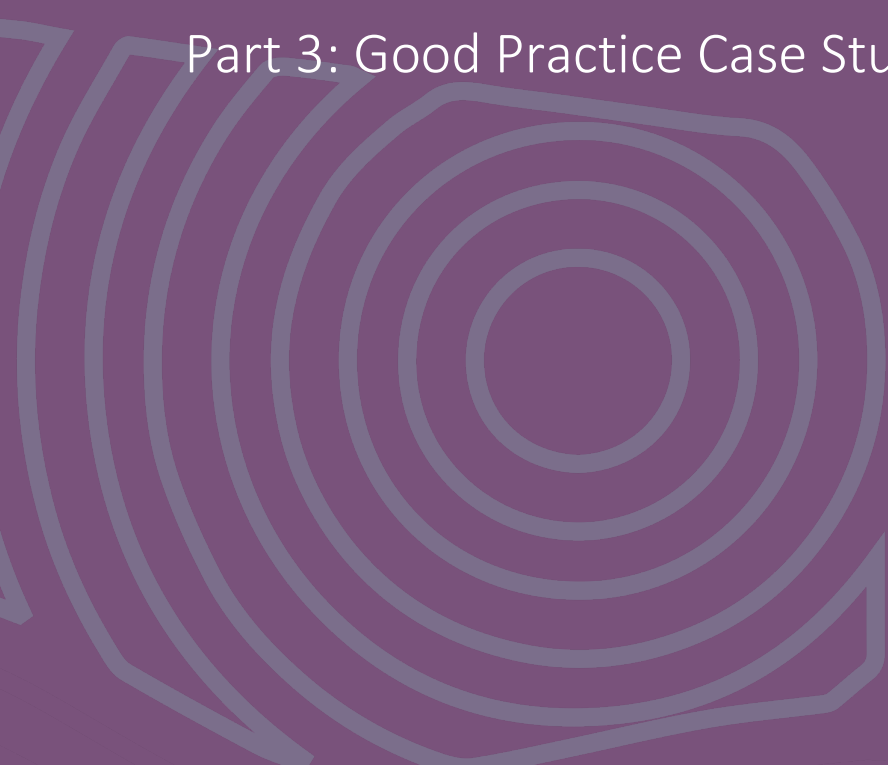


European Needs Analysis on Crisis Management for Tourism SMEs

Part 3: Good Practice Case Studies



Navigating
Tourism
Crisis Recovery



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GOOD PRACTICE CASE STUDIES

Iceland

Friðheimar - a company that puts responsibility at the forefront

Friðheimar is a family run business in South Iceland that runs miscellaneous operations: restaurant, green-house, and an equestrian centre. The family started growing tomatoes in 1995, and since they were also horse enthusiasts, they decided to build an equestrian centre to start a horse tourism business. When visitors started to come, they showed a lot of interest in the green-house operation and wanted to know more about how it is possible to grow tomatoes so far north. Thus, in 2013 the owners decided to open the greenhouse for guided tours and subsequently a restaurant was open within one of the greenhouses. The menu is solely based on tomato related dishes such as tomato soup, tomato beer, tomato ice-cream etc. The waiters were trained to inform their guests about the horticulture industry in Iceland, in particular the tomato production. The restaurant quickly became very popular. In 2019 around 190 thousand tourists visited Friðheimar opposed to 900 the year 2008. As a result, Friðheimar grew and in the year 2017, the family employed 35 people all year around and during the summertime there were about 49 during employees. Friðheimar has gotten various business recognitions, the last one 2020 when Friðheimar were selected by the Icelandic Tourism Cluster an exemplary company in regards to responsible tourism.

The owners of Friðheimar have throughout the years emphasized that their staff is an integral part of their tourism product, and thus they have highlighted the importance of human resource management. In the spring of 2020, the owners realized that the tourism collapse could result in them losing their key staff which would mean a lost investment in training and skill enhancement throughout the years. In order to be able to keep their key (restaurant) staff fully employed, the owners decided to enhance the horticulture operation. The restaurant staff was offered work in the green houses during the crisis period. All the staff accepted this offer.

Friðheimar is a good example of a company that has built on what has been labelled as related variety and that has contributed to the company's resilience so far. Related variety aims at focusing on various types of paths/operations and thus, not putting all the eggs in the same basket. These various paths/operations, however, need to complement each other.

Furthermore, Friðheimar's focus on the importance of the human resource is strongly supported by theories regarding successful crisis management. Thus, studies have shown that enterprises that are flexible and supportive and care about the welfare of employees are better equipped to cope during crisis situations (Hall et al., 2017; Prayag, Spector, Orchiston, & Chowdhury, 2020).



Figure 1. Customers eating in the restaurant in the greenhouse (Photo: Fridheimar.is)



Figure 2. Growing tomatoes in greenhouses (Photo: Fridheimar.is)



Figure 3. An exhibition of the Icelandic horse (Photo: Fridheimar.is)