Lack of Stakeholder Partnerships in Destination Management: Lessons Learned from Labuan Bajo, Eastern Indonesia

Janianton Damanik *
Gadjah Mada University

Abstract: Tourism development always involves many actors with different sectoral interests, and thus requires strong management. Efficient partnerships among the stakeholders are the prerequisites for this. This paper gives a case study of Labuan Bajo, Flores, Indonesia that demonstrates its lack of strong stakeholder partnerships. The location’s problems include difficulty to access information about the destination’s development, insufficient financing cooperation, unhealthy sectoral ego and less than professional management of tourist attractions, all of which have resulted in increased conflicts of vision among the stakeholders. The findings suggest that collaborative management is necessary. This type of management works on the basis of collective work among the stakeholders to manage their various differences in the same direction, and to explore mutual and productive strengths. To materialize collective management, the stakeholders should be encouraged to get fully involved in the decision-making process regarding objectives and strategies of destination management.

Keywords: destination management, stakeholder, partnership, Labuan Bajo

Introduction

Developing countries, particularly in Asia, have experienced rapid economic transformation during the 21st century (ADB 2013; Byiers et al. 2015). This transformation has been driven by the rise of the service sector, among other factors, which has subverted the central role of traditional agriculture based on subsistence production. In this regard, tourism plays a pivotal role. Many scholars underline the changes that tourism has generated in the economic structure of island Southeast Asia, alongside its negative environmental impacts (McElroy 2003; Weaver 1993; Wong 1990). Particularly in this region, the support for developing tourism on small islands has grown as a
consequence of both declining fish populations and local government’s drive to exploit its natural resources for alternative economic strategies (Fabinyi 2010). With over 17,000 islands, Indonesia has accelerated tourism growth by nominating a number of small islands as future marine-based tourist destinations (GoI 2011). The development of small islands with abundant resource potentials is usually initiated with a management model (Baksir et al. 2009), which includes marine-based ecotourism (Mahura et al. 2012).

To assure the successful development of tourism, a model for cooperation among stakeholders is required. As studies have shown, strong and sustainable partnership or collaboration among the stakeholders is essential in the development of tourism (Timothy 1999; Aas et al. 2005). The collaboration and partnership issues appear to be more complex in agrimarine-based tourism, simply because the stakeholders involved are more varied, forming a multi-sectoral network (Bäckstrand 2006). Prioritizing their core business interests, the stakeholders are likely to neglect partnership issues. Therefore, the development of tourism requires not only professional managerial capacity, but also strong political and organizational support.

Many such destinations are faced with weak communication and synergy among tourism stakeholders. As demonstrated in previous research, the management and planning of tourism development is unevenly concentrated in certain institutions, making it difficult to mobilize enough resources to spur the efficient development of tourism. Moreover, the poor coordination and misinterpretation of authority among the stakeholders further complicates these problems (Saftic et al. 2011). Despite the necessity to do so, it is a complex task to realize stakeholder partnerships. Research undertaken in Italy found that communication among the stakeholders was insufficient, leading to information gaps about specific marketing strategies among the parties involved (Sartori et al. 2012). Occasional coordination and limited communication among the stakeholders, particularly in government agencies responsible for ecotourism development, results in overlapping design practices in the tourist destinations (Li and Han 2001). The unequal role of stakeholders is partially to blame for this poor coordination and communication. Inadequate capacity for mobilizing stakeholders within the partnership framework frequently impedes the realization of sustainable tourism development (Dabpet 2013).
The above condition more or less reflects the situation in Indonesia. In tourism development planning, for example, the role of local communities as important stakeholders is often overlooked. Planning is often undertaken by the local government (Timothy 1999), and cross-sectoral stakeholder commitment to the mission of tourism development is often lacking due to partial political interests (Teguh and Damanik 2012). This condition is caused by three chief factors: first, underqualified human resources; second, poor communication and coordination characterized by the lack of engagement with the tourism industry (travel agents, tour operators, and hoteliers); third, low commitment to improving public participation, and no significant program for development (Timothy 1999; Andaria et al. 2013). Regulatory capacity at the local government level is by nature partial, and rarely accommodates integrated and comprehensive destination management systems. In addition, there is often no predesigned mechanism to implement the rights and obligations of tourism stakeholders, ranging from types of participation, financing, supervision and conflict resolution (Teguh and Damanik 2012).

This study is based on an assumption that tourism has specific and complex characteristics that require a dedicated and specific stakeholder partnerships model. Institutional dysfunction is a significant problem in Indonesian tourism. Most stakeholders find it difficult to build strong partnerships, and tend to focus on vested sectoral targets, which subsequently inhibits the timely and efficient development of tourism destinations. Accordingly, this paper aims to precisely identify the key stakeholders in tourism development and to map their principal functions, through a case study of Labuan Bajo and Komodo National Park. Firstly I will give an account of stakeholder theory based on the existing literature, followed by brief sections on my methodology and the location of the case study. I will then describe the problems that inhibit tourism stakeholder partnerships with reference to Labuan Bajo and Komodo National Park, and finally recommend appropriate solutions to these problems.

**Literature Review**

Tourism is a multi-faceted sector; therefore, its development is linked to a considerable number of external parties and is broad in scale (Bramwell and Lane 2000; Aas et al. 2005; Jamal and Getz 1995). Stakeholders’ involvement in decision-making is required for the development and marketing of destinations (Wang 2008; Etsuko 2008). The stakeholder partnerships ensure
that the tourism plan can be more smoothly implemented, because the plan is prepared on the basis of articulated common interests, and respective responsibilities and roles.

Defined as “a process of joint decision making among key stakeholders of a problem domain about the future of that domain” (Gray, cited in Jamal and Getz 1995, p. 188), collaboration has become an important element in tourism development despite insufficient understanding of the mechanisms of its implementation (Selin 1999). Collaboration is often ‘forced’, due to various circumstances such as disaster mitigation at the destination (Faulkner 2001). The shared decision-making processes are framed in a partnership among stakeholders. In this context, the partnership is defined as “voluntary cooperative arrangements between actors from the public, business and civil society that displays a minimal degree of institutionalization, have common nonhierarchical decision-making structures and address public policy issues” (Steets, cited by Bäckstrand 2006, p. 293). The voluntary nature and organizational structure embedded in the partnership distinguishes it from the public institutions. Given this nature, the partnership enables a range of competencies and resources to be integrated into an effective management plan. Therefore, partnership is often interpreted as “a means to getting things done that individual organizations cannot achieve alone” (Loza 2004, p. 300).

Both collaborations and partnerships involve and oblige the presence of stakeholders. A Stakeholder is any person, group or organization affected by the cause and effect of a particular situation (de Araujo and Bramwell 1999), or “the actors with an interest in a common problem or issue and include all individuals, groups, or organizations directly influenced by the actions of other stakes to solve a problem” (Gray, cited in Jamal and Getz 1995, p. 188). Each stakeholder is characterized by their interest in certain common problems that are subject to influence through the actions of others. Hence, the necessity of stakeholder interdependence, given that they are “those groups or individuals with whom the organization interacts or has interdependencies” and “any individual or group who can affect or is affected by the actions, decisions, policies, practices or goals of the organization” (Gibson 2000, p. 245). The above definition indicates three attributes that are attached to stakeholders, namely the power to influence and the willingness to be influenced, legitimate interaction and interdependence, and the validity of their demands of the other parties (Mitchell et al. 1997).
The stakeholder theory points out that the success of the organization in achieving a common goal that is managed within a partnership frame depends upon the functionality of the relationships between the strategic groups. The strategic groups are the actors that influence and are influenced by the actions of other parties. The task of management is to maintain the support of all groups, and to balance their interests with a view to their future maximization (Freeman and Phillips 2002).

Several approaches can be used for identifying the stakeholders who are affected by tourism projects and are able to participate in collaborative planning (de Araujo and Bramwell 2000, p. 274-275). The first task is to assess whether or not the stakeholders represent those affected by the tourism projects. If the latter are not well represented, their needs will not be cogently identified, and the planning objectives will be compromised. To ensure that stakeholders are accurately identified, it is deemed necessary to determine whether or not they have significant financial dexterity, and whether their political and institutional power has implications for other stakeholders. In the context of collaboration, stakeholders can facilitate an exchange of information, goals and resources among various parties (Bramwell and Lane 2000). Secondly, assessments should be conducted by individual stakeholders regarding their partners in collaboration, in order to clarify their own interests and the views of the other stakeholders. This helps the stakeholders clearly see the parties that either support, reject or stay neutral towards their common interests. A third approach is to ask the stakeholders affected by tourism development to identify others that they feel should be involved in the planning stages. A final approach involves the preparation of a diagram or map that demonstrates the relationships and interests of all interested parties. This method will result in clearer networking among the stakeholders. Furthermore, “A network of the arrows can be used to show existing or likely relationship between the stakeholders such as the involvement of some of them in collaborative planning arrangements” (de Araujo and Bramwell 1999, p. 359).

The collective responsibility of the tourism stakeholders is invested with their full involvement in the decision-making process. Their decisions result in a tourism development plan that explicates each party’s involvement according to their respective institutional domain. Jamal and Getz (1995, p. 188) define collaborative planning in tourism as;
a process of joint decision-making among autonomous, key stakeholders of an inter-organizational, community tourism domain to resolve planning problems of the domain and/or to manage issues related to the planning and development of the domain.

Collaborative planning is undertaken through direct dialogues between the stakeholders, including the public sector planners, leading to negotiation, shared decision-making and consensus building on the plan’s objectives (de Araujo and Bramwell 2000). Direct dialogues can minimize miscommunication and otherwise clarify the focus of each party’s interests. In addition, direct participation secures strategic support in the process of building consensus (Arnaboldi and Spiller 2011).

Gray (cited in Selin 1999) suggests that the characteristics of stakeholder collaboration be carefully verified. He puts forward the need to identify five important characteristics of stakeholder collaboration, namely a) the stakeholders are independent, b) differences are mutually accepted in a positive-constructive way, c) stakeholders have equal involvement in decision-making, d) collective responsibility is ‘future-oriented’, and e) collaboration is a process that can be initiated in situations of emergency. The above points are vague and idealistic given that the stakeholders themselves hold different views and values (Jamal and Stronza 2009). Hence, stakeholder collaboration is a dynamic strategy that must remain flexible enough to engage the challenges stakeholders face individually and collectively (Selin 1999, p. 262; Selin and Chavez 1995).

This study’s focus is the Komodo National Park (KNP) and Labuan Bajo, which combine agritourism and marine-based tourism. Agritourism can be defined as a form of tourism in which most activities relate to agriculture. Activities are varied, ranging from participation in agricultural life, harvesting crops, attending agricultural festivals, plantation tours, wildlife observation, fishing, nature-based recreation, floriculture and a range of educational activities (McGehee 2007; Maetzold 2014). Meanwhile, marine-based tourism denotes a form of tourism whose activities are undertaken in a marine environment such as diving, charter boating, recreational boating, whale and dolphin watching, cruises, yacht racing, beachgoing, surfing, coastal sightseeing,
swimming, penguin watching and recreational fishing (Love 2002; Collins 2008). Both destinations offer attractions and activities such as those listed above. The region in general is characterized by a blend of coastal and inland areas. Consequently, the management of these mixed agritourism and marine-tourism products requires the full engagement of economic sectors at local and regional levels. As a model of cross-sectoral development in a region with different characteristics, agrimarine-based tourism requires a synergy of stakeholder functions. The functional synergy needs to be clearly identified in terms of potential and existing economic activities, the linkages between stakeholder interests, and the capacity of stakeholders to develop sustainable models and systems.

**Research Method**

This paper employs a case study-based, qualitative approach that “facilitates exploration of a phenomenon within its context using a variety of data sources” (Baxter and Jack 2008, p. 544). A case study is suitable to investigate phenomena when: a) a wide variety of factors and relationships are involved, b) no basic laws exist to determine which factors and relationships are important, and c) the factors and relationships can be directly observed (Fidel 1984, p. 273). The use of diverse data sources has resulted in a deeper understanding of the phenomena studied. The data were obtained from documentation, interviews, and observation, and the focus of analysis also varied, from individuals to corporations. The use of a case study approach ensured that the issue of stakeholder partnerships in tourism was not analyzed from one point of view only, but from a variety of perspectives, and thus builds on previous case studies which were more limited in this respect (Adu-Ampong 2012; Dabphet 2013; Buultjens et al. 2012).

The analytical focus included organizations, institutions, agencies, bureaus, offices, associations, clubs, foundations and groups which performed activities relating directly or indirectly to the tourism domain. They comprised for example managers of the tourist villages, the local tourism office, the Development Planning Board, the Association of Indonesian Travel Agency, the hotel association, the tour guide association, the local tourism management organization, Swisscontact, the local authorities for Maritime Affairs and Fisheries, the local trade office, the local agriculture office, the trade public transportation, the airport, seaports, local community leaders, a speedboat administrator group, craftsmen, and many more.
In collecting the data, the group in question was represented by one of an administrator from the management level of the organization. Gathering data from two or three representatives of the organization was resorted to when the first informant failed to provide accurate and complete information. In total, 21 informants were involved in the data collection. Determining the pertinent groups was done by listing all formal or informal organizations implementing tourism activities as the tourism stakeholders.

Data was collected regarding all stakeholder activities within the framework of tourism synergy. The components of the data consisted of: a) the stakeholder collaboration scheme (the form of existing cooperation or partnership, the role of each stakeholder, the rights and obligations in the cooperation/partnerships, and shared risks and benefits), and b) stakeholder facilitation scheme (tourism activities-related regulations, the incentives and disincentives system applied to tourism stakeholders, informal rules or customs observed by stakeholders during the cooperation, the intensity of interaction or cooperation among the stakeholders, complaints or disputes emerging among the stakeholders, and others).

The primary data were obtained from in-depth interviews, observations and focused group discussion with the informants. 20 representatives from various local institutions were involved in the in-depth interviews. Non-participant observations provided data from two different meetings with the stakeholders. Finally, focused group discussions were held involving 18 representatives of the district’s offices, two legislators responsible for tourism and regional tourism planning, to gather data on the substantial issues in stakeholder partnership, and their expectations vis-à-vis tourism development. The secondary data were obtained primarily through examination of statistical publications (NTT Province in Figures, West Manggarai District in Figures, Social and Economic Indicators - Susenas, organization’s articles of foundation, Regional Regulations and others).

**Research Areas**

Labuan Bajo is the capital of West Manggarai District, and serves as the main entrance portal to Flores Island. Located on the western tip of the island, this small coastal town has more tourism infrastructure than any other towns on the island. There is a small airport that can accommodate Boeing aircrafts and
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a seaport that facilitates commercial cruises from Flores to the other Lesser Sunda Islands, and shuttle trips to and from Java and Sulawesi. Direct flights between Bali to Labuan Bajo are facilitated four times a day by private and government airlines. Round cargo boat trips from Sape (Sumbawa) to Labuan Bajo are scheduled on a daily basis. The passenger ships of Trans Flores travel from Labuan Bajo to Bali and Java on a daily basis. In short, the existing airport and seaport mark Labuan Bajo as the strategic hub of transport networks in the Lesser Sunda Islands. Currently, the government is improving the road infrastructure through the Trans Flores scheme to improve accessibility to tourist areas.

The development of Labuan Bajo is closely related to KNP as it serves as its main entrance. Leaving the city, tourists can sail through the sea park and pass two other large islands, Rinca Island (19,625 hectares) and Padar Island (2,017 hectares), prior to arrival in Komodo Island (33,937 hectares). KNP covers an area of 173,300 hectares (BPS Provinsi NTT 2010), approximately 35% of which is land and 65% water (Walpole and Goodwin 2000). The word Komodo, + is attached to Komodo Island and KNP because the Komodo dragon is dominant animal population on all three islands. JKH Van Steyn, a Dutch colonial official, first discovered the Komodo dragon in 1911. The Komodo is the largest and heaviest lizard in the world (IUCN 2000), more than three meters long and weighing between 90-130 kg (Auffenberg, quoted in Walpole and Goodwin 2000). The reptile is also on the list of endangered species (IUCN 2000). In addition to the Komodo dragon, KNP is attractive as a tourism destination because of its rich biodiversity, especially in its marine habitats and coral reefs, which are home to no less than 1,000 species of fish. There are eight types of whales, 10 species of dolphins and seacows (Dugong dugong), three species of amphibia (sea turtles), 260 species of corals, 80 species of mollusks and 70 species of sponges. The Government of Indonesia designated KNP a National Park in 1980. UNESCO then declared it a World Heritage Site in 1986.

**Problem Identification**

As a new tourist product innovation, agrimarine-based tourism development faces various institutional issues and challenges. Firstly, agrimarine-based tourism has no officially established management authority, instead it relies on a general tourism management type which is, so far, handled entirely by
government institutions, especially the local tourism office and associated businesses. Secondly, the cross-linkage of stakeholders is recognized merely in the form of a political statement and not formalized through official regulation, resulting in a low level of commitment on the part of potential stakeholders in carrying out their functions. Consequently, the stakeholders’ responsibilities are not clearly defined and binding. The points below elaborate some of these problems specifically:

“Business as Usual” Management

A destination requires modern management, which embraces and ensures ‘connectedness’ among diverse stakeholders. This will create opportunities for the transfer of knowledge, and stimulate innovation and competitiveness (Presenza and Cipolina 2010; Lasker and Weiss 2003). However, the data suggests in this case a ‘business as usual’ management attitude, meaning poorly-planned or ineffectual activities that qualify as mere formalities, and weak leadership (Informant 1).

Agents tended toward satisfying their own list of priorities over and above consideration of the needs of the whole network. Under the Development Planning Board, the destination management is still characterized by highly formalistic planning activities. It seems that the agency gives no clear directions on who shall perform central functions like managing events, and precisely how the mechanism of partnership among the stakeholders should be conducted. Dialogues between two or more stakeholders to exchange information about what programs to design, e.g. the Marine and Fisheries Agency with the Association of Culinary Services Management, are rarely held. A staff member at the agency stated “culinary issues are beyond our domain, so no planning can be undertaken” (Informant 7). ‘Business as usual’ management was apparent in the biased command and unclear job descriptions among the various stakeholders. In brief, no working organization under the partnership scheme had been established. The destination strongly requires collaborative management, where the authority and control for decision-making should converge in the form of partnerships (Bramwell and Lane 2000), but these were not in evidence. The question of which agency should conduct market operations during the food supply crisis was also unanswered. This is clear indication of the incapability of the stakeholders to collaborate.
Furthermore, the stakeholder collective has failed to facilitate access to start-up capital for the community to engage in projects relating to agrimarine-based tourism. Local communities have identified plentiful new business opportunities in agrimarine-based tourism through small shipping firms, information services, accommodation, the physical maintenance of attractions, and more. However, they have no access to financial institutions from whom to obtain credit. Smallholding vegetable farmers or tourist boat operators running from Labuan Bajo to Komodo Island have no access to banking services, despite a real need for capital injection. The statistics reveal that of approximately IDR 126 billion of bank credit in 2012, only 0.80 percent was absorbed by or channeled to the agricultural sector and an even smaller number (0.76 percent) was channeled to the service providing sector (BPS West Manggarai District 2013).

**Sectoral Ego**

Strong sectoral interests often become dominant, which can stand out in the context of tourism development. Partnership actions, if any are in evidence, depend considerably on sectoral policies. The tourism-related sectors in our case study, such as agriculture, animal husbandry, trade, fisheries and marine, all operated their own programs in accordance with their respective institutional concerns and policies. This study found a reluctance, or even refusal, on the part of these stakeholders to integrate their programs with those concerning tourism activities, simply because it was perceived to be beyond the domain and target of respective institutional performance.

To give an example, the Agriculture Agency designed its middle-range development plan with a view to increasing the production of rice and enlarging the area of paddy fields. This plan was arrived at through a series of tough and time-consuming discussions (Informants 13 and 15). The plan was then designated as a “priority requirement”, in order to obtain approval from local leaders. One informant explained; “The program is considered obscure or deviant if its focus moves beyond food security targets” (Key informant 15). Consequently, there is little or no institutional will to link the programs with the tourism sector. In short, the sectoral ego represented an obstacle to stakeholder collaboration in tourism development.
In general, government departments such as the Agricultural Agency prefer to work alone and not share information with other parties. When respondents were asked to write down what real activities were being conducted to support tourism development, most of them gave no written responses. Furthermore, there was little or no mention of programs under proposal for accelerating tourism in the future (see Table 1).

Table 1 shows the information provided by the stakeholders concerning ongoing programs (2013) related to agrimarine-based tourism, and those planned for next year. With the exception of BAPPEDA, all of the other groups and institutions identified as agrimarine-based tourism stakeholders prepared their own programs individually. There are two main reasons for this: firstly, the partnership agreement was executed merely as a formal statement in the forums or Musrenbang (Intersectoral meetings for development plan). As there is no written guidance or a standard operating procedure for stakeholder collaboration, each institution followed its own course. Secondly, there was no leadership strategy in place to facilitate this type of cooperation, involving, as it should, significant transfers of resources, knowledge and skills between stakeholder institutions. Furthermore, the consequences and results of implemented decisions were rarely assessed or used as feedback for improving or enhancing the process.

**Table 1.** Stakeholders and Tourism Development Programs in Labuan Bajo

<table>
<thead>
<tr>
<th>Stakeholders</th>
<th>Implemented programs in the current year</th>
<th>Proposed programs to support tourism for next year</th>
<th>Partner institutions</th>
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<tbody>
<tr>
<td>Local Development Planning Board - BAPPEDA</td>
<td>Physical and non-physical development planning of basic facilities</td>
<td>Physical and non-physical development planning of basic facilities</td>
<td>All govern-mental institutions</td>
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<td>Organization</td>
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| Local Tourism Office                     | • Facilitating the development of the physical infrastructure of tourist attractions  
• Promoting tourist destinations  
• Facilitating HR training  | BAPPEDA      |
| Komodo National Park                     | • Visitor management  
• Developing jetty  
• Preventing destroyed coral reefs  | None         |
| Animal Husbandry Agency                  | Facilitating and mentoring chicken and cow farmers  | None         |
| Agriculture Agency                       | Facilitating means of agricultural production  | None         |
| Tour Guide Association                   | Guiding tourists  | None         |
| Travel Agents                            | • Packaging tours  
• Promoting destinations  | None         |
<p>| Transportation Agency                    | Facilitating modes of transport from and to the destinations  | None         |
| Marine and Fisheries Agency-DKP          | Facilitating the construction of fishing boat harbor  | None         |
| DKP Laboratory                           | Determining quality standard of fish sold to consumers  | Health Agency|
| Restaurants/Cafés                         | Providing food and drink  | None         |</p>
<table>
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<tr>
<th>Stakeholder</th>
<th>Function</th>
<th>Facilitating the procurement / construction of basic infrastructure (roads, bridges)</th>
<th>Managing accommodation business, parking services, cleaning services</th>
<th>Providing culinary services</th>
<th>Providing credit for working capital</th>
<th>Selling clothing, food and shelter commodities</th>
<th>Producing agricultural commodities needed by the hotels, restaurants and cafés</th>
<th>Assisting local TMO</th>
<th>Assisting local TMO</th>
<th>Tourism Agency</th>
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<td>Bank – Financial Institution</td>
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<td>Farmer Groups</td>
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Source: Field survey by the author, 2014.

**Poor Synergy among Stakeholders**

Stakeholder synergy is commonly defined as “the breakthroughs in thinking and action that are produced when a collaborative process successfully combines the complementary knowledge, skills, and resources of a group of participants” (Lasker, Weiss and Miller 2001, p. 123). This study finds that stakeholder synergy has not been achieved in Labuan Bajo. There is little institutional understanding or interest in collaborative efforts to produce and maintain more complex, integrated tourist products. The management of the beachfront restaurant strip in downtown Labuan Bajo can be taken as an example. The area strongly suggests itself as a nighttime tourist attraction, but
no co-ordinative efforts have been made to pedestrianize the strip, standardize food prices, or even maintain the area’s cleanliness. This study strongly recommends these measures.

Poor stakeholder synergy is indicated by the gap between what the stakeholders said they would do in the communication forums, and what they actually undertook in the field. A communication forum, commonly known as a *Musrenbang* (Intersectoral meetings for development plan), was held for exchanging information among the government institutions to ensure that “the programs prepared by each party are more synchronous and coordinated” (Informant 7). In relation to developing marine tourism, the forum discussed a proposal for increasing visitor numbers at Komodo National Park, despite that “the park authority demands restricted number of visitors to minimize the threat to the environment” (Informat 11). This raised a question as to what concrete support each institution should give to accelerate development of tourism whilst protecting the environment. The debate took place in the midst of very different perceptions towards the position of the national park, both in the context of tourism development and specifically district development. Few stakeholders seemed to understand the basic functions of the national park, i.e. “Protecting and preserving biodiversity from possible conflicts of use driven by varied economic activities” (Informant 11, see also http://www.komodonationalpark.org). Ending a long debate with no formulated collective actions, “the forum finally decided to defer to the internal policies of each institution” (Informant 7).

**Partnership Collaboration as Solution**

The identification of these three principal problems serves as an entry point to finding an effective solution. The stakeholders were found to be fully aware that their functions in relation to tourism development crucially related to cooperation with other parties, but this was difficult to implement due to unclear mechanisms and procedures, and lack of adequate support. Achieving greater benefits when the public programs are jointly rather than individually operated is the essence of partnership collaboration (O’Leary and Vij 2012, p. 510). This case study demonstrates that KNP and Labuan Bajo’s relevant stakeholders have failed to achieve effective partnership collaboration.
Collaborative management is the solution to these problems. As mentioned above, collaborative management focuses on collective work to manage differing interests in the same direction. The stakeholders are engaged fully in decision-making as to the goals and mechanisms of tourism development. The joint decisions should be made with collective responsibility and mutual benefit-orientation. Tourism development requires a complex institutional model, and collaborative management can work effectively to accommodate this complexity.

Collaborative management is a model of governance that synergizes the essential functions that each stakeholder of tourism performs. It is assumed that the stakeholders are capable and willing to consistently carry out their primary or secondary functions to develop tourism in Labuan Bajo. The terms were formalized in a special agreement (MoU) to ensure that the stakeholders really understood how and with whom they collaborated. If each stakeholder functions optimally, the function nodes interact synergistically to drive tourism activities.

The information given by a number of key informants in the field illustrates that each stakeholder has an agenda of institutional development, expressed in well-defined programs and mechanisms of implementation. All local government technical agencies formulate annual work plans funded by the regional budget. These work plans include many programs both directly and indirectly related to tourism development. To take some examples, the Agriculture Agency and the Animal Husbandry Agency always prepare programs for increasing livestock and fishery production targets, along with working budgets. They carry out technical capacity building programs for breeders that include capital enhancement and network building in collaboration with fishermen. The Culinary Association and the Association of Hotels and Restaurants prepare calendars of events as part of their annual program, that explicate the demand for foodstuffs (Informant 15). These programs could and should be synergized under the umbrella of collaborative management.

The same pattern is applicable to the other stakeholders. Given that tourism, agriculture, fisheries and husbandry were declared the leading sectors in Nusa Tenggara, the institutional commitment of stakeholders to cooperate in the
formulation and execution of tourism development objectives should be a given. The Tourism Agency sets programs and targets to ensure clean living practices, reduce the volume and spread of waste, and increase the number of tourist villages and actors in tourism businesses. Simultaneously, the Laboratory of Marine and Fisheries Agency determines certification of marine fish products for safe consumption as the core of its annual work program. This internal commitment could be expanded into one that takes other affected sectors into consideration. Politically, BAPPEDA has the capacity to ‘force’ other local government agencies to prepare collective programs and allocate funds for collaborative projects” (Informant 5). In short, it is in a position to facilitate better collaboration between stakeholders.

The existing basis from which to start building collaborative management mechanisms is also supported by the following factors. First, the common interests of stakeholders are strong enough to build cross-sectoral partnerships. Despite the difficulties experienced working in isolation from other institutions, many had no idea how to initiate building partnerships. For example, In Labuan Bajo cafe and restaurant managers needed to ensure a supply of fresh fish at competitive prices. At the same time, the fish suppliers, both at the level of the fishermen and the government, were demanding a strong commitment from the former to continuously purchase their products at a fair price. This intersection of interests indicates an open opportunity for developing formal partnership between the two parties, through the preparation of an agreement or permanent and mutual contract. Contractual partnership is needed because it “gives a sense of security, reduces the potential for mistrust and motivates people to work professionally” (Informant 16).

In addition, an organization for managing agrimarine-based tourism destinations already exists. The potential development of collaborative tourism management requires a solid and functional organization to facilitate the effective and efficient processes of production, distribution and consumption. In Labuan Bajo, the local communities have organized themselves by establishing APJS, or a culinary services manager association, which is intended to “meet the needs of local residents whom are participating in the tourism development of Labuan Bajo” (personal interview with the informant 1).
Summary

Tourism development ideally requires an existing complex institutional arrangement, within which functions and shared interests are defined, synergized and implemented consistently. The study describes how attempts at synergistic partnership collaboration have been unsuccessful in KTP and Labuan Bajo’s tourism development programs, which are poorly coordinated and have no well-defined reference for operationalization. Policies are at present formulated in the technical-bureaucratic, routine-based arena, which is geared to the creation of individual sectoral programs only. Naturally this impedes accelerated tourism development in the Lesser Sunda Islands. This problem might be addressed by local authorities, with the support of the central government, who could then define and designate the stakeholders within integrated, partnership-based tourism programs. This can be supported with technical assistance and advice, and sound management practices, which would give clear guidance and motivation to carry decisions through (Aas et al. 2005).

The second issue revealed in this study is that the stakeholders failed to understand their partners’ interests, and to build intensive communication with them. The government agencies, business institutions, and local community are still struggling for interactive communication regarding projects they are supposed to be cooperating on. There are two reasons for this issue. Firstly, there is no inclusive performance orientation and resource-sharing scheme, particularly in regard to financing programs. Secondly, none of the stakeholders identified in this study were sufficiently motivated to cooperate. They had never seen increased profits as a result of the practice of partnership. Their experience was limited to a tiring and relatively fruitless negotiation process that did not result in the building of mutual networks. As discussed by other researchers (Jamal and Getz 1995), most stakeholders were aware of the potential in building partnerships, but lacked the facility and institutional will to carry through attempts in this direction. It is at the management level that these problems need to be addressed.
Notes

*Janianton Damanik is Professor at Gadjah Mada University, Indonesia, and formerly Head of the Center for Tourism Studies, Gadjah Mada University. His main research focus is on community participation in tourism and local empowerment in destination development. Email: antonmk@yahoo.com

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