

Scientific Analysis of Possible Advantages and Disadvantages of the Future of Sustainable Development as a Stimulus for Tourism and Family Entrepreneurship in the Croatian Hotel Industry

Šimović, Vladimir; Svetlačić, Robert; Budić, Hrvoje

Source / Izvornik: **European Economic Letters, 2023, 13, 975 - 989**

Journal article, Published version

Rad u časopisu, Objavljena verzija rada (izdavačev PDF)

Permanent link / Trajna poveznica: <https://um.nsk.hr/um:nbn:hr:277:000306>

Rights / Prava: [In copyright](#) / [Zaštićeno autorskim pravom](#).

Download date / Datum preuzimanja: **2024-10-18**



Repository / Repozitorij:

[FTRR Repository - Repository of Faculty Tourism and Rural Development Požega](#)



Scientific Analysis of Possible Advantages and Disadvantages of the Future of Sustainable Development as a Stimulus for Tourism and Family Entrepreneurship in the Croatian Hotel Industry

^[1]Vladimir Simovic, ^[2]Robert Svetlacic, ^[3]Hrvoje Budic

^[1]Algebra University College Zagreb (Croatia-EU) & Victoria International University, Mostar (Bosnia and Herzegovina), ^[2]Victoria International University, Mostar (Bosnia and Herzegovina), ^[3]Faculty of Tourism and Rural Development, Pozega, University of Osijek (Croatia-EU)

^[1]vladimir.simovic@algebra.hr, ^[2]robert.svetlacic@viu.ba, ^[3]hbudic@ftrr.hr

Abstract—The heretofore unpublished scientific analysis of the possible advantages and disadvantages of the future of sustainable development as an incentive for tourism and family entrepreneurship in the Croatian hotel industry is based on a comparison of the latest published and unpublished primarily scientific (and partly professional) research on the real possibilities of establishing the concept of sustainable development as an incentive for tourism and family entrepreneurship in the Croatian hotel industry. The research aimed to explore scientifically based possibilities for effective strategic, operational, and innovative thinking, planning, and monitoring. It was mentioned in the function of establishing a partnership in achieving sustainable development as an incentive for tourism and family entrepreneurship in the Croatian hotel industry (and beyond). Using the method of comparative analysis of possible advantages and disadvantages (so-called Pro and Contra analysis), the concepts and recommendations of scientifically based guidelines for improving the present and creating a better future in tourism and sustainable family entrepreneurship in the Croatian hotel industry were analysed. Scientifically based concepts of successful implementation of sustainable development as a stimulus for tourism and family entrepreneurship in the Croatian hotel industry were analytically presented. Investigated essential aspects of sustainable development in the functioning of economic and tax policy in the function of encouraging tourism, especially small and family entrepreneurship in the Croatian hotel industry and identified vital aspects regarding the possibility of improving the current situation. So far unpublished empirical research obtained by the survey method with formulated questions around the main topic of the research is presented. The following methods and procedures were applied in the statistical-analytical processing of the obtained data: descriptive statistics for the calculation of percentages and frequencies of variables; correlational and inherent statistical method of analysis to confirm the connection of variables and to prove hypotheses with statistical processing of questionnaires in the SPSS software package (Statistical Package for the Social Sciences). The purpose is to publish new scientific results and prepare for new extended and longitudinal research soon, where the emphasis will be placed on new certification processes, digital transformations, and branding, and all this with the help of artificial intelligence tools.

Index Terms—Sustainable development, tourism, family entrepreneurship, Croatian hotel industry.

I. INTRODUCTION

The sustainable development of family entrepreneurial businesses in the Croatian hotel industry was almost unknown, but at the time of the globalization of tourist markets, it became a necessity. Also, it is based on the main postulates of sustainable development where ecological, social, and economic sustainability offers a stimulating concept of integral sustainable development in the Croatian entrepreneurial family-owned hotel business. Here it is important to emphasize that implementation and sustainability cohesion can only be achieved if all dimensions of sustainability are in dynamic balance. The focus is on the usage of this scientific research in the creation of a prestigious and modern family-owned business in the hotel industry of the Republic of Croatia (RoC) concerning the increase of foreign and domestic investments, which will have the effect of prolonging seasonality and enviable competitiveness.

The premise of this research paper was to integrally investigate how realistic the current strategic and operational goals of sustainable development are, and whether they contribute to its faster, more efficient, and

dynamic development as well as to the economic elixir of the increasingly demanding tourism market. It is important to note that the aim is to explore the specificity and uniqueness of sustainable development, which results in greater diversity, quality, competitiveness, and growth of family business in the Croatian hotel industry, all to extend seasonality and better positioning in the tourist market. The results of this research can be used as a powerful concept for the right solutions on how to competitively cope with recent trends in tourism. Also, it can be (soon) considered as a realistic alternative to mass, and unified tourism. The results of this research can serve as a powerful framework for developing effective strategies to cope with the latest trends in tourism. Additionally, it can be a realistic alternative to mass and uniform tourism. Furthermore, the authors of this paper aim to look at the concept of inducing scientifically based guidelines for improving the current and better future status of family-owned enterprises in the hotel industry, as its very important part. They want to reach answers to questions about the way to get proper solutions in national legislation and other provisions of the European Union (EU) to implement a model of sustainability in Croatian economic policy and more efficient use of the relatively limited capacities of family entrepreneurial business in the hotel industry of the RoC. The purpose is to reach relevant conclusions based on the results of empirical research by a survey method, where the survey stakeholders (the research subjects) are the actors of small and medium entrepreneurial businesses family hotel industry the entire RoC.

The results of the scientific research show that economic sustainability as a crucial segment in the family business in the hotel industry is not achieved, especially if the business fundamentals are not sustainable, i.e., when it is not based on related activities and contents based on the principles of sustainability. Also, results are not achieved until the socio-cultural dimension of sustainability is nurtured with the help of 'indigenous identity', in domains: of gastronomic, geographical, and historical-cultural, which, according to the respondents, is of good quality if sufficiently represented. In terms of ecological sustainability, the environment is well-maintained and continuously improving to achieve a high level of sustainable tourism. This is essential for achieving a balance between the three components of sustainable development. However, the support of relevant institutions is necessary to ensure the successful implementation and development of sustainable tourism. These institutions need to provide concrete support to promote and facilitate sustainable development as a crucial element. The support to Croatian hoteliers and entrepreneurs is also critical for achieving this goal. The results of the scientific research and the accumulated knowledge presented in this work will contribute to and advance the concept and strategy of sustainable development as an incentive for family entrepreneurship in the Croatian hotel industry, which also implies a positive impact on the development process of tourist destinations.

II. THE SCIENTIFIC ANALYSIS OF POSSIBLE ADVANTAGES AND DISADVANTAGES OF THE FUTURE OF SUSTAINABLE DEVELOPMENT AS AN INCENTIVE FOR TOURISM AND FAMILY ENTREPRENEURSHIP IN THE CROATIAN HOTEL INDUSTRY

This paper analyses the possible advantages and disadvantages of sustainable development as an incentive for tourism and family entrepreneurship in the Croatian hotel industry, in a scientific way. Here is a scientific research presentation that involves conducting a survey and studying relevant literature from primary and secondary scientific and professional sources. Additionally, complete quantitative and qualitative statistical and scientific analyses are carried out based on the obtained results. The scientific research carried out represents a valuable contribution towards analysing the current situation and improving prospects. It helps in defining achievable goals and concrete innovation for operational strategies to implement sustainable development in the Croatian hotel industry. This study emphasizes the efficient utilization of natural resources at the national level, while also serving as a driving force for small and medium-sized family enterprises in the hotel industry.

A. Overview and analysis of related previous research

It was found (from relevant literature) that the authors had previously conducted independent and separate research on three main areas: sustainable development (and its application, such as sustainability in general), family and entrepreneurial business (FEB), and the hotel industry with an emphasis on a specific area of research. As a result, the fundamental aspects of sustainability are often studied in isolation and only partially explored and presented. This is why it was necessary to create this mostly complete scientific (and professional) based theoretical and practical research (on this topic). The following is a (partial) review of the most important research

so far, analysed in this order: Number (of research analysed) - Author (year) paper [source]; Country/Organization; Period (topic-application); Research method(s); Research result(s).

First - Author (year) paper: [1]; Country/Organization: Croatia, Spain, France, Italy, Hungary, Greece and Turkey; Period (topic-application): Research of a period of 13 years: 2001-2013, representative sample: local population and tourists (the economic policy measures taken were not effective enough to improve the economic position of the hotel industry in the RoC (bad tourism and hotel industry development policy); Research Method(s): (1) Correlation eq. position of the hotel industry in Croatia, Spain, France, Italy, Hungary, Greece and Turkey; (worse economic position of Croatia - no economic policy measures). (2) Analysis of VAT, exchange rates and interest rates (i.e., policy) and i.e., the position of the hotel industry in Croatia. (3) Modelling the dependence of eco components. policies and economic position of the hotel industry in Croatia. (4) Application of the model about measures of economic policies for the hotel industry in Croatia and related activities. (5) Analysis of the application of proactive measures and restrictions related to the state of the country's budget, indebtedness, and risks; Research results: (1) Model of the impact of measures of economic policies on the economic position and competitiveness of hotel companies (2) Components of economic policies (VAT, exchange, and interest rate) predetermine economic the position of the hotel industry in Croatia (not competitive, restricts business). (3) Model of dependence of components of eq. policies and economic position of the hotel industry (pos. gross result of the hotel industry). (4) The applicable model is the basis of def. measure of eq. policies for the hotel industry in Croatia and related activities.

Second - Author (year) paper: [2]; Country/Organization: Croatia; Period (topic-application): Research period of 1 year: June-September 2011, representative sample: local population and tourists (The state of tourism on Dugi otok, and the perception of its actors, the receptive community and its guests were investigated); Research Method(s): (1) Survey methods (Survey questionnaire with 12 main closed-ended questions. The survey was conducted on a stratified random sample of 161 respondents from (local) residents and tourists; representative sample: about 10% of respondents from all residents of Dugi otok participated in the survey); Research results: (1) Research: touristic demand for peasant households and the need for walkways and bicycle paths. (2) Large luxury hotels, apartment complexes and casinos should not be built on Dugi otok, but small family hotels. (3) Guests and the population recognized sustainable development as the best possible direction for tourism on Dugi otok (the name of the island in Croatian).

Third - Author (year) paper: [3]; Country/Organization: USA; Period (topic-application): Research period of 6 years: 2001-2006, sample: 984 American hotels (In environmental sustainability initiatives, hotel service providers should actively involve management and customers in the "front" office and "back-office" tasks. Operational structures positively influence performance when they facilitate the alignment of multiple interests in the supply chain of services to partners. Managers must keep in mind that for different performances the best characteristics are those in the class of operating units that are in the market segment and have good location characteristics.); Research Method(s): (1) Exploratory Factor Analysis (EFA) - development of a two-factor standardized measure of environmental sustainability. (2) Stochastic frontier analysis (SFA) was used to investigate the relationship between measured environmental sustainability and business performance limits, with the influence of operational structure; Research results: (1) Two key drivers of sustainable development are customer behaviour and operational decisions. (2) There is a positive relationship between environmental sustainability and business performance. (3) Operational structure significantly affects operational performance (performance limits vary by market and location characteristics: degree of urbanization and climatic conditions). (4) A scientific model of empirical performance measurement of the establishment of a system of sustainable environmental protection services and examination of the relationship between measured environmental sustainability and the operational effects of business was developed.

Fourth - Author (year) paper: [4]; Country/Organization: Greece; Period (topic-application): Research of the 10 years: 2000-2010 (Current and future trends are determined from the impact on tourism and hospitality (globalization, security /guests, etc./, importance: excellent services, new technologies for greater competitiveness, population, direct influence on tourist demand, correlation between price and value, trends in the development of tourism and accommodation). The indicators of the performance of Greek tourism in the last 10 years are analysed and ways of exiting the recession are proposed for tourism entrepreneurs. The proposals in

addition to the analysis of hoteliers include the analysis of current and future trends and the application adaptations, investment in exceptional services and sustainability, their accommodation, use of new technologies and social networks Hotel owners need to consider retirees as guests and must also look for ways; Research Method(s): (1) Analysis of trends and (2) Correlation analysis of empirical statistical and financial data (GDP, prices, etc., e.g.: Short-term global visitor growth forecasts, European Tourism: Trends & Prospects (Q2/2011)...); Research results: (1) Determining current and future trends in Greek tourism and hotel industry. (2) Determining trends in socially sustainable development, hotel entrepreneurship and application of new (inf. etc.) technologies.

Fifth - Author (year) paper: [5]; Country/Organization: Nigeria, France, UK, USA, Greece, Europe, Germany, Belgium Austria, Italy, Denmark, Finland, Norway, Sweden, (ICA, UN); Period (topic-application): 1750, 1844, 1850, 1855, 1863, 1895, 1937, 1974, 1995, 1996, 1999, 2002.; Research Method(s): Analysis of trends and (mapping) legislative and empirical (primarily) financial (GDP etc.) data; Research results: The role of cooperative societies in economic development (and trends: economic sustainability and socially sustainable development).

Sixth - Author (year) paper: [6]; Country/Organization: EU-15 and countries in transition economies: CEE, SEE, CIS, (WDI, EIU, EBRD, IMF, WB, UN); Period (topic-application): 1992–2003 (2000–2006); Research Method(s): Trend analysis and (mapping) empirical (primarily) financial (GDP etc.) data; Research results: Current account sustainability in selected transition countries (and trends: medium- and long-term sustainability).

Seventh - Author (year) paper: [7]; Country/Organization: USA, Canada, Brazil, Japan, Colombia, Chile, Bangladesh, Argentina, Philippines, Pakistan, Nepal, India, UK, Europe, Germany, Spain, (UN, ILO, WB, OECD, SEWA, WEF); Period (topic-application): (17th–20th century, 1980, 1996) 1998–2002 (2005, 2007); Research Method(s): Trend analysis and (mapping) empirical (primarily) financial (GDP etc.) data; Research results: Social entrepreneurship: towards entrepreneurial culture for social and economic development (and trends: entrepreneurial culture, economic and social development).

B. About research methods and scientific hypotheses: Analysing the advantages and disadvantages of sustainable development as an incentive for tourism and family entrepreneurship in the Croatian hotel industry from a new perspective

The methodology used in this scientific research involved identifying the research variables and sample and employing the appropriate scientific research methods and techniques to yield the results. The scientific research was conducted using a methodology that involved the analysis and synthesis of all available literature from primary and secondary scientific and professional sources related to the research topic. This was followed by a quantitative and qualitative statistical analysis of the survey results obtained from a deliberate sample. Additionally, a scientific “Pro and Contra” analysis was carried out to identify the possible advantages and disadvantages of sustainable development as an incentive for the tourist and family entrepreneurial business in the Croatian hotel industry. This analysis was a derivation of a SWOT analysis.

By the previously set research objectives, one main hypothesis and three auxiliary research hypotheses were set, which were tested based on the results of the primary research by surveying a selected and representative sample using independent and dependent variables and compared with research results from secondary sources. (on the described topic). The main hypothesis is the following: “There is a significant relationship between sustainability and the development of a sustainable FEB in the hotel industry of RoC.” The main hypothesis of this research is to prove the connection between sustainable development and the development of FEB in the RoC hotel industry. In the same context, the state, characteristics, policies, and strategies of the interdependence of promoting sustainable development and the development of FEB in the Croatian hotel industry and more broadly related entities and systems are questioned and investigated.

The first auxiliary hypothesis: “Sustainable development contributes to foreign and domestic investments with the aim of stronger development of FEB in the RoC hotel industry.” It is primarily conceived as an indicator for measuring the progress and significance of the application of sustainable development with the aim of stronger development of family entrepreneurship in the RoC hotel industry and with the aspiration of domestic and foreign investments as a tool for expansion and positioning in the increasingly demanding tourist market, as well as optimizing indicators for measuring progress towards sustainability in the Croatian family hotel industry.

Second auxiliary hypothesis: “The policy of sustainable development of FEB in the hotel industry affects the increase in the variety, quality and price competitiveness of the tourist offer in RoC.” This auxiliary hypothesis examines whether sustainable development of the tourist offer is achieved through the policy of sustainable development and whether efficiency and social justice, continuous preservation of natural and social resources and preservation of the national cultural identity of the destination based on three basic components are ensured: economic, social, and ecological.

Third auxiliary hypothesis: “By positively revaluing incentives for sustainability, tax policy enables the development of sustainable FEB in the hotel industry of RoC.” The third auxiliary hypothesis aims to scientifically investigate the need for more effective strategic and operational thinking and planning for the establishment of partnership relations among the competent (responsible) institutions of the RoC for the implementation of the sustainability strategy and in terms of relief from levies at all levels of government. Conditional questioning of conditions and processes is aimed at creating real incentives for family entrepreneurship in the hotel industry, creating new jobs and deciding at the level of the Ministry of Tourism and Sports RoC on the definition and classification of family entrepreneurship in the Croatian hotel industry, i.e., small family hotels. The hypothesis aims to prove the assumption that the level of cooperation between interest groups results in a higher level of quality, quantity of business and profitability in the context of the importance of sustainable development for family entrepreneurship (in the Croatian hotel industry).

The results of the conducted empirical research were obtained using the survey method “on the state and possibilities of achieving sustainable development as an incentive for family entrepreneurship in the Croatian hotel industry”. It was conducted primarily in the areas of I. Kvarner (Opatija, Rijeka, Crikvenica, Novi Vinodolski and Senj), II. Dalmatia (Split, Zadar, Šibenik and Omiš), - Istria (Poreč, Umag, Rovinj and Rabac) and III. Zagreb (city and county).

The research instrument was a structured survey questionnaire and an interview, and the method of conducting the research was survey method (e-mail), with a link to the survey: anteka.omh@gmail.com. The main period of the research was from March 1st to April 30th, 2018.

Empirical (primary) research was applied using the survey method on a deliberate sample of 100 small family businesses in the hotel industry (80% of the population) from March to May 2018 (on the described topic). Note that the subjects of the research were the members of the Association of Small (& medium) Family Hotels (an abbreviation is FSH or an abbreviation in the Croatian language is OMH), whose activities directly affect family entrepreneurship primarily in (small and medium) hotel tourism in Croatia. The methodology of the conducted scientific research includes defining the research sample and research variables, with the use of appropriate scientific research methods and procedures that led to the results of the research conducted here.

Here is a brief explanation of the scientific method called “Pro and Contra” analysis of the possible A&D of the analysed system. SWOT is an abbreviation of the English words **S**trengths, **W**eakness, **O**pportunities and **T**hreats, and this analysis considers the current and future influences of the external and internal environment on a particular organization or the analysed system, as well as their interdependence. In addition to the SWOT analysis of the implementation process, and before development in practice, a requirements analysis with cost-benefit analysis should be carried out, as a basis for the analysis of possible A&D, where Advantages are Strengths and Opportunities from SWOT analysis, but Disadvantages or Constraints are Weaknesses and Threats from SWOT analysis. Analysis of the strengths and weaknesses belongs to the group of internal analysis while opportunities and threats belong to the group of external analysis. The analysis of possible A&D was performed based on SWOT analysis: implementation of the analysed system, where possible Advantages represent Opportunities and Strengths, and possible Constraints represent Threats and Weaknesses, which are listed in the previous SWOT analysis as tools (techniques) for situational analysis of analysed systems and their implementation, i.e., analysis of strengths, weaknesses, opportunities, and threats. Notice, it should be reiterated that the analysis of the strengths and weaknesses of the analysed system belongs to the group of internal analysis while the opportunities and threats belong to the group of external analysis. An analysis of possible A&D implementations of the analysed systems (according to [8]) and analysis of possible A&D of the analysed systems (according to [9]) is presented here as a method called “Pro and Contra” analysis (of the future of sustainable development as an incentive for tourism and entrepreneurship FEB in the Croatian hotel industry), according to [10].

III. ABOUT SURVEY RESULTS, METHODS, AND TECHNIQUES USED

In this part of the article, we will talk about the results of the research and the methods and techniques we used. Consequently, the following methods, techniques and procedures were applied within the primary statistical-analytical processing of the obtained data: descriptive statistics for the calculation of percentages and frequencies of variables; correlation methods for confirming the connection of variables and proving hypotheses, application of Pearson's, Spearman's and other correlation coefficients, etc.; inherent statistical processing of the questionnaire and analysis with the support of the SPSS (Statistical Package for the Social Sciences) program package, and the obtained data were entered and analysed in the aforementioned program package. Also, data processing includes the application of the method of descriptive statistics (calculation of % and frequency of variables). Statistical processing resulted in correlation analysis, tests, tables, and graphs/histograms. First, we present the research results that was conducted by the survey:

(a) Through a classic and electronic e-mail questionnaire in the period from March to May 2018 on the members of the National Association of Family and Small Hotels (FSH/OMH), 126 of them were identified as family hotel companies (representing the total of researched population in RoC), out of 380 regular and associated members of the said Association;

(b) On a selected sample of 100 small family hotels in the hotel industry, which makes up 79.37% of the population, and the return is 66% (i.e., 66 respondents filled out the questionnaire) of small family hotel companies, which represents 52.38% of the total number, and is therefore considered representative.

(c) Here, defining a statistical sample of respondents means a precise identification of the sample of respondents/actors. Interviewing was conducted with more than 60 respondents divided into two groups. It is a deliberate sample typical of two groups of respondents whose opinion is to be analysed, and the 1st group with more than 30 respondents consisting of different profiles of experts and decision-makers in rural tourism, and the 2nd group of more than 30 respondents are owners of rural family tourism farms, excursion sites, lodgings, family farms and other types of registered respondents. The research included different respondents with different views on the issues under investigation. The questionnaire was fully answered by 66 respondents, 53% were employees and 24% were owners of business premises, of which 37.9% were micro business entities, 36.4% were small business entities and 24.2% were self-employed persons. Of the sample, 37.9% are men and 60.6% are women, the average age of the sample is 38 years and 21% of the sample has completed graduate studies.

(d) Specifically, for this purpose (correlation methods and techniques), correlation coefficients were used: Pearson's, and when performing non-parametric correlation analysis, Spearman's (Spearman's Rho) correlation coefficient in cases where Pearson's coefficient was not applicable; coefficients (regression: unstandardized - B and standardised - Beta) of linear regression; additional processing, analysis of differences, Hedges's g coefficient of effect size and coefficient of determination (R Square), etc. Also, numerous statistical tests were used for statistical regression (and other) analysis (residual, partial, group and other statistics): ANOVA test (regression model and residuals, F, df), t-test (t-test for Equality of Means), "Enter" method, group statistics, testing of independent samples with independent sample test (Levene's Test for Equality of Variances), variance analysis with LSD (least square differences) post hoc test (for comparison between individual groups) and others, according to [11].

IV. ANALYSIS OF RESULTS

The first auxiliary hypothesis "Sustainable development contributes to foreign and domestic investments with the aim of stronger development of FEB in the RoC hotel industry" is primarily conceived as an indicator for measuring the progress and significance of the application of sustainable development with the aim of stronger development of family entrepreneurship in the RoC hotel industry and with the aspiration of domestic and foreign investments as a tool for expansion and positioning in the increasingly demanding tourist market, as well as optimizing indicators for measuring progress towards sustainability in the Croatian family hotel industry. The first auxiliary hypothesis was confirmed despite the fact that facts were determined in the theoretical part of the research that influenced the additional complexity of this part of the research, respectively: (a) family entrepreneurship in RoC is treated in the category of small entrepreneurship; (b) RoC did not officially define family businesses until the middle of 2020, but the concepts of "family entrepreneurship" and "family business"

are discussed, and criteria for defining family entrepreneurship have been elaborated with clarification of the typology of family businesses; (c) the modern conceptual definition of family entrepreneurship increasingly includes the sustainable development of innovations and the development of sustainable management of innovations, which is equally expressed in the context of increasing diversity and quality, in the context of increasing innovation and competitiveness of a certain destination, where special emphasis is placed on encouraging and stimulating the increase employability, i.e. ending the state of long-term unemployment; (d) entrepreneurship in the hotel industry RoC represents an important and flexible segment of the entire Croatian entrepreneurship because it significantly enriches the diversity of supply and demand and actively contributes to improving the specificity of RoC as a tourist product, i.e. the uniqueness of the destination; (e) entrepreneurship in the family Croatian hotel industry incorporates almost all family business activities that are aimed at increasing investment, but also all other necessary input and output capacities, entering new markets, creative creation of new services and products, new forms of consumption and innovative technologies; (f) the most objective indicator of the (integral) sustainable development of family entrepreneurship in the hotel industry RoC is an indicator of the number of registered family business entities in the Croatian hotel industry that are primarily engaged in the provision of tourist and other hotel services (although this number is not reliable because RoC does not officially maintain a unique register of mentioned business entities), and in the theoretical part of this research, i.e. in the quantitative analysis of the mentioned status of family entrepreneurship in RoC, it was determined that the Croatian Association of Employers (CAE/HUP) estimated that during 2019 there were five to ten thousand family businesses in RoC companies, while national and international contemporary analyses and specific research clearly show analytically (e.g. through the results of 1,576 surveyed managers of family businesses in 26 European countries) that the biggest challenges facing European family businesses are primarily a lack of skills and an increase in labour costs, and it is emphasized that family businesses in RoC, in addition to the mentioned challenges, have a particularly pronounced problem with the transfer of business during inheritance, i.e. ownership and management, to the next generation in the family, according to [11]; (g) indicators of detection and measurement of progress and the degree of application of sustainable development with the aim of stronger encouragement and development of family entrepreneurship in the Croatian hotel industry are difficult to precisely quantify because they are not monitored integrally, but partially, and statistically isolated and only partially.

The results were obtained by applying quantitative methods and presented in frequency tables, Table 31. In [11] Correlations of variables 10, 11, 12, 13, 14 and 15, and correlation Table 1. (here) prove the first auxiliary hypothesis because: (a) a total of 75.80% of respondents agree (or completely agree), i.e., 45.5% agree and completely agree 30.3% of respondents agree with the fact that "10_the concept of sustainable development contributes to the increase of foreign and domestic investments in RoC"; (b) a total of 68.20% of respondents agree (or completely agree), i.e. 30.3% agree and 37.9% completely agree, with the fact that "11_the concept of sustainable development contributes to the increase of foreign and domestic investments with the aim of stronger progress of family entrepreneurship in the RoC hotel industry"; (c) a total of 77.20% of respondents agree (or completely agree), i.e. 42.4% agree and 34.8% completely agree, with the fact that "12_the concept of encouraging sustainable development encourages better strategic positioning of family business hotel management on the RoC tourist market"; (d) a total of 81.80% of respondents agree (or completely agree), i.e. 42.4% agree and 39.4% completely agree, with the fact that "13_development of the economic aspect of the sustainable development of family business hotel industry represents a significant an element of building a concept of greater efficiency of the tourist offer in RoC"; (e) the fact that also with the other two variables, "14_development of the social aspect of the sustainable development of family business hotel management represents a significant element of building the concept of greater efficiency of the tourist offer in RoC" and "15_development of the ecological aspect of sustainable development of family business hotel management represents a significant element of building the concept of greater efficiency tourist offers in RoC" shows a mostly positive reaction among respondents. Also, the following can be read from the results of the complete correlation table: The variable "10_sustainable development concept..." is statistically related to all other variables from this group, and the same applies to all variables except for variable 12 and variable 15, which are not significantly statistically related to it. All this speaks in favour of confirming the first auxiliary hypothesis, according to [11].

By confirming that " Sustainable development contributes to foreign and domestic investments with the aim of stronger development of FEB in the RoC hotel industry ", the following was also confirmed (based on the statistically significant/significant opinion of the majority of respondents): (A) "10_the concept of sustainable development contributes to the increase of foreign and domestic investments in RoC"; (B) "11_sustainable development concept contributes to the increase of foreign and domestic investments with the aim of stronger progress of family entrepreneurship in the RoC hotel industry"; (C) "12_the concept of encouraging sustainable development encourages a better strategic positioning of the family entrepreneurial hotel industry on the RoC tourist market".

Table 1. Correlation table with regression coefficients for variables (11, 12, 13, 14 and 15 are constants, and 10 is dependent)

Model	Coefficients ^a		Standardized coefficients	t	Sig.	
	Unstandardized coefficients	Std. Error				
1	(Constant)	1.474	.557		2.648	.010
	11. The concept of sustainable development contributes to increasing foreign and domestic investments with the aim of stronger progress of family entrepreneurship in the hotel industry. RoC.	.526	.105	.597	4.988	.000
	12. The concept of encouraging sustainable development encourages a better strategic positioning of the family business hotel industry on the RoC tourist market.	-.111	.117	-.950	-.950	.346
	13. The development of the economic aspect of the sustainable development of the family entrepreneurial hotel industry represents a significant element of building the concept of greater efficiency of the tourist offer in RoC.	.145	.117	.139	.816	.418
	14. The development of the social aspect of the sustainable development of the family entrepreneurial hotel industry represents a significant element of building the concept of greater efficiency of the tourist offer in RoC.	.150	.150	.157	1.003	.320
	15. The development of the ecological aspect of the sustainable development of the family entrepreneurial hotel industry represents a significant element of building the concept of greater efficiency of the tourist offer in RoC.	-.079	.130	-.084	-.606	.547

a. Dependent variable: 10_The concept of sustainable development contributes to the increase of foreign and domestic investments in RoC.

Note: Significant fields are marked.

Source: Authors (according to Table 35 in [11])

Also, (D) "13_the development of the economic aspect of the sustainable development of the family entrepreneurial hotel industry represents a significant element of building the concept of greater efficiency of the tourist offer in RoC"; (E) "14_the development of the social aspect of the sustainable development of the family entrepreneurial hotel industry represents a significant element of building the concept of greater efficiency of the tourist offer in RoC"; (F) "15_the development of the ecological aspect of the sustainable development of the family entrepreneurial hotel industry represents a significant element of building the concept of greater efficiency of the tourist offer in RoC"; (G) variable "10_concept of sustainable development..." is statistically related to all other variables from this group and the same applies to all variables except for variable 12 and variable 15, which are not significantly statistically related to it (see here correlation Table 1).

The second auxiliary hypothesis "The policy of sustainable development of FEB in the hotel industry affects the increase in the variety, quality and price competitiveness of the tourist offer in RoC." is primarily conceived as an indicator of measuring the progress and significance of the application of sustainable development with the aim of stronger development of family entrepreneurship in the RoC hotel industry and with the aspiration of domestic and foreign investments as a tool for expansion and positioning in the increasingly demanding tourist market and optimization of indicators for measuring progress towards sustainability in the Croatian family hotel industry. The second auxiliary hypothesis was confirmed despite the fact that in the theoretical part of the research [11] facts were established that influenced the additional complexity of this part of the research, respectively: (a) tourism is often considered one of the most profitable industries (with regard to the objective economic consequences, the number emissive and receptive tourist trends and the effects they generate); (b) awareness of the need to preserve the environment affects sustainable (economic, ecological/cultural and social/social, etc.) tourism planning strategy and tourism demand (with long-term planning of all sustainable tourism and services); (c) sustainable development planning in tourism is observed in the continuum and flexibility of the process, where the existing policy is adapted to new circumstances with an emphasis on the formulation of a modern and developmentally sustainable policy for the improvement of all forms of tourism in a certain area, and the goals should be realized

and developed (in application sustainable development with the aim of more strongly encouraging the growth of family entrepreneurship in the hotel industry RoC); (d) the main guide of the complete concept of development, the process of planning local development in accordance with the principles of ecological, economic and social sustainability is Agenda 21 [11]; (e) often, when planning sustainable development, relatively little attention is paid to social sustainability; (f) it is important to systematically implement the proposed measures for strengthening the role in planning and promoting the development of the Croatian hotel industry according to the principles of sustainability, models for planning and promoting the sustainable development of tourist destinations in RoC, and activities to promote sustainable development as an incentive in the Croatian hotel industry; (g) sustainable planning to expand the offer of small family hotels enables greater profitability, competitiveness, creation and implementation of more innovative tourist offers, increasing diversity and international recognition and higher quality standards in the provision of hotel and related services, according to [11].

The results obtained using quantitative methods and presented in frequency tables, and correlation Table 37. in [11] Correlation table of variables 16a, 16b, 16c, 17, 18, 19a, 19b, 19c, 19d prove the second auxiliary hypothesis. As with the analysis of the previous hypothesis, here the results from the frequency tables were analysed first. In particular, all the survey questions (from 16a to 19d) for the respondents related to proving the second auxiliary hypothesis were expressed through the variables of the 16th question (specifically, sixteen ((16a) diversity, (16b) quality, (16c) competitiveness)) question: "Marketing projects realized (as part of the policy of sustainable development of family entrepreneurship in the hotel industry) through various means of advertising, manifestations of autochthonous gastronomic offer and encouragement to preserve cultural heritage, etc., are associated with an increase in (a) variety, (b) quality, and (c) price competitiveness of the tourist offer in RoC" (variables 16a, 16b, 16c: Variable "16_a (various) Marketing projects realized (as part of the policy of sustainable development of family entrepreneurship in the hotel industry) through various means of advertising, manifestations of autochthonous gastronomic offer and encouragement to preserve cultural heritage, and..."; Variable "16_b (quality) Marketing projects realized (as part of the policy of sustainable development of family entrepreneurship in the hotel industry) through various means of advertising, manifestations of indigenous gastronomic offer and encouragement to preserve cultural heritage, and..."; Variable "16_c (competitiveness) Marketing projects achieved (as part of the policy of sustainable development of family entrepreneurship in the hotel industry) through various means of advertising, manifestations of indigenous gastronomic offer and encouragement to preserve cultural heritage", through question 17 "As part of the policy of sustainable development of family entrepreneurship in the hotel industry, it is necessary to support the development of specific projects to increase: the diversity of the offer, or sports content, or cultural content, or the quality of service, or the competitiveness of the price of the tourist offer in RoC" (Variable "17_ As part of the policy of sustainable development of family entrepreneurship in the hotel industry, it is necessary to support the development of concrete projects to increase: the diversity of the offer, or sports content, or cultural content, or service quality, or competitiveness of...") and question 18 "As part of the policy of sustainable development, the development of family entrepreneurship in the Croatian hotel industry contributes to the creation of new jobs" (Variable "18_As part of the policy of sustainable development by development of family entrepreneurship in the Croatian hotel industry contributes to the creation of new jobs.", up to question 19 ((19a) variety, (19b) quality, (19c) price competitiveness of the tourist offer, and (19d) improvement of own business) "Within policy of sustainable development of family entrepreneurship in the hotel industry RoC hoteliers co-finance education and encourage the development of their own (professional or scientific) staff with the idea of contributing new knowledge and skills to the increase of: (a) variety, (b) quality, (c) price competitiveness of the tourist offer, and (d) to improve their own business" (variables 19a, 19b, 19c to 19d: Variable (19a) diversity: "19_a_As part of the policy of sustainable development of family entrepreneurship in the hotel industry, RoC hoteliers co-finance education and encourage the development of their own (professional or scientific) staff with the idea that new knowledge and..."; Quality variable (19b): "19_b_As part of the policy of sustainable development of family entrepreneurship in the hotel industry, RoC hoteliers co-finance education and encourage the development of their own (professional or scientific) staff with the idea of contributing to the increase with new knowledge and skills..."; Variable (19c) of the price competitiveness of the tourist offer: "19_c_As part of the policy of sustainable development of family entrepreneurship in the hotel industry, RoC hoteliers co-finance education and

encourage the development of their own (professional or scientific) staff with the idea of contributing to the increase with new knowledge and skills..."; Variable (19d) to improve their own business: "19_d_As part of the policy of sustainable development of family entrepreneurship in the hotel industry, RoC hoteliers co-finance education and encourage the development of their own (professional or scientific) staff with the idea of contributing to the increase with new knowledge and skills...", as well as all questions so far oriented to positive answers (see details in correlation Table 37. in [11]). By analogy so far, as far as correlations are concerned, only fields were analysed where the value of p is minor than 0.05 ($p < 0.05$, i.e., where there is statistical significance/significance). Each variable is positively correlated with each other, which means that respondents who circled "agree" in one question also circled "agree" in any other question from this group. This model describes the researched data well. By analogy, it was confirmed that the policy of sustainable development of FEB in the hotel industry affects the increase in the variety, quality and price competitiveness of the tourist offer in RoC, i.e., the second auxiliary hypothesis was confirmed. The following was also confirmed (on the basis of the statistically significant/significant opinion of the majority of respondents): (A) "marketing projects realized (as part of the policy of sustainable development of family entrepreneurship in the hotel industry) through various means of advertising, manifestations of autochthonous gastronomic offer and encouragement to preserve cultural heritage, and the like are related to the increase of: (a) variety, (b) quality, and (c) price competitiveness of the tourist offer in RoC"; (B) "as part of the policy of sustainable development of family entrepreneurship in the hotel industry, it is necessary to support the development of concrete projects to increase: the variety of the offer, or sports content, or cultural content, or the quality of service, or the competitiveness of the price of the tourist offer in RoC"; (C) "as part of the policy of sustainable development by developing family entrepreneurship in Croatian hotel industry contributes to the creation of new jobs"; and (D) "as part of the policy of sustainable development of family entrepreneurship in the hotel industry, RoC hoteliers co-finance education and encourage the development of their own (professional or scientific) staff with the idea of contributing new knowledge and skills to increase: (a) variety, (b) quality, (c)) price competitiveness of the tourist offer, and (d) improvement of own business". All this speaks in favour of confirming the evidence of the second auxiliary hypothesis that "The policy of sustainable development of FEB in the hotel industry affects the increase in the variety, quality and price competitiveness of the tourist offer in RoC" (see all details in Table 37. in [11] Correlation table of variables 16a, 16b, 16c, 17, 18, 19a, 19b, 19c, 19d).

As mentioned before, the third auxiliary hypothesis "By positively revaluing incentives for sustainability, tax policy enables the development of sustainable FEB in the hotel industry of RoC" was designed with the aim of scientific research into the need for more effective strategic and operational thinking and planning for the establishment of partnership relations with the competent institutions of the RoC for the implementation of the sustainability strategy in terms of tax relief on all levels of government, all to create real incentives for family entrepreneurship in the hotel industry, creating new jobs and making a decision at the level of the Ministry of Tourism and Sports RoC on the definition and classification of family entrepreneurship in the Croatian hotel industry, i.e. small family hotels. This hypothesis tried to prove the fact that a higher level of cooperation between interest groups results in achieving a higher level of quality, and quantity of business as well as profitability, which is a direct result of applying the concept of sustainable development (with the goal of stronger development of family entrepreneurship in the RoC hotel industry).

Similarly, the third auxiliary hypothesis "By positively revaluing incentives for sustainability, tax policy enables the development of sustainable FEB in the hotel industry of RoC." was designed with the aim of scientific research into the need for more effective strategic and operational thinking and planning for the establishment of partnership relations with the competent institutions of the RoC for the implementation of the sustainability strategy in terms of tax relief on all levels of government, all to create real incentives for family entrepreneurship in the hotel industry, creating new jobs and making a decision at the level of the Ministry of Tourism and Sports RoC on the definition and classification of family entrepreneurship in the Croatian hotel industry, i.e. small family hotels. This hypothesis tried to prove the fact that a higher level of cooperation between interest groups results in achieving a higher level of quality, and quantity of business as well as profitability, which is a direct result of applying the concept of sustainable development (with the goal of stronger development of family entrepreneurship in the RoC hotel industry). The third auxiliary hypothesis was confirmed even though facts were

determined in the theoretical part of the research [11] that influenced the additional complexity of this part of the research. Thus, for example, an analysis of the state of the fiscal burden of small family hotels in RoC reveals the existence of obligations, in order: (a) profit tax and income tax are applied to small family hotels in RoC that are registered as trades; (b) value added tax (so-called VAT); (c) residence taxes, and the payer is a specific tourist/guest; (d) tourist membership fees paid by legal and natural persons who provide accommodation services; (e) various parafiscal obligations that appear in the form of various fees [11]. With regard to the regulation of incentives and investments in the sustainable development of family business hotel industry in RoC, for example, a very simple analysis leads to document entitled "National Program for the Development of Small Family Hotel Industry (RoC)" in which the elements for the regulation of all incentives and investments in the sustainable development of family entrepreneurial hotel industry in RoC are described, and they are realized: (a) through the activities of the Ministry of Tourism and Sports RoC to encourage implementation of modern innovative and sustainable strategic/operational concepts with regard to the specific development of tourism, hotel industry and small family Croatian hotel industry, which achieves the improvement of existing concepts of sustainability as a direct result of the implementation of fundamental factors of sustainable development and systematic innovation procedures with examples of good practice (in tourism, hotel industry and small family hotel industry in RoC); (b) through the activities of the "Administration for Investments in Tourism, Hotel Tourism Offer and Special Forms of Tourism" of the Ministry of Tourism and Sports RoC; and (c) through the "Sector for the improvement of hotel tourism offers and investments" established in the aforementioned Administration; and (d) through the special "Service for the development of entrepreneurship and family accommodation in tourism" which operates in the aforementioned Administration and the established Sector; (e) The "Tourism Economy Competitiveness Program" (published by the then Ministry of Tourism RoC, which is now called the Ministry of Tourism and Sports RoC) grants for investments in tourism activities, and the goals were to improve the offer of small family hotels, sustainable development, green tourism and the development of special forms of tourism (health, cultural, cycle tourism, nautical, congress, rural), and the aforementioned was in accordance with the then "RoC Tourism Development Strategy until 2020" and associated action plans and national programs related to the development of small and medium-sized enterprises; nevertheless (f) during the year 2020, due to the pandemic caused by the disease COVID-19 in the world and RoC, many such invitations can be found interesting for the small and family entrepreneurial Croatian hotel industry, which, for example, enabled the approval of direct interest-free loans from the Croatian Bank for Reconstruction and Development (HBOR), quote 283 p. in [11]: "Up to HRK 600 million is available, and the funds are (were) intended for subsidized lending to micro, small and medium-sized entrepreneurs with registered accommodation activities (hotels, resorts, campsites, other accommodation), activities preparation and serving of food and drinks (restaurants, catering, other food preparation and serving activities), renting of water transport and travel agencies and tour operators...".

The results obtained by applying quantitative methods and presented in frequency tables and Table 38. in [11] New correlation table of variables 20, 21, 22, 23, 24, 25 and 26, and the new correlation Table 2. here proves the third auxiliary hypothesis, because as with the analyses of the previous auxiliary hypotheses (first and second), here they were the first analysed results from frequency tables. All survey questions for the respondents related to proving the third auxiliary hypothesis were expressed through variables.

Table 2. New correlation table with regression coefficients for variables (21, 22, 23, 24 and 25 are constants, and 20 is dependent)

Model	Coefficients ^a			t	Sig.
	Unstandardized coefficients		Standardized coefficients		
	B	Std. Error	Beta		
1 (Constant)	2.956	1.099		2.689	.009
21. Positive revaluation of incentives for sustainable development (achieved by tax and other policies, e.g.: reduction of fiscal/parafiscal levies and other costs; liberalization of the legislative framework, etc.) in the Republic of Croatia enables greater development of family entrepreneurship in the hotel industry (e.g., to solve the key problems of small and medium-sized family hotel entrepreneurship: easier, simpler, and more favourable business in tourism, etc.).	.144	.137	.144	1.045	.300
22. State support of the concept of increasing the number of facilities with high added value (because of the direct application of sustainable development of family entrepreneurship in the RoC hotel industry) represents a guarantee of the realization of the concept of sustainable development.	.633	.179	.633	3.546	.001
23. State support of the concept of increasing the number of facilities with high added value (because of the direct application of sustainable development of family entrepreneurship in the RoC hotel industry) helps to extend the period of seasonality.	-.202	.153	-.222	-1.325	.190
24. The state offers mechanisms that enable more favourable credit lines with a longer repayment term for small and medium-sized business and family projects of hoteliers in RoC, and the possibility of reprogramming existing loans.	-.038	.148	-.036	-.258	.797
25. At the state level, it is necessary to reduce (tax and other) levies on small and medium-sized family businesses in the RoC hotel industry.	-.603	.231	-.352	-2.603	.012
26. At the municipal and county level, it is necessary to reduce (tax and other) levies on small and medium-sized family businesses in the RoC hotel industry.	-.348	.249	-.183	-1.399	.167

a. Dependent variable: 20_ There is a real possibility of achieving incentives because of the application of sustainable development of family entrepreneurship in the RoC hotel industry, for example through co-financing the creation and implementation of innovative products and services in tourism.

Note: Significant fields are marked.

Source: Authors (according to Table 42 in [11])

By the previous analogy, by analysing the results through frequency tables and correlation analysis of the tables (see more about this in Table 38. in [11] New correlation table of variables 20, 21, 22, 23, 24, 25 and 26, and here in new correlation Table 2.), it can be concluded the same as in the first two cases. Here specifically, (a) variable 20_ is positively correlated with variables 21_, 22_ and 24_; (b) variable 21_ is positively correlated with variables 22_, 23_, 24_ and 26_; (c) variable 22_ is positively correlated with variables 23_, 24_, 25_; (d) variable 23_ is positively correlated with variable 24_; and (e) variable 25_ is positively correlated with variable 26_ (see more details in new correlation Table 38 [11]). When it comes to correlations, the fields in which the value of significance (significance) is at the level of $p < 0.05$ are analysed and finally confirmed/observed: (A) Variable 20_ (Variable "20_ There is a real possibility of achieving incentives as a result of the application of sustainable development of the family entrepreneurship in the RoC hotel industry, e.g., through co-financing the creation and implementation of innovative products and services in tourism.") is positively correlated with variables 21_, 22_ and 24_; (B) Variable 21_ (Variable "21_Positive revaluation of incentives for sustainable development (achieved by tax and other policies, e.g.: reduction of fiscal/parafiscal levies and other costs; liberalization of the legislative framework, etc.) RoC enables greater development of family entrepreneurship .") is positively correlated with variables 22_, 23_, 24_ and 26_; (C) Variable 22_ (Variable "22_State support of the concept of increasing the number of objects with high added value (as a result of the direct application of sustainable development of family entrepreneurship in the RoC hotel industry) represents a guarantee of the realization of the concept of sustainable development.") is positively correlated with variables 23_, 24_, 25_; (D) Variable 23_ (Variable "23_State support of the concept of increasing the number of facilities with high added value (as a result of the direct application of sustainable development of family entrepreneurship in the RoC hotel industry) helps to extend the period of seasonality.") is positively correlated with variable 24_ (Variable "24_The State offers mechanisms which enables more favourable credit lines with longer repayment terms for small and medium-sized business and family projects of hoteliers in the Republic of Croatia and the possibility of reprogramming existing loans."); and (E) Variable 25_ (Variable "25_At the state level it is necessary to reduce (tax and other) levies on small and medium-sized family businesses in the RoC hotel industry") is positively correlated with variable 26_ (Variable "26_At the municipal and county level, it is necessary to reduce (tax and other) levies on small and medium-sized family businesses in the RoC hotel industry."). It is undoubtedly concluded (see details in Table 38. in [11] New correlation table of variables 20, 21, 22, 23, 24, 25 and 26) that certain variables (from 20 to 26) are positively correlated with each other, specifically as in the described cases from (A) to (E), which also confirms the third auxiliary hypothesis [11].

The third auxiliary hypothesis was confirmed because it was proved that the positive revaluation of incentives for sustainable development, and the tax policy of RoC significantly (significantly) enables the development of family entrepreneurship in the hotel industry. Based on the proven facts in the previous paragraph marked from (A) to (E), a significant (significant) mutual connection (at the $p < 0.05$ level) of all the mentioned variables was also proven. All the above speaks in favour of confirming the evidence of the third auxiliary hypothesis that “By positively revaluing incentives for sustainability, tax policy enables the development of sustainable FEB in the hotel industry of RoC.” The third auxiliary hypothesis was conceived with the aim of scientific research into the need for more effective strategic and operational thinking and planning the establishment of partnership relations with the competent RoC institutions for the implementation of the sustainability strategy in terms of tax relief at all levels of government, all to create real incentives for family entrepreneurship in the hotel industry, creating new jobs and making a decision at the level of the Ministry of Tourism and Sports RoC on defining and the classification of family entrepreneurship in the Croatian hotel industry, i.e. small family hotels. This hypothesis tried to prove the fact that a higher level of cooperation between interest groups achieves a higher level of quality, the quantity of visits as well and profitability, which is a direct result of applying the concept of sustainable development (with the goal of stronger development of family entrepreneurship in the RoC hotel industry). Also, additional processing and analysis (see details in the display of additional processing under "inherent statistical processing of questionnaires - SPSS" in [11]) provide data that support already confirmed hypotheses and results on new significant connections. From table 76 in [11] (Group statistics) and table 77 in [11] (Independent samples for testing) through tables 78 in [11] (Employees by categories), 79 in [11] (Employees by age), 80 in [11] (Variables according to claims, and where correlations between particles are shown in a separate table in Excel because the table is too large for Word (* $p < 0.05$; ** $p < 0.01$)), 81 in [11] (Correlations of age, education and particles), 82 in [11] (Variables – analytes of differences, where analyses of differences are presented: Gender/Sex (Group); T-test; t - test value; df - degrees of freedom; p - statistical significance; g - Hedges g effect size coefficient (0.3 - small effect; 0.5 - moderate; 0.7 - large); significant is marked), up to table 83 in [11] (Variables – LSD Post hoc test for comparison between individual groups, where significant is marked), i.e. further analysis of the number of employees in the institution provides data that support the already proven three auxiliary hypotheses, as well as interesting results about new connections (see more about this in attachment no. 3. in [11], i.e., as in variance analysis with LSD (least square differences) post-hoc test. This post hoc test is not entirely justified due to the risk of familywise error, but due to the sample size and statistical power it is preferred over other post hoc tests, where the LSD Post hoc test for comparison between individual groups is not calculated if F is insignificant (the fields show p values that show the statistical significance of the differences, and the column and row numbers determine which two groups are being compared: F in the analysis of variance and p-value, e.g., first marked field: here, for example, a statistically significant difference was obtained ($p = 0.020$), whereby the Self-Employed (1) to a greater extent ($M = 4.56$) agree with the stated statement than the Micro-Business Subjects (2) ($M = 3.84$)).

The results of the presented and previous unpublished scientific research, which are defined by the goal of the research as mentioned earlier, confirm the correctness of the three already proven auxiliary hypotheses (first, second and third), which also prove and confirm the correctness of the main hypothesis that “there is a significant relationship between sustainability and the development of a sustainable FEB in the hotel industry of RoC”, which enables the definition of guidelines for the potential improvement of the current state and trend of the implementation and improvement of sustainable development policy as an important factor in encouraging the expansion and development of family entrepreneurship in the hotel industry.

Table 3. Results of “Pro and Contra” analysis of the implementation process (as development practice) of sustainable development as an incentive for tourism and FEB in the Croatian hotel industry

Results of Pro and Contra Analysis	
PRO (Advantages)	CONTRA (Constraints)
<p><i>According to external analysis (Opportunities):</i> better user satisfaction, more centralised control of workflow data, new strategies for improving the system and for improving sustainability services, more competent and scientifically based consultancy, more accessible criteria for the market search of providers of reference software and software packages for improving the system and for improving sustainability services</p> <p><i>According to internal analysis (Strengths):</i> the increased possibility and probability of improving sustainability services for system users, better and faster reengineering of business processes of sustainability systems and subsystems, cost optimisation of involved institutions, organizations and companies, which systematically reduces operational costs, more efficient and responsible and experienced staff for implementation and development of sustainability systems, the possibility of more systematic creating long-term plans, adequate harmonizing the mission and vision regarding the sustainability of the involved institutions, organizations and companies, improving the efficiency of the sustainability system, a precise and systematically elaborated decision-making process regarding sustainability, the increased possibility and probability of improving sustainability services for establishing modern support of sustainability system through information and communication technology and applications (infrastructure and applications as a sustainability service for better software usage and development)</p>	<p><i>According to external analysis (Threats):</i> increased costs for system security, increased system maintenance costs, slower integrated development, frequent lack of consultants trained in the field of system application and development, and frequent lack of qualified employees for system operation and maintenance (that is a prerequisite for improving the system and for improving sustainability services)</p> <p><i>According to internal analysis (Weaknesses):</i> the increased reluctance of employees (and external collaborators) to changes related to the systematic application of sustainability, increased fears of employees (and external collaborators) about systematic (permanent) control, the need to improve the weaker skills of employees (and external collaborators) at work related to the systematic application of sustainability, fear of new systems and subsystems of sustainability, fear of increasing information bureaucracy, in connection with the increased scope of digitization and digital transformation, relatively increased (or excessive) expenditures for the systematic application of sustainability and the possibility of cases of increased (or excessive) scheduling of employees (and external collaborators) associated with technical-technological elements and subsystems of sustainability, possible increased dependence on external and competent consultants (and more competent employees)</p>

Note: Advantages are Strengths and Opportunities from SWOT analysis, and Disadvantages or Constraints are Weaknesses and Threats from SWOT analysis, but during the analysis of the Strengths and Weaknesses of the analysed system belong to the group of internal analysis while the Opportunities and Threats belong to the group of external analysis.

Source: Authors, according to research made, and according to sources [10] and [11]

According to sources [10], [11], and research made here, this report analyses the pros and cons of implementing sustainable development as a development practice in the Croatian hotel industry to incentivize tourism and FEB.

CONCLUSION

The previously unpublished scientific analysis of the possible advantages and disadvantages of the future of sustainable development as an incentive for tourism and family entrepreneurship in the Croatian hotel industry is based on a comparison of the latest published and unpublished primarily scientific (and partly professional) research on the real possibilities of establishing the concept of sustainable development as an incentive tourism and family entrepreneurship in the Croatian hotel industry. The research aimed to explore scientifically based

possibilities for effective strategic, operational, and innovative thinking, planning, and monitoring. It was mentioned in the function of establishing a partnership in achieving sustainable development as an incentive for tourism and family entrepreneurship in the Croatian hotel industry (and beyond). Using the method of comparative analysis of possible advantages and disadvantages (so-called Pro and Contra analysis), the concepts and recommendations of scientifically based guidelines for improving the present and creating a better future in tourism and sustainable family entrepreneurship in the Croatian hotel industry were analysed. Scientifically based concepts of successful implementation of sustainable development as a stimulus for tourism and family entrepreneurship in the Croatian hotel industry are analytically presented. Investigated essential aspects of sustainable development in the functioning of economic and tax policy in the function of encouraging tourism, especially small and family entrepreneurship in the Croatian hotel industry and identified vital aspects regarding the possibility of improving the current situation. So far unpublished empirical research obtained by the survey method with formulated questions around the main topic of the research is presented. The following methods and procedures were applied in the statistical-analytical processing of the obtained data: descriptive statistics for the calculation of percentages and frequencies of variables; correlational and inherent statistical method of analysis to confirm the connection of variables and to prove hypotheses with statistical processing of questionnaires in the SPSS software package (Statistical Package for the Social Sciences).

The reason for writing the paper was to present new scientific research about possible advantages and disadvantages of the future of sustainable development as an incentive for tourism and family entrepreneurship in the Croatian hotel industry. The research presented here was accepted, by all proved four hypotheses and by Pro and Contra analyses. This research will serve for the next, larger, and similar research. The authors made and published these relatively new scientific results in preparation for new extended and longitudinal survey research soon, where the emphasis will be placed on new certification processes, digital transformations, and branding, and all this with the help of artificial intelligence tools.

REFERENCES

- [1] Perić, J., Blažević, B., Dragičević, D.: The impact of economic policy measures on the economic position and competitiveness of hotel companies, *Economic Review*, Vol. 65, 2014., No. 5, p. 416-452.
- [2] Bakija, V., Bulić, M.: Sustainable tourism as a development opportunity on the example of Dugi otok, *Liburna*, Vol. 2, 2013., No. 1, p. 93-122.
- [3] Zhang, J. J., Joglekar, N., Verma, R.: Pushing the frontier of sustainable service operations management: Evidence from US hospitality industry, *Journal of Service Management*, Vol. 23, 2012., No. 3, p. 377- 299.
- [4] Kapiki, S. T.: Current and Future Trends in Tourism and Hospitality. The Case of Greece, *International Journal of Economic Practices and Theories*, Vol. 2, 2012., No. 1.
- [5] Ahmad Bello, D.: The Role of Cooperative Societies in Economic Development, *The Nigerian Journal of Administrative Studies*, Vol. 3, 2005., No. 2, p. 1-12.
- [6] Aristovnik, A.: Current Account Sustainability in Selected Transition Countries, *William Davidson Institute Working Paper*, 2006., No. 844.
- [7] Davis, S. M.: *Social Entrepreneurship: Towards an Entrepreneurial Culture for Social and Economic Development*, 2002.
- [8] Puto, A., Puto, M.: International Dimension of Knowledge Management in Supplier of Quality Outsourcing – Case Study. *CzOTO 2019*, volume 1, issue 1, pp. 921-928.
- [9] ERP implementation cycle. URL: http://www.efos.unios.hr/upravljanje-marketingom/wp-content/uploads/sites/183/2013/04/ERP_implementacijski_ciklus.pdf
- [10] Šimović, V. Varga, M. Soleša, D.: Analysis of possible advantages and constraints of ERP systems, *Economics Theory and Practice*, 4 (2020), 41-56, DOI:10.5937/etp2004041Š (11/09/2023)
- [11] Svetlačić, R.: Sustainable development as a stimulus for family entrepreneurship in the Croatian hotel industry, 2021, <https://urn.nsk.hr/urn:nbn:hr:191:877981>