

## CRISIS AND RECOVERY OF BUSINESS ENTITIES IN TOURISM IN THE POST PANDEMIC PERIOD IN SLOVAKIA

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**Abstract:** The aim of the paper is to examine the issue of market recovery and business entities in the pandemic and post-pandemic period. Overall it points out the possibilities of the solution on the basis of interviews and utilizing the models of simulation of the results of companies that have been affected by the crisis. The paper used statistical data obtained by research in the analysed period March - April 2020 and in the examined years 2019 to 2023, including prognostic data from the sources of the Ministry of Finance of the Slovak Republic. Based on the results of selected companies with and without pandemic measures were simulated. Resulting from the research findings, proposed model presents the state of the company affected by the crisis and ways of solving how to get out of this crisis and design further development in the post-pandemic period. The paper pointed out the need to increase expertise in decision-making on the development of the economy of business entities and subsequently the development of the industry with targeted support from the state based on research base in combination with future modelling methods.

**Key words:** pandemic influence, crisis, economy, development modelling, tourism businesses, post-pandemic period, business support model

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### INTRODUCTION

The current period is very difficult for business development and the state of the economy. It requires significant changes not only in the management of the economy, but also in the companies themselves. For this reason, the issue of market recovery and business entities in the post-pandemic period is very topical. The ways to solve this problem are different and depend on the quality of decisions at the level of the state and companies, in which direction and how quickly and effectively the market recovery will take place. The current outbreak has had severe economic consequences across the globe and also offers many research opportunities to learn from the crisis and tailor future business processes (Donthu and Gustafsson, 2020; Bapuji et al., 2020). According to Matei et al. (2021) research, decisive impact upon the recovery of the tourism sector will have also the types of governance applied by the county and local administration. In this paper, the possibilities of solving this problem are pointed out on the basis of models simulating the results of the company affected by the crisis. It also proposes the ways to revive the affected businesses so that the effects of state and industry support should be as effective as possible. In proposed simulation model, it is presented the state of the company affected by the crisis and ways to solve it in the post-pandemic period. The simulation model of the development of the situation should help in qualified management decisions in the pandemic and post-pandemic period. At the end of the paper, comprehensive proposals for further solutions and procedures aimed at improving the state of tourism, as an important component of the national economy are presented, with the acceptance of knowledge gained by simulating future developments in the model solution. The aim of the paper is to point out mainly how it is possible to flexibly and effectively revive the state economy by targeted support aimed at reviving the market.

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## THEORETICAL AND METHODOLOGICAL BASIS OF THE RESEARCH

In today's ever-changing environment, companies face new challenges to which they need to be able to respond flexibly and effectively. Studies of this type are relatively rare, but the constantly changing conditions in the essential environment and the development of digital technologies in the national economy increasingly support them and put pressure on their use. The world is moving towards artificial intelligence and Business Intelligence models, and their use in everyday business practice becomes more urgent. Management standards serve as an effective channel for disseminating knowledge because they believe they offer comprehensive scientific and practical knowledge to many different stakeholders (Pohle, 2018). The organization's ability to function effectively in a competitive environment is largely dependent on its knowledge and innovative results (Aboelmaged, 2014). Technological progress in a globalized world and the rapid change in socio-economic conditions are leading to increased customer demands and expectations (Tuzunkan, 2018). Businesses must respond to the constantly changing market situation and be able to adapt professionally to these changes. They must also anticipate the effects in times of crisis and then effectively predict developments and guide processes to achieve the set goals. In this context, companies are constantly looking for suitable managers with innovative approaches that will bring new ideas and trends to the company.

If a company wants to be successful and flexibly get out of a crisis caused by a pandemic, it is not enough to focus only on financial aspects, but the success of the company increasingly depends on flexible factors, which include non-financial indicators (Gallo et al., 2017; Abbas, 2020). These factors include, in particular, the ability to learn, the innovative power of employees, the use of the possibilities of the information society, in close connection with the ability to continuously improve relationships with customers or suppliers. There are currently international standards aimed at systematizing the implementation of corporate governance systems (Da Fonseca, 2015). In this context, it is important to focus on managing and measuring business performance and to simulate the future development of businesses and industries, taking into account the pandemic that triggered the crisis.

The evaluation of business excellence proposed by the European Foundation for Quality Management and the administrators of the Malcolm Baldrige National Quality Award has enabled many organizations to identify key areas for improvement, from the role of leadership in developing a service-oriented culture (Dubey, 2016). Based on these ideas, we also compiled a model, which we used to model the situation. It includes a number of factors that will allow to simulate what is happening in the company and propose effective solutions and thus predict the future development of the industry. On this basis, the state can take systemic measures to overcome crises with a forecast for the future.

In the paper, we decided to apply the model to the tourism environment, which is most endangered by the pandemic and significantly affects the state's economy. Entrepreneurship research in the tourism and hospitality industry is very important and will bring out significant contributions to the knowledge base (Trip et al., 2021; Štefko et al., 2020). In our research work, we focused on the future and the perspective of development. Past data and their examination in this case do not have sufficient explanatory significance. We are interested in what it will be like and how to predict it. As part of the research, meetings were held with entrepreneurs and the interested professional public to map the situation in this area. The statistics presented by government organizations during the meetings mapped the development in previous periods, but did not address the future, despite the fact that the situation in this sector has changed significantly. Entrepreneurs therefore pointed out that now it is not the trends of the past that are important, but the solutions for how to proceed. The starting point can be effectively designed processes to get businesses and the economy out of this crisis. Based on the interview, we monitored opinions on this issue in comparison with proposals and solutions obtained by simulation.

In examining this issue, we based on the views of Kaplan and Norton and their theory and system of balanced indicators (Kaplan and Norton, 2002). We also examined the quality management systems of the EFQM model, which is closely linked to these processes. The general nature of business excellence models and the arbitrary approaches that organizations use to achieve excellence have given rise to new approaches to achieving excellence (Dubey and Lakhanpal, 2019). In Europe, quality management is implemented according to a model formulated by the European Foundation for Quality Management (EFQM) called the EFQM Excellence Model (Bolboli and Reiche, 2014). The first version of the EXQM excellence model was created by experts from different sectors and academic institutions in 1992 (Olaru et al., 2011). Appropriate implementation of the EFQM model of excellence helps organizations achieve sustainable excellence in a variety of dimensions (Edgerman, 2018; Turisova et al., 2020; Liu et al., 2020). This European model of excellence is suitable for any organization seeking to continuously improve its activities. An important element of EFQM is continuous improvement using available management tools and techniques. Quality Control Pillars (EFQM), as a latent factor enabling excellence, is related to the performance of the company, taking into account the intermediary role of innovation in this relationship (Kafetzopoulos, 2019). Continuous improvement applies to all business activities that can be achieved using available modern management methods and best practices. An important feature of the EFQM model is that it provides a broader and deeper understanding of the causes and consequences of the relationship between their organizational activities and the results it achieves (Al-Majali and Almhurat, 2018). The concept of excellence is based on the principles of results orientation; customer focus; leadership and targeting; process management; human development and engagement; innovation, improvement and lifelong learning; partnership development and the social responsibility of the organization. In this way, the overall excellence of the organization is fulfilled and the result of this concept is its successful progress. In the US, the Malcolm Baldrige National Quality Award (MBNQA) is used, which contains seven criteria for outstanding performance, namely leadership; strategic planning; customer and market orientation; measurement, analysis and knowledge management; human resource orientation; process management and business performance results (Talwar, 2011). The EFQM model

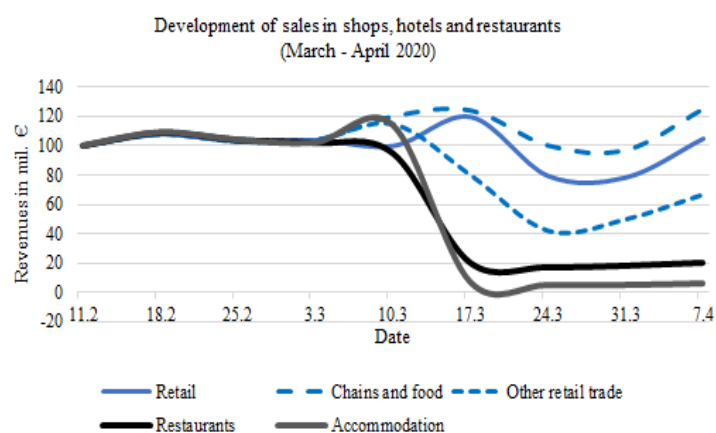
has also become the subject of various researches related to its use and especially the addition to the concept of Total Quality Management (TQM) (Calvo-Mora et al., 2015). We tried to use the most of this knowledge with the policies of excellence of the EFQM model in our research and especially in the approach to solving the situation.

### 1. Forecast of economic development in the pandemic and postpandemic period in Slovakia

Based on the development of the Slovak economy in the months of March to November 2020, it can be stated that the pandemic will significantly affect the development of the economy in the coming years. According to the Ministry of Finance of the Slovak Republic, we can expect that the pandemic will bring the Slovak economy a recession of 7.2% in 2020. The presented forecast was based on the assumption that the economy will gradually recover at the end of the year and push GDP growth to 6.8% in 2021 (Pažický and Žúdel, 2020). The prolongation of the pandemic and its repeated return in the second half of the year significantly deepened the recession. The performance of the economy will gradually decline this year and its recovery can be expected only in 2021. It will affect the sectors of the economy to varying degrees. GDP will fall not only due to pro-cyclical investment and the absence of foreign demand, but will also be affected by limited domestic consumption. In 2021, there will be a gradual recovery and at the end of the year, the economy could reach pre-crisis levels and GDP will rise to 6.8% (Pažický and Žúdel, 2020). The mentioned forecast assumed that the economy would recover at the end of 2020. The forecast of the Ministry of Finance of the Slovak Republic and the main economic indicators are shown in Table 1.

Table 1. Prognosis of Ministry of Finance of Slovak Republic-Key indicators of the economy (2019 - 2023) Source: Pažický and Žúdel, 2020

Indicator	Prognosis				
	2019	2020	2021	2022	2023
<b>Gross domestic product</b>					
GDP, s. c. in %	2.3	-7.2	6.8	4.1	3.2
GDP, b. c. in billion €	94.2	89.0	95.2	100.5	105.8
Private consumption, s. c. in %	2.2	-8.4	7.8	4.1	2.9
Private consumption, c.c. in %	5.0	-6.5	8.0	6.1	4.9
Government consumption in %	3.8	1.8	0.2	1.8	2.6
Fixed investments in %	4.4	-20.3	17.0	5.2	5.8
Export of goods and services	1.7	-21.4	17.6	6.5	3.6
Import of goods and services	2.6	-25.5	19.0	6.5	4.0
<b>Labour market</b>					
Employment (state reporting)	1.0	-3.8	1.6	1.0	0.3
Wages, nominal	7.8	1.6	4.0	4.9	4.9
Wages, real	5.0	-0.1	3.8	2.9	2.8
Unemployment rate	5.8	8.8	7.7	6.8	6.4
<b>Inflation</b>					
CPI	2.7	1.7	0.2	1.9	2.0



The forecast of the development of household consumption and its decline reduces sales in hotels and restaurants and in trade. Figure 1 shows the development of indicators during the first phase (wave) of the pandemic. A significant reduction in employment is also expected in 2020. Unemployment fell to 7.43% in September and the number of job vacancies increased, but the second phase of the coronavirus pandemic started to complicate further developments. Government measures to address these issues and support part-time work should eliminate higher unemployment. There is also a set of economic measures by the Ministry of Economy, which pursues the same goal with the intention of significantly reviving economic development. The recovery is also affected by the development of the average nominal wage in 2020, where it is expected to increase by only 1.6%. The Ministry of Finance of the Slovak Republic assumes a slowdown in inflation to 1.7% and price growth will be reduced to almost zero (Pažický and Žúdel, 2020). However, all these measures are also associated with risks related to the uncertain length of the pandemic and repeated recurrences of the disease, which may significantly affect the economic recovery in the future. Tomčíková et al. (2021) state that the impact of Covid-19 affects also the changes in the performance development of tourism companies operating in Slovakia and procedures and practices of human resources. The European Union is also actively involved in the process of dealing with the consequences of the pandemic. In the area of tourism promotion, it proposed a set of measures that would allow the gradual and coordinated opening of tourism services and facilities. It also proposed specific support for tourism businesses. These measures mainly include:

- Ensuring better liquidity for tourism businesses, especially small businesses,
- Greater flexibility under state aid rules to allow member states to put in place support and guarantee schemes, travel vouchers and additional liquidity schemes to support businesses and to meet pandemic compensation claims.

EU funding continues to provide immediate liquidity to businesses affected by the crisis through the Coronavirus Investment Initiative in shared management with member states. In addition, the EU Commission, through the European Investment Fund, has made EUR 8 billion available to 100,000 small businesses affected by the crisis. Up to € 100 billion is earmarked to save jobs with financial support of SURE program (European Commission, 2020). The SURE program is intended to help member states cover the costs of national part-time schemes. Other similar measures will enable companies to protect jobs. The Commission also supports partnerships between employment services, social partners and businesses to facilitate retraining, especially for seasonal workers. It is working with member states to develop recovery strategies to

promote sustainable tourism in line with the Europe Green Agreement and to stimulate the digital transformation of tourism services. However, all these measures necessarily require an increase in expertise and digitization in management.

## 2. Barriers and perspectives of tourism in Slovakia

In mapping the new situation in tourism due to the pandemic, there was used knowledge from crisis management and economics of tourism companies and conclusions in interviews and round table discussions organized by NP Monitoring of the business environment with the support of Slovak Business Agency, National Business Center with the support of the Slovak government. Their goal was to identify barriers and perspectives of tourism in Slovakia. The research was conducted in the form of an open interview with representatives of travel agencies, accommodation and restaurant facilities, regional and local tourism organizations, as well as with representatives of the third sector who are involved in tourism (Slovak Business Agency, 2020). The discussion resulted in the findings on the situation in the field of tourism in Slovakia, which are listed in Table 2.

Table 2. Problems in tourism in the pandemic times Source: own processing based on discussions and interviews with managers in tourism

Deficiency found	Way of solution	Result
Understanding Slovakia as a whole for the tourism development.	View of Slovakia from different points of view and destinations.	Synergistic effect from a diverse approach.
Non-conceptual and non-systemic tourism management.	Systematize and organize.	Creation of a simple modern organization.
High tax and levy burden.	Reduction of tax and levy burden.	Reducing costs and increasing the competitiveness of Slovak tourism.
Missing infrastructure.	Map the current state and suggest its innovation.	Increase the availability of target segments and promotion.
Lack of employees compared to neighbouring countries.	Make occupations in the field of tourism more attractive and innovate tourism studies.	Increasing the competitiveness of Slovak tourism.

The most important conclusions from the interviews and round tables can be summarized in the following statements:

### Governments of the Slovak Republic

Despite the declaration of their interest, the governments of the Slovak Republic, the past and the present ones, do not yet consider tourism to be their priority, and tourism finds itself at the end of the scale of values on the agenda of individual governments. Non-existing comprehensive vision of the direction, development of tourism is missing.

**Inconceivability** is a manifestation of current tourism policy. There is no targeted offer with ineffective marketing and internet availability. At present, there is still no national tourist board, nor online statistics on the use of accommodation capacity and the collection of local accommodation tax and other statistically important data on tourism in Slovakia (Slovak Business Agency, 2020). The national board should appear again in 2021.

**Non-existence of a common goal** arises from the lack of a vision and the way forward. Based on it, tourism companies can then plan and project the future and their visions. Entrepreneurs perceive management without a clear goal negatively and at present, they are unable to set the direction of their business for the near or distant future, which was greatly highlighted by the pandemic.

**Promotion** does not reach the required level on the part of the state.

**Infrastructure** in Slovakia can be considered one of the biggest problems. There is a lack of tourism infrastructure, in its broadest sense. The cycle paths that became necessary for Slovakia, the boating infrastructure, the lack of parking lots, as well as many other things related to the infrastructure resulted from a survey among managers and participants of round tables and interviews. In the long term vision, it would be appropriate for infrastructure to be seen as part of tourism. Additional services and their availability are also of great importance in the Slovak Republic. In some cases, the tourist attraction is interesting but unavailable. Little money is earmarked for tourism development. The financing of tourism also includes European funds, part of the value added tax and local taxes on accommodation. Slovakia loses price competitiveness due to high VAT on services (Slovakia 20 % catering services, 10 % accommodation services; Poland 8 % gastronomy, hospitality, admission to museums, galleries for cultural events; Hungary 5 % accommodation and catering services). Starting a business in tourism, which is financially and time-consuming, can also be included among the problems of tourism. The survey showed that financial limits are not set for tourism, mainly for micro-projects that are able to use micro and small businesses, but also for individuals or civic associations that want to start or already do business in the field of tourism. The amount of the contribution should be up to € 10,000. Challenges should also be adapted to this amount. The big problem is if they cannot set the financial parameters because they lack financial and / or economic literacy. The **lack of concept in the field of European funds** is also considered to be a major shortcoming. The survey showed that funds from these sources are public finances and should be used for public projects (castles, chateaux, infrastructure), not for direct support of business entities. Entrepreneurs should receive these funds mainly in indirect form (advice, consultations, etc.). A change in the understanding of European funds would help and support the development of tourism.

### Cooperation, communication and employment

The interview also revealed the need for cooperation between stakeholders. In particular, micro, small businesses and the third sector in the field of tourism will not operate without mutual cooperation. Cooperation can cover both joint marketing and finance, mutual sharing of employees, preparation of an offer in the destination, or other areas. For all those

involved in tourism at the destination, cooperation should be based on mutual understanding and a specific approach. Tourism is demanding on employees. There is a lack of employees with secondary education and school graduates are often of poor quality, without experience. Especially for university students with a focus on tourism, it would be appropriate to return to the real functioning practice of school-entrepreneur cooperation. The discussants at both round tables also agreed that the business barrier is cooperation with the city / municipality, Upper territorial unit and authorities. The actions of authorities or officials are sometimes as if against entrepreneurs (various types of permits from various institutions, lengthy processing of permits) (Slovak Business Agency, 2020). Figure 2 shows the biggest barriers to tourism during a pandemic.

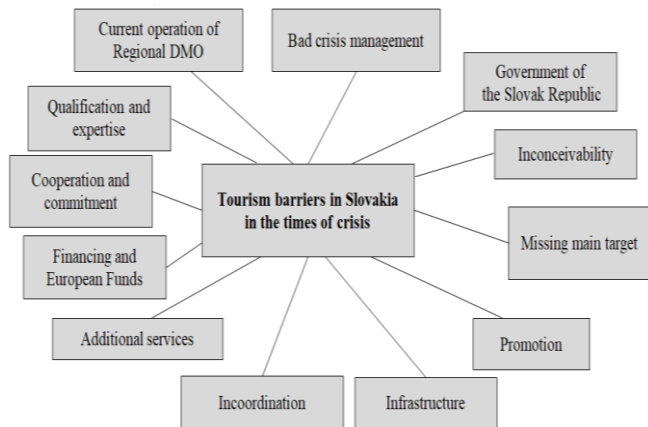


Figure 2. The most significant barriers in tourism in Slovakia (Source: own processing)

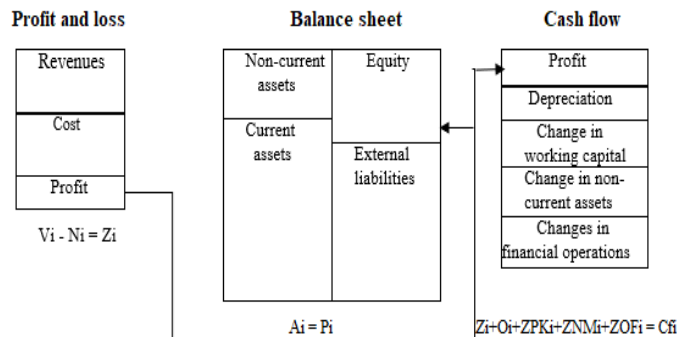


Figure 3. Principles of model building (Source: own processing)

Where: V - revenues, N - costs, Z - profit, A - assets, P - liabilities, O - depreciation, ZMK - change in working capital, ZNM - change in non-current assets, ZFO - changes in financial operations, i - observed time period (year), t - time.

## MATERIALS AND METHODS

### 1. Methodology of creating a performance model and simulation of future events

The research presents the results we obtained by simulating the use of a performance model in business entities in solving the problems of the crisis in the postpandemic period and recommendations for government institutions for effective management decisions. We based it compiling on the idea of supporting managerial decision-making with the presentation of processes and their effects in the perspective of long-term development and direct impact on the economy of business entities. The performance model used as a comprehensive management tool in the research helped us to make an overall assessment of the situation and simulate the impacts of state decisions on the business economy and business efficiency. Decisions are made in the context of the company's management and its decisions for the future. The goal is to improve the performance of a wide range of business activities based on the right management decisions. The main goal of the research was supported by partial goals, namely the use of a performance evaluation model in companies in various sectoral economies, including tourism, or another segment of industry. To obtain data, we chose the Entrepreneur's Index database portal, which provided a sufficient sample for our research. We reached the data for the model from the financial statements, and we predicted future events based on the development of the environment, taking into account the cost structure of the company. We based on the classification of SK-NACE companies and on the basis of this classification we chose a company in category A +++ (excellent company) and D (problem company) in tourism and predicted the effects of the crisis and development based on the proposed measures. To evaluate the obtained data and predict the development, the proposed performance evaluation model was used.

### 2. Design of a performance model and simulation of ongoing events

When designing the model, we used the company model shown in Figure 3. The changes taking place in the organization on the basic reporting documents were simulated. When compiling the model, we relied on input information obtained from publicly available databases, especially within the Entrepreneur's Index. In the simulation of processes, we used financial-economic relations and mutual relations operating within the reporting (Table 3).

Table 3. Financial and economic context and model calculation procedures (Source: own processing)

Profitability equation over time t (Zt)	$V_t - N_t = Z_t$
Equation for the relationship between assets and liabilities over time t	$A_t = P_t$
Equation for calculating cash flow over time t (CFt)	$Z_t + O_t + ZPK_t + ZNM_t + ZFO_t = CF_t$
Equation for money turnover over time t (CTCt)	$DP_t + DZSt - DZA_t = CTC_t$
Equation for calculating economic value added over time t (EVA <sub>t</sub> )	$EVA_t = EBIT_t - NK_t$
Equation for calculating the cost of capital over time t (NKt)	$NK_t = WACC_t * P_t$
Equation for calculating the return on assets over time t (ROAt)	$ROA_t = Z_t / A_t$
Equation for calculating total liquidity over time t (LCt)	$LC_t = OM_t / KZ_t$
Equation for calculating total debt over time t (ZDt)	$ZD_t = CZ_t / P_t$

WACC - cost of capital capital in %, ROA - return on assets, LC - total liquidity, OM - current assets, KZ - short-term liabilities and short-term loans and financial assistance, ZD - total indebtedness.

V - revenues, N - costs, A - assets, P - liabilities, Z - profit, O - depreciation, ZPK - changes in working capital, ZNM - changes in intangible assets, ZFO - changes in financial operations, DP - receivables turnover time, DZS - inventory turnover time, DZA - liability turnover time, CTC - cash to cash cycle, t - year, EVA - economic value added, EBIT - profit before taxes and interest, NK - cost of capital,

The company's overall performance is also affected by its cash-to-cash cycle, which characterizes the company and its work with finances and working capital rotation. With the help of this indicator, we can successfully influence the liquidity of the company and thus the creation of the balance sheet. We incorporated the model processed in this way into model A of a successful company and model B, which characterizes a problem company. The design of the performance model for the simulation of the development of business entities is based on the reporting of previous years. The years analysed were the last three years (2017 to 2019). The year 2020 is a simulation of the results of the impact of the pandemic. In the years 2021-2024, development and gradual growth are considered so as to optimize the company's financial goals and be in line with the forecasts of the development of the national economy.

This will ensure the consolidation of the company in the post-pandemic period. From Figure 2 it can be seen that each company will be affected differently by the incentives from the state. For some companies, they will help with development and help them overcome the crisis, for others without good financial management, the period of stagnation will only be extended and it will return to a state of decline. For this reason, economic and financial measures must be both short-term to provide liquidity and long-term in the form of innovation support for the transition from postponement to innovation and new development along the life-cycle curve.

### 3. Results of the simulation of ongoing events

The target parameters were set in the model for solving the problematic situation of the pandemic in 2020 (Figure 4). The inputs were realized within the documents profit and loss statement (fact and plan) and balance (fact and plan). We considered with an annual drop in sales of 50 % and a gradual growth to normal and subsequent further positive developments. It was similar on the cost side, where we also took into account the impact of cost variability. The ratios were processed for both types of companies, namely company A, which has excellent results and company B, which has relatively poor results in terms of creditworthiness. Based on this, we set recommendations for companies for effective crisis management. We proceeded from the economic rules for the successful management of the company and that if the company is in profit, we deal primarily with liquidity and if the company is in loss, priority is given to achieving profit. Based on this assumption, we can state that the pandemic has endangered the profitability of companies and industries, and the profitability problems, i. e. ROA, should clearly be addressed as a matter of priority. State support must be directed to areas so as to support their development and not upset the social balance and employment in the country.

There are considerations in this regard, namely the solution of profitability by optimizing costs, the solution of profitability through revenue growth and the solution of a combination of both influences. In solving this problem, it is necessary to realize that we are not only solving the economy of the company itself, but also the economy of the industry. It is clear from the development simulation processes that the problem for companies is sales and not effective cost management. Various deferrals and similar activities only solve the liquidity problem and not the problem of revenues, which may manifest itself in a later crisis. This assumption was also confirmed by the simulation of the results in the ingested models. It follows that if we want effective solutions to the effects of the pandemic, these should go primarily to sales and to support innovation, as it follows from the model simulation of the development forecast in the surveyed companies.

As can be seen from the model, company A in the excellent (A++) group generated economic added value and its profitability and liquidity were very high. If it was hit by a pandemic, an annual decrease of 50 % and a reasonable cost reduction due to reduced sales were considered. This means that the variable component decreased and the fixed cost component changed very little (expert estimate). The expected result for 2020 will reduce the economic value added to - 386 thousand € and a drop in profitability to - 41 %. As we can see, liquidity has been high and will remain above the optimal level. The influence of the state on the cost side of the processes here points to the best direction towards market recovery. Due to the fact that part of the liabilities will not be repaid due to the decrease in sales, the indebtedness will increase to 28 %, which is still a relatively low value compared to the recommended ones. With good controlling management, the company will recover from the loss within one to two years and the indicators will reach the recommended values. This is most likely the behaviour of companies in good financial health. Because the problem is profitability, all measures must be

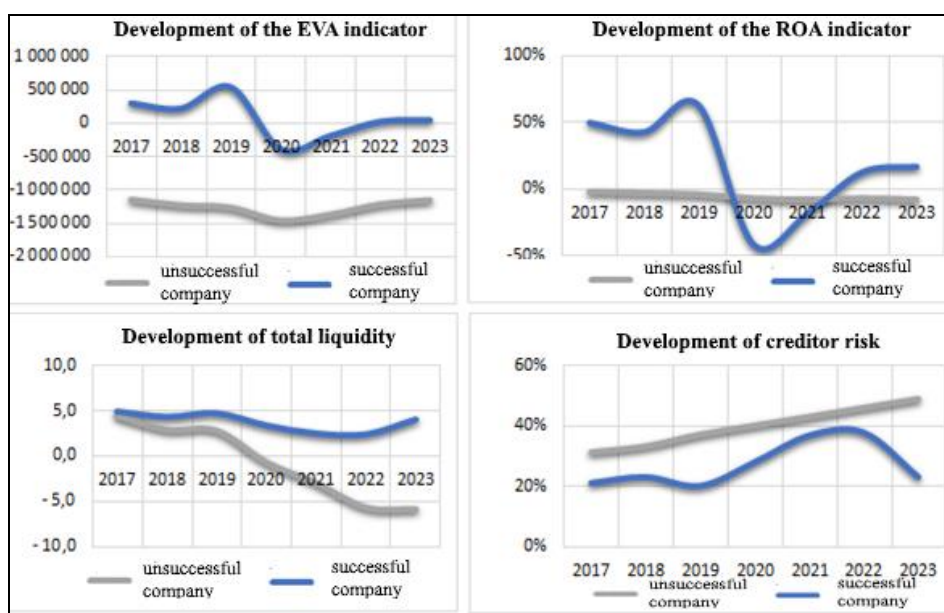


Figure 4. Behaviour of a successful and unsuccessful company in times of crisis and forecast of development (Source: own processing)

aimed at solving this problem and not liquidity problems. When analysing sales, it is necessary to see a large decline. The model points out that a solution on the cost side does not bring the desired effect, it only delays the future crisis.

The reaction of the company in rating group D (unsatisfactory development) was different from the successful company. As the company was in a loss, the loss will increase even more with a decrease in sales by 50%, in terms of ROA from -4 % to -7 %. Liquidity, which was 2.8, will change to a negative -0.7 and indebtedness will increase to 40 %, i.e. to the limit of the recommended indebtedness. If this situation occurs, cost reduction does not solve the problem effectively, it only partially solves it. The main cause of the changes is again sales and costs are only a consequence caused by this cause. If the problem of sales is not solved, it is an inefficient use of funds. Lex-corona measures do not solve the situation in the case of a successful company, they only delay the future crisis. Their economic impact on the company is minimal. They help in a problematic company to a relatively low extent. This can also be seen in the reaction of the business environment to state aid, which was very low. An effective measure to help businesses and the economy is on the revenue side, as this model points out. Therefore, an effective solution to the crisis is on the side of profitability and sales. However, if we look at problematic companies in terms of long-term development, the economy can only improve in the long term 4-5 years with good controlling management of the company. The causes of the bad situation can also be seen in the poor management of the company and not only in the pandemic.

## RESULTS AND DISCUSSION

In this research, the best solution to the pandemic seems to be directing interventions to the revenue and revenue side, which would be possible, for example, by directing consumption to crisis areas of business, whether through spa vouchers, holiday vouchers, meal vouchers, travel vouchers, or the possibility of purchasing new cars, etc. Based on a simulation model, these are the effects that will support the resolution of the pandemic crisis and help restart the economy. But the question is appropriate: In such a case, how will companies that have been at a loss behave? It's basically a similar situation, but the main goal is to get businesses out of trouble and at a loss.

This is a priority task on which state action should focus. As the company is at a loss, it is an inefficient expenditure of costs and the state will further support this inefficiency. In any case, such companies must have a financial plan to make it profitable, regardless of whether the state supports them or not. In the case of this group of companies, it is necessary to realize why even in the pre-pandemic period, these companies had poor results. The reason is poor business management, missing strategic goals, innovations, or inexperienced management. For this reason, it would be effective for the state to support non-financial solutions through various educational activities in the field of strategic and financial management and performance management. Based on the above mentioned simulations, it can be stated that if the state wants to effectively address the crisis in the sector and the economy, it should focus its attention on the area of consumption and increasing the purchasing power of the population. This is possible by effectively directing funds to the area of required consumption through various forms of vouchers, or other forms of purchasing products that support market development. Liquidity support on the part of companies appears to be ineffective.

Although this contradicts the principles of process cost management, this principle works well with the required sales and not with a decrease in purchasing power and consumption in the population. Supporting populations that have high financial resources even in times of crisis may not be effective. Consumption will be caused mainly by the part of the population that has lower incomes and needs to satisfy their requirements and needs. According to Khalid et al. (2021) findings, "the size of the tourism sector in a destination country is positively associated with an economic stimulus package aimed at mitigating the negative effects of Covid-19 pandemic. Countries that rely more on the tourism sector are more likely to adopt a larger economic stimulus package". We confronted the results of the research with the opinions of experts in an interview behind the round tables. The conclusions were as follows:

**A/ Statement of a loss of income.** The first phase of the corona crisis in 2020 also greatly affected economic life in Slovakia. The closure of restaurants and accommodation facilities had a significant effect on the decline in sales at these facilities. For travel agencies, the beginning of 2020 meant a complete loss of income.

**B/ Change of thinking.** The corona crisis changed minds and offered Slovakia space to develop domestic tourism. It allowed Slovaks to get to know Slovakia better.

**C/ Unsystematicness.** Based on the survey, it was found that the business activity in tourism during the pandemic was influenced by unsystematicness (rapidly changing measures), illegibility and unpredictability of the measures taken. The implementation of the measures took a long time and was widespread. It would be very helpful for entrepreneurs if they had the prepared measures available 1-3 months in advance, so that they could set their short-term plans accordingly. Likewise, communication from the government should be clear and precise in the next phases of the disease, and measures should not change frequently and should be differentiated.

**D/ Employment solutions and work habits.** Despite state support for employment during the first phase of the corona crisis, employers also had to pursue other employment solutions. Some employers, despite receiving help from the government, laid off some employees. The contribution received from the State could not cover all staff costs. The negative consequence of the corona and the transition to home office, or short-time work, was that employees lost their work habits or tried to use the situation to their advantage.

**E/ Cost management and occupancy.** The pandemic has taught entrepreneurs not only to look at costs and optimize them, but to prepare for the fact that every year in tourism may not be good, that bad years will come and that they should start thinking about savings. The question that tourism entrepreneurs ask themselves today is “When will I open? How many people will I fire? Do I still have to open it at all?”

**F/ Threats of competitiveness.** Entrepreneurs fear that they will not be competitive compared to abroad. This is related to the lack of people, low sales, low utilization of equipment and especially various forms of support.

**G/ Narrow place - infrastructure.** It proved to be a narrow place of tourism in Slovakia, which causes an uneven distribution of visitors.

- **Planning processes and changes of views on planning in tourism.** When asked about the future of tourism in Slovakia, the discussants agreed that planning for the future is quite problematic in the current situation. This is mainly due to the high degree of uncertainty. However, this view may negatively affect the future of tourism.

- **New directions of tourism development.** The period of the pandemic can also be seen as an opportunity that changed the thinking of people in Slovakia. This is an opportunity that should be used by tourism companies, but also by the government. This is an opportunity for businesses to reach out to domestic clients again.

- **Reasonable funding support.** The government at all levels should seize the opportunity and make proper use of available funds from European funds, for example to complete tourist infrastructure (cycle paths, museums, parking lots, etc.). Entrepreneurs consider the construction of infrastructure rather than direct financial support to entrepreneurs as support.

- **Multisectoral communication.** The post-coronavirus crisis is an opportunity for all actors and their cross-sectoral communication, involving businesses, the public sector and the third sector. The changes that have already taken place and are happening should also be understood by those who govern the country and give space and support to those who can move the country forward.

- **Getting to know and discovering Slovakia and individual tourism.** The trend that manifests itself in tourism is the discovery of the undiscovered. The problem is that Slovakia does not yet have a unified strategy of who will be the target customer or what we want to offer him. We also rank the growing number of individual tourists or small groups among the world trends. Therefore, even for individual tourists who come to Slovakia, it is necessary to prepare a package of additional services. The subjects of tourism are interested in eliminating inconceivability and unprofessionalism, so that tourism can be managed at the regional and national level, to know the Slovaks.

## CONCLUSION

The company's performance is determined by growing financial demands, which are to some extent the result of globalization, interdependence and internationalization (Onuferová and Čabinová, 2018). In the context of profound social, economic and financial changes, managers of private and public organizations focus on the most valuable resource they have, namely human resources, which can ensure the growth of the organization's performance. Organizations can create appropriate work environments through appropriate human resource policies and practices that support employee development, communication, innovation, and proactive attitudes and behaviour (Ciobanu, 2019). Where to start this process is precisely the area of setting visions and goals for the future. We also used this fact in our research to simulate the effects of a pandemic and how to revive the economy.

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