

UNIVERSITY OF DERBY

STAKEHOLDER INVOLVEMENT IN
URBAN TOURISM DEVELOPMENT

A TALE OF TWO CITIES

Ágnes Raffay

Doctor of Philosophy

2007

This thesis began with the identification of a challenging issue in the practical management of urban tourism development. The debates about how to manage urban tourism, the benefits of collaboration and partnership building were interesting but seemed to be interpreted differently in both the different strands of the literature and in the specific destinations. The focus on stakeholders was an emergent theme from the literature. It had become a significant term in the business and management literature and was, following on the work on collaboration and sustainable tourism, becoming a popular term in the tourism literature. However it was apparent from studying the literature that the term was both complex and under theorised, especially in the tourism literature. Therefore the literature review was designed to identify the context in which stakeholders existed and in which stakeholder analysis could take place. The way in which the issues were generated for the field work was the product of critical readings of the texts.

The review suggested that the dynamics of urban tourism were very complex and more so than stakeholder analysis predicated on a single organisation would suggest. The range of positions within the process suggested that terms such as involvement, participation and collaboration had to be questioned in terms of power relations and power differentials in what emerged as processes rather than a single process. The questioning of the power literature suggested that a discursive approach to the construction of stakeholder analysis would be the most appropriate as the key players sought to develop their sense of power from within a range of discourses and the flexibility of such accounts offered an appropriate way to capture the fluid dynamism of the urban tourism processes.

A field methodology based on qualitative research was developed to allow the respondents, who were identified as the key players in tourism in the two Hungarian cities, the opportunity to create their own representations of the ways they saw tourism development in their two cities. Two case studies were pursued as a way of highlighting similarities and differences in the processes, in the patterns of involvement and the power relationships.

The conclusions develop an account of power that is constructed and deconstructed within urban tourism processes by the exercise of discursive constructs from both within and outside the domain of tourism. Even traditional accounts of power fitted into the discursive practices analysed. Thus, the thesis has developed an original contribution by deepening our understanding of the concept of stakeholders within urban tourism development and seeking to establish that a critical understanding of discursive practices is an integral part of mapping the stakeholder positions within those processes. A series of propositions are presented that represent the major contributions of the thesis to tourism knowledge and management knowledge. These are presented in a standardised format of establishing the basis of the claim and then exploring the implications for practice and further research.

The initial research was focussed into the formulation of the **research aims**:

- To determine the notion of stakeholder in tourism and the parameters of the concept;
- To identify the stakeholders in urban tourism and investigate the power relations between them;
- To critically evaluate the level and limitations of stakeholder involvement in urban tourism development.

These aims were the product of extensive discussions in the University and were also aired before tourism practitioners to ensure that they gave the research the most appropriate framework. They proved to be a useful guide to the development, implementation and analysis of the research.

Conclusions, Propositions and Future Research Agendas

The analyses presented in Chapters 7 – 10 have explored the material gathered in the field work. The three research aims identified for the study have been addressed directly:

- To determine the notion of stakeholder in tourism and the parameters of the concept;
- To identify the stakeholders in urban tourism and investigate the power relations between them;
- To critically evaluate the level and limitations of stakeholder involvement in urban tourism development.

The thrust of the argument developed in these chapters has demonstrated that power, collaboration and stakeholder positioning need to be viewed in dynamic ways. Within these debates it is possible to develop a series of propositions that have emerged from the analysis of the data and help to structure the summary of the major findings and highlight the contribution the study has made to the body of knowledge. The Propositions are:

Proposition 1: There is no single model - either analytical or normative - of stakeholder involvement in tourism development that adequately captures the complexity of relations constructed in urban tourism development.

The local context, including social, geographical, political, cultural and historical factors as well as the focus of the tourism development will impact on the construction of stakeholder relationships within tourism. The two case studies demonstrated the importance of this recognition with the emergence of claims relating to different discourses and where similar discourses facilitated the construction of different positions. The local context will be a product of the discourses at play drawing from within and beyond the specific focus of tourism.

Implications for practice - There are implications for practice that follow from this understanding. It reinforces the need to develop a clear and multi-focussed understanding of local contexts. Working with static models and assumptions of continuity will mislead.

Strategies to maximise stakeholder involvement and for stakeholders to construct and maintain positions of power have to be seen as playing a part in this dynamic process rather than seeking to recognise the role of actors in a known relationship. The invitation to participate will in itself change the nature of those relationships. The cross cutting discourses will also constantly reposition and challenge existing positions. Any mapping exercise must recognise these complexities. Static representations will at best be useful as historic commentaries on the process. It is also a strong argument against notions of homogeneity within stakeholder groupings.

Further research: The ladder of stakeholder involvement described in chapter 9 is a research tool that will enable different local contexts to be mapped in both single case studies and in comparative work. The testing of the discursive constructions in different sites would be interesting as it would allow for the analysis of which discourses have particular pertinence and therefore become strengtheners of positions in the different contexts.

Proposition 2: Stakeholder definitions and relations are fluid and dynamic

The construction of stakeholder positions is a dynamic process sitting within the play of a range of discourses. The analysis suggests that the definition of stakeholder should be recast. It is suggested that the practices of stakeholders and the shaping of urban tourism development processes could be better understood if stakeholders were seen as

**individuals, combinations of individuals and organisations that shape
the form and direction of urban tourism development discourses.**

This redefinition seeks to remove the concept from several restrictions that were discussed in the literature review chapters. It firmly locates the practices of stakeholders in the broader understanding of the urban tourism processes and removes the focus from concrete outcomes, although they are still relevant, but suggests that they are one field within the processes of development where stakeholder involvement can be witnessed.

The definition should not be read without the understanding that the forces that contribute to the shaping and forming of urban tourism development also inform the construction of the positions, the relative positions and the relations between stakeholders. This infers that the definition is dependant upon an understanding of the discourses of power in play in the specific context of study. Where definitions of stakeholders have attempted to differentiate into primary or secondary categorisations, this study would suggest that the positions within the processes are dynamic, not just as a result of the overall dynamism of the field but as a result of the dynamics and fluidity of specific circumstances, debates and how they come together within specific local contexts. The stakeholder claim is the product of an ongoing and constant assertion and challenge to produce and reproduce the legitimacy of those claims.

Implications for practice - The identification of stakeholders has to consider the different discourses of tourism as well as the wider context that they are part of or are obviously absent from. Therefore, stakeholder analysis has to be incisive and has to take the dynamism of the discourses into account. This means identifying and mapping become much more problematic processes but if cast in this way would offer more meaningful guides to stakeholder claims and ways of managing them within and outside the processes of urban tourism development.

Further research: It would be interesting to see studies of the construction of stakeholder positions and longitudinal studies of changing positions utilising this framework of discourses approach. They would add greatly to our understanding of the discursive practices that impact on the handling of stakeholders within the power relations of specific contexts.

Proposition 3: Power differentials are not static and shift within the processes.

Multi and overlapping stakeholders are the clearest example of this but all stakeholders are defined and redefined during and beyond the tourism development processes. Power is constructed both within and beyond the specific tourism development focus. This

recognition further complicates the ideas at play within tourism but adds an essential dimension to the understanding of the constructions of power and power differentials within the processes of urban tourism development. It will be manifest differently depending upon the play of discourses which determines the construction of particular contexts.

The case studies utilised analyses made using various conceptualisations of power and it is interesting to see how these divergent views come to reinforce this conclusion. It is possible to see the power differences in overt and covert terms, in positive and negative powers and various constructions of formal and informal situations. These competing definitions of power help to construct an account of the complexities of the construction and deconstruction of positions of power within the urban tourism development processes. They contribute to the demonstration that any one focus will obscure as much, if not more, of the processes as it helps to illuminate.

Implications for practice – All sources of power should be considered and treated cautiously as the discourses are constructed differently depending on the source of power they are building on. Therefore, the distribution of power may show significantly differing pictures in differing discourses, leaving a powerful player of a particular context outside the boundaries of power in another context, or empower players that were positioned low on the power continuum in other situations.

Further research: a more in-depth analysis of all the discourses present in urban tourism would give an even deeper understanding of the different sources of claims to power of the individual actors and would also provide an insight into the reasons why some actors cannot have a claim to any power in certain discourses.

Proposition 4: Negative power may be as significant as positive power in stakeholder interactions.

The concept of negative power - the power to stop something happening or even to prevent ideas being surfaced – emerged as a significant type of power in the two case studies. The constructions of positions based on negative power are as complex as those which are seen as being traditionally (positively) powerful. Negative power is held differently by different stakeholders and this works differently in different local contexts. It is argued from this study that the processes of urban tourism development must not be seen simply in terms of the observable or overt outcomes but should consider the ways in which the recognition, realisation and denial of opportunities are constructed within those processes.

Implications for practice - Collaboration may be a means of overcoming the use of negative power. The formal and informal relationships between the players of urban tourism as potential or existing collaborative efforts need to be analysed to establish how these influence the distribution of power as well as the disarming of players with negative power. Those seeking to develop collaborations must be aware of covert as well as overt relationships in the field of tourism and beyond.

Further research: This could be the basis for a series of studies assessing the different ways in which strategic action, alliance building and the use of the relationship capital may be used to overcome negative power.

Proposition 5: The form of stakeholder analysis that is based on assumptions of an organisational ‘centre’ to the field of power may be unsuited to the complex relationships at stake in tourism development.

The idea of stakeholder threat suggested that the actions of a stakeholder could threaten the organisation. This highlights one of the dangers of reading across from one context – that of organisational research with a clear focus on the firm – to one where there is no single core. Tourism’s complexity and multifaceted nature challenges this sense of threat. This is not to deny that stakeholders can create significant difficulties but it is difficult to envisage the collapse of urban tourism from the action of any single stakeholder. The

urban tourism offer and the development processes are multi-faceted and appear to operate with many 'cores' with the construction of discursive practices based on these centres. This creates the possibility of central or core stakeholders appearing as peripheral in some of the discourses informing the urban tourism development processes.

Implications for practice – The actors of urban tourism development must be understood in relation to the other actors of the given discourse to capture the complexity of relationships and their impact on the development processes. Even if some actors are more central to the development than others the actions of the seemingly peripheral actors will contribute to the overall development, or may even compensate for the non-actions of the central players. The danger for managers is in reading peripheral players as not important and neglecting their presence in more central roles in other discourses.

Further research: The challenge is to assess the significance of formal as well as informal power, which may provide a better understanding of how actors become central or peripheral, and also to establish how to link theories of collaboration and theories of power. The collaboration literature is important and productive but would benefit from the addition of the power dimension. This is a theoretical challenge for future work.

Proposition 6: Collaborative capacity depends on a combination/integration of formal and informal positions and processes.

Collaboration has been seen as a way to encourage participation and involvement in tourism development, increasing the collaborative capacities in the area. The hope for collaboration includes the idea that disputes will be reduced and that the benefit of development will be shared with greater equity. The two case studies suggest that the construction of the definitions of legitimacy and, indeed, of capacity are products of contextually determined discursive practices. There will be some relatively fixed sources, with bases often rooted outside of tourism (such as the claims to a democratic mandate) but other claims will be secured in the contemporary and challenged world of the everyday play of discursive politics. With stakeholders utilising a combination of formal

positions and informal skills and knowledges it was possible to see how more or less productive collaborations came into play in the case study sites.

Implications for practice – Collaboration can theoretically ‘empower’ seemingly lesser powered actors. However this process is not an automatic one and the degree and location of empowerment will be crucial to understanding the significance of such growths in power. The potential for oppositional and resistant positions can be seen as growing through collaboration where the consensus instigating the collaboration breaks down and fragments as remnants of the power discourses still remain effective. Therefore the work in developing collaborations is not only to be focussed on initial activities but constantly maintaining and reinforcing the framework within which the collaboration is seen to be desirable.

Further research: Two areas of study emerge from this proposition. The study of the maintenance work undertaken surrounding collaborative actions would be an interesting focus as it is rarely mentioned with the concerns centring on the objectives of the collaboration rather than the processes involved in keeping the collaboration running. Also the notion of equity poses further questions for research. On a basic level, research that considers equity of opportunity would be a useful help to further our understanding. Given our position, the discursive construction of ‘equity’ would draw a multitude of discourses into the analysis and seek to determine how the favouring or prioritising of certain discourses shapes those seen as legitimate beneficiaries. Further research could be undertaken in a similar vein into the equity of outcomes that flow from the development processes.

Proposition 7: Collaboration may be seen as the outcome of resistance to the exercise of power.

Power hardly ever exists without resistance. People will interpret the rules of the game differently and therefore the same rules will enable some actions and constrain others, which may result in the resistance of the constrained party to the power of the party

defining the rules. The party that comes out as a loser of the game may seek alliances to express resistance to the power exercised by the winning party. If the alliance grows strong it may threaten the power of the ruling actor, which in turn may make this actor reconsider the rules of the game.

The example of the Veszprém Tourism Association aims to highlight how such resistance to the power of a central organisation - the local authority in this case - might assist in the forming of an alliance of actors to overcome the power imbalances. The tourism businesses considered themselves too weak individually to challenge the power of the local authority but saw a potential in collaboration with other individual actors to achieve the individually unachievable aims. They are now in a position to advocate changes to the rules but are not challenging the legitimacy of the game itself.

Implications for practice – Collaboration that successfully empowers actors will impact on the original balance of powers in play. The changes will impact both within and beyond the specific focus of the collaboration. Therefore managers must be aware of the potential for further challenges to the existing hierarchies from such activities. It should not be thought that empowerment can be operated in a neatly defined and contained space as the consequences will spread an impact on other power relations.

Further research: The term empowerment is one that requires a discursive examination. It has traditionally been seen as resulting in one party having more power than they had before. Research into the creation of the contexts or domains of empowerment would reveal whether such shifts in power relations happen across the field of urban tourism development or how they are constructed to delimit the impacts of the shifts involved. This would require detailed analyses of collaborative practices in a range of settings, where the specific focus could be mapped against a sense of the overall development agendas.

Proposition 8: Collaborative actions are more likely to be successful if they are underpinned by strong leadership.

Leadership has been identified in the literature as a pre-requisite of successful partnerships. A strong leader will play a crucial role in bringing the different interests of the different stakeholders together. The comparison of the collaborative attempts from the two cities demonstrates how important a role leadership plays in practice. Both cities have an organisational framework within which actors can collaborate, however, one was perceived to be much more effective than the other. In Pécs, the Tourism Club of the Chamber offers room for collaboration, a club comprising the members of the bureaucratic organisation, with appointed officials as leaders. In Veszprém, the Tourism Association was established to foster collaboration between the stakeholders of tourism, with a pragmatic and enthusiastic businessman as leader whose achievements in his business career and his personal qualities were acknowledged by the members of the association by electing him to the chair's post.

Implications for practice – The identification of leadership potential within collaboration will be important and the conditions must be created in order to allow such potential to emerge. Where collaborations have human developmental agendas, there must be a concern to look for autonomous and independent leadership that can deliver a long term commitment.

Further research: to assess the role of leadership in voluntary tourism organisations in other cities to gain a deeper understanding of how it influences or even determines the success of collaboration. The issue of continuity also becomes an issue, where the consequences of the loss or withdrawal of a strong leader can create problems for the collaboration. Therefore the research focus should not only be on successful collaborations but on the problems identified by the absence or presence of strong leadership along the life cycle of collaborations.

Proposition 9: Constructions of stakeholders suggest that urban tourism development has to be reconceptualised because single focussed, linear explanations cannot account for the factors involved in these positions.

Urban tourism development has been seen as a process that delivers the infrastructure to support and the offer to meet the needs of tourism in the city. What emerges from the analysis is that there is no single process involved in this but a complex amalgamation of processes, drawing on discourses from within and beyond tourism. Accounts which focus only on the major topics of urban tourism development may be charged with oversimplifying the account presented. The main areas of tourism development do not reveal the whole picture as the development processes contain many minor, but significant discussions. These may be seen as complementing the main highway even though they may be constituted by the byways or minor capillaries in Foucauldian terms. For instance the emergence into significant players of cultural organisations in Pécs demonstrates how sub-themes can become major themes as the processes are developed and the dynamics shift.

Implications for practice - (Urban) tourism development cannot be understood as a process but as a summation of various processes, where some of the processes are more significant for the overall development of a destination than others but none of which should be disregarded because of its perceived lesser importance. This creates a need for a broader awareness of the development processes and an understanding of the way in which different interests contribute to a greater or lesser extent in specific contexts.

Further research: Studies examining the different development processes (such as the development of the tourism infrastructure or of the different products, or even the ways the presentation of the tourism offer develops) would be useful if they were undertaken in a complementary, rather than exclusive, fashion allowing for the assessment of how these processes reinforce and challenge each other.

Proposition 10: Urban tourism development processes are constructed through the play of discourses, but not all tourism discourses are present at all times in tourism development.

This proposition draws on the findings that emerge from the two cities about the absence of discourses which are taken by many to be central to the constructions of tourism development in the 21st Century. The most significant of these was the absence of any sense of the sustainable development discourses within the responses. The other omission relates to the position of 'the community', or communities and local people from levels of significance.

What this demonstrates is that the understanding of the construction of stakeholder positions must be grounded in the operating practices that are in play in the local context. Analyses that operated with the assumption that certain discourses would be sources of power could be misleading and result in a skewing of the interpretation of the local constructions of power relations.

Implications for practice – The presence of the conditions and criteria defined by the development agendas implied by theory cannot be taken for granted in every destination. Cities will construct their own versions of the processes and any external assumptions as to importance of issues or arguments could be misplaced. This approach calls for detailed local understanding of the mapping and interplay of discourses in the city and around it. There will be local constructions that 'explain' the specific constructions and it is these that initiatives must address rather than resorting to an evangelical exhortation that a different way would necessarily be better.

Further research: Studies exploring the reasons why certain discourses are absent from the tourism development processes in certain locations would be interesting and the ways in which discourses could be constructed differently to address the shortcomings such as the lack of thinking in sustainable terms or the omission of the local communities from the development processes would emerge. These would not be couched in generalised normative imperatives but would be grounded in the specific contextual constructions of the interplay of discourses. They may well embody the value systems inherent in asking the question but the reading of the context would be locally sensitive.