Improving Tourism Destination Governance: Case of Labuan Bajo City and the Komodo National Park, Indonesia

[1]Ambar Widaningrum and [2]Janianton Damanik
[1]Department of Public Policy and Management, Faculty of Social and Political Sciences,
Universitas Gadjah Mada, Indonesia, Yogyakarta, Indonesia
[2]Tourism Studies Center, Department of Development and Social Welfare,
Faculty of Social and Political ciences, Universitas Gadjah Mada, Indonesia, Yogyakarta, Indonesia

Abstract: Indonesian tourism shows a positive progress which is characterized by many attractions as well as increasing number of tourists. Yet tourism destinations have not been managed professionally and facilities available do not meet the adequate standard. Collaboration mechanisms among stakeholders have not been effective to support the purposes of ideal tourism destinations management. In short, there is an essential problem in terms of destination governance. This study aims to find destination governance framework in order to build up destination attractiveness as well as environment sustainability since the Komodo National Park (KNP) was declared a World Heritage Site and a Man and Biosphere Reserve by UNESCO in 1986. Results show that tourism destination governance is in need for a comprehensive policy framework through coordination among agencies in the policy-making process; performance-based tourism management and strengthening the commitment of tourism stakeholders.

Key words: Tourism, destination governance, stakeholders, Indonesia, UNESCO

INTRODUCTION

Tourism is one of the most important forces shaping our world. It does not only increase foreign exchange income but also creates employment opportunities, stimulates the growth of tourism industry and by virtue of this, triggers overall economic growth. As such, tourism development has become an important target for most governments (Cohen and Kennedy, 2000; Lee and Chang, 2008). A key motive behind government support for tourism in any country, be it a fully diversified developed economy or a less developed country is tourism's ability to create employment opportunities and hence contribute to the overall economic and social development of a nation (Baum and Szivas, 2008). In Indonesia, the tourism sector shows an interesting development in the last 5 years, in terms of potential resource of tourism and an increase of tourist visits. This fact has implications toward the increasing demand for goods and services and then some multiplier effects.

The Government of Indonesia is well aware of significant role of tourism for development as well as the deficiencies in tourism governance. Strategic steps urgently needed. Based on Government Regulation Number 50 of 2011: Indonesian Tourism Development Master Plan 2010-2015 states that the vision of national tourism development is the realization of Indonesia as a world class tourism destination countries, competitive, sustainable and able to encourage local development and welfare. In realizing this vision, there are tourism development strategies which includes: tourism destinations that are safe, comfortable, attractive and accessible synergistic tourism marketing, superior and responsible; tourism industry competitiveness; government organizations, private and public that are effective in promoting the realization of sustainable tourism development.

A tourism destination is essentially integrated with other sectors in development. Tourism trends cannot be considered in isolation from key drivers that will shape Indonesian development. This assumption justify the absolute need of good governance. The tourism sector requires clear rules and firm, strong commitment and collaboration of the stakeholders. It is a requirement for the destination to achieve sustainable success. The main element in the governance of tourism industry is the ability to identify key factors that are diverse and in dynamic changes and how these factors interact (Dwyer et al., 2009). This governance covers aspects of basic characters (nature) of tourism sectors, the

Corresponding Author: Ambar Widaningrum, Department of Public Policy and Management,
Faculty of Social and Political Sciences, Universitas Gadjah Mada, Indonesia, Yogyakarta, Indonesia

complexity of the relationships between the organizations and the collaboration in the decision making process between stakeholders to consider several factors of policy implementation using both approaches: top to bottom (top-down) or bottom to top (bottom-up) (Wang and Ap, 2013). Until now, the weakness of the governance of tourism destinations in Indonesia has not been widely studied and followed up.

Indonesian tourism destination governance model continues to rely on other countries' tourism governance model. In some aspects, the adoption of those model is not compatible with local context and culture of Indonesia. Zhang and Zhu (2014) argue that although literatures on destination governance are emerging in recent years, there is little agreement on definitions, scope and what actually constitutes governance. No integrated theoretical framework is proposed and extensive case studies are limited. Therefore, this study attempts to find a governance form of tourism destinations. This study is quite important, because it is directed to create an effective destination governance. Application of this model will help stakeholders to find a solution to the problem of stagnation in destination development and also to accelerate the development of destination areas and other potential development in surrounding areas. The format of governance can be directly applied by operators or managers of leading destinations in order to gain the benefits of tourism in a sustainable manner. In particular, this study aims to develop concept of institutional destination governance that enhances the attractiveness of the destination and propose some important aspects for destination governance framework that is applicable to enhance the destination's competitiveness.

Literature review
Issues on tourism destination governance: Governance can be defined as the exercise of political, economic and necessary administrative authority to manage a nation's affairs (OECD, 2006). It is a concept which refers to relationships between multiple stakeholders and how they interact with one another. It involves how stakeholders determine, implement and evaluate the rules for their interaction (Beritelli *et al.*, 2007). A destination is a geographical area (place, region, country) which is chosen by the guest (or a guest segment) due to its mix of attractions, accommodation, catering and entertainment activities. For these reasons, destinations are increasingly seen as a strategic focus for the management of tourism. Then, to deal with the challenges inherent in tourism policy there is a need to create effective governance systems and processes to define strategies and implement

them to improve competitiveness and ensure the sustainable development of tourism (OECD, 2012). The essential point is, how to exercise power to manage resources for development. There are three main aspects in the governance, namely: the form of political regime; resource management process of political, social and economic development and the capacity of governments to design, formulate and implement policies and carry out functions (Hope, 2009; OECD, 2012). A key point of governance is an ability to manage many resources in an accountable manner through a careful planning. The application of good governance comes from the fact that although many development policies are recommended by experts and then implemented, they did not produce a significant improvement yet. The limitation lies in a weak institutional capacity and governance. Therefore, good governance is proposed to be the right instrument for institutional re-arrangement (Mkandawire, 2007).

Tourism is characterized as public sector that is integrated with other public sectors in economic development. Tourism cannot be separated from economic power to change the world in the future (Dwyer *et al.*, 2009). Tourism is an open industry and its related aspects such as complex political, social and environmental and technology, are requiring an appropriate response. As the sector is relatively fragmented, tourism management requires coordination among stakeholders, governments of various levels, private sectors and communities, to develop cooperation complementary to one another (OECD, 2012). To optimize the benefits of tourism activity that moves very quickly, the support of comprehensive governance becomes imperative. Competitive tourism business requires an understanding of stakeholders in managing the direction of change and the implications arising in the business.

There is a strong acknowledgment that tourism is a network of collaborating stakeholders. The basic premise of tourism destination management is that through cooperative planning and organizational activities, the effectiveness of these joint interactions can be improved to the benefit of stakeholders (Baggio *et al.*, 2010). The concept of stakeholder refers to any person who affects and is affected by attainment of organizational goals (Freeman, cited in Jansson, 2005). It means that stakeholders are who affect or affected by a decision or action. Baumer and Carl (2013) categorize the role of stakeholders as follows. Key stakeholders are those who are directly affected by a positive or negative impact of a policy; stakeholders are supporting those who become intermediaries in helping the process of realization of the policy/regulation (donors, implementing, monitoring and others) and stakeholders are the core of their strong

influence in relation to the problems and needs of a particular policy or regulation. Based on the definition and categories of stakeholders, it concluded that, stakeholders in tourism destinations are all of those who carry out the functions according to the type of activities and geographic location of companies that includes business accommodation, tourism attractions, business trips and various commercial services, government agencies and local community groups. Destinations, at all levels are both the sum of their component parts and more than a collection of parts; destinations rather than individual service providers are what modern consumers perceive as the units of tourist choice (Baggio *et al.*, 2010). This description implies some issues and complexities in destination governance which includes: actors, the dynamic of interaction between actors and linkages between local government agencies. Interaction and complex network of stakeholders must be managed carefully through good governance.

To understand the aspects of interaction among stakeholders as written by Baggio *et al.* (2010), the following discussion is about concept of stakeholder analysis. Stakeholder analysis is a technique that can be used to identify and assess the interests of the key parties, groups, or institutions that may influence the success of an activity. The results of the stakeholder analysis provides information about: those who will be affected; anyone who can affect both process and outcome of an event; any party who should be involved and the capacity of anyone who needs to be improved to make them involved in an activity. Tourism planners are being asked to use greater community participation in tourism planning. There are two reasons for this. First, the impacts of tourism are felt most keenly at the local destination area and, second, community residents are being recognized as an essential ingredient in the 'hospitality atmosphere' of a destination (Simmons, 1994). A previous study on stakeholder involvement conducted by Matthews and Missingham showed some important findings about the management weaknesses of protected forest resources in Australia. Stakeholder's interests are involved too much in utilizing forest resources and therefore failed to reach the common goal. Government intervention for strengthening management capacity was not accountable which resulted in frustrated situation and many people ignored the local government intervention. A lesson learned from this study is that, social accountability of area management is unavoidable. The involvement of community is a necessity for any value gained by the shareholders and stakeholders in organization. It is necessarily a part of the value that is owned by the community as well. To reduce the complex

problems that may occur and have an impact on the degradation of service quality and attractiveness of the destination, a destination governance model becomes a very strategic choice. An important requirement is that each tourism operator needs to map the resources available as a basis for developing destinations which is called destination attributes such as accommodation facilities, amenities, transportation networks, tourist package prices, attractions such as historical and cultural sites, nightlife, outdoor activities, natural environment and others (Vengesayi, 2008, 2010). Categorically, destination attributes consist of: attributes origin-in the form of special factors that attract tourists market; linkages that connects travelers with destinations; accessibility bridging and facilitate tourists traveling from origin to destination; costs; infrastructure, in form of quantity, type and quality of facilities and services for travelers to and during at destination; attractors of natural and man-made form of physical appearance of destinations that attract tourists to visit such as climate and weather, the landscape, the hospitality of the population, security and comfort, culture and history, events and entertainment, to human resources and image (Ritchie and Crouch, 2003; World Tourism Organization, 2013). A study conducted by Sheehan (2007) in Canada found at least 54 different stakeholders in a destination. They played a strategic role in driving the performance of one leading destination in Canada. In the context of destination governance, many stakeholders entered in management structure of destinations such as hotel, governments at various levels, tourist attractions, the board of directors in Destination Management Office (DMO), members of the DMO, convention centers, locals, restaurants, universities, trade and industry office and sponsors. Their roles, functions as well as interests always shape the destination performance.

A destination is an entity subject to network governance, therefore the governance system may be considered as the tool by which the destination adapts to change. It must also be recognized that an important characterizing feature of the dynamics of a destination system is its complexity. However, the definition of complexity is an unresolved issue and many different proposals have been made for its characterization and measurement (Baggio *et al.*, 2010). Hall and Jenkins (1995) suggested that managers need to identify and connect with key actors and relevant agencies, learn values, perceptions and interests of individuals and related organizations. The next step is the organization of governance of the destination itself. The crucial question that arises here is how to form an organization that will manage the destination (Anuar *et al.*, 2012; Angella *et al.*, 2010).

Destination governance model: There are many facets of governance issues and questions, ranging from the attempt to define the term destination governance to the identification of types of governance models to research based on theories relating to various forms and problems of governance (Pechlaner *et al.*, 2010). Coherence and consistency are essential in the design and application of policies between all levels of government to ensure that tourism policies are effective. The challenge of vertical policy integration is co-ordination between central, sub-national and local government levels. Further, since tourism is dynamic, governments face the difficulty of constantly monitoring the marketplace to ensure policy is effective (OECD, 2012).

Angella *et al.* (2010) introduced a new model which is called as archetypes model of destination governance based on four key elements: the actors involved, the contributions provided, the compensations obtained and corporate governance structures and mechanisms. Corresponding coordination mechanisms among stakeholders and degree of concentration of governance functions present a typology of four modes of governance normative, entrepreneurial, fragmented and leading firm. The first model is based on normative regulations. The second model is an entrepreneur model, its formation is based on entrepreneurial voluntary membership of various groups which are involved in one or more activities of service provider, either private or public company. The third model is a leading firm model. This model is based on a single entity that is run by a local reputable company or organization. The fourth model is called a fragmented model, attached to the growing tourism destination which refers to spontaneously open opportunities posed by the emergence of specific demand or attractions that are artistic and natural. In this model, the coordination mechanism for tourist promotion is quite limited, short-term oriented and therefore no clear strategy at the destination.

Destination governance proposed by Angella*et al.* (2010) calls for explanation and critical re examination, since there is no single model that is really applicable to any destination. Historical development of destinations, local culture that characterizes the organizations and other forms of inter-institutional relations play important role in the selection or application of governance model (Beritelli *et al.*, 2007). Moreover, destination governances includes a series of rules and mechanisms to develop policies and business strategies, inevitably, forcing all organizations and individuals that carry out activities related to the existence of a tourism destination for partnership and cooperation (Zhang and Zhu, 2014).

Therefore, to cover the weakness of that study, this study focuses on theoretical models of destination governance which are oriented to strengthening attractiveness of the destination. Nordin and Svensson (Angella *et al.*, 2010) states that a model of partnership between government and the private sector has the advantage in the destinations governance. The assumption is that the division of labor is in a professional manner and in accordance with the functions of each organization and leads to an increase in the attractiveness of the destination. In this model the government acts as a facilitator that provides basic destination infrastructure (roads, bridges, airports, other public facilities). On the other hand, the private sector is to mobilize business entities, organizations and institutions that encourage the formation of a positive image for the quality of tourism services in the frontlines (Anuar *et al.*, 2012).

In the destination, public sectors and private organizations interact with each other and they are all interdependent on resources. These three aspects: complexity, public-private relationships and interdependency on resources, could be three dimensions for destination governanceresearch (Zhang and Zhu, 2014). Public Private Partnerships (PPPs) are a common mechanism to improve the regional competitiveness of a tourism sector. In some cases, PPPs are a means of finding alternative sources of funding for the provision of tourist related services. There are two major models for the operations of PPPs, the first has a purely contractual nature, in which the partnership between the public and the private sector is based solely on contractual links, or secondly PPPs with an institutional nature, involving co-operation between the public and the private sector within a distinct entity (OECD, 2012).

It can be concluded that the quality of destinations governance has a direct impact on development and competitiveness. The effect is seen among others from the fluctuation in the number of visitors, including (more specifically) repeaters, length of stay of tourists, increasing number of tourism service providers, level of tourist satisfaction and so on (Baker and Cameron, 2008). Improving good destination governance model is a smart solution to retain positive performance and competitiveness of destinations. To optimize the achievement of destination governance goals, main prerequisites that must exist are: the formulation of comprehensive policy/regulation, the division of roles between agencies and the cooperation and coordination among stakeholders. In detail, governance destinations are) policies and institutionalization of tourism activities: formulation of planning, design, construction, destination

management and identification of competencies needed in tourism activities), stakeholder's involvement and interest in tourism policy formulation process and implementation), management of tourism services: facilities, amenities and other supporting infrastructures and management of tourism impacts: the formulation of principles of environmental management (physical and cultural) of tourist areas.

MATERIALS AND METHODS

This study employed a case study research design. The goal of this research design was to develop an in-depth understanding of the problems and issues pertaining to tourism policy and governance (Yin, 1994; Jennings, 2005). Case study is an approach to research that facilitates exploration of a phenomenon within its context using a variety of data sources, a large variety of factors and relationships are included, no basic laws exist to determine which factors and relationships are important and) the factors and relationships can be directly observed (Fidel, 1984; Yin, 1994; Baxter and Jack, 2008). Since, tourism destination governance in Indonesia has not been understood very well, an understanding of the nature of the problem affecting tourism governance is necessary before measurement issues become a research interest and before any hypotheses can be formulated.

This research was conducted in the Komodo National Park (KNP) and Labuan Bajo City, in which KNP is part of West Manggarai administration area and Labuan Bajo is the capital of West Manggarai regency. The management of KNP is structurally managed by the Ministry of Forestry. The chosen areas are based on some identified characteristics, social and cultural characteristics and unique physical environment, adequate infrastructure to support the development of destination, diversity of attraction, potential to attract tourists and embryonic social institutions and economic activities related to tourism. In addition, the location is a strategic area of tourism and officially declared as the Destination Marketing Organization (DMO) by the Ministry of Tourism and Creative Economy of Indonesia.

Two categories of data were gathered: primary and secondary data. Primary data were collected through Focus Group Discussions (FGDs) and interviews to obtain in-depth information. The informants for FGDs and the interviewees were selected from various actors related to tourism activities at different administrative levels in order to gain insights from different perspectives. The FGDs and interviews were focused on two main

questions: How does the local Tourism Administrative Organization (TAO) get tourism policy formulated and implemented? How does the local TAO ensure that policy decision-making is long-term, transparent and that outcomes are evaluated? This question aims to clarify the context of tourism policy governance and implementation. Some probing was asked depending on informants and interviewee's responses such as) how does the local TAO coordinate/communicate/co-operate with other government organizations? What is the nature of the relationship between the local TAO and other (same or higher level) of government organizations?

What are the factors that constraint or facilitate tourism governance? A set of open-ended questions was prepared which aims to identify any factors affecting the destination governance and the implementation of tourism policy and to differentiate facilitating from constraining factors.

Furthermore, secondary data were collected to supplement the primary data. The secondary data collected for this study came from a wide variety of sources such as internal government documents, government publications and some research reports about tourism of East Nusa Tenggara and its surroundings, in order to increase the trustworthiness of this study. All the materials were content analyzed and coded.

RESULTS AND DISCUSSION

General observation of study sites: Labuan Bajo City and the Komodo National Park: Labuan Bajo is the capital of West Manggarai regency, the main entrance to the island of Flores. Located at the western end of Flores in the East Nusa Tenggara Province of east Indonesia. It is a small city on the seafront which has adequate tourism infrastructure. Labuan Bajo is now a busy center of tourism. Within a few hours from Labuan Bajo, we can find some waterfalls, hiking tracks and beaches. The city can easily be traversed on foot (15-20 min). Various local community groups in different parts of the regency work to promote the local tourist industry through, for example, the development of local dance troupes and foods from local areas. The Komodo Airport is located just 2 km from the center of Labuan Bajo and has 4-6 daily flights arriving from Bali. The port has daily ferry departures to Bima and weekly or bi-weekly departures to Denpasar and Sulawesi. Labuan Bajo development is closely related to the Komodo National Park (KNP). This city is also the launching point for trips to the KNP (Komodo and Rinca Island), home to the famous komodo dragons, the
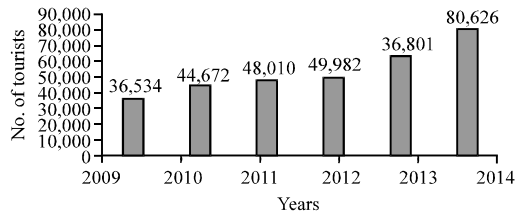
Fig. 1: Visitor arrivals to Komodo National park, 2009-2014 Komodo National Park' Authority, 2015

world's largest lizard. Areas of the KNP is located in and part of West Manggarai Regency. The park was founded in 1980 to protect the Komodo dragon and was declared a World Heritage Site and a Man and Biosphere Reserve by UNESCO in 1986. According to the official of the local TAO (Interviewee 1), the park can accommodate up to 60,000 visitors a year. Several types of boat tours run through the national park including upscale scuba live boards, short daily snorkel trips and 3-4 days tourist boats between Lombok and Flores. The tourist boats run frequently.

The KNP includes one of the richest marine environments including coral reefs, mangroves, sea grass beds, seamounts and semi-enclosed bays. These habitats harbor >1.000 species of fish, some 260 species of reef-building coral and 70 species of sponges. Dugong, sharks, manta rays, at least 14 species of whales, dolphins and sea turtles also make the KNP their home. Threats to terrestrial biodiversity include the increasing pressure on forest cover and water resources as the local human population has increased 800% over the past 60 years. In addition, the Timor deer population, the preferred prey source for the endangered Komodo dragon is still being poached. Destructive fishing practices such as dynamite, cyanide and compressor fishing severely threaten the Park's marine resources by destroying both the habitat (coral reefs) and the resource itself (fish and invertebrate stocks). Pollution inputs, ranging from raw sewage to chemicals, are increasing and may pose a major threat in the future.

The economic contribution of tourism industry: Since, Komodo dragon was introduced as "The New Seven Wonders of Nature", this animal is increasingly known to the world. It brings great influence on tourism in eastern part of Indonesia. Labuan Bajo, the regency capital of West Manggarai is experiencing rapid development in tourism. Number of tourists visiting Labuan Bajo has increased to about 80.626 tourists in 2014 (Fig. 1.) The increasing number of tourist arrivals as illustrated in Fig. 1 brought a promising impact on economic

development in the area, particularly the growth of tourism industry in Labuan Bajo. In 2013, there were approximately about 48 hotels (6-star hotels included), >30 scuba-diving and snorkel trips-services, travel agencies and tour operators and the increasing number of the culinary business, minimarkets and souvenir shops. Development of the tourism industry does not only stimulate economic growth of the regency but also improves the influence of the local government, local TAO, officials and the community's understanding of the role of tourism for regional development. The organization of special event such as Sail Komodo 2013, a large scale exhibition and international event, has also led to changes on the understanding of officials in local TAO and other government organizations about their roles in tourism management and development.

Institutional arrangement: Governance of tourism issues may across several public administration domains, consider that tourism industry is multi sectored and fragmented. As such, it is important to understand the role and position of the TAO and its legitimate relation with other government organizations which are prescribed by the administrative arrangement. The values and understanding of the role and functions of tourism administration and policy implementation refer to the government official's understanding and values (Wang and Ap, 2013). The development of tourism is a mix of values and interests. Spirit of partnership, if any is very dependent on sectors policies. Tourism-related sectors such as agriculture, livestock, trade, fisheries and marine have their own program priority. Such programs are explicitly not directly related to the tourism domain:

> Double Levies and entrance fees of the Komodo National Park: there is an overlap levy arrangement of the Komodo National Park. Under the West Manggarai Local Regulation No. 59 of 1998: Levy of Tourism and Sports Facilities, the Local Government Tax Office require tourists to pay levy or entry fees of KNP. At the same time, under the Government Regulation No. 59 of 1998, amended by Government Regulation No. 12 of 2014: Types and Rates of Non-Tax State Revenue in the Ministry of Forestry, the central government also ask for tourists to pay the same levy. This regulation states that the central government through the KNP office has authority in development and utilization of the natural environment and tourism. Dual levy

arrangement gives a sign that the destination management of KNP has not been coordinated. As part of the tourism public service, this dualism gives the image of poor destination governance (document review, FGD and interviewee 9)

Evidences and observations show some curious findings related to the management of local tourism. Tourism management has not been formed specifically based on the social and cultural characteristics of the destination. They are often not employed as a basis for shaping the character of tourist governance. The arrangements of public administration at the local level are similar to the central government structure. A government sector at the national level usually has corresponding subordinate agencies at lower administrative levels such as the province, city and regency. The subordinates at the local level usually follow the instructions of their national level counterparts and superiors. In turn, local tourism office and tourism businessrelies on general tourism management types that had been handled entirely by central government agencies. In certain cases, it is a challenge for the local TAO to coordinate with other government organization since the administrative rank of that agency is lower than other government agencies that manage the same destination object

Moreover, the generic type of government structure is applied without clear division of authority and responsibility for tourism-related issues. Head of the local TAO (Interviewee 1) said that in dealing with daily tourism activities, he and his team faced of the lacking of incentives/sanction mechanisms for inter-organizational co-operation. He said that without appropriate and feasible incentives or sanction mechanisms, the other governmental organizations lacked any incentive, encouragement and pressure to cooperate with the local TAO for the tourism issues. They might consider that their responsibilities and functions are beyond their obligation.

Stakeholders engagement; inter-organizational relations and inter-organizational coordination: Tourism involves many stakeholders with complex networks. Due to the multi sectored nature of the tourism industry, tourism development requires co-operation from various administrative departments or units either public or private stakeholders. Stakeholder interaction and engagement is determined by interests, skills, awareness and knowledge which vary between destinations, hence each destination may have a different management pattern. With such a background, good destination governance is necessary in order to produce a synergistic and better outcome, compared to governance which is carried out separately by each stakeholder. Stakeholder's engagement concerns with inter-organizational relations and inter-organizational coordination. Ideally, cooperation and do not only help to build inter-organizational consensus and encourage cooperation but also serves as inter-organizational communication channels and increases government organization's experience in inter organizational co-operation.

Although, the local TAO is an official government office responsible for tourism policy implementation but in practice, tourism policy implementation also depends on other government agencies. Empirical evidences show that, coordination between coordination is merely expressed in a political statement but is not formalized in the form of regulation. Stakeholder's engagement and commitment to perform these functions is quite low. As a consequence of that mentioned problems, the role, rights and obligations of stakeholders are not precisely defined and binding. Destination management is done as usual, no sense of dynamic as a nature of tourism business, no word of 'priority and urgent', apply "after running" working procedures and weak leadership (FGD and Interviewee 2, 3 and 4). The priority of a program on one or a few institutions is only determined based on their own needs, not based on stakeholder partnership. Decision-making tends to be based on their own interests, limiting communication and relations with other stakeholders rather than a need to establish solid relationships with other stakeholders.

Destination management planning is still characterized by a formalistic manner, under the coordination of the Regency Planning Board as the local planning authority (Interviewee 5 and 6). In turn, planning activities resulted in program shortcuts and less innovative. Dialogue between two or more stakeholders to exchange information about what programs are being designed by, for example, between Regency Unit of Fisheries and Marine Resources Management and Culinary Services Association is very rare. An official of that regency unit said that "culinary affairs are not our domain, so that design or cooperative activity of potential fisheries for culinary needs are not programmed in our office" (Interviewee 5).

The Regency Planning Board which hold the authority to establish local development plans of all sectors, including tourism, has a central position to establish cross-sectored program, particularly for the "filtering program proposals that tend to overlap". However, result of a cooperation agreement between organization which is defined as a reference or guidelines

to implement local development activities is not fully implemented. The commitment between organizations and stakeholders are very varied, sectored-egoism is also included. Interviews with the local government officials (Interviewee 1, 4 and 5) on efforts to build up tourist attraction concluded that some of the local officials have a strong awareness and understanding of the important role of tourism as a tool to boost regional development. However, they are also very aware that the vision and interests of the organizations, officials and other stakeholders also widely vary. Different interest and vision do not easily negotiate. In this context, it needs strong leadership to unify the vision and mobilize people and other potential resources that are relevant to the tourism development.

Business management as usual seems very common. This case indicates that unclear division of authority and responsibility of tourism stakeholders is apparent. Background of tourism stakeholders is not clearly identified. Either government agencies, businesses or local communities do not have a reference about who should be invited to collaborate (Interviewee 6, 7 and 8). They also do not understand how the concept of tourism development should be prepared and implemented in a scheme of stakeholder partnership. Concretely, the motivation and the knowledge to work in the spirit of partnership are absent. The study also concludes that without a designated responsibility in the implementation system which is defined in the clear division of authority and responsibility, other government agencies are likely to be reluctant to spend resources to cooperate with the local TAO in dealing with tourism related activities.

CONCLUSION

It has been known that tourism growth in West Manggarai influences social and economic development in this area. It appears to be a promising sign for the sustainability of economic development. However, the research raises two main issues to be discussed about why cooperation among tourism stakeholders has not been effective. Firstly, the institutional arrangement is characterized by unclear division of authority and responsibility on tourism related issues. Secondly, stakeholder's engagement is very low, because of limited inter-organizational relations and inter-organizational coordination and narrow understanding on tourism administration and the role of local government tourism organization.

Ideally tourism governance requires the presence of a clear institutional arrangement which accommodates the formation of cooperation among stakeholders. In the context of institutional cooperation, the functions and common interests are formulated, synergized and implemented consistently. Authority and responsibility of each organization in tourism arrangement should be clearly defined. It will ensure a better understanding about tourism management, the role of the TAO and other stakeholders. All tourism stakeholders have responsibility to protect tourist's interests and the growth of the tourism industry. Result shows that, the regulatory basis for developing institutionalized stakeholders co-operation is quite weak because there are no clear policy guidelines. Policies are formulated in several meeting forums but these forums tend to formulate aspects of technical-bureaucratic routines that are generated one by one to a specific sector and are not proposed as a multi-sectored arrangement. Therefore, activities in those forums could not produce decisive steps and synergistic effect for cooperation among stakeholders. Such a situation is not conducive to stimulate tourism development in the area.

Considering the role of local authorities as the regulator of local governance activities, the commitment of key local authorities and officials toward tourism and institutional arrangement can positively influence local government organization's understanding about their role in tourism. With the support of the central government, the inadequacy of legislation could be made up by administrative guidelines, to establish institutionalized co-operation among stakeholders to execute partnership based programs. However, if local authorities and stakeholder's understanding of tourism administration is still unclear, that guidelines cannot be adopted.

As the implications of this study findings and conclusions, then some important considerations to improve framework for effective destination governance are proposed. First, tourism destination governance needs a comprehensive policy framework through coordination among agencies in the policy-making process. Second, a clear definition of the roles of various levels of government in tourism as well as definition of the roles and functions of the various agencies involved in tourism planning and strategy should be previously designed. Third, a clear tourism strategy with a set of complete procedures of stakeholder's involvement is tool for engaging and coordinating government, industry, destination communities and other stakeholders to enhance performance based tourism governance. Fourth, since tourism governance is a complex network, it requires high commitment of stakeholders.

ACKNOWLEDGEMENTS

REFERENCES

Angella, F.D., M.D. Carlo and R. Sainaghi 2010. Archetypes of destination governance: A comparison of international destinations. Tourism Rev., 65: 61-73.

Anuar, A.N.A., H. Ahmad, H. Jusoh and M.Y. Hussain, 2012. Understanding the role of stakeholder in the formation of tourist friendly destination concept. J. Manage. Sustainability, 2: 69-74.

Baggio, R., N. Scott and C. Cooper, 2010. Improving tourism destination governance: A complexity science approach. Tourism Rev., 65: 51-60.

Baker, M.J. and E. Cameron, 2008. Critical success factors in destination marketing. Tourism Hospitality Res., 8: 79-97.

Baum, T. and E. Szivas, 2008. HRD in tourism: A role for government?. Tourism Manage., 29: 783-794.

Baumer, D.C. and E.V.H. Carl, 2013. Politic & Public Policy: Strategic Actors and Policy Domains. 4th Edn., Sage Publications, California,.

Baxter, P. and S. Jack, 2008. Qualitative case study methodology: Study design and implementation for novice researchers. Qual. Rep., 13: 544-559.

Beritelli, P., T. Bieger and C. Laesser, 2007. Destination governance: Using corporate governance theories as a foundation for effective destination management. J. Travel Res., 46: 96-107.

Cohen, R. and P. Kennedy, 2000. Global Sociology. Macmillan Press, Houndsmills, Basingstoke, UK.

Dwyer, L., D. Edwards, N. Mistilis, C. Roman and N. Scott, 2009. Destination and enterprise management for a tourism future. Tourism Manage., 30: 63-74.

Fidel, R., 1984. The case study method: A case study. Library Inf. Sci. Res., 6: 273-288.

Hall, C.M. and J.M. Jenkins, 1995. Tourism and Public Policy. Routledge, London.

Hope, K.R., 2009. Capacity development for good governance in developing societies: Lessons from the field. Dev. Pract., 19: 79-86.

Jansson, E., 2005. The stakeholder model: The influence of the ownership and governance structures. J. Bus. Ethics, 56: 1-13.

Jennings, G.R., 2005. Interviewing: A Focus on Qualitative Techniques. In: Tourism Research Methods: Integrating Theory with Practice, Brent, W., W. Ritchie, M.B. Peter and W.A.P. Catherine (Eds.). CABI Publishing, UK., pp: 99-118.

Lee, C.C. and C.P. Chang, 2008. Tourism development and economic growth: A closer look at panels. Tourism Manage., 29: 180-192.

Mkandawire, T., 2007. Good governance: The itinerary of an idea. Dev. Pract., 17: 679-681.

OECD, 2006. Applying Strategic Environmental Assessment: Good Practice Guidance for Development Cooperation, DAC Guidelines and Reference Series. OECD Publishing, Paris.

OECD, 2012. OECD Tourism Trends and Policies. OECD Publishing, Paris.

Pechlaner, H., F. Raich and P. Beritelli, 2010. Introduction to the special issue: Destination governance. Tourism Rev., 65: 4-85.

Ritchie, J.R.B. and G.I. Crouch, 2003. The Competitive Destination: A Sustainable Tourism Perspective. CABI International, UK., ISBN-13: 9780851996646, Pages: 272.

Sheehan, L.R., 2007. Destination management organizations: A stakeholder perspective. Ph.D Thesis, Haskayne School of Business, Calgary, Alberta, Canada.

Simmons, D.G., 1994. Community participation in tourism planning. Tourism Manage., 15: 98-108.

Vengesayi, S., 2008. Destination attractiveness: Are there relationships with destination attributes?. Bus. Rev. Cambridge, 10: 289-294.

Vengesayi, S., 2010. Tourism destination attractiveness: The mediating effect of destination support services. Bus. Rev. Cambridge, 16: 179-185.

Wang, D. and J. Ap, 2013. Factors affecting tourism policy implementation: A conceptual framework and a case study in China. Tourism Manage., 36: 221-233.

World Tourism Organization, 2013. Development of community based tourism. Master Thesis, World Tourism Organization, Madrid, Spain.

Yin, R.K., 1994. Case Study Research: Design and Methods. 2nd Edn., Sage Publications, Thousand Oaks, California.

Zhang, H. and M. Zhu, 2014. Tourism destination governance: A review and research Agenda. Intl. J. E. Educ. E. Bus. E. Manage. E. Learn., 4: 125-128.