restaurants, airlines, hotels, cafes, bars, theme parks, nature reserves, theater, hiking, biking all are a part of tourism. Tourism obtains all geographic scales, such as villages and beaches and other natural resources (Chambers, 1997: 110). The industry of tourism is varying and includes a set of the services for customer satisfactions: hotels, tourist firms, fitness centers, sports fields etc (McIntosh et al, 1995:10). The tourism sector is involved in utilization of human resources the countries and it is possible to assume tourism as the world's largest generator of budget and wealth of the country (Budeanu, 2005). Tourism is

one of the biggest employers in the world, providing employment to a number of people, from specialists of directly tourist industry, to transport workers, means of placement and a huge number of the most different entertaining organizations (Leiper, 1995:15). It is supplied and managed by private and public institutions starting from travel agents, and international and domestic tour operators and so on (McIntosh et al, 1995: 8).

Tourism itself is a complex phenomenon, tourism is diverse and it's difficult to give exact definition (Crick, 1988). Definitions for tourism have common description as tourism is involving travelling and a temporary travel to a place away from home (Smith, 1989:15). Tourism in initial sense was understood as temporary movement of people and stay of people out of the permanent residence (Hunt and Layne, 1991). However, in the course of historical development content and sense of this concept constantly were changing and adding some additions. People's choices and their expenditure are main determinants of the demand for tourism. Tourist who is considering spending a holiday away from home has an amount of money, or budget (Sinclair and Stabler, 1997: 15). Tourism occupies all components of an economy are individuals, private businesses, enterprises (Sinclair and Stabler, 1997:17). Development of the tourism started to have influence not only on the world's economy but on economy of the particular countries and regions too.

There is noticeable transformation of tourism as an independent industry of national economy stimulates satisfaction of particular requirements of the population. These requirements are satisfying not only the tourist objectives, but also the objectives of other industries that influence on tourism as one of the factors which effect to the development of economy. The large numbers of tourists and the amount of their expenditure has influential effects on the income, unemployment, employment, government income, stability of payments, culture of destination areas and environment. (Sinclair and Stabler, 1997: 20). Exactly thanks to these properties tourism is a budget forming industry of economies of many island states. In addition, tourism creates extra workplaces, promotes investments income into the country. Tourism became leverage factor for integration processes around the world and vital sector in world economy.

1.2. Systems Approach to Tourism

A system is a group of interrelated elements that together forming one functional structure. System theory clarifies and organizes phenomenon that is complicated to describe (Leiper, 1975:30). Systems also can consist of subsystems and interrelates with each other as a part of large structure. Analyzing tourism from system approach shows that tourism is phenomenon that consists of several components which have interaction with other systems. According to Leiper's (1995:32) tourism system tourism requires five main elements:

1. Tourist
2. Tourist producing region
3. Tourist destination region
4. Transit route region
5. Travel and tourism industry

Travel of tourists between residence and travel destination through the transit region is the main flow energy inside the system. In here it could be different influential environments and external system in which tourism system is involved. External factors can have crucial effect on formation of tourism systems. Apart from that tourism systems can have influential effect on external environments. As an example we can mention that tourism stimulates a destination economy or can help to develop relation between countries (Weaver and Lawton, 2000:22). The internal structure of the tourism system is complicated. Most of the tourist flows hierarchical in nature; they involve different destinations and transit regions, travels among those destination regions. Tourism system is not only related to travel of tourists, but also consist of accommodation facilities and transportation across the world (Leiper, 1995:32).

1.2.1. Tourism Strategy Sub-system

Tourism Strategy Sub-system is a management sub-system which provides support in policy cases to all sub-systems concerning tourism in the country. For instance,

at the destination full consequences of tourism are felt, planning and management strategies are implemented (Rojek and Urry, 1997:107). The major aim of tourism strategy sub-system dealing with directions of policy in order to establish stable growth in tourism. Growth in economy looks though as a generator of employment, and creation of innovative programs to urge tourism to develop. Sub-system determines a nation's attitude to growth of tourism and this shows distribution of the taxation, incentives for opening new destinations, capacities. Policy matters work on preserving cultural resources and natural resources of the country. The main role of the governmental regulators is to develop a strategy of tourism for the country. The structure of the policies varies from country to country, different countries have various policies.

1.2.2. HRD and Tourism Strategy Sub-system

Present time tourism is one of the superior industries in the world (MacIntosh et al, 1995:54) Tourism development increases both social and economic profits, development of infrastructure. Tourism is one of an economic sector and has opportunity to meet demand in well trained and educated workforce for different facets of tourism management. There is a huge necessity of human resources who have ability to plan, improve, control and train workforce for managing travel agencies, operating tours, and being guides (Thomas, 2008:135). According to this statement HR occurs as primary factor for determination of competitive advantages for the tourism industry. Proficient and experiences personnel can provide satisfactory context to tourists.

The role of this sub-system is to create a resource of trained employees for number of tourist activities. Having trained human resources ensure tourism industry with managers who manage the work and staff who deal with a client's (Ashraf and Mathur, 2003). It is extremely important to train labor power who gets an education in understanding of management system, relation of management, comprehension of human nature, having knowledge of needs of client, who arriving from foreign country, exposure to money transactions. The skilled HR manager in tourism is a primary tool to implement the main policy. The existence of trained

workforce can be source of creation an impact on policy making (Cook et al., 2007: 55).

1.2.3. Tourism Facilities Sub-system

Sub-system of tourism facilities is included destinations, food and beverage, accommodations, transportation and entertainment. Destinations consist of resorts, health recreation centers, holiday homes, it is seen as a temporary accommodation. Apart from that destinations include places as heritage places, old forts, city sights which is experienced from old time's glories. Other destinations include spiritual experiences such as worship temples, sights of worship. Traditional destinations as very common such as museums, zoos, safaris, botanical gardens are continue being popular among destination places. Destination management is about delivering a qualified experience to the visitor and to manage the consequences of visitation at the destination (Cooper, 2012:25).

Cooper (2012: 26) stated that accommodations as hotels, resorts, hostels, pensions are main generator of employment and income to tourism. Food and beverage is main component of hospitality industry, another main facility which increases satisfaction of travel and customer is transportation. Entertainment being as a part of tourism industry also involves hiring labour force. Entertainment could include different types of shows, music, magic concerts, animal actions, planetariums, water shows, water games, theatrical parks and museums such as parks, wax museums.

1.2.4. HRM and Facilities Sub-system

All areas of tourism demand HRM. This sub-system has both diversity and complexity the work of facilities. The operational need facilities demand good skills in communication and friendly attitudes, knowledge about trade and basic power of the subject. All these facilities are interrelated. For instance, tourists who is arriving to some destination with specific purposes will require transportation to reach the place, accommodation to stay over, food and beverage, health care insurance and other needs. All of these are vital in tourism travel. Managing all of

these facilities in a professional manner and creating suitable conditions for tourists is important and reflects interrelation of HRM and tourism facilities (Cook, et al., 2007:57).

1.3. Tourism and its impacts

Tourism become one of the fastest spreading industries in the world and has social impact, environmental and economic impacts (Angelo and Vladimir, 1998: 44). Impact of tourism is clear demonstrated in most of the destinations. According to Young (1973), some of the impacts have positive influences and other show negative. Tourism has beneficial impacts on the development of the countries. This statement reveals beneficial impacts of the tourism as growth of the local economy, creating promotion of the destination, increasing number of new jobs worldwide, in order to develop tourism local communities such as education and health projects are supported, conservation of the environment and protection of some endangered species. Tourism impacts can be observed in three impacts on tourism consisting of economic, social, and environmental impacts (Pedersen, 2002:23).

1.3.1. Environmental impacts of tourism

Environmental impact is stated to be the most visible impact of tourism. Environmental impact is defined as changes to the environment. Preservation or restoration of ancient sites, the creation of national and wildlife parks and protection of forest results of positive and beneficial impact of the tourism (Cooper et al., 2004:120). There can be numerous negative impacts as well, and some of these issues importance become vital worldwide. In negative impact of the tourism possible to mention about deforestation and soil erosion in some countries, pollutions river, lake, the disturbance of wildlife, and the last one air plane travel gas emission which is very common in nowadays. Additionally, its considered to mention air pollutions, disproportional visitor numbers, car pollution, threatening the animal life, and the reducing natural resources for local societies (Wight, 1993).

1.3.2. Social impacts of tourism

Social impact of tourism as other impacts of tourism can have negative and positive impacts. Angelo and Vladimir states that social impact consists of the effects that the presence or action of other individuals can have on the locals' behavior, feelings, emotions, and beliefs. However, it can have negative impacts on country residents. Despite that tourism can also be seen as a positive effect as increasing local pride, socio-cultural awareness and peace. Tourism development provides shared infrastructure for tourists and local communities (Angelo and Vladimir, 1998:45).

1.3.3. Economic impacts of tourism

Tourism have an influence on the growth of the employment and give positive results in financial flows to the local economy. It can offer job opportunities for the population. Several authors stress concern about the economic impact that it refers to the changes in the income in the economy of a region or a country. Income between industry sectors, population groups, or local areas also affect positively on tourism. Tourism arrivals have improved the economic situation in many countries, especially small ones. (Cook et al., 1998: 59). UNWTO (2014) summarized how tourism can influence on the economy, first of all an economic power which provides job opportunities, budget income; visitors are sources of economic impact for a countries ad destination.

1.4. Domestic and International Tourism

Domestic tourism refers when the travel occurs beyond a people's usual environment but within their country. The idea of usual environment, used only in terms of domestic tourism. Residents of the border town become tourists in time when they cross the international borders. (Weaver and Lawton, 2000:25).

International tourism represents type of the travel of residents outside of their country. This type of tourism refers to two distinctions such as outbound tourist and inbound tourists. Outbound tourists plan a travel outside their country and leaving country of residence in order to visit other destination, and inbound tourists arrives in a place of destination which is varied from their place of

residence. International tourism requires language, currency and visa implications (Cooper, 2011:11).

Tourism considered as an activities of people's leisure time.

The following types of tourism:

- Outbound tourism includes residents of any country traveling to specific destination;
- Domestic tourism is when residents of a country plan trips only in the territory of their country;
- Inbound tourism is when s non-residents arriving to the other country (Cook et al., 2007:20).

Any trip has certain motives of travelling. There are several purpose of traveling.

For the purposes of the trips most often classifies on (Cooper,2011:13):

- Leisure and Recreational tourism;
- Sightseeing tourism, involving exploring natural and historical attractions;
- Business tourism purpose related to business meetings, conferences and so on;
- Shopping tourism

1.5. Travel Purposes

Tourism has been a major growth industry globally for over five decades. Travel developed for health, social, cultural and business reasons. (Angelo and Vladimir, 1998: 38). Travel is a crucial part in our lives. Travelling helps us to understand ourselves and investigate the world. Travelling broadens mind and breaks stereotypes according to countries and nationalities. Visits of unknown destinations and experiencing new relationships help to understand the world and yourself better. Nowadays people are eager to travel and finding new and more purposes of travelling.

Angelo and Vladimir (1998) claimed valuable three factors which define the amount people spend for travel are employment, income and household wealth. It is related to the more money people earn, the more likely they are to travel, the more frequently they are likely to travel, and the farther they are likely to travel. Factors which effect on the increase also generates the growth of incomes, it helps

to develop infrastructure, create interest on developing transport. Apart from that, it effects on creating noticeable changes in lifestyles of consumer, effect on customers' values. It also provides improvement of infrastructure in tourism, growth of leisure time, self-education, special events, promotion of natural resources, growth of destination marketing, and so on (Matias et al.,2007:69).It is possible to use visiting purposes as a classification of travel by types of tourism. In this classification it is necessary to proceed from the main motive which has induced the person to go to for a trip. Authors have suggested to allocate five types of tourism in system of its management (Weaver and Lawtan, 2000: 28; Angelo and Vladimir,1998:38).

1.5.1. Leisure and Recreation tourism

Krippendorf (1987:23) stated that recreational and leisure tourism is a travel of the individuals in their spare time, in purpose of recreation and restoration of physical state. This type of tourism is the most widespread and mass motives for many countries around the globe. Recreation consists of activities related to sports, entertainment, and rest (Angelo and Vladimir, 1998:39). Pleasure travelling as taking time in leisure time seen as a recreational activity (Krippendorf, 1987:24).

Stated by Torkildsen (1999:250) recreational resources are necessary for development of this type of tourism. These resources complete the most essential part of natural capacity of the region. Besides its role of recreational tourism in formation and development of modern tourism in the region constantly rises, especially from the eco-geographical point of view. The assessment of recreational resources is made on the basis of a factors based on assessment of each of components such as a relief, water objects and a soil and fauna, a climate, hydro mineral and unique natural medical resources, historical and cultural potential, etc (Krippendorf,1987:24).

1.5.2. Business tourism

Business tourism takes particular part in the process of improvement of national economy of any country. According to Angelo and Vladimir (1998:39) Business Travel is crucial part of travel, including individual travelers and meetings,

conventions. Davidson and Cope (2003:6) specifies two main motives for traveling: business travelling and in purpose of pleasure. Business tourism already existed before pleasure travel came out. At earlier times travel purposes strongly related to trading in negotiations within various countries, and demanded trips concerning business and collaboration.

Business travel of nowadays comes across with all travels connected with business interest. Davidson and Cope (2003:9) divided business tourism into two types.: business tourism and individual business travel. Majority of business travel make corporate trips - as individual business travels, and events done by industrial and trade corporations. Here also incentive-tours - the trips organized by the companies for the purpose of motivation of the employees occupied generally by the results of sold and promoted goods made by this company. Connection among regions and countries in business, cultural sense started to be more intensive. It is possible to highlight role of business tourism in tourism sector.

Development national economy and its contribution to world's market are inconceivable without development of business tourism. Information exchange, business communication, research of new markets, looking for partners for investments and related projects, marketing of companies through share PR, personnel training and employ in corporate culture - all this is business tourism. Business tourism is base of integration and improvement of the companies, through attendance in fairs and exhibitions, congresses, applying a business education (Davidson and Cope,2003:15).

Davidson and Cope (2003:17) also highlighted business tourism as an essential platform for successful business. Globalization of economies and the intensification of business, scientific and cultural ties connected with this process have turned business tourism into one of leaders and the most dynamically developing industries of the world economy that has allowed to recognize it as an economic phenomenon of the XX century(Davidson and Cope,2003:17).

1.5.3. Religious tourism

Religious tourism is an independent type of tourism. Nowadays big number of pilgrim's travel annually to a different sanctuaries and religious places There are

other types of religious tourism (Weaver and Lawton, 2000:31): pilgrim tourism and religious tourism of an excursion orientation. In certain cases, some specialized tours in which pilgrims and tourists are united. Specialized tours are calculated at least for three days with visits of religious places and architectural monuments of the past. Sometimes the organization of such tours requires permission (blessing). Religious tourism and its types are provided by various forms.

Morinis (1983) defined pilgrimage as a circulation or travel to the holy sites with particular cult purposes. The pilgrimage any form is accepted in many religions and pagan cults. Now pilgrims widely use services of the tourism, besides there are established special tourist firms organizing such tours. Pilgrimage tours are bit different from religious and cultural tourism. Pilgrimage tours have the sense of making of a ceremony determined by belief, and not just the entertaining purposes. The entertaining section of the program is significantly reduced though recreational and entertaining holiday is acceptable. The sense of pilgrimage consists in worship of the holy sites. This worship has religious character and connected with making of church services and prayers at the holy purposes. Any other visit of the holy sites which is not connected with religious worship, strictly speaking, has no relation to initial pilgrimage. Pilgrims usually demand fewer requirements to level and service quality, food, placement, than other travelers.

1.5.4. Health tourism

Health tourism is a global concept that correspond departure of country residents in purposes of travelling for qualified and efficient health care (Weaver and Lawton, 2000:29). Travel in combination of leisure and improvement of health — quite unique tourism phenomenon which becomes popular annually. There is number of the objective reasons as an aspiration to receive the exclusive medical services which are not provided in the city or the country. Health and medical purposes of travel is not new and known as driver flow of tourists to the destinations of natural resources and areas with favorable climate condition (Spar, 2005). Basing on Smith and Puszko (2009:52) statement there are several factors which make health tourism attractive. First, in a developed country it is possible to receive help of the specialist of rare qualification; secondly, in many countries the

level of medicine is very high that increases chances of recovery; thirdly international trips are safe, and the prices of flights are quite available nowadays.

Health tourism is not only an opportunity to receive medical treatment, but also to have a rest, visiting new places, to have a chance to get acquainted with new culture and traditions (Smith and Puczko, 2009: 55). Such combination brings double benefit of treatment. Health tourism reflects both the willingness to get a treatment as a main reason of travel and willingness to travel as itself. Apart from that it also occupies the health sector components (Hall, 2013:145; Smith and Puczko, 2009:59).

1.5.5. Shopping Tourism

Shopping Tourism is a relationship between shopping and tourism. This type of tourism can be considered as a main focus of travel or extra travel experience while traveling. Most of the time tourists expect to get opportunity to do shopping while traveling in different countries. Shopping tourism gives main two categories of travel basing on main purposes. First, main purpose of the tourist travel is to do shopping, and the other one, when shopping is considered as a secondary purpose of activity during the travel (Dallen and Timothy, 2005:112). Shopping changed its nature of just being shopping and it became part of the leisure activity, not only part of every survival (Butler, 1999). Stated by these travel can be motivated primarily by variety purposes such as recreational, ecotourism so on.

1.6. Tendency in Tourism development

Travel and tourism industry give divergent numerous employment opportunities. Job opportunities in tourism firms, airlines, hostels and hotels, apart from that workplaces in government tourism departments, tourism advertisement and sales, customer services and so on. Tourism suppose to be one of the dynamically growing industries of world economy (MacIntosh, 1995:471). Fast growing rates of the tourism in the world economy allowing to recognizes tourism as an economic phenomenon of the past century. This outcome will have brilliant future in the upcoming century too.

According to the forecast of the World Tourist Organization growth of the tourism industry irreversible nowadays, and international tourist arrivals will constitute 1,6 trillion units by the year 2020. It is known that tourism industry is a base of developing and developed countries all around the world. And according to the same WTO, its contribution to world economy (gross production of services) is estimated at 10, 9% of world GDP. This sector provides over 11% of the international investments (WTO, 2015).

All this completely explains that tourism plays one of the leading roles in world economy in present time and it is one of the beneficial types of business in the world. Therefore, questions about prospects and dynamics of tourism development in the world is so important for economical part in the future. As a result we can consider tourism as dynamically developing type of the international business (Smykova, 2013).

Interest in tourism of entrepreneurs is obvious and it is explained by a number of factors. First, to be engaged in tourist business, it is not required big investments. Secondly, in the tourist market the firms as major, average and small firms interacts quite successfully, Outstanding performance of tourism and its profitability from the people occupied in this sector, first of all it is required competence and deep understanding of the international tourism in order to develop tourism. It is necessary to have good knowledge of environment of the tourist market, international precepts of law and rules, practice of tourist management and marketing. But first of all it requires the professional comprehensive knowledge of the producer of tourist services concerning needs of the consumer from tourist services production and implementations of a tourist product, all that, as for the client being a consumer of these services is necessary to be satisfied. (Brida and Risso, 2009).

Edgell et al (2008:124) state that the international tourism promotes activation of the international trade product flows of a material and material form and in a type of service of different spheres of economy. Development of tourist infrastructure can also stimulate in the country import of raw materials, materials and technologies. In turn, for promotion of a tourist product abroad, advertising goods, clothes both on channels of direct export, and by means of tourists are

exported (Cooper, 2011:17). Tourism makes impact on interests, people's attitudes and conduct of life of the population of residents and non-residents, it cause demonstrative effect which rises interests of locals and foreign visitors as well. According to Cooper (2011:17) tourist arrivals to the countries create competitive situation in various areas of tourism service. Competitiveness in tourism services force employees to offer better tourist services and react to clients' requests. This chain of actions will bring into public progress and development in tourism.

Basing on forecasts of experts of WTO, the world industry of tourism is included into the period of constantly increasing amount of travel and excursions, the amplifying competition among regions and adoptive states (WTO, 2015).

At the same time there is an increasing number of well-informed consumers of the tourist services paying special attention on quality and safety and the offered tourist products.

In the near future it is possible to predict the following directions of development of the industry of the international tourism (Rassulova,2014):

- creation of new and development of already existing tourist services and the markets considering a cultural and historical resources in adoptive states of tourists;
- broad involvement of the local public and municipal authorities in planning and development of tourist activities, ensuring its safety;
- development of communications between organizers of tourism and municipal structures for the purpose of achievement of understanding of needs of each of them and search of ways of their satisfaction;
- growth of welfare of local population, elimination of tax, customs and other difficulties which can interfere with tourism development; at the same time the particular attention shall be paid to maintenance of service prices in the field of tourism at the levels which are acceptable for the tourist and profitable to the tourist industry;
- in case of investment of the equity it is necessary to take questions of environment protection (construction, architecture) into account;
- increase of professional level of employees of the industry of tourism;
- Development of system of ownership of club rest.

1.7. Country profile of the Republic of Kazakhstan

Republic of Kazakhstan is a developing country which is located in the Central Asia and in the western part has some territory in Europe, based on this Kazakhstan considered to be on the Eurasian continent. Kazakhstan borders with several countries, among them Russia to the north, China to the southeast, and from the south bordering with countries Turkmenistan, Kyrgyzstan, Uzbekistan. The total area of whole land of Kazakhstan is 2,717.300 sq. km which is considered to be take ninth place in the worlds list of the countries (Nikitinskiy and Bekbergenov, 2008:12).

The World Bank reported that the population of Kazakhstan is 17.54 million people to year 2015 (World Bank, 2016). The population has decreased due to the socio-economic crisis in the early nineties, which affected by high migration and low birth rates. Therefore demographical level of the country decreased roughly. Despite that statement Kazakhstan is multinational country and majority of the population are Kazakhs as native citizens, and consist of different other nationalities including, Russians, Ukrainians, Uzbek, Turkish, German, Polish, Tatar, Uygur nationalities complete population. Due to this state language of the country is Kazakh language and Russian is declared as the language for international communication in the country (Mussayeva, 2015).

Kazakhstan is rich with historical and cultural, tangible and intangible heritages. The proof for the statement is the fact in the first millennium BC territory of ancient Kazakhstan was inhabited by nomadic civilizations. Due to the size of the land and richness of the natural resources great invaders as Attila the Hun, Tamerlane and Genghis Khan were aimed to conquer the land of Kazakhs (Capisani,1998). Kazakhstan was attractive by location and by natural resources of the country. Main project of the ancient time was the road which connected west with east called the Silk Ways. It offered the idea of establishing trade connection between east and west. The Turkic tribes were creating these trade relations through the neighboring countries. The route of the Silk Road was from the east to west, and connected the central part of Kazakhstan to Siberia in the south-east and Altai (Werner, 2004).

The first Kazakh states were established at the end of the 15th century, the period when Kazakhs appeared as joint ethnic groups. The beginning of the 18th century was distinguished by the expansion of Russian Empire. At that time, the Kazakh khans addressed to the Russian rulers for support against the Djungar invaders from the East (Olcott,1995:32). Russians infiltrated the vast lands of Kazakhs and the end of 18th century whole region belonged to the Russian Empire (Capisani,1998). The Soviet period was characterized by forced collectivization and starvation in the early nineteen thirties. In 1925 the Kazakh Autonomous the Republic was set up. Kazakhstan became as a Soviet Socialist Republic in year 1936. The republic was managed by The Soviet Communist Party and adopted a socialist political model of government in the country. Due to harsh centralized political reforms one million Kazakhs died of hunger and malnutrition prompting thousands to immigrate to China, Turkey, Mongolia and many other countries. While under the rule of the Soviet regime Kazakhstan became an agricultural and industrial foundation of the USSR. It created conditions for industrial development in the country (Olcott, 1995:35).

Infrastructure of Kazakhstan developed considerably because Kazakhstan delivered natural resources of coal, iron, oil, copper and other minerals and metals for the entire countries of Soviet Union. Collapse of Soviet Union gave independence for majority of the USSR and Republic of Kazakhstan was one of them. Status of Independent country as a Republic of Kazakhstan was gained in 1991. The Republic became country with a presidential form of government. Nowadays the capital of the country is Astana, where all authorities located. Previous capital is Almaty and nowadays its considered to be the cultural, business and financial center of the Republic (Capisani, 1998; Mussayeva, 2015).

1.8. Characteristics of Tourism Industry in the Republic of Kazakhstan

Economic and political situation of the Kazakhstan is stated to be the most attractive and profitable country in Central Asian. The government developing country by supporting growth of international trade and increasing foreign investment in the country (Gleason, 2006:37). According to the current evaluation of World Travel and Tourism Council reported that kzt629.0bn is contribution of

tourism to GDP of Kazakhstan in 2014 which considered as direct contribution, and it is predicted that tourist industry contribution to the GDP rise by 6.3% in 2015, and an increase up to 5.4% is anticipated by 2025 to kzt1,135.9bn which is 1.7% of total GDP (WTTC,2015).

Kazakhstan has reserves of oil and other valuable resources and minerals(Gleason,2006:37). Having natural reserves in the land is a big plus as it helps to increase economy of the country and create other possible opportunities in different sectors of for the country. Contribution to the tourism is also visible for instance, variability of the recourses of the country can provides better standards of accommodation, high quality of restaurants and good transport facilities in country among other Central Asia countries. Aiming development in tourism in the Republic of Kazakhstan, the country established particular standards and legal basis. Obtaining all kinds of tourism and individualize economic, legal, social and organizational tourism activities (Rassulova,2007).

From the gaining independence, Kazakhstan started to be characterized by the fast development of international tourism. Responsibility for organizing workers' travel activities was taken by trade or labor union organizations. These activities were provided by non-budgetary sources and state resources in order to satisfy social needs. Domestic tourism was the only tourism in the USSR, as a result of strict State control (Mussayeva,2015).

Collapse of the Soviet Union totally changed situation in tourism sector in Kazakhstan. First of all, private tourist firms came instead of the authoritarian state tourism agency, secondly, governmental restrictions on outbound and inbound travel were reduced and it helped to expand tourist opportunities (Werner,2004).As a result, in the early to mid-nineties country made several international contracts were signed on collaboration in tourism sector. These agreements were done between Kazakhstan and countries such as Kyrgyzstan, Iran, Moldova, Uzbekistan, Hungary (Duysen,2010).Taking in account that Kazakhstan has fundamental base for tourism development, more emphasis was on tourism in the country. Up to now productivity in the tourism industry displaying its consequences in tourism market of Kazakhstan (Turekulova, 2015).

Visitor exports gain kzt295.7bn which gave 2.0% of total exports that was counted in 2014. This is forecast to fall in 2015 in 3.9%, and growth are expected 3.6% pa, starting from 2015 till year 2025, and will generate kzt405.6bn in 2025 (1.6% of total) (WTTC, 2015). The domestic tourism is the leading type of the tourism in the country and major regions where domestic tourism developed in Almaty and Akmola regions, Almaty, Astana, Karaganda, East Kazakhstan. The highest amount of tourists were recorded in Almaty, Astana, East Kazakhstan, Atyrau, Karaganda and Aktobe regions. The main aim of tourists traveling in above mentioned regions occupy majority types of tourism. It is possible to highlight such travel purposes as business travel, leisure and recreational purposes. Spending on leisure travel in inbound tourism and domestic tourism display 84.9% from direct tourism in 2014 it reflected kzt1,043.5bn to GDP compared with 15.1% for spending in business travel which is kzt186.3bn (WTTC,2015). Spending in business travel is predicted to increase in 2015 by 7.4% which is kzt200.0bn, and rise by 5.8% pa to kzt350.8bn in 2025. (WTTC, 2015). Foreign currency which comes from visitors to a country is a leading element of the direct contribution. In 2015, Kazakhstan generated kzt295.7.7bn in visitor exports. In 2015, it is expected to decrease for 3.9%, and the country is expected to attract 5,610,000 international tourist arrivals (WTTC, 2015).

Domestic travel spending created 76.0% of direct tourism GDP compared with 24.0% in 2014 for visitor exports. Domestic travel spending is seems to grow in 2015 by 9.1% to kzt 1,019.1bn, and rise by 6.1% pa to kzt1,836.2bn in 2025 (WTTC,2015). WTTC declared that the Republic of Kazakhstan has certain prospective in a business tourism segment. Spending on business tourism in in 2015 by 7.4% which is kzt200.0bn, and predicting growth in 5.8% pa to kzt350.8bn in 10 years (WTTC,2015). The major regions of business tourism are city of Almaty, Astana, and Atyrau according to Agency of Statistics of RK. The geopolitical position and natural raw material resources allow expecting increase in number of the business tourists arrivals to Kazakhstan concerning business and participation in international tourism. The infrastructure of the above mentioned regions generally conforms to international standards.

The city of Almaty is strategic gate for the republic through the air, automobile, railway. The main migration also happens through this city of Almaty. Almaty city has various forms of buildings and hotels convenient for staying and carrying business events such as forums and big events. Apart from the business possibilities, Almaty city provides all fundamental conditions and comforts for leisure and entertainments (Capisani, 1998).

The city of Astana in Kazakhstan becomes the same strategic zone for business tourism. Attraction of the city as being young capital of the country it attracts more arrivals. Astana city has modern look and good infrastructure to serve as a rapid development in the city for the international and domestic tourism (Rahimbekov et al., 2015).

According to dynamics of development in tourism in Kazakhstan data reflects tourist activity of citizens. Tourist activities of citizens of Kazakhstan increased in 2015 in comparison with 2009. Provided data illustrates that the greatest development for these years was gained by outbound tourism. Positive dynamics of growth was displayed by inbound tourism too. The type of tourism called inbound shows positive results comparing to the past years, inbound tourism shows negative results among other types of tourism activity, which states that amount of incoming tourists are less than outgoing tourists (Agency of Statistics of the RK, 2015). Separately it should be noted dynamics of development of domestic tourism in Kazakhstan. Tourism development is impossible without stimulation of domestic tourism. The structure of domestic tourism has changed in recent years, day off routes, short-term excursion trips so became popular.

The advantage of development of inbound tourism yielding additional incomes in the form of foreign currency is around the world obviously expressed for the state. Tourism could be one of incentives of development of economy of Kazakhstan. Tourism sector oriented in acceptance of foreign tourists in the country. Specialization on inbound tourism will build an opportunity to accumulate additional workplaces, to expand an export potential of the market for goods and souvenirs, will be one of the sources of currency receipts.

Kazakhstan is rich with touristic resources, although the level of tourism development in Kazakhstan does not correspond in all senses to international level

(Rassulova,2007). Natural and recreational the capacity of Kazakhstan, and also national traditions and features, mentality, customs can look attractive for tourists from overseas as they were already have known the offered tourist services in the markets of Europe and Asia. Tourism in Kazakhstan can be good opportunity for tourists from Europe and Asia to learn different traditions and customs of the Central Asian country and at the same time enjoy with natural and recreational resources (Smailov, 2014). Tourism industry in the republic is oriented on development of outbound tourism; the due inbound and domestic tourism were not highlighted. Tourism of Kazakhstan have to focus on international tourism in order to provoke improvement of country tourism in broaden sense.

It is well-known that development of inbound tourism is important for the country. This results from the fact that inbound tourism has a number of advantages from the economic point of view among which (Smailov, 2014):

- receipts of financial resources to the country in the form of foreign currency due to sale of permits and due to purchase of services and goods in the country of visit;
- development of hotel sector in the country;
- forming of the developed tourism infrastructure;
- creation of additional workplaces;
- carrying out full-scale social and marketing researches for creation of a necessary tourist product. Refusal of tourist firms of entrepreneurship in the sphere of inbound tourism is explained by lack of necessary financial resources, the corresponding infrastructure.

It should be noted that rates of development of outbound tourism are more dynamic, comparing with inbound and domestic tourism. It is explained by the raising level of living rate of the population of country and lack of competitive tourist offers within the country which would combine indicators of the price and quality. Inbound and domestic tourism are profitable to the state as in case of their development there is an inflow of money supplies to the country, thereby filling up its budget of the country. Thus establishing the facts of a condition of tourism in Kazakhstan at the present stage and it should be noted necessity of paying special

attention to develop these types of tourism especially domestic and inbound tourism (Duysen,2010).

Nowadays tourism considered as leading element in the global economy. Report of the World Tourism Organization (WTO,2015) states, tourism industry supplies a majority of world GDP. Revenues from the tourism industry comes in the third place, after revenues from oil products and automobiles and oil exports. Information of World Tourism Organization presents that Kazakhstan has great possibilities to and tendency to grow and make better tourism industry in the global market of tourism (WTO, 2015). Impact of tourism on the economics of a Kazakhstan is significant. Tourism industry providing new opportunities for business, trade and capital investment, creating job opportunities, supporting workforce and protecting heritage and cultural values.

1.9. Structure of Travel and Tourism Industry in the Republic of Kazakhstan

Today tourism in the Republic of Kazakhstan is recognized as the perspective direction of developing economy of the country. Infrastructural condition of the country is such as of railways, airports, highways support with comfortable and easy accessibility in all regions of Kazakhstan. Here comes the question of having sufficient resources to broad opportunities for investment in tourism infrastructure at all levels (CAREC,2005). All branches of tourism industry is obtained in the Republic of Kazakhstan including accommodation all types of transportation, travel agencies, types of attractions.

1.9.1 Transportation

Infrastructure usually includes transportation means and which stimulate growth in business environment and its development. (The World Bank, 2013) The Republic of Kazakhstan has great potential for development of tourism . Today one of the actual task in tourism sphere is creation of image strategy of Kazakhstan, as the tourist center with the developed infrastructure and the rich tourist potential, opened to all world and safe for tourists (Pritchard et al., 2011). Development of tourism and its planning can be accomplished by roads, airports, potable water, electricity and etc. Transport is a connection means between separate elements of tourist

branch and promotes her faster development. The transport infrastructure serves not only to providing the message between the tourist centers, it can be used also in everyday life by ordinary citizens without the purposes of tourists.

The tourism industry reveals importance of transportation as important tool for transferring visitors from one location to another. Development and progress in transportation technology its contribution in forming the modern model of tourism industry suitable for nowadays. People were traveling since the past times by various means of transportation. Tourism and transportation shows strong correlation between to each other (McIntosh et al., 1995:95). However, transport is crucial not only to tourism, it is also essential to the economy and indeed to society (Weaver and Laura, 2000:153). Lawton and Weaver (2000) link the value of an accessible system of transportation to the time period which is given to a tourist who are planning to stay in one specific region in a destination. Transport activities are basics of tourism as they provide the link between destination areas and possibility for tourists to travel to the destination or around it; this comes by using of inland transportation services. As a central factor in destination development the transport industry is extremely significant. Transportations services consist of several means of transportation as ships, airplanes, buses, trains, limousines, taxis car traveling, railways, and other passenger transportation facilities (Smith,1989:15).

The new project related with before existed ancient Silk Road is a huge transport infrastructure project that will create easy accessibility for transporting goods from the Pacific coast to Europe. Directing cargo to the mainland comes as one of the difficult tasks, because for nowadays the sea route is considered as a cheaper way of delivery. And this time planned new route which is overland and goes through Kazakhstan will give a possibility to reduce delivery time, which means productivity and efficiency of the work will grow. Up to now some parts of the project in the process of operation. For instance, already in the process creation of railway corridor this will connect Pacific coast of China and the Caspian Sea. Even this route will create great access to many leading markets. At the end it will integrate with countries with railway system and connect several countries such as Kazakhstan, Turkmenistan, Iran, Azerbaijan, Georgia and Turkey. This project also

will provide tourism sector with greater opportunities and will look attractive with easy accessibility and movement between above mentioned countries (Fedorenko, 2013:5).

1.9.1.1. Air Transportation

One of the major part of effecting on development of the international tourism is air transportation. Tourists arrive to our country generally by air transport. According to statistical data taken from Agency of Statistics of the Republic of Kazakhstan in 2013 have used services of air transport 5 mln. people. The statistics of 2009 shows less results as 2.8 mln people, which illustrates that the amount of people who are using air transportation is increased (Agency of Statistics of the Republic of Kazakhstan, 2015).

Air transportation dominates among all types of transports because of the distances which can be long and middle distance tourism (McIntosh et al, 1995:100). The national economy and the tourism industry demands a safe and comfortable air transportation system. Nowadays main airlines of foreign countries carry out regular flights, if to specify they are "British Airlines", "Lufthansa", "Hainan Airline", "Turkish Airlines", "Pegasus", and etc. The national major airline is "Air Astana" "Scat" "Otar Airlines" which performs regular flights to countries: the Netherlands, Turkey, South Korea, Germany, the UAE, China, India, Thailand, Great Britain, and so on. The Republic of Kazakhstan has air connects with variety destinations of the world and therefore foreign airlines operating between Europe and Southeast Asia(Smailov,2014).

Kazakhstan has airports which are having the admission to the international air transportation in the cities such as : Karaganda, Almaty, Kostanay, Astana, Pavlodar, Aktobe, Atyrau, Semey, Taraz, Shymkent, Ust-Kamenogorsk, Zhezkazgan, Petropavlovsk, Uralsk (Smailov,2014).Considering that the majority of trips is made by aircraft transport, it is necessary to update it, to expand geography of air transportation, to determine the weighed price and tariff policy for the purpose of increase in a tourist flow, in order to increase service quality.

1.9.1.2. Railway

Airplanes providing the seats which a business person or tour operator or individual traveler may buy, rail travelers around the world often give preference to the railway travel, (McIntosh et al, 1995:101). Fast speed railways services chose punctuality as an important factor that influences on share of tourism in the market (Weaver and Lawton, 2000:154).

In recent years the rail transport is a popular transportation for main part of the population of the republic because of its reasonable prices for tickets. On statistical data, in 2013 by railway have used 25 mln people (Agency of Statistics of the Republic of Kazakhstan, 2014). Nowadays there is specialized touristic train "Pearl of the Silk Way" passes through the territory of Kazakhstan, Uzbekistan and Turkmenistan, and in the project plan it is aimed to bring route to the West part to Tehran (Iran), and in the East to Beijing (China) in the coming future time (Fedorenko,2013).This project of linking the Pacific coast of China to the Caspian Sea is already in a process. This project will build access for major markets through railway systems by integrating countries like Kazakhstan , from the south-west Turkmenistan, west parts Georgia and Turkey, Iran and Azerbaijan (Smailov, 2014).

1.9.1.3. Water transportation

Ships are type of water travel, and it's a part of tourism and have considerable contribution to the development of travel and transportation services. (McIntosh et al, 1995:110). The Aktau port on the Caspian Sea connects Kazakhstan with the ports of Turkmenistan, Russia, Iran, Azerbaijan. In the Republic of Kazakhstan there are connection on inland waterways with the Russian and China. This means of transportation is involved in tourist activities used in the tourist purposes and have possibility for transportation of passengers as all ports have license for carrying passengers. Nowadays the huge interest of tourists from Europe to the territory of the basin of the Caspian Sea increased due to beach accessibility and sustainability of the region.

The condition of infrastructure of the country can be evaluated as satisfactory in Kazakhstan. There are all basic elements of transport infrastructure, communication infrastructure, and accommodation placements. In order increase create to attractive image for the tourism in the country needs further development

of infrastructure of Kazakhstan. (World Economic Forum, 2013). Apart from that it is important to consider improvement of the attraction places in tourist purposes, renovate the ones which is old or create easy accessibility to the historical places (Smykova, 2013). The stage of infrastructure development illustrates development of the tourism level in general. That's why it is significant to highlight considerable importance of development of infrastructure as a basis of the tourism industry in country.

The Republic of Kazakhstan sees tourism as a priority direction to develop tourism as a sector which does not related to oil. A main objective of tourism development in Kazakhstan is to create competitive and efficient complex of tourism which will give a great chance to establish good condition for tourism development. This kind of steps will create base for integration of world tourism market system and future improvement of international alliance between countries and organizations in the field of tourism (Smailov, 2014).

1.9.1.4. Auto Transportation

For the past year's demand for auto transports are increased in means of tourist transportation in the country between other countries. The private automobile is more popular among shorter trips and is the most popular means of travel for domestic trips of the residence. Despite that the auto is also considered as a very important means of transportation in regional and international tourism. Affordability, flexibility, and comfort make auto travel preferable type of transportation all over the world (McIntosh et al, 1995:106). The list of public highways of republican value has included the roads which are conducting to large tourist objects and being the greatest interest in respect of development of tourism.

The auto transport is used for the organization of shop tourism to the bordering countries and in excursion routes. Nowadays country shop tourism is increasing at the borderline of China, government from the both side made an agreement on shop tourism and up to now it sows good results and gives positive influence to tourism of the country (Smailov, 2004). Influential fact of development of road travel could depend on a road condition and existence of appropriate technical maintenance of tourist vehicles (McIntosh et al, 1995:106). This type of transportation gives opportunity to make short-term travels for the foreign

countries. On statistical data, in 2009 there were 1.1 mln international tourists, and in 2013 the amount of international tourists increased to 1.5mln. tourists (Agency of Statistics of the Republic of Kazakhstan, 2014).

1.9.2. Tourist Attraction

Attraction provides the only and most significant reason for leisure tourism to a destination. Many of the components of the tourist trip as accommodation and transport are in demand among tourists. These demands come from consumer's desire to enjoy from the destination (Cooper et al., 1998:309). Tourist attractions focus on recreational and partly educational activity. Every region or a town as a destination has at least one attraction. Attraction can also have other different purposes such as educational purposes, cultural identities, contribution to the conservation and protection of historical sites at destinations. The variety of the purposes is crucial as it helps to understand the reason of why it is difficult to manage attractions especially the ones which connected with public sector as museums (Cooper et al., 1998:290).

The Republic of Kazakhstan has great perspectives for improvement of the tourism industry. Rich resources of nature and unique culture of ancient nomadic people which is attractive product for tourism sector became a great opportunity for tourism (Smykova, 2013). Attractions are a tourism resource, and that means that what is attractive to one tourist may not be attractive to another (McIntosh et al, 1995:146). The land of Kazakhstan has varieties of biological, climatic, natural potential which allows to achieve development of the tourist business (Smykova, 2013). Independence of The Republic of Kazakhstan gave a chance to become open with its natural resources, historical places and other sightseeing to the world. And nowadays state is aimed to develop tourism, therefore country is looking at its opportunities for marketing historical and cultural potential of country. This will lead country to promote its niche in the global tourism market and improve fast growth of tourism in the country.

Country has wide opportunities such as accepting for mass tourism; natural resources and cultural resources; an attractive and perspective market for development of tourism. Description the beauty of natural resources and historical sites, monument of Kazakhstan as the attractive source for tourists. Country has its

great history which could provide evidences of the past and could be good place for tourist attraction. The various geographical landscapes, rich flora and fauna, original national culture creates all preconditions for productive development of the tourism industry in country (Pritchard and Morgan, 2011).

1.9.2.1. Natural attraction

Natural attractions are associated with natural environment such as natural sites which is subdivided into, topography (mountains, canyons, beaches, caves), climate (temperature, sunshine), hydrology (waterfalls, rivers, lakes,) wildlife (mammals, birds, insects), vegetation (forests, wildlife) location (centrality, extremity) (Weaver and Lawton, 2000:131; Cooper et al.,1998: 311).

Richness of natural resources and diversity of the land could be attractive for tourists with different tastes and preferences.(Cooper et al., 1998:315). Considering that Kazakhstan has unique natural resources, the country has all possibilities for development of various types of tourism: ecological, extreme, business, recreational and others. In recent years condition of tourism development branches characterized by its forward and development of tourism in country (Rahimbekov et al., 2015).

1.9.2.2. Cultural attraction

Cultural attraction is a man-made site. Cultural attraction consists of historical sites, old buildings, ancient monuments, rock paintings, structures and monuments, museums and etc. (Weaver and Lawton, 2000:138). Man-made visitor attractions which were not originally aimed to attract tourists among them are historical houses, castles, and cathedrals (Stebbins, 1996). Number of museums and galleries are the world's top destinations of the tourist (Cooper et al., 1998: 319).

It is possible to present historical and cultural treasures of Kazakhstan for the world. There are a lot of works of historians, and fine art experts archeologists who left their fingerprints in the past centuries. Kazakhstan has a real possibility to occupy its niche in Central Asia region and also on Asia Pacific and European market, as tourists interest vary from person to person, and Kazakhstan obtain major types of tourism interests (Rassulova, 2004).

Cultural attractions of the country could include architectures other late centuries and the applied arts of the ancient time. As an examples there are the

mausoleum of Joshi khan, Aisha Bibi mausoleum and others historical and cultural architectures. The most unique is the mausoleum complex of Khodzha Ahmed Yasevy that was built at the end of the 14th century in the town of Turkestan. The majority of the cultural attraction is full of archaeological sites and historical monuments. One of the great examples of historical attraction is the mausoleum of Khodzha Ahmed Yasevy and Sophiya Orthodox cathedral in Almaty. Mentioned above two historical attractions are the most interesting for tourist visits, especially for pilgrimage. For nowadays the World Heritage List of UNESCO has three Kazakh objects, and one of them is Khodzha Ahmet Yasavy mausoleum (UNESCO, 2016). These two properties are in the list of cultural criteria, and one of them is recognized as a masterpiece of human genius. And the other one is enabled by natural criteria. Mausoleum of Khozha Ahmed Yasavy is in the list of World Heritage, which is a unique place and has great connections and influence for other nationalities.

Mausoleum of Khozha Ahmet Yasavy as being a religious place, for the past years it attracts tourists with purpose of pilgrimage. For the last year tourists who are visiting the Mausoleum increased not only among residence but also among foreign tourists. Petroglyphs within the Tamgaly Archaeological Landscape, Naurzum and Korgalzhyn reserves which have natural value. Apart from that another twelve facilities should be included in addition to the World Heritage List (Pilyavskii and Tahtaeva, 2013).

The Silk Road is another main example of historical and infrastructural proximity is the, that we already mentioned above (Fedorenko, 2013). A valuable factor in the history of some regions was its location. The Silk Way is a main road between China and Europe since ancient times (Fedorenko, 2013). The Silk Road passed through Kazakhstan leading China and to the Middle East and Europe. Silk Way was a main means of connection between east and west, many centuries the ancient caravan roads were passing through Kazakhstan. Due to The Silk Way many constructions started at that time, many old commercial, cultural cities built on the way of Silk Way. Majority of the Silk Road was laid through territory of Kazakhstan, as a result there are many unique architectural buildings even nowadays (Kulibayev, 2006).

1.9.3. Travel agencies

Travel agencies' main function is to supply travel services to customers for commission of different tourism industry principals, including hotels and tour operators (Weaver and Lawton, 2000:152). Travel agents usually provide ancillary services as traveler's receipts and travel insurances. Travel agencies functions is being interface between consumers and other tourism businesses. Agents carry huge range of products consisting of tours, tickets, insurance, accommodations and tickets for attractions (Buhalis and Laws, 2001).

Travel agencies takes an particular role especially at this stage of development of our state generally are engaged in outbound tourism. The network of travel agencies in Almaty regions, the East Kazakhstan, Karaganda, Pavlodar, Southern Kazakhstan regions, and main cities of Astana and Almaty are the most developed. Tourism organizations of these areas and cities serve about 88 percent of tourists and tourists annually (Rahimbekov et al., 2015).

The market of tourist services of the country is represented by 1720 agencies (2013 year) and the organizations which are engaged in tourist activities for all types of tourism. According to experts, activities of travel agencies in outbound tourism is leading for today – more than 90% of tourist agencies occupy this niche. Almaty region constitutes 20% of the tourist capacity of all country. It is necessary to consider as well the fact that Almaty is a megalopolis and where number of population is the potential for a scope tourist servicing, involvement in tourist activities. Almaty constitute nearly 70% of specific weight of number of all firms which perform tourist activities in Kazakhstan (Agency of Statistics of RK, 2015).

The tourist enterprises receive considerable profit and create new workplaces. Tourism brings into existence the new form of a consumer demand - demand for rest. It expands the market for the branches which outputting consumer goods, promotes to development of entertaining and informative business, increases incomes of transport firms, communication services, forms incomes of manufacture of tourist equipment, increases demand for souvenir production, products of local

crafts. The increase in incomes of tourist firms of this sphere promotes stabilization of currency receipts in budgets of various levels through taxes (Rassulova, 2014).

1.9.4. Accommodation

Accommodation comes in many forms, it is not just considered hotels and guest houses, but also campus accommodation, medical accommodation, cruise ships and other transportations where accommodation is provided. (Cooper, 2012:173). Majority of stopovers who do not stay in the homes of their friends or relatives use tourist accommodations. Accommodations include hotels, apartments, vacations farms. Hotels can provide not only staying opportunity apart from that it can provide comprehensive recreational, retail and other opportunities (Weaver and Lawton, 2000:185). Hotels are main element of the accommodation of the most destinations.(Cooper, 2012:174). International and domestic tourism creates favorable conditions for further forming and improving tourism in Kazakhstan. Increase of tourists' activities improvement of hospitality industry and construction of the new hotels which is involved in servicing tourists.

According to Agency of Statistics the number of the accommodation establishments for 2010-2015 has increased in the Republic of Kazakhstan on 844 units, it means by 56% more. The number of accommodation establishments for 2015 is 2338 units, among the high rates revealed in regions of Akmolinskaya (319 units), Almatinskaya (306 units), Karagandinskaya (208 units). Akmolinskaya and Almatinskaya regions include Astana and Almaty cities. The high result is shown in Akmolinskaya region due to Astana city became capital of the country and majority of the governmental and business establishment shifted there. Almaty is the economical and financial capital of the country and this attract majority of the tourists to arrive to the destination. Major international events and exhibitions are held in this region (Duysen, 2010). 3 807 666 persons in 2015 were hosted in accommodations , that showed result of increase comparing to year 2010 for 50%. The amount of tourists in accommodation demonstrates positive effect on tourism industry. (Agency of Statistics of RK, 2015).

Standards of the hotels in Kazakhstan are classified by categories. Categorizations of hotels are determined by stars. Usually quantity of stars

increases according to improvement of quality of service and the equipment of hotels. Worldwide different countries use various symbols for determining the categories of hotels. The analysis of structure of the hotel entities according to categories in the Republic of Kazakhstan in 2010 -2015 shows that the number of categories of hotels has increased by two times, in 2015 the highest number was constituted by no category hotels, for this period its number has increased by two times (Agency of statistics of RK, 2015).

Today the Kazakhstan hospitality industry is mainly occupied by hotels of third class, four stars. The least developed hotels were a niche of hotels of economy class. Considering specifics of the Kazakhstan market of hotel services, it should be noted that there are very high prices of services. Now hotels of three stars cannot offer lower cost of accommodation partly for the reason that management of hotels tries to offer the highest quality of services (Duysen, 2010). The most significant part of research of hotel product consumers is the motive of a trip, the purpose of staying of the clients. The purposes of trips require a set of the services necessary for hotels clients, and the service level. So there are allocated hotels which serving tourists, locals and hotels for business travelers.

Depending on the purposes of visitors staying (Weaver and Lawton, 2000:27), it is necessary to create the additional services in hospitality industry:

- for business trips — the business center, service of the Internet, e-mail, computer accessibility, services of conference halls, a telephone and fax connection, the breakfasts included in a room rate; convenient operating mode of a public catering; availability of restaurant, bar, booking services, car park services and car service;

- for rest and recreation — availability of spot activity and a recreation, the service of SPA-centers, comfortable stay of parents with children, excursion servicing, room facilities, services of beauty shops, services of transports, car parks, car service;
- for health — medical services, dietary food, specialized service for disabled people, services of motor transport;
- private trips — a rooms for families, food services, beauty shops, car park and car service, individual trips.

In 2015 in Kazakhstan the main demand for hotels were created by business people: the means of placement intended to category of business clients more than 60% of all guests of the hotel enterprises, recreational tourism — 34 %, visit of friends and relatives — 4% (Agency of Statistics of RK,2015).

1.10. Development of governmental regulation system and support of tourism industry

Entry of domestic tourism in the world market and further improvement of the tourist legislation it became necessary to consider and follow the recommendations, the international rules and norms approved and accepted to execution by world tourist community (Pilyavskii and Tahtaev, 2013). In purpose of improvement, government ensured rates of a sustainable development through the state regulation of tourist activity such as protection of the rights and legitimate interests of consumers of tourist services. The purpose of the State program is stable growth of the income of the state and the population due to increase in volumes of inbound and domestic tourism, provision of the competitive, proficient tourist industry for employment of the population (Smailov, 2014).

Development of the tourism industry in Kazakhstan is concentrated on leading regulation of tourism by the government at the national level (Zhidkoblinova, 2013). National level should be obtained by promotion strategies of regional tourism products. As tourism sector became one of the profitable businesses government increased their interest in support. The importance of tourism displays that tourism sector connected with strategic sectors of the economy. Basing on this statement we can assure that this factor needs government regulation can guarantee the stable development of industry economic components, importance of employment policy, increase of budget incomes additionally controls the balance of payments (Duysen,2002).

The function of governmental regulation in the tourism industry is based on reducing negative elements and raising positive sides of influences. Management in tourism industry based managing and promoting tourism of Kazakhstan to the world market. This actions accomplishing through World Tourism Organization with joining of international financial intuitions. Talking about tourism policy one

the national level it accomplishes with especially governmental authorities of tourism industry enterprises. Comparing tourism industry and other branches of economy shows that the regulation of the industry involve social organizations and displayed by tourism associations (Zhidkoblinova, 2013). Government regulation of the tourism industry takes crucial part of managing tourism industry. Kazakhstan has profitable economic performance in domestic and international area, apart from that tourist enterprises are important element of economic and social system of the country (Smailov,2015).

Development of the tourism industry needs to concentrate on crucial financial resources such as investments on other sectors connected with the tourism industry. Constructions and reconstructions of the infrastructure and touristic products (Zhidkoblinova, 2013). Governmental regulation is an important part of the functioning of tourism industry. All the touristic activities go through government regulations; by governmental regulation we mean legal regulation of tourism activities. It includes process of transactions and agreements, visa process. The process of the transportation of goods between other countries. Development plan of tourism and its planning is also one of the functions of the government regulation. Concept of tourism development and improvement of the main strategies are going through government (Zhidkoblinova, 2013). As we already mentioned the infrastructure is required in tourism industry, that's why planning good infrastructure development is related to government regulations. All activities related to improvement, licensing, certification, standardization and insurance activities are regulated by government. Employee maintenance of tourism also connected with regulation of the tourism industry by government. Finally, it will lead to substantial increase of appeal of a national tourist's product and will promote inclusion of Kazakhstan into system of the global tourist market as important sphere of the international business and business cooperation within international trade in services. The developed proficient tourist industry which can become one of significant profitable sectors among non-oil branches of economy of the state will be created (Rassulova, 2014).

CHAPTER II

2. HUMAN RESOURCES IN TOURISM AND EMPLOYMENT IN TOURISM IN THE REPUBLIC OF KAZAKHSTAN

2.1. Human Resources in Tourism

MacIntosh et al (1995: 53) states that the concept of tourism is about people. Visitors are considered as people, who changes in their behavior and preferences. These kind of changes as behavior and demands are difficult to forecast in advance or expect particular respond. Tourism services and products also considered around people. The tourism industries are strongly related on the human factor same as other factors of infrastructure, natural resources, and so on.

The role of people is crucial for development of the tourism industries (Baumn, 1995:152). Therefore, labor should be treated as human capital. Qualified and skilled workforce leading source of high competitiveness, which develop job prospects. According to above mentioned it is possible to report that employment and human resource issue is main subject for research and analytical studies in the tourism industries (Economic Cooperation and Development, 2000).

Burton (1994:90) that the emphasis on work opportunities in the tourism industries is also enhances by the fact that the tourism sector has matured into became part of the consumer market and able to compete in global and national competition, and can effect on changes in consumer demand. This requires attention of the quality in rendered services and proposed products.

Tourism employment depending on their involvement or input to tourism supply-side has two types: direct employment and indirect employment. Depending on employees contact with tourist's direct employment provides with job opportunities all branches of the tourism industry such as hotels, tourism firms, transportation means and etc. Indirect employment involved in other means of activity such as construction companies which build accommodation establishments and provide repairment of it. Apart from that we can consider marketing agencies which provide with advertisement of the destination and tourism possibilities for tourists, accounting services. (MacIntosh et al, 1995:62).

Tourism is diverse industry within the economy and is further characterized by diversity in organizational, ownership and operational terms (MacIntosh et.al, 1995:4). Main tasks of human resources is essential as its creating satisfactory services to customers and developing growth in the tourism industry. Enhancing demand in international tourism and domestic tourism provides sufficient workforce. Tourism industry demands personnel who is educated and trained to the appropriate standard and have managerial and skilled abilities.

Training programs can have positive effect on producing the necessary skilled workforces (Cooper et al, 1998: 458). A high quality of giver services in tourism industry counts on the availability of adequate human resources. Bigger demand for strategic skills, such as planning, marketing and regulation of information system in all tourist sectors of activity: from hotels to alternative types of housing, travel agencies working in travel business to compete more at the level of destination, but not on separate products therefore ability to valorize, all territory and cooperation between various economic and non-economic operators become the extremely important(Archer and Cooper, 1994:80).

2.2. Career opportunities

Tourism today is one of the dynamic industries in the world which provide employment of millions. Tourism is various and each sector of tourism has employment opportunities and career path (MacIntosh et al, 1995: 61). A variety and dynamics of tourism create the main instincts of mankind to learn more, to experience, to enjoy, to be entertained (Hunt and Layne, 1991). At the same time, it creates orientation of HR. The most essential aspect based on having an idea about needs of tourists and finding ways to satisfy needs of tourists. The human nature varies depending time and destinations.

Transportation

The MacIntosh (1995:55) declared that a variety of tourism provides number of job opportunities in each sector of tourism. Main career opportunities are offered to the sectors of hospitality, transportation and attraction. According to the McIntosh (1995:56), airlines are the dominating travel industry employer in the tourism

industry it is providing with workplaces at many levels beginning from the button to the highest level of the manager. The workplaces connected with airlines are reservation agents, stewardesses, the pilot, the flight engineer, workplaces of public catering of airline, educational staff, office jobs, ticket agents on and many others. The bus companies demand the administrative personnel, ticket agents, bus drivers, sales representatives and etc. Work opportunities of railway services - station agents, conductors, reservation clerks, passenger service representatives. The industry of cruise is the developing type of the tourist industry nowadays. Employment opportunities in this sphere include sales representatives, employees, and market researchers and so on (the MacIntosh et.al, 1995: 56).

Hotels, Motels and Resorts.

The number of opportunities of employment in hotels and motels is extremely wide. Following job opportunities are related to the accommodation: general manager, the accountant, the resident manager, the sales director, the director of the personnel, room clerk, reservation clerks, housekeepers, waiters, waitresses, the bartender, workers and so on (Macintosh, 1995).

Travel agencies.

This sector of the tourist industry also delivers considerable opportunities of employment in very small and very large companies. Job opportunities related to travel agencies are: secretarial, travel counseling, domestic travel counselors, international travel counselor, the research director and advertising managers, sales consultants, sales personnel, tour guides, reservationist, the advertising experts, the programmer and other job opportunities (The Weaver and Lawton, 2000: 251).

Attractions

The other branch of the tourist industry is attraction services. Attractions such as theme parks and aqua parks can be one of the sources of tourism employment. Employment opportunities in attraction places can be considered as tourism services particularly related to tourists and when there are maintenance jobs (MacIntosh, 1995).

2.3. Importance of HR in Tourism

Management of human resources as a particular type of administrative activity takes real boom in the world of the tourist industry (Crafts and St. Peter, 1988: 32). The crucial factor of successful growth of the tourist industry is improving human resources. The talent and creativity of employees and experts will be always important in for tourism. Today number of foreign western countries focusing on performance of human resources and the money of the organizations investing the capital for preparation of competent staff and HR managers (the Macintosh et.al, 1995: 66). These expenses based on educated and competent education, special knowledge and abilities of the personnel (Rassulova, 2014). The income of human resources from its theoretical requirements, the administrative knowledge, the rescued experience of both foreign, and internal practice of work unites with the personnel. It defines contents of programs, selection, preparation and retraining of the personnel of the organization and its arrangement (Monachelyo and Baum, 1996: 98).

The human resources management system reflects the existing tendencies of interests and requirements, installations and values of organization staff defining their activity (Bazarov, 2009). Mescon, Albert and Hedouri (1993) in their scientific works allocate factors of external and internal environment. Factors of external environment: consumers, suppliers (manpower, materials, capital), competitors, labor unions, state of the economy, laws and government bodies, political factors, socio cultural factors and international events. Factors of the internal environment: strategic, target, all-qualitative (technology, general and professional culture), information, stabilization and functional (Mescon et al., 1998: 584). Certainly, both above mentioned factors exert sufficient impact on functioning of the enterprise. Therefore, it is not significant to oppose them or emphases them. In this regard the head manager has to take necessary decisions according to any kind of issue, on the one hand, stimulate activity of staff of the enterprise.

The success of the destination and development of tourism strongly depends on the quality of employees. The real difficulties rise up for the tourism industry in recruitment and training of labor. Therefore, human resources should be provided

with appropriate skills in order engage in the tourism industry, sufficient knowledge of the work. It could be applied various approaches of recruitment and retaining of human resources (Monachello and Baum,1996:99): - positively intending recruits from the groups insufficiently presented on a workplace; - providing opportunities of professional development; - providing training and opportunities of development that the organization considers training as investments, not cost; - ensuring competent management of the line; - consideration of work design and roles of work, including: work expansion, work enrichment, work rotation, satisfaction work and work division; - providing the best agreement, than employees feels that they can reach from alternative employers; - consideration of levels of a payment and non-material remunerations on a regular basis; - the leading expectation of the employee; - guaranteeing to all recruits finish well-planned program of induction; - the solution of problems of equality, for example, by means of introduction of methods of friendly human resources environment.

2.4. Tourism impact on Employment

The impact of tourism industries on employment is actuated through: employment in the tourism industries which is direct; Indirect employment in the sectors contributing to the tourism industries; Induced effect on employment as a result of spending (OECD,2000). In terms of employment, tourism stimulates job creation in all sectors. As an example, in order to have good quality of services, hotel would employ people to look after rising number of tourists. Sectors would also work on growing demands of the hotel. Wholesalers would sell more food to the hotel which will effect on engaging more staff to work as wholesalers. This would increase demand at the food factory who would try to produce more food for wholesaler stocks and, as a result, the factory itself would demand additional staff as well (OECD,2000).

2.5. Human Resources Management System in Tourism

The main value of tourism is involvement of labor force in tourism industry in Kazakhstan. The main task of Human Resource policy in tourism is to make better work of human resource management in order to see results of personnel. Human

resource management system is concentrated in maximizing benefits and providing leadership in the competitive environment in tourism sector. It usually focuses on economic stimulants and social assurance and contributes to interrelations between employer and employee. Development of collaboration between employee and employer stimulates effective work of both which benefits for the development of national tourism (Zhidkoblinova, 2013). Human Resources Management in tourism not only sets tasks for its employees, but also creates conditions for them to improve their professional expertise and skills, develop their professional and creative abilities, build up personal potential and have carrier growth prospects. Huselid (1995) underlined importance of employees' training and development in Tourism. Training is the process of creating specialist through applying necessary instruction and practices that is planned to be used in the process of fulfillment of duties. Research on employee training has stressed the impact of training on variety of outcomes. Huselid (1995) distinguished popular distinction in what training may contribute to tourism sector. Those contributions are made in four level models. This model distinguishes:

1. reaction criteria that represent attitudinal and affective responses to the training;
2. learning criteria, learning outcomes of the training without reference to the performance for which the training was meant;
3. behavioral criteria, actual on-the-job performance;
4. results criteria, distal and macro criteria that relate to productivity and profits.

Training can be beneficial to tourism organizations but, in practice, obstacles in the implementation may lead to diminished outcomes. Although investment in training might be a wise decision, it may not necessarily lead to improved productivity. Number of employees trained did not have a substantial impact on productivity. There may be many reasons to engage in training programs, and not all may be expected to lead to improvement of organizational output (Fisher, 1989).

Tourism industry aims to increase its effectiveness though the effectiveness of human resources. Short-term training and retraining programs will lead career development of the manpower in tourism industry. Secondment and traineeship are

actively used in human resource development as a method for training human resources in tourism (Wilkinson and Johnstone, 2016). Employees are seconded under the projects which are jointly implemented with international partners or local companies. Tourism companies' employees are sent for traineeship to international offices of the partner companies for the exchange of experience with the leading tourism firms and other tourism related companies. The employees, who are sent for secondment or traineeship, enjoy the possibility to learn the experience of the tourism companies. Tourism companies should continually work on establishing the managerial and administrative positions (Wilkinson and Johnstone, 2016).

Baum (2006) considered to highlight workforce requirements in tourism. The wide range of the rendered services in the sphere of tourism demands as universality of knowledge of the experts working in this area and skills of management at the most different levels: from the animator to the head of hotel complex or transport enterprise. Therefore, in process of development of travel business the greatest requirement, at least last decade, arises in training of specialists on economy and management for tourist branch. Specifics of training of specialists in the field of tourism consist in the following: the head of firm has to know types and styles of the management; to possess certain business and personal (psychophysical, moral) qualities; to be able to use functions of management (planning, selection, training, control, management control, etc.); to apply knowledge of legal base. The manager and the marketing specialist have to be guided perfectly in the sphere of tourism, know the market, an order of passing of a tourist product, to be able to work with people, to estimate personal and others' acts. Thus, requirements imposed to the modern specialist of tourist branch assume, first of all, high professionalism and competence. Sometimes theorists and practitioners differently perceive these concepts in one case underlining qualified specialist, in another highlighting the good organizer.

The essence of the management consists in dialectic interrelation of two processes - one-man management and self-organization of group behavior. Distribution of functions between members of collective brings to the main thing: the management is a special kind of activity which central link, management of

joint work of people (Monachello and Baum, 1996). Huselid (1995) noted features of the organization of administrative work in tourist branch impose certain requirements and to formation of specific personal signs of the head to which they belong: adaptation mobility, tendency to creative forms of activity, depth of knowledge, initiative, desire of high-quality changes in the organization and content of own activity, aspiration to innovations, etc.; sociability - sociability, interest in people, ability to gain people, ability to resolve a conflict situation; resistance to stress intellectual and emotional security in problem situations; dynamism - authoritativeness, ambition, aspiration to leadership. Besides, the expert of the tourist sphere has to be down on to business, to be a professional in it; to think strategically; to constantly obtain new information; to possess high moral qualities; to be exclusively honest.

At the same time, the manager has to have profound knowledge in the field of the excursion theory and a technique; to know fundamentals of psychology, pedagogies and excursion promotion; to possess oratory, has to be able to form intuition - ability of comprehension of truth by her direct discretion without justification by means of proofs (Baum, 2006: 220). At the same time, the serious changes happening in domestic education at the present stage have caused definition of the new principles and methodological means of content of education (Lockwood et al., 1996).

The organization of Human Resources Management System at the tourism enterprises

Important feature of the enterprises of the industry of service and tourism is broad participation of personnel in production services. Therefore, the human factor displays considerable impact on quality of the provided services (Lynham and Cunningham, 2006).

Managers of tourism service recognize that the qualified skilled workers are capital asset, but not an extra component. Success of their functioning in different points defined by a vulnerable and unstable human factor considering this human resource management become priority of tasks at the service enterprises. The service enterprise can be considered as a management system, and the relations of management as a part of production relations. Improvement of the labor relations,

the organizations of work, increase of professional and cultural level of workers, at the same time with intensive development of new technologies, questions of human resource management have turned into the new direction of science. The human resources management system assists to form the purposes, functions of human resource management organization, vertical and horizontal functional interrelations of heads and experts in the course of justification, developments, acceptances and implementation of administrative decisions (Mescon,1998).

The main target of human resource management organization is achieving high efficiency and quality of work. In this regard as profit on implementation of measures for human resource management give possibility to face results of growth of services, the can be described as rendered services in value terms (Swanson and Holton,2005:90). Specifics of a management system cause features of management process of work at each enterprise in the tourism services. That finds the expression in rationalization, improvement of forms and receptions of work including in human resource management.

The human resource management assumes the organization of hiring, selection, reception of personnel, business assessment, arrangement, career guidance and adaptation, training, management of business career and professional promotion, motivation and management of the conflicts and stresses, ensuring social development of the organization, release of personnel, etc (Baum,1995:152). On the basis of it the main efforts of management at the enterprises of the industry of service and tourism have to be directed to human resources management system, it is focused on definition of future requirements and development of potential of worker. Each employee has to understand their personal jobs, creation of psychologically favorable motivation for collective in microclimate Managers of different divisions of the enterprises of tourism service often face low motivation of workers, their dissatisfaction with work and a salary.

Psychologists and specialists have found out that most often expectations of employees of the enterprises of the tourism industry of service are connected with three groups of factors (Riley, 1996:145):

- economic rewards (compensation, material encouragement);

- internal satisfaction with work (interest in work, a possibility of career development, etc.);
- satisfaction of social and psychological relations in collective.

Nowadays in service industry as tourism the main emphasis goes on personnel management system of organization (Leiper,2004). Skillful work with personnel will be positive consequence which is increasing desire to feel pride of each employee to make their work better and to be the best compared with competitors (Swanson and Holton, 2005:94).

Various methods of management are developing for creating feelings of personnel of participation in common work. These methods also increasing high motivation; methods of stimulation of all participants of labor process, the differentiated approach to labor potential at development of the principles, general for the service enterprise, and rules of work with personnel. The increasing competition in the market of the tourism industry of service and tourism causes search of ways of increase of internal efficiency at the service enterprises, forces personnel to work solid, to become accomplices of processes of improvement of activity of the service enterprise. A cooperation method (at the same time the competitive spirit isn't excluded) trust to each other needed conditions for efficient development of the service enterprise capable to fully realize the intellectual, labor and creative potential of personnel (Swanson and Holton, 2005: 95).

2.6. Features of Human Resources Management of Tourism in The Republic of Kazakhstan

The tourism which is generally considered as service business, in order to develop tourism in destination places, have to take required steps to construct a pool of the effective trained people to fill various workplaces. Furthermore they should be created subsequently. The set of workplaces will be created to care and manage various tourist services (Leiper, 2004). Rapid growth rates in an industry exert direct impact on employment of tourism and human resources development in terms the demand of professionals, certain skills, special training and educational facilities (McLean and Cho, 2004). Necessity of improving human resources for different spheres of tourism industry requires knowledge, skills, experience of

manpower (Riley, 1996:145). Human resources management system has a valuable function in competitiveness and stability number of countries.

The tourism industry of Kazakhstan became a symbol of national force at present time. As the tourism industry is closely connected with stability in economy and national development, Kazakhstan tend to be consider it as a national strategic industry (Rakhimbekov et al, 2015). Furthermore, as the demand in tourism constantly grow in RK, it generates growth of extra workplaces in tourism enterprises. For the last decade it was observed that the rate of creation of new workplaces in the tourism industry of RK was above than average. It is positive indicator in terms of economy of the Kazakhstan.

Development of the Kazakhstan tourism would demand that the strategy of HRD which is focused on stability based industry methods, tourism development, value systems and behavioral models among all the stakeholders (Tatibekov, 2004). Kazakhstan, and other countries from ex-soviet union passed two phases in human resources development. The first phase which obtain the period 1990 - 1995 was characterized by huge decrease in the main indicators of human development. On the contrary during the second phase in years 1995-2003 results of Kazakhstan showed noticeable growth in human resources development (Smykova, 2013). Even through economic development rates Kazakhstan's economy categorized as two times quicker in growth than in other countries with average income according to report of the World Bank. Budget revenues in 2015 in comparison with 2014, increased two times while for the same period annual average inflation rates constituted 6.9% (The World Bank, 2015). Considering these national and historical contextual factors there are many environmental factors and the forces considerably going and influencing emergence and development of HRM in Kazakhstan. The country in transition, Kazakhstan faced unprecedented difficulties of unemployment, economic instability and critical deficit of a high-level manpower. All these factors were specified the need to develop and issue capabilities of the person and competence at the national and local levels (Lynham and Cunningham, 2006). The rapid growth of the market of tourism can influence a factor for an employment increase and economy growth at the same time. Tourism cooperates with various sectors of economy. Similarly tourism

development gives a chance to grow for tourism related industries. Besides that country will witness the better prospects for attraction of investments to the country (Swanson and Holton, 2005:95).

Tourism became one of the primary sectors of the Kazakhstan for the present time. It stands along with other leading sectors of Kazakhstan such as gas and oil producing industry, metallurgy, agriculture industry and other sectors. Land of Kazakhstan has all sources of raw materials and for the period after gaining independence sales of the raw materials were active in the world's market. Market of raw materials has satisfactory income of foreign currency which is used to develop other branches of economy, including tourism. Tourism is considered as leading engine of development and economic growth in many countries. This representation justified in distribution of public resources to attract more visitors. The main objective of Kazakhstan government is take an advantage tourism development in order to increase economy of the country and decrease unemployment rate. Today, tourism is one of the most profitable and dynamic industries of the national economy which have positive influence on employment opportunities (Tatibekov, 2004).

The lack of the requirement of optimization of a management system is focused on instant benefit, rather than precisely of management. There is insignificant and unnecessary issues appear as managers lose the important instrument of problem identification. Elimination of this task from human resources management system of the Kazakhstan is extremely important as there is no progress ahead without solving these issues. Even the most progressive techniques of market research and favorable conditions of marketing services will not give any profit if there is no support from the management system. In other words efficient management system when managers and personnel in good communication. Specifically it helps to understand reports of economic results of the enterprise activities and to organize continuous monitoring of the income and expenses sufficiently.

The certain feature of the Kazakhstan in human resources management systems that the main strategic benefits were not distinguished. Marking out improvement of the enterprises is important part as shortages of achievements it is

difficult to witness further enhancement real improvement. Human resources are competitive wealth which needs to be developed along with other resources in order to achieve strategic objectives of the enterprises and provide its effective functioning in economy (Tatibekov, 2004).

Due to the transformation of the Kazakh society the organization of tourism system of the service industry and its interrelation between human's needs has changed. Tourism is one of the leading sectors in The Republic of Kazakhstan (Bazarova, 2002: 550). Tourism development is one of the factors for contribution to the national economy (Baum, 1995). The considerable goal of tourism development is creating fundamental foundation for a dynamic and profitable which aims to develop tourism in Kazakhstan (Tatibekov, 2004). Tourism has very crucial role in economy of many states and represents a type of recreational holiday, promotes restoration of forces and working ability of the human resources, psycho-physiological resources of society, promotes rational use leisure time of people, carries out a special role in labor employment and increase level of living of local population (Smykova, 2013). The industry of tourism exerts an indirect impact on a living standards of local population and creates employment which influence on creation and development of infrastructure, number of customer service in tourist regions (means of communication, communication lines, points of household services, shops, the sports centers, cafe, restaurants, various attractions, etc.) (Kulibayev, 2006).

Nowadays acceptance of the new position in the globe, search for new methods of the management of the human resources comes out on top for tourism management (Rassulova, 2012). The HR managers of new type in the industry of tourism has to distinguish problems on a market and services in order to liquidate shortcoming and increase prosperity of the business and the organization by effectively of their work (Smykova, 2013). Dynamics of globalization of tourism business in Kazakhstan requires human resources training who provides satisfactory services for tourists. Higher educational institutions of Kazakhstan is engaged in training of HR managers for the industry of tourism. Therefore, the organizations and the enterprises of the tourist industry have to determine which of current and future employees will provide them competitive advantage not only

today, but also in the future. Modern methods of working with personnel in tourism business has to be considered as management system including: organizational structure of management; personnel policy; planning; vocational education; selection; training and retraining; career guidance and adaptation; appraisal, compensation; professional development and promotion (Rassulova, 2014).

Employment in Tourism in the Republic of Kazakhstan

The industry of tourism and hotel economy acts as one of regulators of employment of the population. Annually in this sphere about three million workplaces are created. Around the world the considerable attention is paid to training for tourist business. Because the problem of qualified personnel is very important for tourism, the product offered the consumer are not goods, it is service (Fisher,1989). Quality assurance of tourist services is directly connected with professionalism of the specialists rendering these services, knowledge of tourist resources and their quality.

The serious problem constraining tourism development in Kazakhstan is the system of preparation of tourist personnel, which is inefficient enough. Till 1992 neither in Kazakhstan, nor in the territory of all republics which were earlier a part of the USSR there was not experience in tourism specialists' training of the tourist and hotel structures operating in market conditions (Pilyavskii and Tahtaev, 2013). Therefore, in the higher education institutions of the republic training managers of tourism, the organization of all teaching and educational process was performed, generally in the empirical way, without sufficient scientific reasons (Turekulova, 2015). For example, if in the conditions of prevalence of outbound tourism, training for this type of tourism represents foreign language skills, information technologies and knowledge of fundamentals of international law. For development of internal tourism there will be demand for good knowledge in the field of the tourist industry, planning of tourist flows, tourist resources of certain regions etc. It means preparation of future personnel it is necessary to consider the outlined tendencies. There is a need for training of specialists of new types, extraordinary thinking, having broad knowledge and skills in specific areas (Samyikova, 2013).

Training of specialists for the sphere of tourism in the Republic of Kazakhstan tends to increase. This factor positively affects tourism development of RK. This tendency is looked through in training of specialists both with the higher education, and with secondary professional education. Tatibekov (2004) stated in his research that development of hospitality industry has greatest demand for training of specialists. There are no monitoring requirements for specialists of various profile from the hotel organizations and tourist business. After tourism became as one of priority clusters of development of economy of Kazakhstan the state aimed to support tourism sector by improving training system of human resources. But growth rates of training system advance rates of tourism development (Smykova, 2013).

Smykova (2013) also reported that in a situation when tourism follow leading market forms of functioning in tourism, labor market requires professionals who have specific knowledge in technologies and software, aware about best ways of promotion of tourist services, communicative and psychological features of communication with clients etc. Now in the republic is concentrated in work on preparation and retraining of professional personnel for a tourist industry, and stage of education in the sphere of tourism and hotel industry is dynamically developing and enhancing.

2.7. Improvement of the personnel management system as necessary condition of successful functioning of the tourism in Kazakhstan.

Human resources management consists of recognition of economic investments connected with attraction of the best labor power which is qualified and skilled, continuously training of employees and improvement of managing system in the tourism sector. The purposes of human resources management are combination of the human resources, qualification and potential of employees with strategy and the purposes of the tourism industry.

Methods of management of personnel in the industry of tourism demand significant growth and formation of HR in tourism business of Kazakhstan. (Rassulova, 2014) Undoubtedly, in modern conditions it is considered that human resources, and knowledge of personnel, professional talents, skills and abilities define success of any organization. The situation of the tourist industry in

Kazakhstan dictates demand of improvement of a personnel management system (Smykova et al., 2013).

Development of personnel management requires necessity of applying some actions. One of these action is applying distance learning in universities for training managers in tourism industry; creation and formation of faculties of professional development of managers in tourism; expansion of practice by exchanging interuniversity experiences for preparation of administrative personnel in tourism; use of the leading foreign experts in educational process of the Kazakhstan; expansion of tourist services in the Republic of Kazakhstan takes into consideration the geopolitical provision, historical sites, a wide variety of natural factors (the mountain, the steppe, the lake, the river, etc.) (Rassulova, 2007).

Transition of economy to market has considerably changed the relations in the sphere of management and use of personnel of the enterprises and organizations. This problem has special value at the level of the enterprises which position in market economy changes radically. Being a subject of the commodity-money relations who possesses economic independence and completely answers results of the economic activity, the enterprise has to create such personnel management system which will ensure to its effective functioning and high competitiveness, and also steady position in the market. But many enterprises, especially small, not fully realize degree of importance of process of improvement and development of a personnel management system (Tatibekov, 2004). For this reason, the relations not only between workers and the employer, between managers and personnel of the enterprise, but also between heads and subordinates change. Undoubtedly, at the enterprises there is a problem of necessity of development and usage of new system and other mechanisms of human resource management which can correspond to new realities of market economy that does this subject even more actual.

In any field of activity one of the priority factors of commercial success is competitiveness. Today competitiveness of the enterprise, on an equal basis with technologies and ways of the organization of production, defines security of the enterprise with skilled human resource, degree of motivation of personnel, and also

organizational structures and forms of work which allow reaching the high level of effective activity (McLean, and Cho, 2004).

Competitiveness is concept multidimensional it includes not only qualitative, technical and economic characteristics of the production of goods or service, but also those processes which happen parallel to primary activity of the enterprise or organization. The goods cost, sales channels, delivery time, logistics, advertising, service and many other things mainly depend on productive and effective management of personnel both at a goods production phase, and on the subsequent actions of the organization that once again confirms the high importance of human resource management (Budeanu, 2005).

Successful functioning of the enterprise and increase of its competitiveness which is connected with people, for this reason the modern concept of business management is highlighted among management sectors. The exact principles and ways of the organization and planning of production takes vital part in tourism sector. Despite that, the success of firm depends on particular employees who work at the enterprise, their knowledge, qualification, competence, motivations, discipline, training and ability to solve the arising problems is essential for enterprises. The relations in the human resources management obtain a wide range of problems which are connected with the organization of labor process, selection, training and retraining, the choice of suitable system of compensation, creation of conditions of social partnership at the enterprise (Fisher, 1989). The consumer then compares the perceived performance to prior expectations. Consumer satisfaction is seen as the outcome of this mentioned comparison.

2.7.1. Training system of personnel performance in Tourism Industry.

The state is interested in creating a self-sustaining system of continuous vocational training for the tourism industry, capable of providing training, competent to deal effectively with the problem of the state to enhance the relevance of tourism in the economy. The state is interested in the fact that in the course of vocational training was carried out to produce competent qualified specialists, who are able to be competitive on the labor market. Employees with a good knowledge of their profession and are guided in adjacent areas, the ability to effectively work on

specialty at the level of world standards, ready for continuous professional growth, social and occupational mobility, loyal to their organization, in support of its organizational culture (Thomas, 2008:140).

Students interested in the practical implementation of the ideas of democratization and humanization of vocational training, in creating in the process of preparing the conditions for the maximum capacity of the creative potential of the person, formation of professional and personal competencies. Thus, the modernization of professional training system provides for the individual creation of objective conditions for the expansion of knowledge, enrich the experience, learn new ways of cognitive, practical and social and cultural activities (Thomas, 2008:141). When upgrading the training system should be focused on three principal characteristics, namely:

- the need to form a unified intellectual environment of the tourism industry;
- ensuring close integration of training with all the production processes;
- improving intellectual and creative potential, the management component of the educational institutions.

As a result of the modernization of the training system for the tourism industry is to function effectively if it will meet the following requirements(Thomas, 2008:150):

- completeness of action composition (necessary and sufficient to achieve the goals); integrity, coordination and synchronization of the individual elements that allow it to function, linking population and labor market demand for educational services;
- balance of all the resources (financial, educational, human, scientific, logistic, etc.); accountability (defined operational milestones);
- sensitivity to disruptions (defined property in a timely manner to detect the deviation of the real situation on the provided representing a threat to the achievement of the objectives);
- succession of levels, stages and training modules (within the chosen field of professional human activity);
- opening up the training process on the principles of democracy: access to each level of education; academic mobility of students and teachers; academic continuity of education at different levels;

- social partnership between all the components of the continuous training system, providing its multilateral integration ties, involvement in socio-economic relations.

Constituent elements of the training system are formed it as a dynamic, adaptive socio-economic system, providing continuous education throughout their lives. The individual subsystems are allocated groups of factors that influence the processes in the training system. A block diagram of the training system, taking into account the relationships between its components, is shown in factors affecting the tourism industry are(Thomas, 2008:150): the state of the labor market and its needs, formed on the basis of tourist flows; foreign tourism industry, and others. On the basis of their influence shaped the labor market requirements on the quality of training. Factors influencing the educational environment of the tourism industry: the system of education in Kazakhstan; educational technology; educational environment of the tourism industry abroad.

Organizations and enterprises of the tourism industry are obliged to assess the professionalism of personnel, the results of which are reported in employment service, for further monitoring. Monitoring of the training system and the labor market is carried out in order to create an information base for determining future needs for personnel on the basis of socio-economic potential of the region and aims to study the regularities of processes taking place in the training system.

2.7.2. Modernization of training system of personnel in Tourism Industry.

Based on the analysis of domestic and foreign experience of training (Burton and Burton (1994), Baum (1995), Baldacchino (1997) developed a conceptual approach to the modernization of Kazakhstan's system of training for the tourism industry, whose main provisions are:

- the creation of a conceptual model of a training system for the tourism industry;
- the creation of educational services monitoring system in this segment of the labor market;
- improving the regulatory framework, providing training for the tourism industry;

- strengthening the relationship of educational institutions with industry;
- the use of various forms of education, including distance, in a variety of forms and types of control;
- conducting intensive refresher courses and retraining, especially for specialists in primary and secondary vocational education;
- reorganization of the system of retraining and advanced training of the teaching staff, by establishing a common training centers at leading universities of the tourism industry.

The current economic, political and social situation in Kazakhstan, development of inbound, outbound and domestic tourism, and also the shortcomings defined in training demands scientific justification of a continuous vocational education for the tourist industry. The system of training has to meet the main idea about training - need for its introduction during human life according to interests of society, need of the person, requirements of economy, regardless of age, educational qualifications and other internal and external restrictions (Smykova, 2013). Thus, training as the system developed to guarantee consecutive development of professional and personal qualities of the person - from the school level to adult's education in different forms of additional education in the course of self-education (Duysen, 2010).

The maintenance of educational system has to be concentrated on advancing development of society, reflected problems of production and other spheres of social practice and means a continuity and a variety of a vocational education which is based on fundamental training of experts for the tourist industry, particular attention to its theoretical and methodological component. As effective management of educational system its modernization is necessary for the tourist industry to formulate system of the principles (McLean and Cho, 2004:390) which reflect that the most valuable aspects of its functioning appear in properties which, in turn, gives the whole definition of system, and cause its efficiency. They include the offered system principles and the principles of training system of the personnel in the conditions of the modernization. Based on researches of McLean and Cho (2004) it illustrates following system of the principles

- the principle of systematic approach and the analysis of development of

human resources for the tourist industry, in view of features of educational system - continuous, cyclic, an adaptability, openness, integrity, variability, a continuity, hierarchy, a divergence;

- the principle of ensuring global competitiveness, consisting in orientation for introduction of requirements of a world class for professionals of the tourist industry;
- the principle of integrated management of training system, providing the relations
- functions of management, direction control system, unity of action of all structures of control and people, organic combination of administrative methods, etc.;
- the principle of qualitative compliance to the established requirements and the modern doctrine of the state in the field of education;
- the principle of settlement of the purpose, including development of the intended integrated programs with release of strategic objectives and priority areas;
- basic attention to the end result, using criteria of social and economic efficiency;
- the principle of the professionalism based on participation of the personnel with a high scientific and practical potential.

McLean and Cho (2004) also divided the principles of training system in the conditions of modernization:

- the principle of efficiency which consists in the fact that operation and development of training system for the tourist industry have to promote stabilization and stable growth as economy because of acceleration of development in priority areas, and also because of activity in the world markets;
- professionally-oriented principle based on formation of professional competences, practical skills and theoretical knowledge concentrates on quality of training and level of their competence;
- the principle of a rational combination of preparation for the state and the market of a human resources management system for the tourist industry;

- basic attention to sector of labor market, including interests and priorities of the main consumers of the national and world markets;
- the principle of broad participation of employers in the course of decision-making on training employee for the tourism industry;
- the principle of cooperation between the establishments providing to training professional community, to creation of the effective mechanism for implementation of interaction and feedback;
- the principle of continuous control of educational results, develop effective measures for correction and impact on training of the tourist industry;
- the principle of cooperation in the scientific foundation of system of the training based on university research, applied research and real requirements of the tourist industry.

To modernize training system for the tourist industry there have been developed a number of the measures guaranteeing its implementation. Implementation of training system according to Smykova (2013): formation of the system of training according to requirements of a modern paradigm of education and innovation; quality control of training of graduates of educational institutions;

For the governmental organizations:

- creation of a legal framework of system of a vocational education;
- processing of modern state standards;
- purpose of training of the personnel;
- coordination of educational and methodical activity of educational institutions of retraining and professional development for the tourist industry;
- creation of the industry of employment services;
- creation of a wide network of various programs of implementation of educational institutions of initial preparation and retraining of experts for the tourist industry;
- creation of conditions for participation in annual programs of training at least 20% of staff of the enterprises and organizations of the tourist industry.

For educational institutions:

- development of educational programs, forming the creative modern expert;
- development and implementation of various educational technological training for the tourist industry;
- raising of a role and the stimulating activity of training system of the teacher and the manager based on an assessment by the final result of work - training of competitive experts for the tourist industry;
- creation educational and production are based for practical methods of training and production;
- creation of conditions for attraction of leading experts of the tourist industry in educational institutions

For businesses and organizations, the tourism industry:

- purposeful allocation of resources of enterprises and organizations of the tourism industry in the training of personnel, compliance with the annual advanced training of staff;
- participation representatives of the business community in examination committees, especially the final state certification;
- providing internships of the teaching staff at the enterprises of the tourism industry;
- participation of enterprises in the process of obtaining practical skills during the training through the organization of practices, the implementation of projects and dissertations on topics registered;

CHAPTER III

3. DEVELOPMENT OF TOURISM IN THE REPUBLIC OF KAZAKHSTAN AND CONTRIBUTION TO EMPLOYMENT OPPORTUNITIES

3.1. Literature Review

In the research we studied and analyzed theoretical works and practical developments of foreign and domestic scientists and researchers on problems of management of the organizations in tourism and hospitality.

Theoretical basis of research was works of scientists on human resources and human resources management in tourism such as: relationships between tourism and human resources, importance of employment in tourism industries, employment opportunities in tourism sector, tourism development, styles and models of management, realization of functions of management, ensuring efficiency of activity of the organization, modernization of training system in human resources and so on. The theoretical basis of research was based on works of Baum (1995), Burton and Burton (1994), Cooper (2012), Goldsmith, Nickson, Sloan, Wood (1997), Kearney (2005), Leiper (1995), Lockwood, Baker, Ghillyer (1996) etc.

Raymond Kearney (2005:35) in his *Tourism and Hospitality Management* reminded that learning needs in the tourism industry refer to general, technical and soft skills, and listed the main barriers to learning: the industry structure and culture, staff retention, seasonality of demand and the responsiveness of education and training systems. Problems of activities for human resource management of the organization in branch of welfare service and tourism have found reflection in works of foreign researchers: R. Thomas, *Staff recruitment, professional development and motivation in the sphere of tourism and hospitality*, Baldachino, *Global Tourism and Informal Labour Relations*, etc.

In the work "Staff recruitment, professional development and motivation in the sphere of tourism and hospitality" R. Thomas (2008:90) tells how to achieve from diversified labor of the same and even bigger productivity. In the work "Human resource management in hospitality" Michael Riley (1996:146) considers

social and psychological and economic aspects of management of human resources in hospitality including restaurant business. Gives techniques of a set, selection of personnel, performance appraisal, certification, permission of labor disputes and complaints

Recognizing the importance of the performed works, it should be noted that the problem of tourism services development on the basis of marketing is investigated insufficiently. This cause necessity of study of its separate aspects including development of theoretical perception and features of tourism services, improvement of methodical approaches of tourism market researches, and also development of the main conceptual directions of tourism development on marketing bases. Relevance of a study is that tourism and tourism service such as hotel business, restaurant business and animation services became the unique phenomenon and a phenomenon of century. They have strongly entered life of hundreds of millions of people.

In the work "Global Tourism and Informal Labour Relations" Baldacchino (1997) considers human resource as the main element in tourism sector and states that human resources management in the industry of tourism as means of achievement of competitive advantages. Author's opinion that personnel are one of the factors creating competitive advantage at tourism organization. Therefore, it is necessary to study human resources management to know abilities of the employee for competitive work at the international level and handle work in the organization of the industry of tourism.

Work of Baum (1995) 'Managing Human Resources in the European Tourism and Hospitality Industry: A Strategic Approach,' underlines importance of labor force and describes structure and functions of service of human resource management and personnel planning. According to the author, demand for well trained workers with experience in the industries of hospitality predetermine relevance of effective planning of personnel. In recent years' personnel planning became important issue in management of the enterprise, as well as planning of other economic resources, and it should be considered as a component of strategic planning.

In the work "Interpersonal Skills for Travel and Tourism" Burton (1994) defines features of human resource in tourism industry and emphasis of relationship between human resources and tourism industry, stating both sectors depend on each other. Attention is paid to quality of service, work of household services, questions of advertising, and other means of formation and stimulation of demand in branches tourism. The work contains main changes which is happening in this dynamic area tourism sector.

Baum (2006) in the work "Human resource management for tourism, hospitality and leisure: An International perspective" illustrates existing issues of management in human resource, solution allows manager to provide improvement of the enterprise and will lead for its future development. Management of human resources and the most actual sections of this management are presented in the book: human resource management bases, including mission of personnel potential, strategy.

Goldsmith, in work "Human Resource Management for Hospitality Services " states that human resources is as a part of tourism industry and states that human resources are important element for development of tourism. The author mentions about necessity for well trained workers with experience in the industries of hospitality and tourism services. Considering human resources management as a vital process of managing enterprise the same as planning other economic resources. Human resources should be accepted as a one of the component of strategic planning.

Importance of HR for tourism industry is valuable (Weaver and Lawton, 2000), the productive and professional management is essential of successful tourism development. Tourism is about service business. Product of tourism is workers service and the evaluation of the product is satisfaction of consumers. Tourism industry needs to have efficient trained people to complete places of various jobs in tourism sector. Multiplicity of jobs can help to manage tourism services. Significant part is that working personnel have to be trained and qualified for these variety of tourism services develop tourism sector. Tourism development connected with employment and accumulation of income in the destinations.

Human resources Management is recognized as the most effective and efficient way of achieving success in different sectors around the world. The small amount of enterprises can detect the hidden significance of human resources and applying them could be the force to make leading leaders in world market (Baum, 2006). HRM functions were reckoned by managers as a main implement for dealing with employee functions. HRM function was progressed into being strategic companion, sharing conceptions, objectives, and resources and marketing and finance departments. Different researches emerged connection of HRM practices with some authoritative rotations which is able to escalate company performance. As an example Cook discovered that interaction of HRM and business strategy enterprises is crucial factor for increasing effectiveness of organization. HRM consist of development of employee abilities and attitudes which is increasing personally growth. Improvement of personnel abilities and attitudes conduce to organizational development. Wright (2006) emerged that HRM is associated with policies, practices, apart from that system which can have influence on personnel's behavior and performance.

Training and development are recognized as an important part for improving human resources from individual, organizational and national perspectives. Beneficial side from training was mentioned in works of Ahmad and Schroeder (2003). According to them training assistant employees to learn their jobs in a fast way and can help to make it more effective. Employees work performance development also depends on training and influence on their career growth and reduce turnover among new and already existing staff. Also the authors conducted about two influential side of training on performance primer one is that training develops appropriate skills and abilities; the other one refers to increasing employees' satisfaction with their doing job and workplace. Compensation and incentive one of the main tool that organizations use to raise employee motivation (Chang and Chen, 2002).

The function of performance appraisal is to evaluate performance of employees. Performance appraisal helps to develop employee's future aims and support them in a process of improving their performances. Their previous results or behavior can help in a process of improvement. These kind of performance

appraisal can be related to changes in individual performance (Fletcher and Williams, 1985). Human Resources are one of the significant assets for all types of tourism sector. Therefore the tourism industry is recognized as one of the sectors that based on the human element in the provision of services. Importance of employees' involvement in the quality process of any kind of organization is based on people who actually doing the job. Tourists are the main consumers of products which are done by workers of tourism sector. Workers can suggest special services to customers basing on their skills and knowledge. Baum (2006) conducts that in hospitality industry is crucial to recruit people who are officially and relatively educated. As we already mentioned there is demand for personnel with good education and perfect managerial skills.

Basing on works Burton and Burton (1994) it is possible to highlight skills of workers in tourism such as knowledge of staff to employment benchmarks, employee attitudes and values, relatively high level of training, physical and mental characteristics of the employee. Working in tourism sector is number of skills and characteristics that are in demand of labors. There could be two factors that gave importance. First one is about big percentage of labors who work with large number of consumers in purpose of complete particular aspects of tourism operations. As consumer demands on services increasing, the role of human resources becomes overwhelming. The other factor consists of property, management and equipment organizations. In the tourism sector basic element of an employee's performance is how satisfied and loyal the customer is.

Quality cooperation between customer and employee is a good index of the employee's performance, the ideal measure of an employee's performance in tourism sector would be to have a performance rating from each customer. Because employees' performance is a final product and evaluation of it should be shown by satisfaction or dissatisfaction of consumer. Tourism industry considers as people oriented business and its crucial to develop and retrain personnel with powerful skills. Poor treatment of customers in hotels or restaurants and in different tour groups would have negative effect on tourism business, because this will bring to unpleasant consequences as sharing their bad experiences with their surrounding environment (Lockwood et al., 1996).

3.2. Purpose (Objective of the Study)

The purpose of the study is to analyze the importance of tourism development in the Republic of Kazakhstan and highlight the connection between tourism industry and employment opportunities in the country. The aim of the thesis consists of two objectives; to describe the importance of the tourism industry for the Republic of Kazakhstan and to underline contribution to employment opportunities and effectiveness of human resources management. The study aimed to evaluate impact of tourists' arrival and travel activities of residence on employment opportunities in the tourism sector which affects to develop tourism in the country. In the process of this research secondary data will be used.

3.3. Limitations of the Study

Process of writing research can have a possibility of facing some weaknesses. These issues could appear within the process of collecting of the data or analyzing data. The data which is applied in the research was collected from different sources. Those sources are governmental websites such as Department of Tourism Industry of the Republic of Kazakhstan, Agency of Statistics of the Republic of Kazakhstan, reports and documentation from World Travel and Tourism Council and academic literature. Some difficulties have appeared in the process of the data collection. The main obstacle is discovering up-to-date information on the websites, access to documents of international organizations.

3.4. Methodology

The methodology of this study is based on the secondary data analysis. Secondary data collection has chosen by author to compete this research. Previously collected data provides with possibility to go back in time and make researches on the past data that was collected earlier. Secondary data can give us possibility to make comparison between future predictions and past trends. Secondary data were collected from different sources to complete this thesis. The primary source of the secondary data is from the Agency of Statistics of the Republic of Kazakhstan. Data was taken from sources such as World Travel and Tourism Council and Department of Tourism Industry of the Republic of Kazakhstan. The research process will be based on the data analysis of the secondary data.

3.5. Data Collection

The study aims to discover the interrelation of tourism industry and employment opportunities in the Republic of Kazakhstan. The data was collected from the primary source the Agency of Statistics of the Republic of Kazakhstan. First of all statistical data on tourism industry in the Republic of Kazakhstan was collected. The statistical data was regarding the dynamics of tourist arrivals and tourism industry of the country. The other statistical data was based on the labour market and workforce in the Republic of Kazakhstan and its impact on tourism sector. Data collected basing on three different tourism types such as domestic, outbound and inbound tourism. Apart from that data was collected according to tourism industry such as accommodation, transportation, travel agencies. Aiming to find out relationship between tourism industry and employment opportunities we collected data related to workforce of the Republic of Kazakhstan.

3.6. Data Analysis

Statistical analysis were used according to respective objectives of the study analysis such as correlation analysis. Spearman's correlation analysis were used to identify relationships between different variables. Spearman's rho measures how strong connection of two variables (Bobko, 2001:20). Spearman's correlation analysis show potency of connection between two variables in a single value between minus one and plus one. This value is called the correlation coefficient. Interrelationship between the two variables which is positive indicated as positive correlation and negative relationship indicates as negative correlation coefficient. In situation when correlation coefficient displays zero it shows about absence of the relationships between variables (Algina and Moulder,2000). Spearman's Correlation is known as non-pragmatic level test, and it does not consider that the variables make normal distribution multi various (Chen and Popovich, 2002).

Statistics of the correlation will check for potential correlations among tourism industry and employment opportunities in the Republic of Kazakhstan. Correlation will help us to find the intensity of some existing causal relations among them. Given that the sample data is very small we do not have a normal

distribution of data to be analyzed, we use the formula of Spearman. Spearman's correlation is not parametric test and it does not need a distribution to be calculated. The correlations will be analyzed for data series from the Agency of Statistics of the Republic of Kazakhstan, taking into account the years 2006-2016.

The research was aimed to reflect importance of tourism development in the country and to find out relationship between tourism industry and employment opportunities in the Republic of Kazakhstan. Existence of the tourism industry in Republic of Kazakhstan is significant, as it provokes increase of country's economy by attracting the number of tourist foreign currency. Tourists' activities in the country create job opportunities for residence in tourism sector and these actions help in development of tourism. Qualified job performance and service satisfaction creates better conditions for tourists and increase number of arrivals into the country. Effectiveness of the human resources management will give an opportunity to attract high number of tourists to the country. Research analyzes the significance of the tourism industry and contribution of job opportunities for tourism development in the Republic of Kazakhstan and for whole economy of the country. It displays that tourism creates employment resources for Kazakhstan. The research describes the status of tourism in The Republic of Kazakhstan and changes through the times in travel and tourism sector. This will give us a possibility to compare and see the significant changes in tourism industry and influences on employment and tourism development of the country.

The research supported the idea that tourism industry in one of the important and popular sector for The Republic of Kazakhstan. It also displayed that tourism and travel is one of the main source of employment and foreign income in the country. The number of tourists increased comparing to the previous years. According to report we can observe that tourism and travel industry gaining popularity among international tourists and domestic travelers. The research reveals that tourism industry of the Kazakhstan in developing every year and shows positive results of the tourists activities. This report also underlines that tourism industry creating number of job opportunities in sectors such as, accommodation, transportation, travel agencies. The research also illustrating significance of the tourism and contribution to employment opportunities. The total amount of

employment that tourism sector provides about 152 thsd. workplaces in 2014. Range of labor in travel firms, all types of transportation services, accommodation and restaurant services are involved in the direct support of tourists (WTTC, 2015).

3.7. RESULTS

Results are divided into three main sections. The first section renders the statistical data of tourism industry in The Republic of Kazakhstan. The second section presents result of the employment in tourism industry in the Republic of Kazakhstan. The last section demonstrates the results of correlation analysis according to tourism industry and contribution to employment opportunities in the tourism in The Republic of Kazakhstan.

3.7.1. Statistical data of tourism industry in The Republic of Kazakhstan.

The Republic of Kazakhstan started to be one of the most stable countries with attractive tourism opportunities such as natural resources of the country, historical and cultural significances. Tourism has economical influence on national economy of the country. Tourism creates cash flows from the country and to the country by tourists' travel activities, such as international travel and domestic travel. Income from export of tourist services and import of tourist services generate income of the country helping in development of the country though the tourism. Despite that international and domestic tourism could show different results. We can see the dynamics of tourists by domestic, outbound and inbound tourism as shown in Table1.

It is observed from the data shown in the table that the number of tourists of the domestic tourism tends to increase in comparison in years 2009-2013. So in comparison of years 2013 and 2009 the significant growth shows 186351 persons. The same period shows that there was a reduction in inbound tourism and growth in domestic tourism.

Nowadays, tourism of the Republic of Kazakhstan shows steadily increase only in outbound tourism. But in terms of the development of its own economy outbound tourism cannot serve indicators for successful development of the tourist segments. After all, in any country, the level of the tourism industry development is evaluated by results of inbound and domestic tourism. As basing on official

statistical data, it is possible to observe the number of visitor arriving to the country in 2009 - 2013, fell to 20.3% We can clearly see visible disproportions in development of different types of tourism industry in Kazakhstan. Development of outbound tourism prevails; it leads to invisible capital import. It is significant to work on development of inbound and domestic tourism in Kazakhstan. Inbound tourism could increase flow of foreign currency into national economy. Foreign exchange earnings from inbound tourism stays essential as the main engine of economic growth. While domestic tourism allows to direct budget from tourism to domestic recreational facilities, to develop internal infrastructure of economy. Domestic tourism also provides educational purpose, promotes growth of patriotism and pride of citizens of the country.

Table 1. The number of the tourists by types of tourism in 2009-2013, persons

Years	Domestic Tourism	%	Outbound Tourism	%	Inbound Tourism	%
2009	174 940	-	261 070	-	37 937	-
2010	122 216	43	193 951	34	31 246	-21
2011	157 988	29	261 709	34	39 640	26
2012	189 502	20	375 923	44	36 096	-10
2013	186 351	1,6	388 108	3	30 240	-2

Source: The table is organized by the author based on the data of Agency of Statistics of the Republic of Kazakhstan, 2009-2013.

According to Table 2 tourists had different purposes of arrival in Kazakhstan. The greatest share is made by the people who have arrived with the business and professional purposes 1984319 persons. The share of the business and professional purposes of tourists tends to increase — from 1 262 631 persons in 2010 to 198 43 19 persons in 2013. Business purposes of the foreigner's arrival consist of, a business trip, economical forums, international exhibitions, consultancy services, conferences, international and domestic agreements, cultural and sports and other events.

The dynamics of leisure and recreational purposes shows higher results among other travel purposes. Table 2 illustrates increase from 877 328 persons in 2010 compared to 1 113 469 persons in year 2013. Kazakhstan attracts nonresident

and resident tourists for different reasons and majority of the tourists arrives for leisure, recreation, business and professional purposes. Visits of relatives and friends also shows growth and this travel purposes, and this considers as common in domestic tourism. Other purposes of the travel purposes include health travel, sport activities purposes, educational purposes.

Table 2. Travel purpose of tourists, person

Travel Purposes	Years			
	2010	2011	2012	2013
Leisure and Recreational tourism	877 328	1 111 809	1 408 998	1 113 469
Visits of relatives and friends	73 572	98 587	147 671	122 029
Business and Professional tourism	1 262 631	1 727 158	1 989 460	1 984 319
Health	9 859	21 878	16 319	14 380
Religion and pilgrimage	6 992	9 155	14 231	11 611
Commercial purposes (shop tours)	40 668	58 752	77 011	14 560
Other purposes	5 064	8 072	13 839	47 384

Source: The table is organized by the author based on the data of Agency of Statistics of the Republic of Kazakhstan, 2010-2013.

Table 3 illustrates the number of tourist agencies in the country for the period from 2009 to 2013. The number of tourism agencies are increased by 1720 units in 2013. Comparing 2009 to 2013 the number of tourism agencies increased to 48%. According to the Table 3 the number of individual entrepreneurs engaged in tourism activities increased by more than 2 times. According to the results we can see that tourism activity is becoming more attractive for small businesses. But most of the entrepreneurs engaged in tourist accommodation. Comparison to years 2009 to 2013 shows that in recent years their number has increased by 78.1%. The share of individual entrepreneurs engaged in tourist accommodation, the total number of entrepreneurs in 2009-2013 ranged from 89% - 91%.

Table 3. Entrepreneurs engaged in tourism activities, units

Indicators	Year					Changes from 2009 to 2013	
	2009	2010	2011	2012	2013	(+,-)	%
Number of Tourist Firms	1163	1203	1252	1567	1720	557	48%
The number of Private Entrepreneurs in tourism sector	64	73	98	117	136	72	2%
The Number of Individual entrepreneurs engaged in tourism accommodation	621	664	787	936	1106	485	78%

Source: The table is organized by the author based on the data of Agency of Statistics of the Republic of Kazakhstan, 2009-2013.

Table 4 shows that the number of travel agencies in the Republic of Kazakhstan is increasing year by year. Significant result is shown for the latest years. The biggest cities of the country have the number of tourists' agencies. The number of the travel agencies are in a process of growing. Generally during the period from 2010 to 2015 the number of travel agencies has increased from 1203 to 1965 across whole Kazakhstan.

Important question is the analysis is in dynamics of number of the served tourists by travel agencies of the Kazakhstan. The number of the visitors served in the Republic of Kazakhstan is shown in Table4. Growth of the travel agencies strongly related with the number of visitors served in travel agencies. There are two main regions in Kazakhstan, Almaty and Astana are the main tourist centers of Kazakhstan. Performances of these cities' hotels are affected by the in international and domestic economic situation of the country. Majority of the tourists arrivals to these cities related to business trip. In addition, due to Astana becoming the capital, much of the government business hotels increase number of arrivals. Oil and Gas industry is developing in Aktau and Atyrau cities, which forces hotel demand of this segment to shift from Almaty to the new markets. In 2010 the hotel enterprises have increased for 56% during the years 2010-2015. In comparison results show that 1494 units and for 2015 it shows growth as 2338 units. Since 2010 for 2015, the market of hotel services was characterized by intensive increase in number of served visitors by the hotel entities. It was promoted by growth of number of the

hotel entities, the favorable investment climate and development of small business. The number of served tourists in accommodation is 2 548 868 people, whereas for 2015 the 3 807 666 people (See Table 4). As a research results show , the main indicator of effective activities of the hotel enterprises is demand the tourists arrivals.

Table 4. Dynamics of tourism industry development during 2010-2015 years

Indicators	Year					
	2010	2011	2012	2013	2014	2015
Number of Accommodation Places, units	1494	1642	1526	1678	2056	2338
Number of Travel Agencies, units	1 203	1 325	1 353	1720	1850	1965
Number of served tourists at objects of placement, persons	2 548 868	2 845 832	3 026 227	3 307 752	3 808 594	3 807 666
Number of the served tourists by travel agencies, persons	257520	336753	424355	604699	652477	702120

Source: The table is organized by the author based on the data of Agency of Statistics of the Republic of Kazakhstan, 2010-2015.

According to the data of Table 5, types of transportation shows dynamics of passenger 's carriages in the country by air, road and railway. The vast majority of tourist companies provides both the citizens of Kazakhstan sending and reception of foreign citizens, as well as domestic tourism. In recent years, under the railway type of the transportation was carried more than 24400 people. However, in terms of traffic growth the air communication is also favorable type. It should be noted that along with the domestic airlines engaged in international transport carriers in other countries.

The Republic has air links with many countries of the world and therefore Kazakhstan became transit route for foreign airlines operating between Europe and Asia. All these routes which is linking flights considered profitable for Kazakhstan. There is local air transporting companies which give opportunity for country residence and foreigners to travel around Kazakhstan and abroad without any issues. The main carrier is the "Air-Kazakhstan". Railway transportation is

preferred to be used by 49% of the tourists , and traveling by bus and about 40% of the tourists. The air transport takes 10 % from transportation in tourism industry. Results according to types of transportation shows that railway and road transports are in the first places which is related to high rates of the domestic tourism and demand among residents.

Table 5. Types of transportation used by tourists 2009-2013, people

Types of transportation	Year				
	2009	2010	2011	2012	2013
Bus	13.900	13.100	16.600	18.400	20.200
Rail	14.500	16.100	16.800	20.300	24.400
Air	2.800	3.400	4.100	4.300	5.000

Source: The table is organized by the author based on the data of Agency of Statistics of the Republic of Kazakhstan, 2009-2013.

3.7.2. Employment in tourism industry in the Republic of Kazakhstan.

The structure of Kazakhstan's labor market and workforce development of tourism industry are examined in this study. This data is based on information taken from Ministry of National Economy of the Republic of Kazakhstan Agency of Statistics. Official statistical information about employment was used by the author. According to Table 6 data related to employment and unemployment in the republic. Unemployed persons associated with individuals who are without a job and actively searching for job. Economic activity of population who during the reference period were: without work, were not in employment; actively seeking work, currently available for work during a certain period. The pensioners, schoolchildren, students, and invalids are considered as unemployed, provided they were searching for job and were ready to start it.

Data about situation in the labor market shows that in 2014 to 8 510 people were employed in the country. In comparison with year 2010 number of employed people increased on 5%. Level of unemployment in the country shows positive results by revealing decrease of the unemployment rate. Number of unemployment in 2010 is 496,5 people, whereas in 2015 is 451 people. These results display

gradual decrease of the unemployment rate in 5 %. Comparison in years 2010 - 2014 shows that unemployed population decreased for 10% Number of persons registered at employment authorities as unemployed shows that it decreases for 5 % in 2014. It is also reveal that unemployment rate changing year by year in positive way. Self-employed population takes 28.2% from the share in the total number of the employed population. The result in 2014 is less comparing to 2013 for 12%. Number of employees from the total number of the employed population takes 71,8 %.

Table 6. Labour Market of the Republic of Kazakhstan years 2010-2014

Indicators	2010	2011	2012	2013	2014
Economically active population, thsd. persons	8 610,7	8 774,6	8 981,9	9 041,3	8 962,0
Employed population, thsd. persons	8 114,2	8 301,6	8 507,1	8 570,6	8 510,1
Employment rate, as percent:					
<i>of the population aged 15 years and older</i>	<i>67,1</i>	<i>67,8</i>	<i>67,9</i>	<i>68,0</i>	<i>67,1</i>
<i>of the economically active population</i>	<i>94,2</i>	<i>94,6</i>	<i>94,7</i>	<i>94,8</i>	<i>95</i>
Employees, thsd. persons	5 409,4	5 581,4	5 813,7	5 949,7	6 109,7
share in the total number of the employed population, as percent	66,7	67,2	68,3	69,4	71,8
Self – employed population, thsd. persons	2 704,8	2 720,2	2 693,5	2 621,0	2 400,4
share in the total number of the employed population, as percent	33,3	32,8	31,7	30,6	28,2
Unemployed population, thsd. persons	496,5	473,0	474,8	470,7	451,9
Unemployment rate, as percent	5,8	5,4	5,3	5,2	5,0
Number of persons registered at employment authorities as unemployed, thsd. persons	35,4	36,6	34,6	30,0	33,4

Source: www.stat.kz. Agency of Statistics of the Republic of Kazakhstan, 2010-2014.

Table 7 shows labor market by regions of the Republic of Kazakhstan for 2008 - 2015. Table 7 reveals employed population of the Kazakhstan which is divided into several regions. The result of the table showing us that gradual changes of the employment state of the country in general. It is visible that the form 2008-2015 the employed population is increased. So the total number of the employed population of Kazakhstan according to 2015 is 8623, 8 thousand people, while in 2008 it was 7857, 2 thousand people. Number of employed population is changed for 9% for the last 7 years.

The lowest indicator of the employed population is shown in some region, but taken in consideration two main regions which are Almaty and Astana we can see huge differences in years. Employed population increased for 41% up to 2015 in Almaty, while Astana increase for 67% up to 2015. The reason of increasing number of employed population in Astana, that the capital city creating more opportunities for young generation and attracting more employees nowadays. South Kazakhstan region has the highest number of the employed population, in 2015 it indicates 1152, 7 thousand people which is the best result among other regions. The result of the highest number of the employed populations is that South Kazakhstan has more population and wide range of working places.

Table 7. Indicators of employed population by regions of the Republic of Kazakhstan years 2008-2015, thousands persons

Regions	Years											
	2008	2009	%	2010	2011	%	2012	2013	%	2014	2015	%
Republic of Kazakhstan	7857,2	7903,4	6,0	8114,2	8301,6	3	8507,1	8570,6	0,3	8510,1	8623,8	0,6
Akmolinskaya	406,1	405,6	2	413,3	418,4	1	416,4	419,0	1,5	422,7	423,0	1
Aktubinskaya	368,7	373,3	2	378,5	395,6	8	410,9	412,7	0	410,0	420,0	2
Almatinskaya	799,5	807,0	5	843,1	899,1	15	969,7	993,1	5	1013,3	984,4	-1
Atyrauskaya	240,9	242,1	6	256,2	269,0	8	277,3	279,5	3	286,1	296,5	6
WestKazakhstan	308,5	313,0	2	315,4	315,9	0	315,4	316,5	1	316,8	318,8	1
Zhambylskaya	530,1	539,2	4	551,3	557,0	2	559,9	550,8	-5	530,2	512,6	-6
Karagandinskaya	699,0	695,2	1	704,3	700,4	0,1	703,0	707,2	-3	678,4	694,5	-2
Kostanaiskaya	517,4	510,5	1	512,6	512,7	0,2	511,2	503,6	-3	493,9	494,5	-2
Kyzylordinskaya	283,9	287,0	5	298,7	318,9	10	329,1	334,4	-5	311,1	309,0	-7
Mangistauskaya	187,9	194,1	9	205,2	227,8	24	256,3	259,1	-3	248,8	277,2	7%
SouthKazakhstan	1044,6	1057,6	5	1091,7	1129,8	8	1173,7	1185,7	-1	1163,2	1152,7	-2
Pavlodarskaya	404,3	405,9	3	415,9	418,2	4	417,5	418,0	1	420,3	418,6	0,1
NorthKazakhstan	365,1	358,4	-2	358,1	346,3	-7	331,2	329,3	-5	313,8	320,7	-2
EastKazakhstan	715,9	715,1	2	726,1	717,9	-2	710,4	708,2	0,5	705,5	696,7	2
Astanacity	331,7	347,2	10	366,7	375,4	7	393,9	410,5	10	431,6	466,1	13
Almatycity	653,6	652,2	4	676,9	699,2	8	731,0	743,1	4	764,5	838,5	12

Source: The table is organized by the author based on the data of Agency of Statistics of the Republic of Kazakhstan, 2008-2015.

Table 8 reflects the percentage of the unemployment rate according to regions starting from 2008 to 2015. Up to now we can see visible changes between 2008-2015 in specific regions. Unemployment rate in Kazakhstan decreased to 4.8 per cent in 2015 from 6.6 per cent in 2008, which is visible index. Table 8 illustrates that according to all regions up to 2015 the rate of the unemployment is almost equal. Main areas of Kazakhstan as Astana and Almaty shows that unemployment decreased for 1.5 % from 2008 to 2015 in Astana and for 2.5% in Almaty. Other regions of the country show reduction of the unemployment rate in the country which is positive result for the economy of the country. It means that majority of the population is employed and reduced the number of unemployed people (Figure 1). The figure 2 displays recent results of unemployed persons in the Republic of Kazakhstan. The number of the unemployed population decrease to 439.3 thsd. in April of 2016 comparing to 457.6 thsd in January of 2016. In comparison of all collected results unemployment rate shows high results in January of 2016 which is 457.2 thsd unemployed people and a low results in August of 2015 436.70 thsd unemployed people in Kazakhstan. All these results are stated by the Agency of Statistics of the Republic of Kazakhstan.

Table 8. Unemployment rate in Kazakhstan years 2006-2016, in percentage %

Regions	Years							
	2008	2009	2010	2011	2012	2013	2014	2015
Republic of Kazakhstan	6,6	6,6	5,6	5,1	5,0	4,9	4,9	4,8
Akmolinskaya	7,1	6,9	5,4	5,0	5,0	5,0	5,0	5,0
Aktubinskaya	6,4	6,0	5,6	5,3	5,1	5,1	5,0	4,9
Almatinskaya	6,4	6,5	5,7	5,5	5,4	5,2	4,9	4,9
Atyrauskaya	6,3	6,1	5,5	5,3	5,1	5,0	4,9	4,9
WestKazakhstan	7,1	6,3	5,7	5,4	5,2	5,2	5,0	5,0
Zhambylskaya	6,5	6,5	5,9	5,5	5,3	5,2	5,0	5,0
Karagandinskaya	6,2	6,1	6,4	5,8	5,7	5,5	5,0	5,1
Kostanaiskaya	6,9	6,3	5,9	5,7	5,6	5,5	5,4	5,2
Kyzylordinskaya	6,9	6,6	5,6	5,2	4,9	5,0	4,8	4,8
Mangistauskaya	6,9	7,1	5,8	5,4	5,2	5,1	5,0	4,9
SouthKazakhstan	6,6	6,6	5,7	5,2	5,1	5,1	4,8	4,9
Pavlodarskaya	6,4	6,4	6,2	5,8	5,7	5,5	5,1	4,7
NorthKazakhstan	6,3	6,3	6,3	5,6	5,6	5,6	5,5	5,3
EastKazakhstan	6,4	6,4	5,6	5,1	5,0	4,9	4,9	4,8
Astanacity	6,6	6,6	5,4	5,0	5,0	5,0	5,0	5,0
Almatycity	7,4	7,7	5,6	5,3	5,1	5,1	5,0	4,9

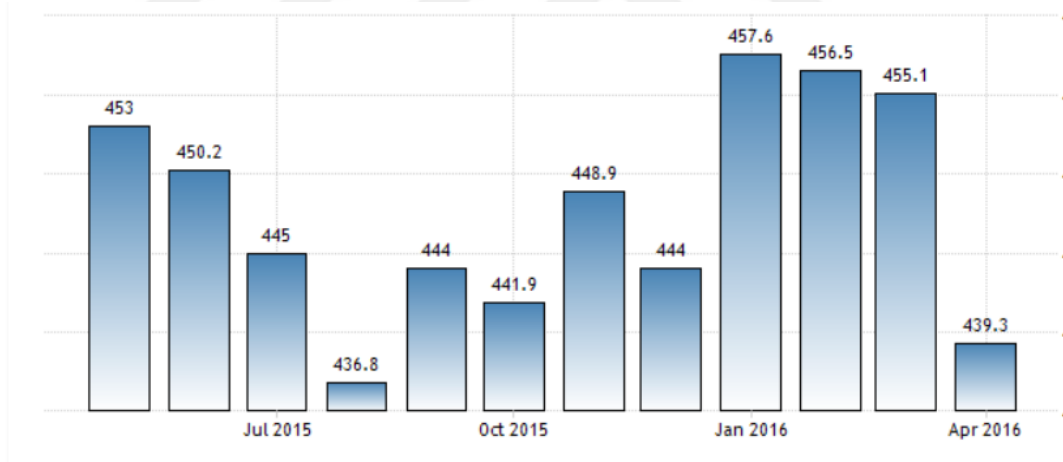
Source: The table is organized by the author based on the data of Agency of Statistics of the Republic of Kazakhstan, 2008-2015.

Figure 1. Number of Unemployed People in Kazakhstan, 2006-2016



Source: www.stat.kz Agency of Statistics of the Republic of Kazakhstan, 2006-2016

Figure 2. Number of Unemployed People in Kazakhstan, July 2015- April 2016



Source: www.stat.kz Agency of Statistics of the Republic of Kazakhstan, 2015-2016

Primary discussion of the analysis reveals an overview on employed population in tourism industries. Data consist of tourism industry branches such as transportation, accommodation and art entertainment (Table9). Majority of the employed population involved in transportation activities 584.9 thousands people which are 66% from all shown tourism industries. The second most employed people involves in accommodation and food services which is 19% among shown tourism industry. Number of employed people in art, entertainment and recreation

services is 15%. According to data on employed people in tourism industry provided in Table 9, it can be formally stated that number of people employed in transportation, accommodation and food services, arts and entertainment services are increased by the recent years. Interesting changes reveals in the accommodation and food services 60% growth in 2014 comparing to results in 2010. Results of the art, entertainment and recreation services reflect increase of employed people for 23% from years 2013-2014. Despite that the number of employed population in total decreased in 2014 the number of employed people in tourism industry increased.

As it shown in Table 9 tourism industry obtain significant role in employment rate of population though providing services in accommodation, food services, art, recreation services and transportation which includes air, road, and railway transportation (Table 4, 5).

Table 9. Number of persons employed by types of tourism activity, thsd. persons

Indicators	2010	%	2011	%	2012	%	2013	%	2014
Employed population, total of which:	8 114,2	2.2%	8 301,6	2.4%	8 507,1	1%	8 570,6	-0,7 %	8 510,1
Transportation Services	511,8	7%	546,3	4.5%	570,9	- 0.3%	569,1	3%	584,9
Accommodation and Food Services	105,1	16%	122,5	5%	129,0	8%	139,0	20%	167,3
Arts, Entertainment and Recreational Services	90,1	7%	96,6	27%	112,4	-13%	107,4	23%	132,3

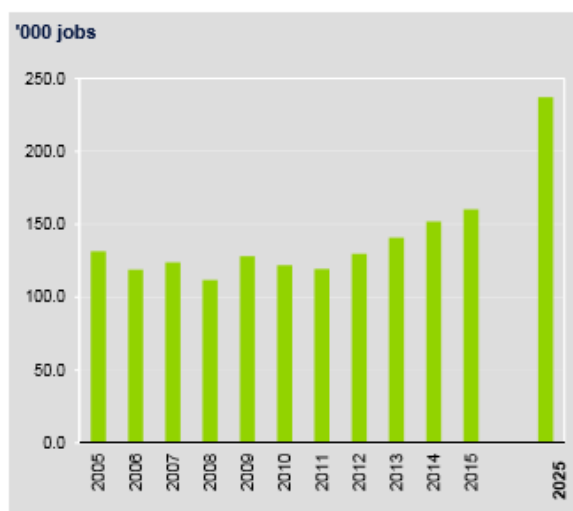
Source: The table is organized by the author based on the data of Agency of Statistics of the Republic of Kazakhstan, 2010-2014.

Figure 3,4 illustrates direct contribution of tourism sector to job opportunities in the Republic of Kazakhstan. According to data shown in Figure 3 in 2014 tourism generated 152 thsd. workplaces which is 1.8% of total employment and this is prediction had tendency to comment on increase in 2015 to 160 thsd workplaces

which is 5.5% of growth, 1.8% of total employment. Job opportunities which is provided by many transportation services, accommodation places, tourism firms. Apart from that it includes, activities of the and recreation, leisure, attraction and sport activities.

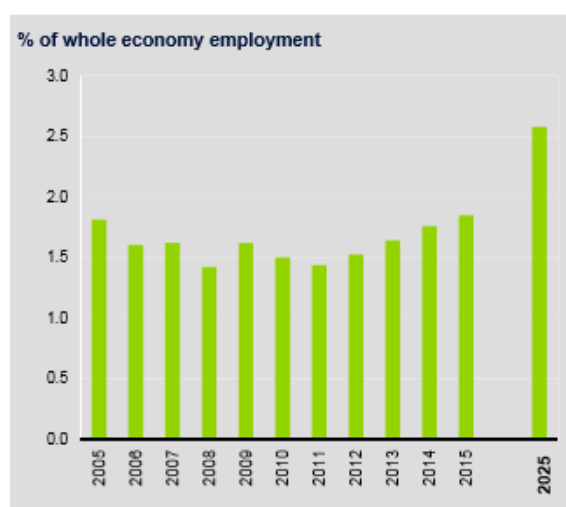
Tourism has tendency to create 237 thsd. workplaces by year 2025 and it will be possible to witness increase of 4.0% during the next ten years.

Figure 3. Direct contribution of Travel and Tourism to Employment of the Republic of Kazakhstan, 2005-2015, jobs



Source: World Travel and Tourism Council, 2015

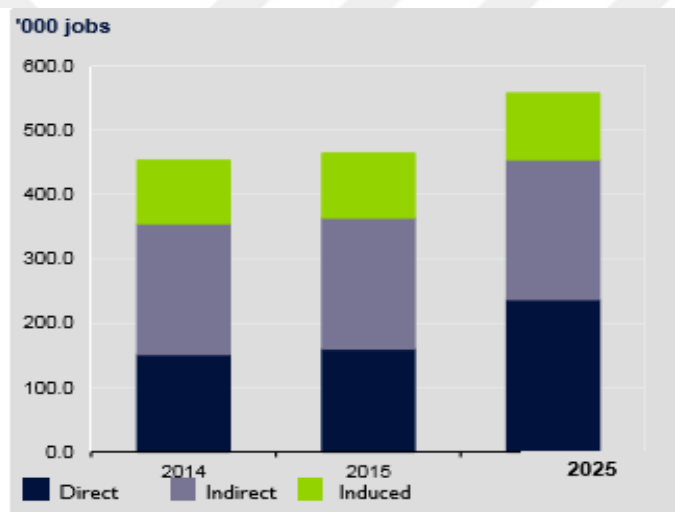
Figure 4. Direct contribution of Travel and Tourism to whole economy employment of the Republic of Kazakhstan, 2005-2015, percentage



Source: World Travel and Tourism Council, 2015

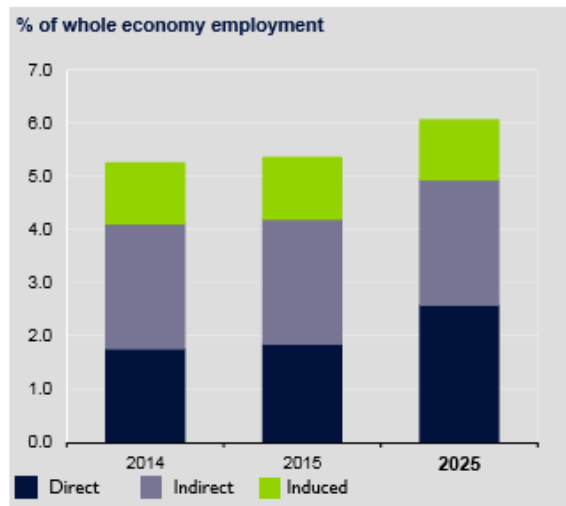
Figure 5,6 shows the total contribution of tourism sector to employment has broaden influence from foreign and domestic investments. The rate of job opportunities tourism industry in 2014 calculated as 453,5thsd. workplaces, from total employment it rated as 5.3%; in 2015 it is predicted as 464 thsd workplaces and the growth in 2.4% . All these indicators effects positively for tourism industry and creates potential for future growth of tourism development in the country. Data based on the World Travel and Tourism Council gives future prediction by 2025; the number of workplaces in tourism industry of Kazakhstan is predicted to create 558 thsd. workplaces, from total employment it takes 6.1%.

Figure 5. Total Contribution of Travel and Tourism to Employment of the Republic Kazakhstan, jobs



Source: World Travel and Tourism Council, 2015

Figure 6. Total Contribution of Travel and Tourism to whole economy employment of the Republic Kazakhstan, percentage %



Source: World Travel and Tourism Council, 2015

3.7.3. The Correlation Analysis of Tourism Industry and Employment opportunities in Tourism in The Republic of Kazakhstan.

Spearman correlation was performed to recognize any association among Tourism Industry and Human Resources. Statistics of the correlation will check for potential correlations among Tourism Industry and Employment opportunities in the Republic of Kazakhstan. This correlation will help to find the intensity of some existing causal relations among them. Given that the sample data is very small we do not have a normal distribution of data to be analyzed, we applied the formula of Spearman. Spearman correlation is a non-parametric test and it doesn't need a distribution to be calculated. The purpose of this statistical analysis is to demonstrate relationship between existing variables.

This statistical analysis is used to discover the how strong is the relationships between tourism and employment opportunities of the country. In order to illustrate importance of the statistical analysis on study, data of employed population of Kazakhstan and number of personnel in hospitality services and employees in transportation services were used. Apart from that activities in domestic and international tourism were used in correlation analyses. This statistical analysis will help to reveal relationship between data and will contribute to illustrate importance of Tourism Industry and Human Resources interrelationships in the Republic of Kazakhstan.

Spearman's rho evaluates strong of connection of two variables (Bobko,2001: 20). This analysis demonstrates the strength of relation between two variables in identical value between mines one and plus one. As it was mentioned earlier it is the correlation coefficient. Interrelationship which appears to be positive between the two variables is indicated as positive correlation (the larger a and the larger b) and negative connection indicates negative correlation coefficient (the larger A and smaller B). In case when correlation coefficient shows result zero it indicates that it does not have connection between the variables (Algina and Moulder,2000). Spearman's Correlation is known as non-pragmatic level test, and it does not consider that the variables make normal distribution multivarious. (Chen and Popovich, 2002).

Results of the correlation will indicate correlations among tourism industry and employment in the Republic of Kazakhstan. The correlations will be analyzed for data series from the Agency of Statistics of the Republic of Kazakhstan, taking into account the years 2006-2016.

Following results were found to be statistically meaningful at 0.01 and 0.05 significance level relationships among the related variables;

1. Correlations between *Employed population - Employees in Accommodation and food services*, *Employed population - Employees in Arts, entertainment and recreational Services*, *Employed population - Employees in Transportation*.

The links analyzed a correlation between Employed population and Employees in Food Services and Accommodation, Employed population and employees Art, entertainment and recreation, employed population and employees in Transportation. The illustration demonstrated in this table is that any growth in the figure of employment also creates positive changes in the amount of people working in tourism industry. As it can be seen, among these indicators, there is a significant correlation between employment in all these sectors are positive and at considerably high values (See Table 10). One possible explanation is that sectors of tourism as accommodation, transportation, food services, art, entertainment and recreation have positive results and increase in amount of employed personnel in the sense that industry of tourism generates the increase of employment in the

country more than any other branches owing to its service nature, which will allow development and future growth of the tourism in the republic.

The link between figures of employment and the amount of employees in accommodation occur through increasing the amount of arrivals and tourists who travels away from their residences. It is possible to state that any visible growth in the employment creates growth in the number of labor in the arts and entertainment services, recreation and transportation services. The number of employees in these sectors is more than in accommodation and food services. Employees in accommodation and food services are considerably less than in other sectors. From other point of view concluding that accommodation and food services were designed to increase service quality. It is also possible that the volume of the tourists necessary for creating accommodation units to be higher and designed for improving the quality of services. Satisfaction of tourists form the accommodation and food services will attract the number of tourist arrivals to the country. Correlation between arts, entertainment and recreational services also closely related to the employment figures (See Table 10).

Relationship between employed population in the country and number of the employees in transportation is analyzed some correlations of high intensity. Related to transportation correlation, as the number of tourist arrivals increases and the average number of Employees in Transpiration increases too. Correlation between Employees in Transportation and number of tourist's arrival related to travel purposes such as Leisure and Recreational tourism, Visits of Relatives and friends, Business and Professional tourism, Religious and Pilgrimage. Employees in transportation are involved in transport services in types of tourism: domestic, inbound and outbound. It means that the dynamics of tourist transportation creates job opportunities in transportation, which is one of the major sectors of tourism industry. The numbers of tourists are interested in all types of transportation starting from the air to railways and buses.

2. Correlations between *Domestic tourism and Employees in Arts, entertainment and recreational services, Domestic Tourism and Employees in Transportation*

Services. Domestic Tourism and Accommodation and food services. Domestic tourism and Travel purposes.

Next, we consider necessary to check a possible correlation between tourists' arrivals in domestic tourism and employees number in Art, entertainment and recreational services, domestic tourism and employees in transportation and accommodation, food services. The study observes the existence of the correlation significant high intensity between the indicators (See Table 11). This means that domestic tourism was partially directed to increases in the number of employees in art, entertainment and recreational and transportation services.

Table 11 and 12 shows that domestic tourism is positively correlated with leisure, visit family and friends, business and religious travel purposes and this result and it is also correlated with the amount of people who involved in art, entertainment, recreational and transportation services. This means that the more the people traveled into the country the more the people are employed in tourism industry. The result shows that any increase in the tourist's involvement leads an increase of employees who involved in arts, entertainment and transportation services. Employment in accommodation and food services shows relatively insignificant results and it is an effect of domestic tourism as residents usually have places to stay as relatives' and friends' houses.

3. Correlations between *Outbound Tourism and Employees in Arts, entertainment and recreational services, Outbound Tourism and Employees in Transportation Services, Outbound Tourism and Accommodation and food services.*

The result concerning with the outbound tourism is positive as it gives positive correlation between *employment and tourist travels* (See Table 13). The number of employees depends on the intensity of tourist activity. In this sense, a possible link is the one between the average number of employees and the number of tourist travels. The analysis shows that this correlation is significant, positive and strong. People's intention of having holidays and desire for travelling abroad creates a job opportunity and this is the most interesting and positive relationship according to these correlations. The negative correlation between outbound tourism and unemployment means that the more the people participate to outbound tourism in

the country the less the unemployment will cause (See Table 13). People who decide to go abroad will be interested in tourism firms for organizing travel to abroad, which is also have positive correlation between *outbound tourism and employment*. By increasing demand for overseas trips it is possible to witness demand in tourism firms as well. Interest in tourism firms from the customers side will accumulate range of work place. Outbound tourism closely related to air transportation and the positive correlation of outbound tourism and preferences of tourists in air transportation shows close relationship.

4. Correlations between *Employed Population and Companies and individual entrepreneurs engaged in tourism activities*.

Another link that correlation analysis observed is the number of employed population and the number of entrepreneurs engaged in tourism activities (See Table 14). This suggests that tourists arrivals and residents travel intentions cause to increase the demand in travel agencies and other reservation services, which then helps to accumulate number of labor force in the tourism firms. The analysis illustrates that these variables demonstrated positive and strong relation and significant correlation. (See Table 14). So, an increase in the number of tourist activities such as arrivals of foreign tourists and travel of residents within the country or abroad corresponds usually to an increase in turnover.

The Number of Individual and private entrepreneurs in tourism sector of Kazakhstan is raising up annually. This progress provides job opportunities for the employees in each entrepreneurs. It shows significantly positive results in outbound tourism as the number of the residents are interested in travelling to foreign countries. This willingness of the people generates growth of travel agencies and reservation services in the country. Despite that only in outbound tourism cause growth of demand in tourism firms, also for domestic tourism creates interests among residents. The existing correlation allows to assume that the increase of tourist arrivals and tourist's activities as traveling abroad will have an effect on the growth of job opportunities in tourism industry of the country.

Spearman correlation coefficient analyses between variables

Table10. Correlations between Employed Population and Employees in Hospitality and Transportation

			Employees in Arts, entertainment and recreation	Employees in Transportation	Employees in Accommodation and food service
Spearman's rho	Employed population	Correlation Coefficient	0,900*	1,000**	1,000**
		Sig. (2-tailed)	0,037		
		N	5	5	5

** Correlation is significant at the 0.01 level (2-tailed).

* Correlation is significant at the 0.05 level (2-tailed).

Table11. Correlations between Domestic Tourism and Employees in Hospitality and Transportation

			Employees in Arts, entertainment and recreation services	Employees in Transportation services	Employees in Accommodation and food services
Spearman's rho	Domestic tourism	Correlation Coefficient	1,000**	1,000**	0,800
		Sig. (2-tailed)			0,200
		N	4	4	4

** Correlation is significant at the 0.01 level (2-tailed).

*Correlation is significant at the 0.05 level (2-tailed).

Table12. Correlations between Domestic Tourism and Tourism Purposes

			Tourists involved in Leisure and recreational tourism	Tourists involved in Visits of relatives and friends	Tourists involved in Business and profession at tourism	Tourists involved in Religion and pilgrimage
Spearman's rho	Domestic tourism	Correlation Coefficient	1,000**	1,000**	1,000**	1,000**
		Sig. (2-tailed)				
		N	4	4	4	4

** Correlation is significant at the 0.01 level (2-tailed).

*Correlation is significant at the 0.05 level (2-tailed).

Table13. Correlations between Outbound Tourism and Employees in Hospitality and Transportation

			Employed population	Unemployment	Arts, entertainment and recreation	Transportation	Accommodation and food services
Spearman's rho	Outbound Tourism	Correlation Coefficient	1,000**	-1,000**	0,800	0,800	1,000*
		Sig. (2-tailed)			0,200	0,200	
		N	4	4	4	4	4

** Correlation is significant at the 0.01 level (2-tailed).

*Correlation is significant at the 0.05 level (2-tailed).

Table 14. Correlations between Employed Population and Companies and individual entrepreneurs engaged in tourism activities

			Private entrepreneurs in the tourism sector	Individual entrepreneurs in accommodation	Travel Agencies
Spearman's rho	Employed population	Correlation Coefficient	1,000**	1,000**	1,000**
		Sig. (2-tailed)			
		N	4	4	3

** Correlation is significant at the 0.01 level (2-tailed).

*Correlation is significant at the 0.05 level (2-tailed).

CONCLUSION AND COMMENTS

Nowadays tourism becomes one of the most significant sectors in the Republic of Kazakhstan. Tourism is one leading source of the foreign currency flow and main sources of employment in the country. The Republic of Kazakhstan has a great potential to develop tourism sector and to be one of the most attractive destination among Central Asian countries having great geographical and cultural diversity. Today Kazakhstan holding exhibitions, fairs, and participating in the international tourist forums which give an opportunity to form an attractive image of Kazakhstan in the world tourist market. Curiosities about Central Asian countries as a travel destination are rising around the world for the last years, especially in Kazakhstan. Kazakhstan offers a number of routes across the country as for local travelers and foreign tourists. Nowadays Kazakhstan provides services almost in all types of tourism such as religious, business, cultural, entertaining, shopping, extreme sports and others kinds of tourism.

The reason that research topic was based on the tourism industry of the Republic of Kazakhstan that the author is from The Republic of Kazakhstan and aiming to highlight the development of the tourism basing on management of the human resources, to show that tourism and employment related to each other and have positive effect on the development of tourism in the country. Significant relationships found regarding the number of tourist flow and creation of job opportunities in the country. The results are important as it shows the influence of the tourism activities on employment opportunities. Investigation examined that as the level tourist arrival increases, the degree of the employment rate increases too. Positive impacts of tourism on the country's economy are ensuring the flow of foreign currency, creating employment opportunities to the population and promoting development of tourism.

In the process of writing the work selection of the right research method and data collection method were demandable work for the author. Despite the challenges of the research writing and findings were productive and gave us significant results.

Despite that country doesn't have high standards in tourism industry such as advanced transportation services or developed infrastructure, tourism industry is

developing and improving the quality of tourism industry and the work of the employees in the tourism. Customer satisfaction and interaction of tourism services has strong impact on tourism development. Satisfaction of the tourists depends on the job performance of the labor forces and effective management of the human resources can provide the growth and improvement of the tourism conditions in the country.

The result from the research claims that tourism industry, employment opportunity is interrelated, and the numbers of workers in the tourism sectors increase as the number of tourists' activities starting to grow. Dynamics of the tourists' activities is the key for development of the the tourism industry and creation of the employment opportunities in the tourism sector, employment in major industries such as accommodation, travel agencies, transportation, restaurant services. This means that significance of the development of the tourism industry will be even more valuable and influential for contribution to employment opportunities and economic growth in the future.

Labor in tourism is the first and last impression of customer. First and last contact that tourist can have also connected with worker. The actions of staff are much significant than anything else. Importance of human resources in the tourism industry is stated as significant according to works of Baum, Burton and Burton and Leiper productive and professional management is essential of successful tourism development. Tourism is about service business. Product of tourism is workers service and the evaluation of the product is satisfaction of consumers. The tourism industry needs to have efficient trained people to complete places of various jobs in tourism sector. Polite and respectful staff that is eager to help and respond to customers' needs will be always preferable and evaluated for their high performance. Baldacchino considers as significant part of employees as labors have to be trained and qualified for every services in the tourism industry. Development in the tourism industry is interrelated with a creation of new job opportunities and growth in incomes in the destinations.

Goldsmith, Nickson, Sloan, Wood highlighted that educated and respectful employees who can deal with customers are always evaluated in accordance with their performance. These kinds of staff improve tourism sector and increase

prestige of the company or business. According to above mentioned we could add that human resources management in tourism organizations should have good human resources planning and skills, recruited personnel should be prepared in accordance of labor market. Quality performance of staff should be rewarded depending on the work performance. Variety of performed activities, involving employees in reaching tourism products.

Recommendations

Main objectives of a state policy in the field of tourism should focus on creation highly effective and competitive industry in the country. The industry of tourism has great and positive influence on growth of the country than some other economic sectors. Human Resources should be the main area of focus in tourism in the country. Despite that there are some negative points which could be issue for the development of the tourism. Negative points like, lack of investments, deficiency of qualified personnel, low level of services, high prices in the market of tourist services. Therefore, improvement of touristic base is necessary condition in the country. According to analysis of the current situation of tourism in Kazakhstan, it is possible to offer number of measures for state support directing on improvement and development of tourism in the Republic of Kazakhstan. Basic recommendations will be following:

- to develop tourism in the country by in the way of getting attention of domestic and foreign investments, for reconstruction existing tourist objects and building new ones.
- to increase competitiveness in the market of services;
- to develop passenger's traffic on air, motor and railway transport;
- to develop the scheme of perspective improvement of accommodation establishments in the territory of Kazakhstan;
- to develop in tourist zones of the infrastructure: telecommunications, water - and power supply and sewerages to make it more comfortable for tourists.
- preservation of cultural and historical sites and monuments;

- to create possibilities in development of tourist business such as private entrepreneurs in order to increase number of people who will be engaged in tourism sector;
- improvement of human resources management in tourism industries;
- development of the international cooperation in order to extend the boundaries for travel and for development of human resources basing on foreign experience.



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