TOURISM PLAN FORMULATION AND IMPLEMENTATION: THE ROLE OF INTER-ORGANISATIONAL RELATIONS

FISUN YÜKSEL[1] & ATILA YÜKSEL[2]
Sheffield Hallam University
Leisure Industries Research Centre
Sheffield Science Park Unit 1
Howard Street
S1 2LX Sheffield England
e-mail: *F.yuksel@shu.ac.uk*
A.yuksel@shu.ac.uk

Abstract

Implementation of tourism development plans has been notoriously problematic. This may stem from inadequate consideration that is given to the understanding of the elements of the micro and macro organisational environment in which planning is undertaken, and of the ways in which the planning and development process is carried out. A limited understanding of the relation patterns and of the resource and power interdependency between multiple agencies involved in the decision-making process may also lay the foundation for plan failures. At present, there is an urgent need to develop consistent and well thought out measurement techniques in order to codify and quantify the various micro and macro environmental elements and their influences on inter-organisational relations and on the success/failure of plan formulation and implementation. Integrating existing research literature on public administration, tourism planning, and on systems, inter-organisational relations and network theories, this paper proposes a conceptual and operational framework in order to study the patterns and processes of relations between tourism-related organisations in regard to formulation and implementation of tourism development plans.

Introduction

A key issue in tourism planning is the balance of power to formulate and implement policies between the national and local levels of public sector tourist organisations, and how this balance in relations affects the practice of local level tourism planning. However, despite relations and interdependencies between tourism agencies being a key element, to date the nature and the extent to which this balance in relations affects the formulation of local level tourism development plans and their implementation has not been examined. More specifically, the nature and extent of the relationships between different management tiers, their effects on tourism administration, and their implications for local tourism development and planning have attracted scant attention from tourism researchers.

---

[1] Fisun Yuksel (MSc) is a PhD candidate at Sheffield Hallam University, UK.

[2] Atila Yuksel (PhD, MSc) is a Visiting Lecturer at Sheffield Hallam University, UK.

Inter-organisational relations (IOR) and their consequences for public policy have been given much attention in political science, public administration, regional and urban planning, and geography. The neglect of these issues for tourism in general, and tourism planning more specifically, is curious. Given the scarcity of research on inter-organisational relations in the context of tourism management, this paper proposes a conceptual and operational framework in order to study the nature and extent of the relationships between central and local tourism organisations, and their implications for local tourism development and planning. In this regard, the first part of the paper is devoted to the discussions pertaining to potential factors affecting tourism plan formulation and implementation. This is followed by the explication of tourism environment, inter-organisational relations taking place within this environment, and power and resource dependency and their implications on organisational relations at different governmental levels. Finally, a provisional conceptual and operational framework to study centre local relations is presented.

Factors Affecting Tourism Plan Formulation and Implementation

Numerous tourism plans have been formulated for tourist destinations throughout the world over the past three decades (Choy, 1991). However, implementation of many tourism plans has been relatively unsuccessful. A survey conducted by the WTO in 1979, for instance, shows that of the 1619 tourism plans, only half of them had actually been implemented. The plan implementation processes may be affected adversely by the existence or absence of a number of factors taking place at formulation and/or implementation phases. These include (1) the lack of incentives to co-operate and the existence of blocks to collective action, (2) the vagueness of proposed goals (3) the lack of crucial information about goals, means and actors. (4) The inclusion of some actors which may discourage the participation of the necessary actors or the absence of important actors, (5) the absence of commitment from some actors, and (6) the main characteristics of a centralised approach are among the other factors which may hamper the process of formal planning.

Plan implementation may also suffer from the misuse of resources, a lack of accountability, non-transparency in decision-making, excessive rules and regulations, priorities set which are inconsistent with appropriate development, a high degree of concentration of political power, and incompetent administration. For example, overlapping responsibilities, bureaucracy and fragmentation among government departments and public authorities have been identified as major shortcomings thwarting plan implementation in a world heritage site, Pamukkale, Turkey (Yuksel *et al* 1999).

Detailed consideration now is given to four potential causes: the problems of top-down management where decisions are taken centrally; neglect of interdependencies between multiple organisations involved in tourism management; obstacles related to the network of institutional arrangements; and problems arising from the uneven distribution of power and responsibilities.

Top-Down Management: There are numerous cases where tourism programmes formulated at the top and implemented by people at the bottom have not achieved the desired outcomes. One reason for this consequence is that the formulation and application of policies by central government is out of touch with the needs of local people and is not based on detailed knowledge of the local environment. Tourism programmes developed by a mono-actor form of centralised administration, generally overlook the knowledge, skills and goals of local tourism organisations, both public and private, in their design phase, and subsequently there may be resistance from the implementing bodies, such as from local government.

Ambiguous Institutional Arrangements: The tourism policy process takes place within a certain institutionalised context and tourism programmes have little chance of success, unless this context is considered and arranged carefully. The institutional arrangements may either facilitate or inhibit the plan implementation process. Tourism programmes involve interactions between government agencies and quasi-government and private organisations, and information, goals and resources are exchanged in these interactions. An institutional process forms as a result of frequently recurring interactions with participation patterns and as a consequence of the development and formulation of interaction rules (Kickert, Klinj, and Koppenjan, 1997). An understanding of the institutional context, and where possible changing it, is imperative for managing complex interactions between various actors involved in the process (Klijn, 1997).

Uneven Distribution of Power and Responsibilities: The extent to which power is distributed equally or it is concentrated in a relatively small group of organisations that dominate decision processes, can be an important influence on plan success or failure. In this sense, the empowerment of local governments to deal with local tourism development issues has become a key concept. This is because the success of the planning activity and profitability of the tourism industry is likely to depend on the efficiency and effectiveness of the planning and co-ordinating activities and power of local government. The absence of this important actor in the plan formulation phase, or the lack of commitment from this actor to common purposes at the implementation stage, is likely to be a key reason for tourism plan failure.

Relation Patterns and the Nature of Tourism Environment: Plan implementation involves the joint efforts of various organisational parties, often located at different tiers of government. The implementation success is, therefore, closely tied to whether these organisations interact and co-ordinate fragmented activities effectively so that all decisions, policies and activities are consistent and coherent and not at cross-purposes (Hall, 1991). In addition, the political culture of the country, its general economic conditions, as well as broader government policies may determine plan outcomes by laying the foundation for the nature of relations and communication networks between different levels of governmental agencies, their interdependencies, their strategic perspectives, and their problem solving capacities (Pearce, 1992; Klijn, 1997).

Thus, an understanding of the elements of micro and macro tourism environment and of the patterns of relations among interdependent parties involved in plan formulation and implementation is imperative.

The Micro and Macro Tourism Environment

The relationship between public sector tourism organisations and the context within which they develop and operate can be conceptualised as a multi-scale network which together links the national, regional and local scales of operation and which is set within a broader socio-economic and political system (Figure 1). The micro-tourism environment is composed of a spectrum of public and private sector tourist organisations (national, regional, and local) that seeks a variety of goals and undertakes a range of functions which may influence the nature and extent of tourism development (Costa, 1996). Generally speaking, a national agency is responsible for defining the national policy and for establishing the national standards for the industry. It is also responsible for co-ordinating the international marketing and promotional actions and for setting up the main tourism aims in terms of planning and development, such as areas of priority tourism development, and environmental protection. Other responsibilities include designing, monitoring and controlling the environment in which the tourism industry should operate.

Figure 1. The Tourism Environment
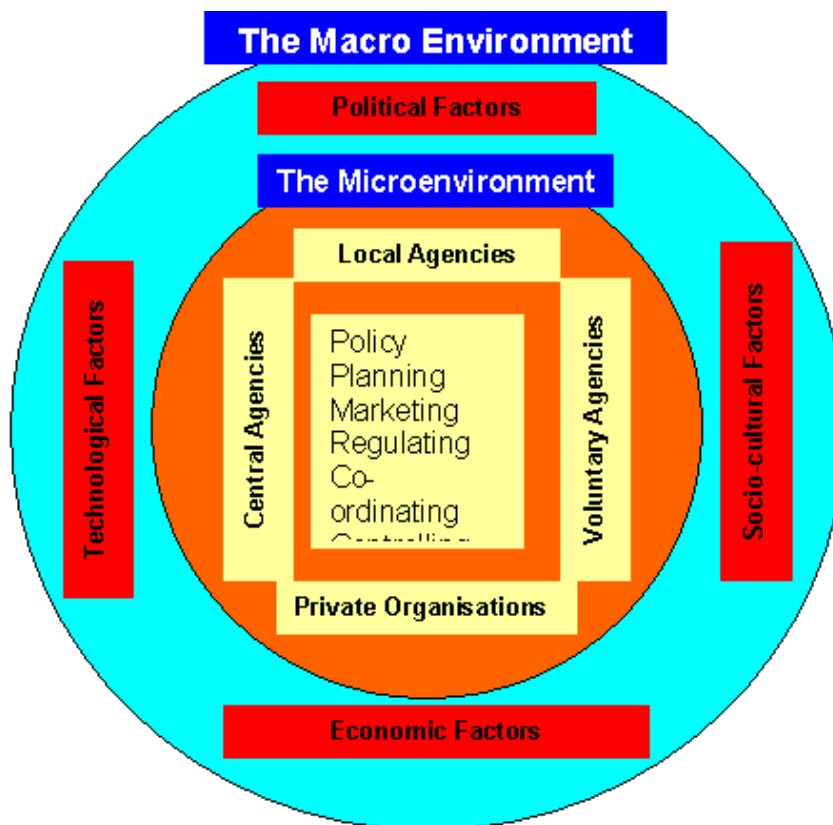
Linked to the national level, a number of regional organisations are responsible for translating national policy to the particularity of each region and for setting up regional policies, according to the guidelines established by the national organisation. The local organisations, which in accordance with the policies defined by national and regional organisations, are generally responsible for the implementation of the national and regional strategies; by pointing out the areas where the tourism equipment and infrastructure should be erected. They are also responsible for ensuring that tourism industry respects the social, cultural, natural, economic, and aesthetic characteristics of each place and creating symbiotic links between hosts and guests (Costa, 1996).

It can be stated that the existence of co-operative and co-ordinated relations between tourism organisations at different spatial scales is imperative in order to formulate and implement effective local development plans. In addition, a vast range of broader external factors in the macro environment may influence organisational relations within the microenvironment, and changes in economic, social and environmental policies can have direct and indirect effects on the way the tourism industry behaves (Robinson, 1996). Such elements as legislation, competition and politics, and policies for environmental and cultural preservation in a country may affect the nature of tourism management and development (Taylor, 1994). Political environment strongly influences tourism, while tourism often exerts little or no influence on the political environment. By the same token, the economic environment of a country impacts, to a great extent, on the nature of tourism administration and the relations between organisations at different scales. The extent to which the government supports the interventionist or free market policies may also influence the goals of the tourist organisations as well as the ways in which they pursue their activities. The *interventionist* approach, for instance, aims to control the market, the tourism sector and its development, whereas the *laissez-faire* approach aims to allow the market to create competition in a free market environment (Taylor, 1994).

Resource-Power Dependencies and Inter-Organisational Relations

A key issue emerging from the above discussion is that tourism organisations are part of an open system and can no longer be seen in an isolated way, and thus, their success tends to become increasingly linked to the surrounding environment. While it is difficult to define and measure, the surrounding environment refers to other organisations and those conditions external to an organisation, which directly or indirectly, influence its activities, efficiency, effectiveness, and behaviour. The environment, and the organisation's connections with it, is crucial to the survival and success of an organisation because "interdependence pervades organisations and is fundamental to understanding them. Individuals within a group, workgroups within departments, and departments within organisations all depend upon each other. Even persons who work independently at their own job typically require others to provide information and supplies to complete their work" (Tjosvold 1986: 517, in Costa, 1996).

As mentioned earlier, the tourism environment is made up of a varied set of organisations, each of which controls variety of resources to a differing extent, including capital, technology, personnel and knowledge. Each organisation is likely to interact with others in order to acquire the resources necessary for goal achievement since no organisation can generate independently all the necessary resources (Klijn, 1997). This suggests that those actors taken part in the formulation and/or implementation of tourism plans are more or less interdependent stakeholders, which are likely to be involved in medium to long-term relationships. The nature of these inter-organisational relationships is likely to be influenced by the structural dimensions of the environment, including resource concentration or dispersal, concentration or dispersion of power and autonomy or dependence (Pearce, 1992). Moreover, the external regulations, which may take the form of either formally established laws, rules, and procedures or the attitudes and values of the organisation may shape the nature of relationships (Dawson 1986). The inevitability of needing to secure inputs, to disburse outputs and of attempts to regulate, inextricably links the members of any focal organisation with the members of its environment in a form of "love-hate" relationship (ibid.). "Love" because of the opportunities the environment provides and "hate" because of the constraints and losses it can impose; "inextricably linked" because of an inability for anyone to have the opportunities without the possibility of constraints (ibid.).

Inter-organisational equilibrium, which involves the following four dimensions; domain consensus, ideological consensus, positive evaluation and work co-ordination, may also affect the relations between organisations (Benson 1975). *Domain consensus* is the agreement regarding the appropriate role and scope of an agency. *Ideological consensus* refers to the agreement regarding the nature of the tasks confronted by the organisations and appropriate approaches to those tasks. *Positive Evaluation* is the judgement by workers in one organisation of the value of the work of another organisation. *Work co-ordination* refers to patterns of collaboration and co-operation between organisations. Work is co-ordinated to the extent that programs and activities in two or more organisations are geared into each other with a maximum of effectiveness and efficiency. The balance or the equilibrium is reached when participant organisations are engaged in a highly co-ordinated, co-operative interaction based on normative consensus and mutual respect (Pearce, 1992).

It is important to note that organisations search for an adequate supply of authority and money from the political and economic system in order to fulfil their programme requirements, maintain their domain authority, maintain an orderly and reliable flow of resources, and to defend their way of doing things (Pearce 1992). When resources are scarce and there is substantial disparity between organisational goals, preferences and strategies, conflict between organisations are likely to occur. The existence of conflict and its extent is more than likely to inhibit effective interactions between organisations.

The Proposed Framework

While there are many publications in political science discussing the various aspects of inter-organisational relations, the IOR and interdependencies among multiple actors remain an unduly neglected area in tourism studies, as there has been no comprehensive research. A tentative attempt has been made here to establish a logical framework of inter-organisational relations for formulation and implementation of tourism development plans.

As there are multiple agencies involved in plan formulation and implementation, and that numerous complex interactions take place between them, it is important to approach the issue in a systematic way (Liu 1995). The approach should be concerned with the resolution of this complex system into a number of simpler components and the identification of important linkages between them. Within the context of tourism management, four main types of influences can be identified which may affect inter-organisational relations and the formulation and implementation of local tourism development plans. These are the environmental context, the administrative structures, the geographical scales of the administrative structures, and the nature of the inter-organisational interaction and co-ordination (Figure 2). This proposed framework is based on the premise that inter-organisational relationships should not be conceptualised along one dimension alone. The linkages are multiple, and arise in particular from the possession by each organisation of certain resources and powers. These resources and powers may be, for instance, constitutional, legal, financial, professional, informational and administrative (Figure 2) (Jones, 1980; Rhodes, 1981).

This framework is useful in the sense that it provides a means to evaluate how tourism management and tourism plan development and implementation depends on interactions between organisations at national, provincial and local levels. It also helps to evaluate how these organisations relate to their surrounding environment. More specifically, the framework can help to examine the character of a centralist approach, where a few central actors bring about policy proposals on their own, and of a localist approach, where local capacities and suggestions are prominent. The framework recognises that the collective action by actors at all geographical scales can play a central part in tourism policy-making and implementation.

The conceptual framework also recognises that there are interdependencies between local and central organisations, as no organisation alone can perform its function or task without at some stage requiring resources controlled by other organisations or needing actions by these organisations. Consequently, organisations within the system are likely to attempt to gain the necessary resources and co-operation, and to do so they will employ various strategies. Certain rules and procedures tend to regulate this process of exchange between organisations (Laughlin, 1996; O'Toole, 1995). For example, the legal and institutional framework strongly influences the allocation of financial resources, determines duties to provide access to information, and is an important determinant of the hierarchical character of relationships in the organisational network. An analysis of inter-organisational relations needs to be placed in the context of this institutional framework in order to understand its effects on system outcomes.

In essence, the proposed framework identifies the influences and processes affecting inter-governmental relations relevant to tourism. Drawing on the reviewed literature, this framework suggests that, in a tourism administrative context, consideration needs to be given to the character of the interactions between various actors in the system (patterns of interaction), and the distribution of roles and duties between and within sub-systems. The attention should also be given to the extent of communication and co-ordination between the actors, the characteristics of the environmental context of the system and the related constraints, and the delegation or devolution of power (power distribution). Moreover, there needs to be an understanding of the interdependency between the different actors in the system in which tourism operates.

Figure 2. Influences and Processes Involved in Inter-Organisational Relations
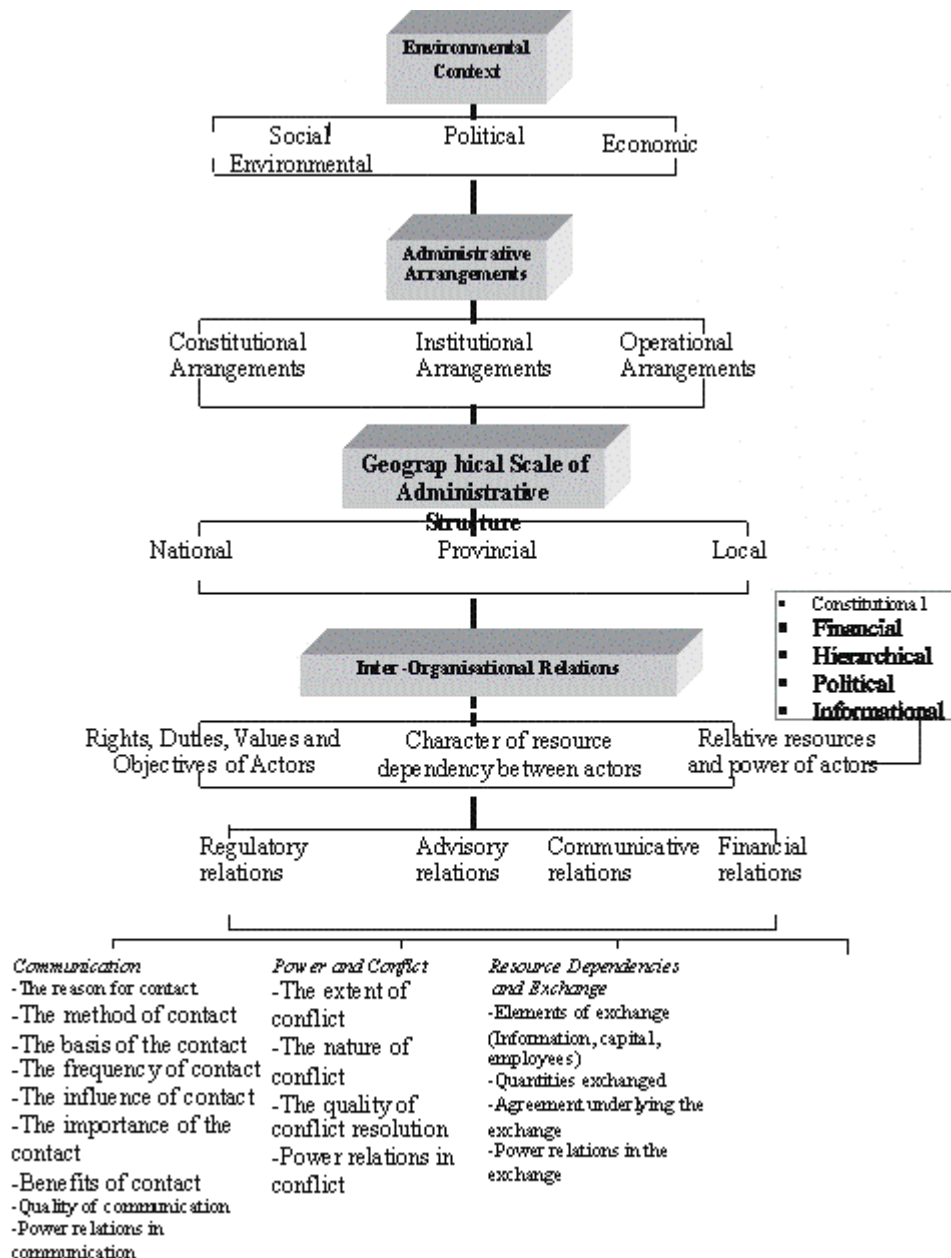
In order to enhance our understanding of inter-organisational relations and their relevance to tourism-oriented policies, this framework suggests that the research should identify:

- The range of state institutions involved in tourism management and in tourism plan formulation and implementation and also their overall and more specific aims and objectives.

- The extent to which different public sector organisations influence tourism planning decisions at the local level (including the legal power to do so).

- The formal and informal rules and procedures that regulate the interactions between these institutions (notably the legislative framework and the "rules of the game"), and their effects on the power of these organisations.

- The extent of dependency between these institutions, notably between state and local level organisations, such as in relation to resource dependency.

- The forms of regulatory, advisory, financial, and communicative instruments used in managing relations between organisations, and their effects on the balance of power between those institutions.

- The overlapping responsibilities and autonomy of the institutions involved in tourism management and the formulation and implementation of tourism plans.

- The extent of inter-organisational communication and the ways in which the organisations communicate with one another.

- The extent of conflict, if any, between organisations, the sources of this conflict, the ways in which conflicts are resolved, and the effects on power relations between organisations.

- The extent of resource exchange, if any, between organisations.

- The extent and effectiveness of co-ordination between the organisations.

Conclusion

As was discussed, the success of tourism plans may depend on the provision and improvement of a number of elements. Given the factors mentioned earlier affecting plan implementation, it could be stated that the way in which the planning and development process is carried out (the procedural component) and the organisational and legislative framework in which planning is undertaken (the administrative component) need to be carefully analysed. There is also a need for destination tourism authorities to pay more attention to local level administration, since the success of the planning activity and profitability of the tourism industry increasingly depends on the efficiency and effectiveness of the planning and co-ordinating attitudes delivered locally (the local component). Empowerment of local tourism administrations may be a winning strategy in achieving successful tourism development for a number of reasons. First, local communities and administrations are more knowledgeable about their environment (Roy and Tisdell, 1998) and they may organise best around the problems they consider most important, such as assessing their needs and finding solutions. Second, local administrations may make rational economic decisions in the context of their own environment and circumstances. Last but not least, they may make decisions appropriate to the risks associated with local change and that local administrative participation may ensure a voluntary commitment of resources and local control over the quality and distribution of benefits (Yugandur and Raju, 1992).

Consideration should also be given to the network of inter-organisational relations, resource and power dependencies, potential causes of conflicts and co-ordination of activities between multiple actors. There is an urgent need to develop consistent and well-tested measurement techniques in order to codify and quantify the various micro and macro environmental elements and their influences on IRO and on the success/failure of plan formulation and implementation. While many environmental variables are difficult to conceptualise, let alone measure, it is nevertheless useful to attempt some quantification of such variables. A tentative framework based on a systematic approach is thus proposed to help advance our understanding of the nature and extent of inter-organisational relations and their influences on tourism development plans. The idea that actors are dependent on each other because they need each other's resources to achieve their goals lies at the core of this framework, as inter-organisational relationship networks develop and exist because of the interdependency between actors. This framework suggests that a policy is a result of interaction between a number of actors, and there is no single actor who has enough power to determine the strategic actions of the other actors. According to this framework, the central ruler can no longer be seen as occupying a superior position to other parties, but as being on an equal footing with

them, promoting joint problem solving or policy development. This framework recognises that the formulation and implementation of policies is all about co-operation and co-ordination between interdependent parties with different and often conflicting rationality, interests, and strategies. This suggests that implementation processes should not be seen as ex ante formulated goals, but as an interaction process in which actors should exchange resources, information about problems, preferences and means, and trade-off goals and resources.

References

[1] Benson, K. J. (1975). The inter-organisational network as political economy, *Administrative Science Quarterly*, 20, 2, 229-49

[2] Choy, D. J. L. (1991) Tourism planning the case for market failure, Tourism Management, 313-330

[3] Costa, C. M. M. (1996). *Towards the improvement of the efficiency and effectiveness of tourism planning and development at the regional level: planning, organisations and networks. The case of Portugal*, PhD Thesis, University of Surrey

[4] Dawson, S. (1986) *Analysing Organisations. Basingstoke*, Macmillian Education

[5] Hall, M. C. (1991). *Tourism and Politics: Policy, Power, and Place.* Wiley, Chichester

[6] Jones, G. (1980). *New approaches to the study of central-local government relationships.* Gower, London.

[7] Kickert, J. M., Klinj, E., and Koppenjan, J. F. M. (1997). Introduction: a management perspective on policy networks. *In* Kickert, J. M., Klinj, E., and Koppenjan, J. F. M (Eds.) *Managing complex networks, strategies for the public sector*, Sage, 1-13

[8] Klinj, E-H. (1997). Policy networks and overview. *In* Kickert, J. M., Klinj, E., and Koppenjan, J. F. M (Eds.) *Managing complex networks, strategies for the public sector*, Sage, 14-34

[9] Liu, H. Z. (1995) Tourism development - a system analysis In Seaton, AV. et al (eds.), *Tourism the State of the Art*, Wiley Publishing, UK

[10] O'Toole, L. j. (1995). Rational choice and policy implementation: implications for inter-organisational network management. *American Review of Public Administration*, 25, 1: 43-57

[11] Pearce, D. G. (1992). *Tourist Organisations*. Harlow, Longman, UK

[12] Rhodes, R. A. W. (1981). *Control and power in central local relations*. Gower, London

[13] Robinson, M. (1996). Sustainable tourism for Spain: principles, prospects and problems. *In* Barke, M.; Towner, J. and Newton, M. T.(eds.) *Tourism in Spain, critical issues*, Oxon. CABI, 401-425.

[14] Taylor, G. D.(1994). Research in National Tourist Organisations. *In* J. R. B. Ritchie and C. R. Goeldner (eds.), *Travel, Tourism and Hospitality Research. A handbook for Managers and Researchers,* Wiley, New York

[15] World Tourism Organisation (1980) Report on physical planning and area of development for tourism in the six WTO regions, Madrid

[16] Yugandhar, B. N. and Raju, B. N. (1992). Government delivery systems for rural development malady remedy analysis. *Economic and Political Weekly*, 27, 35.

[17] Yuksel, F. Bramwell, B. and Yuksel, A. (1999) Stakeholders interviews and tourism planning at Pamukkale, Turkey, *Tourism Management*