

Targeting Sustainable Developments on Island Mljet

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Senior Capstone Project

Workforce Planning:

Targeting Sustainable Developments on Island Mljet

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ABSTRACT:

This paper focuses on Island Mljet's need for a workforce plan that targets the sustainable development of the island's infrastructure. The provided research is based on data collected containing the island's inventory and available documented projects recorded for the year 2020. Two cases studies are also mentioned to support the strategies developed for a potential workforce plan, "Bruny Island Tourism Strategy" and "Determinants of Island Tourism Development: The Example of Dachangshan Island" and most recently a development strategy established by LAG 5 from Island Korcula. This research is meant to identify ways to boost infrastructural development on Island Mljet in order to introduce a potential method for sustainable development.

INTRODUCTION:

Island Mljet:

Picture an island in the distance far enough so that the human eye can see its figure fade away. The mysterious form leads ones thoughts and mind on a journey to the faraway island and the huge stone that seems to be floating in the distance is Mljet, the eighth largest island out of 1244 located on Croatia's coastline better known as the Adriatic Coast (Learn Croatian, 2016)

The island's popularity and rise to tourism dates back to 1960 due to the establishment of the national park by the famous Croatian Art Historian Cvito Fisković and Researcher/Academician Branimir Gusić. Their work can be read in their book published in 1958 called "Otok Mljet – Naš Novi Nacionalni Park" "Island Mljet – Our New National Park" and today locals and park visitors honor their statues. Proud islander

Antun Tonko Vojvoda published “Zrnca Melitenske Prošlosti” “Grains of Melitene Past” in 1982 and “Mljet: Odisejev Otok” “Mljet: Odysseus Island” in 1999 allowing readers and visitors to experience the island’s past. Mljet holds many myths and legends that would take thy back to the time of Odysseus and Nymph Calypso, but if you are interested in the island’s ancient history that is not what you are going to find in this paper. This paper is meant to introduce an issue that is being faced by many of the islanders which can be most recently listened in a short Croatian documentary “Otočnost – ljudi okruženi morem: Mljet,” “Insularity - people surrounded by the sea: Mljet.”

The documentary states the habitants’ survival and their lack of opportunities of being far from the mainland. With the obtainable research found bellow, a possible workforce development plan can be formed in order to create a better lifestyle full with more than the current available opportunities the island has.

A Plea for Help:

There is said to be about 800 habitants living on island Mljet according to a documentary program on HTV “Discovering Croatia – Island Mljet” released in 2017, unfortunately the majority are elderly and only a handful of young aged habitants live with their children. The last recorded census was taken by the municipality of Mljet in 2011 stating to have 1,088 habitants, the lowest number of habitants in the past 150 years. There are many factors that contribute to the decreasing rate of habitants, and there are also solutions that have been proven to work in order to provide balance and better life for islanders.

There are different types of ways to approach a workforce development plan. This is where my research brought me to the two relatable examples and strategies that can be a potential source of guidance on how Island Mljet should act before things get any worse.

As an islander from Mljet, my plan is to bring back a secure and a strong home for the future through a workforce plan that will help people realize that an industry that covers 20% of the country's GDP and is strong alone for so many years does not need more evaluating, but instead a reminder that winter is approaching. To understand the challenge posed, the following will explain the case of Bruny Island and Dachangshan Island. To regain a form of sustainability in the tourism industry within Bruny and Dachangshan, a plan of action were created in order to help development their infrastructure.

Bruny Island Tourism Strategy:

Their strategy provided by the Kingsborough Council has matured completely by 2017 and is still developing to this day as a process of their workforce development plan. Bruny Island is located in Tasmania, Australia and has a population of 800 habitants. Similar to Mljet, the islands share high value for nature and consider it to be an approval priority for both residents and visitors. Since they rely on visitation of outsiders the functionality of services need to allow for the increase of tourism growing and also praise the island's scenery. As a result to the outcomes of Bruny, a major issue damaging their lifestyle was the lack of public infrastructure, which would put pressure during the peak tourism period. In other words, demands were not met during high season, which threatened the quality of experience by visitors and residents causing less satisfaction.

Bruny also faced an aging demographic and an absentee of landowners that would affect their ability for compromising for the availability of funds in order to develop on their lack of infrastructure. With already limited opportunities to develop sufficient economic activity to produce employment and encourage younger people to stay, the council decided on three strategy objectives.

Their first objective “increase yield from visitors,” worked for establishing yearlong visitation on the island and not only during the summer season. Objective two concentrated on marketing the island appropriately, which involved the cooperation of all local tourism operators to brand correctly. As a community their task would be to persuade visitors to stay longer. Lastly objective three would encourage new tourism development and public infrastructure, as it will effectively meet daily requirements of visitors and residents.

Transportation Issue:

How did the Kingsborough Council act on objectives chosen as a solution to Bruny Island’s setback? They provided a better public transportation system from mainland to island and within the island. In order to affectively transfer this idea to Mljet, the current issues need to be identified properly.

Schedules for ferry departures are easy to find online. The car ferry provided by Jadrolinija agrees with both residents and visitors as it connects to the mainland 5 times a day in both direction during the summer season and 4 during the winter. There is a greater problem faced with the direct connection with the city of Dubrovnik because during the winter time there is only one ferry in the early morning that departs from the island at 6am and returns from Dubrovnik at 14:30. Visitors wanting to travel to Mljet

during the winter time have no way to return back to Dubrovnik unless they spend the night and wait for the next ferry in the morning, which can be very inconvenient. Another leading problem with transportation is the bus service provided by Libertas within the island. The bus lines do not connect the entire island nor is it available at suitable times. There are two lines that from both ends that will take passengers only the Ferry port before the departure of the morning ferry at 6am and will return back from the ferry port once the ferry from Dubrovnik returns later in the evening. Due to the inconvenience of transportation from Dubrovnik and within the island bus transfer there are less people recorded using those services and as a result the municipality does not intend to fund for a service that is not in use.

Aging Population Resolution:

Bruny and Mljet cannot survive if the majority of residents are elders. The Mayor of Mljet Divo Market, mentioned during our meeting that a large portion of the habitants are elders and there hasn't been a major increase of youth returning to the island. In addition there are a handful of invisible residents that claim to be living on the island and in actuality are not? "As the mayor, how do you know where to but focus on when recognizing one's habitants," was asked. It is difficult to please everyone's needs and wants, consequently the mayor faces conflict because even though new changes are slowly being inputted into the island, they are new and unfamiliar to the aging population which take up a large portion of habitants. Thus, change is very hard to pass.

On Bruny Island there was much talk about meeting the demands of the majority of the population by providing aged care and accommodation. This involves opening a retirement home on the island due to the limited ability for expanding opportunities for

the youth. By providing a need for healthcare services and considering its' importance the community will be able to gain potential funds for developing their island's future, which has been made possible for Bruny Island. The change in their island's brand by not focusing only on nature but as well in healthcare and safety should positively effect the island's survival as mentioned in the 2017 plan provided by the Kingsborough Council. The progressive change Bruny faced can be a helpful example for what Island Mljet should do next.

TWO STAGES OF DACHANGSHAN ISLAND:

Unlike Bruny, Dachangshan Island was not just a plan with unsystematic ideas but instead a development plans including two stages of hard to effectively renew their tourism industry. Their main focus intended to execute their approach and so they confirmed the stages set priority towards landscape building/development, the role of government on behalf of the leading driving factors. Island Mljet can be positioned in this category due to the lack of developed facilities for both residents and visitors.

“In 2010 Wang Li and few Chinese researchers studied the island and advised development by combing an evaluation of island's resources with that of visitors psychology,” (Yang 261). Therefore stage one known as; landscape oriented is a tourism destination evaluation on the use of existing construction, settlement and tourism functions. Stage one brings attention to an endogenous driving factor present in the island tourism industry, which is a redefining growth theory for the long run. Here we can acknowledge a common factor for innovation and investment. This common factor is given through a simple equation established during the case.

“ENTERPRISES + RESIDENTS = PURPOSE OF BUILDING A SERVICE
ORIENTED TOURISM DESTINATION”

This theory emphasizes how much importance should be put into assisting human capital, innovation and investment capital. To connect the three aspects mentioned in the theory, human capital is the most precious asset the island has and can also indicate what the island might be missing in order to increase innovation and/or investment. This theory includes the following six actions: 1) Local government policies ability to raise the island's growth rate by leading towards more intense competition in markets and help stimulate product and process innovation. 2) Increasing returns to scale from capital investment in education, health, and telecommunications. 3) Investment in research and development for technological progress. 4) Protection of property rights to encourage businesses and entrepreneurs. 5) Investment in human capital. 6) Government policies should encourage entrepreneurs for new businesses and investment projects.

Stage two known as background, claims priority towards the management of the destination after the establishment and government role is less important. This is where the habitants of the island take charge and are put to the test. Do they have the ability to properly adapt and work with the new developments? In the case of Dachangshan Island anticipated is for the cooperation between residents/community and government officials once everything is put into action.

A relating issue faced on islands is that most residents complain about too much control by the government prevents them to take action, but the fact is that islanders rule islands and even as more change is brought to their lifestyles the island is the one to gear change suitably for them. To help with internal and external collaboration in

Dachangshan, they signed a no malicious demand guarantee of competition policy in order to work together. In addition the Government Control and Guidance of Tourism Destination Development presented a “Government regulation, market dominant distribution model in which land policies associated with tourism development,” (Yang 270). In result of these actions agreement and stability was brought to the island.

RESULTS: ISLAND MLJET INVENTORY:

To productively approach a plan for workforce development through infrastructure on Island Mljet, firstly an analysis of the island’s inventory must be collected. This piece of data shall help us observe the island’s current state and allow us to understand why infrastructure is a major issue facing the island’s survival. It is important to be familiar with the reality of existing items and plans the island already has for development. The inventory will include total accommodations; total open accommodations out of season, services and businesses open out of season, and a table of public procurement acts.

Private Accommodation:

Identical to the rest of the country, islanders gain a majority of their income through hospitality. This would include renting private accommodations and service within restaurants. According to the data collected of private accommodations from the Tourist Board of Mljet (TZ MLJET), the island has a total of 246 registered accommodations in the system. Out of 246, one is a hotel. Hotel Odisej, which is privately owned and a segment of the Adriatic Luxury Hotels group stands alone on the island. It is a 3 star hotel, with 155 rooms and 2 luxury apartments, fully equipped with

all extra services/facilities and contains a marina with water and electricity hookups. 242 objects are registered as apartments, rooms, villas and/or houses and 3 are registered as camps located outside the national park. This data is visible in Figure 1: Island Mljet Inventory of Accommodations.

In the next step of data the locations of accommodation services were questioned for they're out of season accessibility. After calling each owner privately owned accommodation, it was established that if a nonresident wanted to visit the island he/she would have no option of renting either an apartment, room, villa, hotel or a plot in a camp. This can be viewed in Figure 2: Island Mljet Open Accommodations Out of Season.

Other Businesses:

The following are additional businesses located within the national park boundaries:

- Transportation: Taxi service, Libertas Bus
- Medical Industry: Dom Zdravlja DBK Govedari (Doctor 1x, Dentist 1x, Nurse 1x),
- Fire Department Pomena, Tourist Board of Mljet (TZ Mljet), Primary school 1st - 4th grade, Super Market Studenac, Scuba Diving Center, HRV Pošta, Rent a car/bike/scouter/kayak, Souvenir Shops
- NP MLJET job positions: park control officers, firemen, rangers, tour guides and park cleaners. Jobs in the head offices include director, secretaries, treasures, and head of tourism and marketing, head of park control, chief fireman and senior

expert biologist advisor and head of preservation/promotion/utilization department.

The following businesses are located outside of the national park:

- *Transportation:* Libertas Bus, G&V line catamaran, Jadrolinija Car Ferry, Taxi service
- *Medical Industry:* Pharmacy and Dom Zdravlja DBK Babino Polje
- *Other:* Primary School 1st -8th grade, Main Fire Department Babino Polje + Fire Department Saplunara, Rent a Car, Scouter, Bike, Kayak, Boat, Riba Mljet d.o.o, Construction Companies 2x (Stermasi & Straževac), Super Market Studenac, Super Market Tommy
- *Operated by the Municipality of Mljet:* Kumunalno d.o.o, Vodovod d.o.o, Voda Mljet d.o.o,

Figure 3: Services and Businesses Available Out of Season will explain the availability to these services out of season and location.

Public Procurements Act 2020:

In addition to the following data collected, an analysis of approval and decisions made by the municipality of Mljet for the year 2020 was conducted. This information will help explain plans for future development projects the municipality intends to activate. Figure 4 provides the names of each public procurement act from 01.01.2020 to 31.03.2020, their costs and acceptance. The total costs of all pending projects are estimated to 1,086,200.00 KN.

Decision of acceptance has been released in the municipality new board of the following projects; Electricity (128,000.00KN), Postal Services (28,000.00KN), Procure Office and Other National Political Parties (44,000.00KN), Office Supplies (39,200.00KN), Construction of Chapel w/Mortuary (495,000.00KN), Increased Maintenance on Mirogoj (80,000.00KN), Geodetic Scales for Spatial Planning in Babino Polje (70,000.00KN), Construction of Septic Tank for Community Center (42,000.00KN), Communal Infrastructure Preparation Study (120,000.00KN), Framework Assessment of Building Owned by Municipality (70,000.00KN), Rehabilitation of Rural Road (50,000.00KN), Repairs to Dangerous and Damaged Parking of Sutmiholjska Bay (50,000.00KN). These references can be found in Figure 4: Table of Public Procurement Acts from 01.01.2020 - 31.03.2020.

DISCUSSION:

To productively approach a plan for workforce development through infrastructure on Island Mljet, firstly an analysis of the island's inventory must be collected. This piece of data shall help us observe the island's current state and allow us to understand why infrastructure is a major issue facing the island's survival. The inventory will include total accommodations; total open accommodations out of season, services and businesses open out of season, and additional figures for visual reference. This would help to better understand the availability of services yearlong.

According to the data collected of private accommodations from the Tourist Board of Mljet (TZ MLJET), the island has a total of 246 registered accommodations in the system. Out of 246, one is a hotel. Hotel Odisej, which is privately owned and a

segment of the Adriatic Luxury Hotels group stands alone on the island. It is a 3 star hotel, with 155 rooms and 2 luxury apartments, fully equipped with all extra services/facilities and contains a marina with water and electricity hookups. 242 objects are registered as apartments, rooms, villas and/or houses and 3 are registered as camps located outside the national park. Understanding available services yearlong clearly affects the lifestyle of residents and their decision of moving elsewhere, which leaves the island in an economic neglect.

Continuing this way of lifestyle encourages less engagement with their municipality, which has been proven to affect necessary funds and future developments. Mljet has a handful of projects that have importance for the island's development as hypothesized as of the publication about supporting and sustaining islands in Croatia. Problems and concerns are noticeable in the municipality's plans for 2020 that may put some projects on hold for some time and delay their completion. For example posted on the municipality's official page, dated on March 4th, 2020 is notice of Geodetic Scales for Spatial Planning in Babino Polje. This public documented stated that 1 out of 1000 proprieties was passed for approval for evaluation. How long will it take to approve all 1000 properties? In order to pass approval for property evaluation all property rights must be settled with the owners. This is why the process is taking such a long time to complete. Not only is this a concern for development, until a project has been completely funds cannot be given for other projects on hold. Starting on a project that will take forever is not the smartest way to approach sustainability. In this case developing short-term plans is a better way to act.

Most Recent News:

Fortunately a strategy plan has opened for Mljet . On April 21st 2020, a document by Local Action Group otherwise known as “LAG 5” from Korcula distributed an “Invitation for the public consultation for the 4th amendment of the Local Development Strategy,” (LAG 5). In their invitation, the group informs readers to strategic LAG development goals, measures and types of operations/development projects whose implementation is to ensure the achievement of objectives and contribute their vision of LAG 5. This conference will examine the interest of individual competitors foreseen by the Local Development Strategy to better suit the needs of the stakeholders and result in better and faster fulfillment of the defined measurement goals (LAG 5). Each measure describes the purpose; aid intensity and minimum grant value per project.

Measure 1: Restructuring, modernization and increase competitiveness of the agricultural holdings. Purpose: Investment in agricultural production to improve overall efficiency and sustainability of farms, including environmental protection and adaptation to climate changes. Investing in new and innovative technologies will help reduce costs production and the quality of agricultural products and as well as the opening of new business owners and their sustainability. Aid Intensity: There is up to 50% of eligible project costs and for young farmers the aid intensity is introduced by 20%. Minimum grant value per project: EUR 5,000.00.

Measure 2: Support to the development of small agricultural holdings. Purpose: To assist small farms in their transition to market economy oriented production, sustainable development, and involvement of members of the economy to be familiar with farm work to gain sufficient income for a dignified life for remaining in the rural

area, which should reduce rural unemployment. Level of Support is up to 100% of eligible costs and the aid is granted in the form of a lump sum amount.

Measure 3: Investments in the development of non-agricultural activities in rural areas. Purpose: To develop an existing non-agricultural activity while preserving or creating new jobs. This is aimed at reducing depopulation and fostering sustainable rural development areas. Aid Intensity: Up to 70% of eligible costs. Minimum grant value: EUR 25,000.00.

CONCLUSION:

Here are three possible ways how Island Mljet can expand development that were mentioned in this research. “Bruny Island Tourism Strategy” introduces their lack of functional services, transportation and ageing population, which explains the yield of visitors during the winter season. Besides supporting the destination with a improved transportation system, Bruny also acted on the problem by caring for the concerns of the majority of the population which are elders and giving them the necessary health care they need.

“Determinants of Island Tourism Development: The Example of Dachangshan Island” has a different layout in acting on the same problem. In stage one described is their theory “ENTERPRISES + RESIDENTS = PURPOSE OF BUILDING A SERVICE ORIENTED TOURISM DESTINATION,” which emphasizes how much importance should be put into assisting human capital, innovation and investment capital. In addition 6 aspects are used to better justify what needs to be done during the process. Stage two

shifts to the islands ability of survival once these six aspects are introduced so that cooperation between habitants and the local government are properly being managed.

Most recently a development strategy established by LAG 5 from Island Korcula have provided ways to focus on what's important for island residents and properly approach sustainability through three realistic measures. Each measure describes the purpose; aid intensity and minimum grant value per project that has been approved by the Republic of Croatia.

In conclusion to the research established, it is significant to generate the best possible way for Island Mljet's need for a workforce plan by targeting sustainable developments of the island's infrastructure.

Appendix:

Figure 1: Island Mljet Inventory of Accommodations.

ISLAND MLJET INVENTORY OF ACCOMODATIONS				
Location	Camps	Hotels	Private Accomodations	
Babino Polje	1	0	20	
Blato	0	0	1	
Soline	0	0	8	
Babine Kuće	0	0	6	
Njivice	0	0	1	
Govedari	0	0	13	
Korita	0	0	3	
Kozarica	1	0	8	
Okuklje	0	0	21	
Polače	0	0	30	
Pomena	0	1	18	
Prožurska Luka	0	0	29	
Ropa	1	0	6	
Saplunara	0	0	38	
Sobra	0	0	40	
TOTAL	3	1	242	246

Figure 2: Island Mljet Open Accommodations Out of Season.

ISLAND MLJET OPEN ACCOMODATIONS OUT OF SEASON			
Location	YES/NO		
Babino Polje	no		
Blato	no		
Soline	no		
Babine Kuće	no		
Njivice	no		
Govedari	no		
Korita	no		
Kozarica	no		
Okuklje	no		
Polače	no		
Pomena	no		
Prožurska Luka	no		
Ropa	no		
Saplunara	no		
Sobra	no		

Figure 3: Services and Businesses Available Out of Season

SERVICES AND BUSINESSES AVAILABLE OUT OF SEASON			
Types	YES/NO	Number of available services	Location
Local Trans Bus	yes	1	Mljet
Local Trans Boat	yes	2	Sobra
Local Trans Taxi	no	0	None
Ambulance (Dom Zdravlja)	yes	2	Govedari/Babino Polje
Pharmacy	yes	1	Babino Polje
Police Department	no	0	None
Fire Department	yes	1	Mljet
Primary School	yes	1	Babino Polje
Super Markets	yes	5	Polace/Babino Polje/Sobra/Saplunara
Restaurants	no	0	None
Café/bar	yes	3	Babino Polje/Sobra
Accomodations	no	0	none
Other Hospitality services	no	0	none
National Park Mljet	yes	1	NP MLJET
Construction Companies	yes	2	Sobra/Saplunara
Riba Mljet d.o.o.	yes	1	Sobra
Komunalno d.o.o	yes	1	Mljet
Vodovod d.o.o.	yes	1	Mljet
Voda Mljet d.o.o.	yes	1	Mljet

Figure 4: Table of Public Procurement Acts from 01.01.2020 - 31.03.2020.

Table of Public Procurement Acts from 01.01.2020 - 31.03.2020			
Name of Act	Cost (KN) w/PDV	Cost (KN) without PDV	Accepted (YES/NO)
Electricity	128,000.00	n/	YES
Postal Services	28,000.00	n/	YES
Procure Office and Other National Political Parties	44,000.00	n/	YES
Office Supplies	39,200.00	n/	YES
Telefon/Fax/Internet Services	20,000.00	n/	NO
Construction of Chapel w/Mortuary	495,000.00	n/	YES
Increased Maintenance on Mirogoj	80,000.00	70,400.00	YES
Geodetic Scales for Spatial Planning in Babino Polje	70,000.00	69,250.00	YES
Construction of Septic Tank for Community Center	42,000.00	39,968.00	YES
Communal Infrastructure Preparation Study	120,000.00	115,500.00	YES
Framework Assessment of Building Owned by Municipality	70,000.00	66,950.00	YES
Rehabilitation of Rural Road	50,000.00	48,180.00	YES
Repairs to Dangerous and Damaged Parking of Sutmiholjska Bay	50,000.00	47,750.00	YES

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