

## **PARADIGMS AND THE ROLE OF STAKEHOLDERS IN DESTINATION MANAGEMENT OF KINTAMANI, BALI**

**Ni Luh Putu Agustini Karta, I Made Sukarsa  
Agung Suryawan Wiranatha**

Doctoral Program in Tourism, Udayana University, Bali, Indonesia

### **INTRODUCTION**

Bali is one of the islands included in the one hundred tourist destinations in the world that should be visited. Kintamani is one of the favorite places that also attract tourists to visit Bali. The uniqueness of the icon Mount Batur Kintamani and local culture made Kintamani known as a special tourist attraction. Kintamani has been known since the publicity of a book, *Island of Paradise* whose author is Gregor Krause in 1912. Kintamani becomes a National Park, nature tourism icon known as one of the world's most beautiful sun rise (Trip Advisor, 2013). Mount Batur is still considered to get active status which gives a challenge for nature lovers to conquer. Various tourist activities can be done in the area of Kintamani. Traveling in the nature such as tracking to Mount Batur, riding a bike in the village of Buahan, bathing in hot spring water Toya Bungkah managed by local communities, enjoying dining alongside a lake with fish from the lake Batur, fishing, and travelling agro picking Luwak coffee and seeing the traditional burial Trunyan. All activities are managed by the community and businesses assisted by the government.

Governance of tourist attraction in Kintamani is done directly by the local community without stakeholders participation, so it looks less professional. Various obstacles arise and affect the quality of the services provided. Lack of knowledge of local communities, and very limited capital have not been able to provide maximum services for tourists. The difference in perspective and paradigm occurs between the government, the public and managers. Minimum standards of service that should be given to every tourist attraction are not provided equally. Imposition of tariff differences, differences in the price of food at a low level hygiene, illegal bullying in the path tracking of Mount Batur, bullying in the Trunyan dock, rogue of street vendor, and commitment of the community about environmental hygiene gives very low

impact to the decreasing image of this region, Ariana (2009), Merta (2013), Agustini and Suarthana (2013).

**Tabel 1. Arrival Tourists to Bali Year 2011-2013**

( In units of People )

<b>Bulan</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>Januari</b>	209093	253286	232935	279257
<b>Februari</b>	207195	225993	241868	276573
<b>Maret</b>	207907	230957	252210	276573
<b>April</b>	224704	225488	242369	280096
<b>Mei</b>	209058	220700	247972	286033
<b>Juni</b>	245652	244080	275667	329654
<b>Juli</b>	283524	271512	297878	361066
<b>Agustus</b>	258377	254079	309219	336763
<b>September</b>	258440	257363	305629	354762
<b>Oktober</b>	247565	255021	266562	
<b>November</b>	221603	242781	307276	
<b>Desember</b>	253591	268072	299013	
<b>Angka Tahunan</b>	2826709	2949332	3278598	

Source: bps.go.id (2014)

Table 1.1 outlines the number of foreign tourist arrivals to Bali in 2011-2014 monthly. The number of tourist arrivals to Bali in the period of 2011-2014 was increasing; this trend is the reflection that there was an increase in the quality of services, facilities and promotion of tourism in Bali. On the opposite side, Table 1.2 below illustrates the negative growth trend of tourists visiting tourist attraction in Kintamani Bangli (Tourism Government Bangli , 2014 )

**Tabel 1.2 Table 1.2 Number of Visits Travelers to Tourism Objects In Bangli Regency Year 2007 - 2012 (in person)**

No	Tahun	Batur	Penglipuran	Kehen	Penulisan	Trunyan	P3GB	Total	Pertumbuhan (%)
1	2007	319.859	17.189	11.496	929	3.302	0	352.775	<b>0,00</b>
2	2008	394.682	20.898	11.329	2.931	7.367	0	437.207	<b>23,93</b>
3	2009	483.381	21.869	12.830	2.901	5.725	0	526.706	<b>20,47</b>
4	2010	368.363	29.281	13.073	2.197	5.229	0	418.143	<b>(20,61)</b>
5	2011	488.933	32.503	13.291	1.217	5.560	25.113	566.617	<b>35,51</b>
5	2012	458.184	32.668	12.669	899	14.432	29.300	548.152	<b>(3,26)</b>

Source: Tourism Government Bangli (2013).

When compared with the trend of growth in the number of tourist visiting Bangli (Table 1.2), it is seen that there are negative fluctuations. Predictions arise as the cause of these fluctuations, include quality of service, destination image and negative behavior of local communities. Agustini and Suarhana, (2013) analyzed the image of Kintamani area with the variable control words of mouth (WOM) significantly correlated to the level of return visits of tourists to Kintamani. The more negative the WOM significantly decrease tourists visiting level.

When viewed from the perspective of stakeholders and based on the results of previous research, it can be formulated the problem as one of the factors causing the decline in the number of tourist visits to Bangli is the role of stakeholders. Therefore , the problem to be studied in this research is " how is the role of stakeholders in the management of Kintamani area able to increase tourist arrivals ? "

The purpose of this study was to determine the role of stakeholders in the management of tourist attraction in Kintamani, in order to increase the number of tourist visits. Stakeholders are defined in this study as the government, businesses and people who have tourist businesses in Kintamani (community -based tourism).

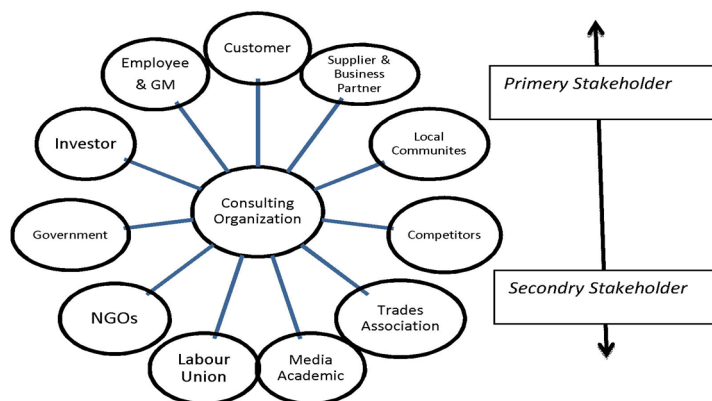
## LITERATURE REVIEW

### Classification of Stakeholders in Tourism Management

Partridge et al. (2005) stated stakeholders as a group or individual who can affect or is affected by the company in its activity. Stakeholders are groups or individuals who define the value proposition for the company and which therefore must be considered as part of a sound commercial approach to build loyalty with customers, employees and investors. In operation of groups of individuals that exist in different containers have different viewpoints on the services to tourists. Partridge et al. (2005) divides the stakeholders into primary stakeholders and secondary stakeholders. Primary stakeholders are those who have a direct stake in the company and determine the success of the organization. Secondary stakeholders are those who are very influential, especially in the company's reputation, they also can be a substitute for the representatives of the interests that can not represent themselves, the natural environment or the younger generation.

Figure 1.1 shows the classification of stakeholders based on primary and secondary categories. Figure 1.1 shows that the government, investors, general managers, suppliers, customers, local communities and the competitors included in the category of primary stakeholders that act directly as shareholders of the company and determine the success of the organization.

Classification of Stakeholders



Source: Partridge et al. (2005)

## **2.2 Stakeholders in Tourism Management Approach and Its Implications**

Saftic et al. (2011) in a study in Croatia found that the stakeholder approach is a concept that relates to management, especially those referring to the organization. This approach is based on the assumption that an organization characterized by relationships with various groups and individuals. The new trend in tourism included employees, customers, suppliers, and government stakeholders. This approach applies not only to the major sectors, but also entered into the micro sector and community-managed tourist destination. Although many studies dealing with this issue, stakeholder approach may not be fully applied in Croatia.

Research Saftic et al. (2011) also examines stakeholder approach in the micro- level shift to the destination management. Destination Management Organization (DMO) carry out the functions of destination management and acts as a firm or company. Many found that the phase determination increasingly diverse stakeholders in tourism. Generally, stakeholder was classified into primary and secondary.

Interaction with different stakeholders can contribute to better understanding the needs of the community (Caffyn, 2003) . This interaction can be obtained in the structure of the organization and is responsible for managing the development of tourist destinations. Models and organizational structure, coordination line distinguished by the willingness and habit of stakeholders at the destination, the existing models described in the following elements (Magas, 2008): 1) the public function, 2) representation of the entire sector, 3) coordination and carry out all the activities and services, 4) focuses on the wishes and interests of the public and private sector as a provider offering access and defense professions

Tkaczynskiet al. (2009) underlines the various research conducted by scientists in order to explore the stakeholders involved in tourism. The conclusions put government, competitors, DMO, hotel, travel, restaurants, event organizers and tourists as primary stakeholders and the media, advisory bodies, gas suppliers, retail outlets and universities as secondary stakeholders



Pomeroy and Katon (2000), suggested a joint management or co-management or partnership is required in order to divide the authority and responsibility of the government, local communities, stakeholders, private (NGO) and academics. Collaboration all elements in a destination accelerate the achievement of the development goals of the destination. Kathiresan (2010), describes the types of stakeholders involved in the management of local destinations including the user community, the local community and government agencies. Agents and associations involved in destination management in Indonesia include PHRA (Union of Hotel and restaurant Indonesia), ASITA (Association of Indonesian Travel Agents), BHA (Bali Hotels Association), BVA (Bali Villa Association), HPI (Indonesian Guides Association) , GIPI (Tourism Industry Association of Indonesia). This association is interested in the promotion of tourist destinations, destination planning and development as well as contributing to the increase in the number of tourists visiting Bali, Agustini and Suarhana, (2013) .

## **METHODOLOGY**

Research at Kintamani destination is a descriptive qualitative. This method is applied to explore the role of all stakeholders in increasing the number of tourist visits to Kintamani. Interviews were conducted with 11 key informants who were determined by purposive sampling. The whole informant and representative were involved in tourism management activities in the area of Kintamani. The informants consisted of three government representatives Bangli, Bali ASITA representatives, representatives of HPI, GM Lake View Hotel, GM Devasya Hotel Toya, Toya Bungkah Manager Hot Spring Water, tracking your coordinator Batur, coordinator LWG (Local Working Group) Village Buahon, Traditional Grave Trunyan managers and local farmers Songan Village. After the interviews; all the informants were also invited to a focus group discussion (FGD) in order to unify the paradigms and perceptions of the role of stakeholders in the management of Kintamani. The results of these discussions are expected to be capable of providing a meeting point of the role of each stakeholder in the number of tourists to improve its efforts to Kintamani

## RESULTS AND DISCUSSION

### Overview of Destination Kintamani

Kintamani is famous with icon of Lake Batur and fifteen villages surrounding it. As seen from above, Lake Batur at the base of Mount Batur is very beautiful and attractive. Lake Batur, having biological resources such as fish, is surrounded by farm vegetables and rocks and minerals C derived from the vomit of Mt Batur which is still active. Cultivation of agriculture and fisheries of Lake Batur are a strategic role in improving the local economy. Tourism can be evolved through community empowerment and conservation of bio-diversity of Lake Batur .

Area of Lake Batur, Kintamani and the surrounding area have been known since 1912 Bali published book, the work of Gregor Krause , after the first world war in 1920. Krause describes the attraction Girl of Kintamani and Bali as a "paradise island". This also triggers the arrival of European and American tourists in the decade of 1920-30 and until now. The story in this book became the forerunner of the development area of Lake Batur, Kintamani.

The attractiveness of Kintamani region are based purely on local nature and culture; the dominant tourists visiting the Kintamani are those who want to climb Mount Batur, enjoy natural hot spring baths in Toya Bungkah, enjoy the natural atmosphere and scenery of Batur Kintamani, cycle to agricultural areas throughout the village in Batur and visit cultural tourism attractions in Trunyan. The attractiveness of the region has made investors, residents and tourism players competed with each other to reap the benefits in a way that less wise. As published in the media a lot going on tourists in Trunyan bullying, bullying tourists while hiking, food prices increased tenfold, unfair competition between the guide, rogue traders vendors.

One important thing that is very disturbing scene fundamental Batur Kintamani are vendors who sell along Panelokan, making the environment more seedy. In the area of Mount Batur is available under the natural sand (excavation C) ready for transport to be used as a building material. The arrival of trucks carrying sand in tandem creates traffic problem

to Lake Batur which is dense and dangerous for automobile tourists who will visit several tourist attractions around Lake Batur Kintamani .

All stakeholders should contribute to create help to these unfavorable conditions. This research studied and analyzed the relevant efforts carried out in the framework of recovery, image of Lake Batur in order to be revisited by tourists. It will analyse the involvement of the fundamental roles of each stakeholder.

### **Paradigm Stakeholders in Management area of Lake Batur Kintamani.**

Tkacznski writing (2009) and Partridgr, erals (2005) divides the stakeholders into two categories namely primary and secondary. Based on these criteria, the stakeholders in the area of Kintamani, are classified into two, namely the primary stakeholders which are classified as government representatives, GM Hotel, Restaurant Manager, and the local community. While secondary stakeholders are classified as ASITA, HPI, NGO and union employees of the hotel and restaurant Kintamani area .

The interviews with all stakeholders obtain that each stakeholder has a different paradigm of the management of Kintamani area. Different viewpoints that cause different perceptions in dealing with the problems arise in the community. Each party is waiting for each other to take on roles that have an impact on the services provided to tourists.

The results of interviews of all informants who act as stakeholders are summarized in the following statements:

#### **1. The point of view of the government Kintamani district area .**

Interviews were conducted with the Head of tourism objects, head of marketing and coordinator of Museum Geopark, Bangli regency government. The Government states that they have already fully engaged in efforts to manage Kintamani area in order to decrease the number of complaint. Government educate the public actors such as tourism guides, art craft vendors, local communities of Trunyan who are very famous as beggars and the employees who work in the hotel and restaurant. Community representatives from each village were accommodated by the organization LWG (Local



Working Group) has been invited to study visits to other areas to observe a model of good tourism destination management. However, these efforts are not successful; there is still jealousy among individuals who can not obtain benefits from tourism. Jealousy is reflected in the behavior of a less friendly to deal with tourists.

Irregularity increasingly arise when the traditional market which had previously been in the Museum Geopark then evacuated to other places that are less strategic as sales outlet, the number of stalls which are not in accordance with the number of traders who should get compensation stall. All traders eventually sell along Penelokan, so the tourists who come down to capture the beauty of Lake Batur from a height (roadside) and disrupted by seedy street vendors and use road markings. Congestion and chaos are inevitable. Government as stakeholders feel they have done an obligation to provide compensation of the store, provide counseling, training but never commit to provide the right fit with the needs of the community .

## **2. Entrepreneur viewpoint towards Kintamani area management**

Entrepreneurs belonging to the stakeholders in this study are GM Lakeview Hotel, GM Toya Devasya, Owner of Kedisan Floating Resto, manager Toya Devasya Spring Water. In the perspective of managing an area that are legally still in Bangli regency government authority should fully be regulated by the government. The role of government should be dominant and take vital functions. In fact, the government has not had the full authority to manage the area. The Government raised the tariff to enter this area of Rp 10,000 to Rp 30,000, while the area in question is a common pathway across districts. The government built public toilet facilities but they are very poor quality and delegate management to the local communities who do not have competency to manage. Finally, all the toilets weredamaged or in poor condition.

Kintamani is located at altitude, but until now the government has not been able to meet the basic needs of employers. The water is very limited and expensive, unstable electricity and the main road leading tourist attraction was broken and made a horrible sand transport pathways for tourists when in tandem with sand trucks . The government should make strict rules to stop

the excavation of sand and gives priority to the provision of basic public facilities. Similarly, none of the row of restaurants that exist in the cliffs has operating licenses. Kintamani is a landslide prone area, not worthy of a permanent facility is built. As employers they feel that there are things that principles in control of the government and employers may not do although the grounds of professionalism increase their income.

### **3. The view of the local communities involved in the activity of providing tourism services to Kintamani area.**

Kintamani is a community-based tourism, this is in line with research Saftic (2011) which examines the stakeholder approach in the micro-level shift to the destination management. In this context, Kintamani communities scattered in fifteen villages with tourist activities also have a different paradigm of destination management. Interviews were conducted with representatives of the village LWG Buahon Village, LWG Trunyan, head of Batur and Mount Batur Climbing Association (P3GB), coordinator of Trunyan Village.

Tracking to the Village Buahon, fishing and climbing the mountain, farming vegetables are activity-based local community. Everything done requires interaction with the public in that location. Trunyan felt that they already contribute to the government levies 40 %, P3GB also do the same thing, another tourist attraction subject to the payment of taxes by the rules. All local communities are involved in this community-based tourism activity was not getting compensated for any fees paid. Government assistance only modest public toilets; public inland Trunyan still need donations directly from guests for grave care, P3GB tools and equipment for climbing are minimal and limited. As a result of the levy to the government that is big enough, P3GB just hire a guide for minimal salary, with the heavy responsibility. This is what triggered the bullying to tourists after they were on the trip.

Likewise, the opening of the haul road excavation C which is not stopped, impede the distribution channels of agricultural and fisheries communities. As a stakeholder society feels aggrieved by destination management system like this. The public perceives that the government is determinant in the management of this area. It is known for his character

Kintamani community is strict, but if they understand the good benefits and profitable value derived from tourism activities certainly they can be formed into a professional society

#### **4. Viewpoint ASITA and HPI in Kintamani area management**

Secondary stakeholders, ASITA and HPI contribute different views of management Kintamani area. ASITA see that the government's role is crucial in the management of this area. When the government adopted a policy that is detrimental to the interests of business travelers, such as an expensive tariff, aggressive people's behavior, dangerous and difficult of access, then ASITA easily remove travel packages to another safety area. Losses will be felt directly by employers and community stakeholders in tourism and overall brand image Kintamani will get down. Similarly, the HPI, as an individual, the guides who take tourists to Kintamani usually gets special treatment from the owner of the restaurant in the form of fees, commissions and even a regular monthly salary. It is not recognized by the endeavor restaurant that agreement excessive fees and commissions that make the price of food in the region is not logical (up to tenfold).

The condition becomes more complicated because of inadequate skill employees, makes the food was served not following the standards of service quality and standards of good hygiene. So there was a complaint that is very complicated and gives impact to the image of Kintamani. As secondary stakeholders ASITA and HPI do not feel the need to take full responsibility on the complaint, if both parties are harmed, they will stop selling tour packages to Kintamani. So the direct impact of the decision and HPI ASITA will be felt by the local community and local tourism entrepreneurs.

#### **Role of Stakeholders in Management of Lake Batur Kintamani .**

Based on interviews with key informants and focus group discussions in the forum which has been done in the Floating Resto Kedisan Kintamani, then there are some findings that led to the dominant role of stakeholders in the management of Kintamani area. Stakeholders who attended as a representative government informant is Bangli regency, GM Lake View Hotel, GM Toya Devasya Hotel, Manager Toya Bungkah Spring Water, ASITA, HPI, GM Floating Resto Kedisan, LWG representative Buah



Village, Coordinator Guide Tracking Kintamani and coordinator Grave Trunyan. Consolidation is done against all these informants indicating that the role of stakeholders are as follows:

**1. The Stakeholder Implement Management Function Kintamani Area.**

Saftic et al. (2011) has conducted an assessment of the role of stakeholders. Saftic et al. (2011) found that there was a shift in the stakeholder approach to the management of micro-level destination. A Destination Management Organization (DMO) perform management functions destination and acts as a firm or company. In the management of destination the stakeholders have not been able to carry out Kintamani management functions holistically. The shift from a micro-management which becomes more comprehensive management functions within the scope and wider integration could not be executed properly. The Managerial functions of planning, organizing, application and monitoring should be done by each stakeholder and all personnel in the management of the company, actually could not be done. Limitations of this management role make the problems that occurred in the area of Kintamani can not be resolved successfully.

**2. Research Caffyn (2003) found the necessary interaction among fellow stakeholders.**

Interaction with different stakeholders can contribute to better understanding the needs of the community (Caffyn, 2003). Conditions that occur in Kintamani area is different. There is a conflict of interest among the private, public employers and government. Government expand the museum take land traders (although compensated but not appropriate), entrepreneur excavation C operate the machine and open lines of transportation of sand for twenty-four hours. It is very disturbing to the traveler cars which use the same track. Boosts tariff according to the government deserving to pursue the district levy, was very burdensome to travel agents and travelers. Many programs of lunch and dinner were canceled unilaterally by the agent. Bad interaction between the members of these stakeholders caused a negative impact on the image, service and tourist traffic.

### 3. Efforts to reduce the level of risk

In an effort to reduce the risk as minimal as possible, Pomeroy and Katon (2000) describes the model of joint management or co-management or partnership which is very important. This is necessary in order to divide the authority and responsibility of the government, local communities, stakeholders, private (NGO) and academics. The idea for a joint management or partnership is relevant. Limitations of media campaigns, resources which should make all stakeholders within each partner can be more practical and profitable. With this partnership cooperation model, it can reduce the risk of loss and reinforcing the credibility of each stakeholder

### CONCLUSIONS AND RECOMMENDATIONS

Based on the results of the research, we can conclude a few things as follows :

1. Differences of paradigm of stakeholders regarding the problems that occur in a tourist destination Kintamani cause differences of strategy in solving related problems.
2. Differences of paradigm in its role as a stakeholder and society contributed to the cause of protracted gap amongst stakeholders .
3. All stakeholders consisting of government, communities, businesses associations and other tourism players have to play a role in a balanced way in the management of tourist destination.
4. It takes synergy, coordination and collaboration among stakeholders in order to carry out managerial functions properly and professionally.

Based on the conclusion, there are some important suggestions should be considered by all stakeholders including:

1. In Kintamani destination there is no tourism board, so government forces still dominate the management of the tourist attraction. In order to run the management destination smoothly, the government should focus and protect the society in providing services so complaint can be minimized and keep the good image of Kintamani.

2. Local community of Kintamani characters tend to have a hard and aggressive, so it should be trained in attitude and behavior so as not impact to tourist and tourism environment.
3. Cooperation and collaboration all stakeholders with local communities who are not getting the benefits of tourism should be explored more intensively so that excellent service mindset can cover all aspects and be carried out by the whole community .

## References

1. Agustini. Karta Ni LuhPutu, I Ketut Putra Suarthana. 2013. How Does Destination Management Inreacas Local People Participation in Kintamani. Proceeding AITTEI Conference, Malaysia.
2. \_\_\_\_\_ 2014.Destinations image Moderating Effect Words of Mouth On The Level Visits Travelers to Kintamani, Bali.Proceeding National Seminar on Tourism and Dissemination of Research Results , STIPAR Triatma Jaya, September 2014 , ISBN 978-602-71208-0-8
3. Ariana, I Nyoman (2009).Social Pathology in Tourism : Informal Sector Operators and Tourism Image Kintamani , Journal of Tourism Analysis I Volume 9 No. 1 , University of Udayana.
4. Bangli Regency Cultural and Tourism Office , Department of Culture and Tourism, 2012.
5. Central Bureau of Statistics .2012.Bali dalamAngka, 2012 (bps.go.id, 2012).
6. Caffyn, A., Jobbins, G., (2003): Governance Capacity and Stakeholder Interactions in the Development an Management of Coastal Tourism, Journal of Sustainable Tourism, Vol. 11, No. 2&3, 224-245.
7. Kathiresan, K, 2010, People Partisipation, Centre of Advanced Study in Marine Biology Annamalai University,
8. Krause, Gregor. 1912. Book Launching Hundred Years Later and Tourism Revitalization Bangli . Department of Culture and Tourism Bangli and STP Nusa DuaBali . 27 September 2012
9. Magaš, D. (2008): Destinacijskimenadžment- modeli i tehnike, Fakultetzaturisticki i hotelskimenadžment u Opatiji, Opatija.\*
10. Merta, I Wayan.2012 Evaluation of Cluster DMO Bali . Department of Tourism and Culture Bangli .



11. \_\_\_\_\_. 2012. Evaluation DMO Activity Cluster Bali. Kick of DMO Stakeholder Meeting.
12. Partridge, Katharine. Jackson, Charles. Wheeler, David. Zohar Asaf. 2005. The Guide to Practitioners' Perspectives on Stakeholder Engagement, By Stakeholder Research Associates Canada Inc. 355 Division Street Cobourg Ontario Canada K9A 3R5 ISBN 0-9738383-0-2I.
13. Pomeroy, R.S. and Katon, B.M. (2000). Mangrove rehabilitation and coastal resource management project (MRCRMP) of Mabini-Candijay, Bohol, Philippines: Cogtong Bay. In: Proceedings of Asia-Pacific Cooperation on Research for conservation of mangroves, Okinawa, Japan, pp. 265-278.
14. Saftic, Darko. Tezak, Ana dan Luk Ninoslav. 2011. Stakeholder approach in tourism management: implication in Croatian tourism, 30th International Conference on Organizational Science Development, Portorož, Slovenia, Institute of Agriculture and Tourism, Croatia
15. Tkaczynski, A., Rundle-Thiele, S. R., Beaumont, N., (2009): Insights Into How Regional Tourism Operators View Their Market, International Journal of Organizational Behavior, Vol. 13, No. 1, 16-27