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Balancing legitimacy and effectiveness in public-private collaboration in the tourism sector: The case of Spain

María José Zapata Campos
Gothenburg Research Institute & Centre for Tourism
University of Gothenburg
mjzapata@gri.gu.se



Public-private collaboration in the tourism sector

1. What is public-private partnership (PPP)?
2. Why are PPP still in fashion?
3. Why is collaboration and PPP important?
4. Challenges to public-private collaboration and PPP
5. Tourism public-private partnerships in Spain
6. Implications for promoting PPP in interregional cooperation in Barents region



1. What is a public-private partnership?

“I have said this thousands of times: together we have a difficult future, but disunited there is no future.”

Tourist entrepreneur, Pyrenees partnership.



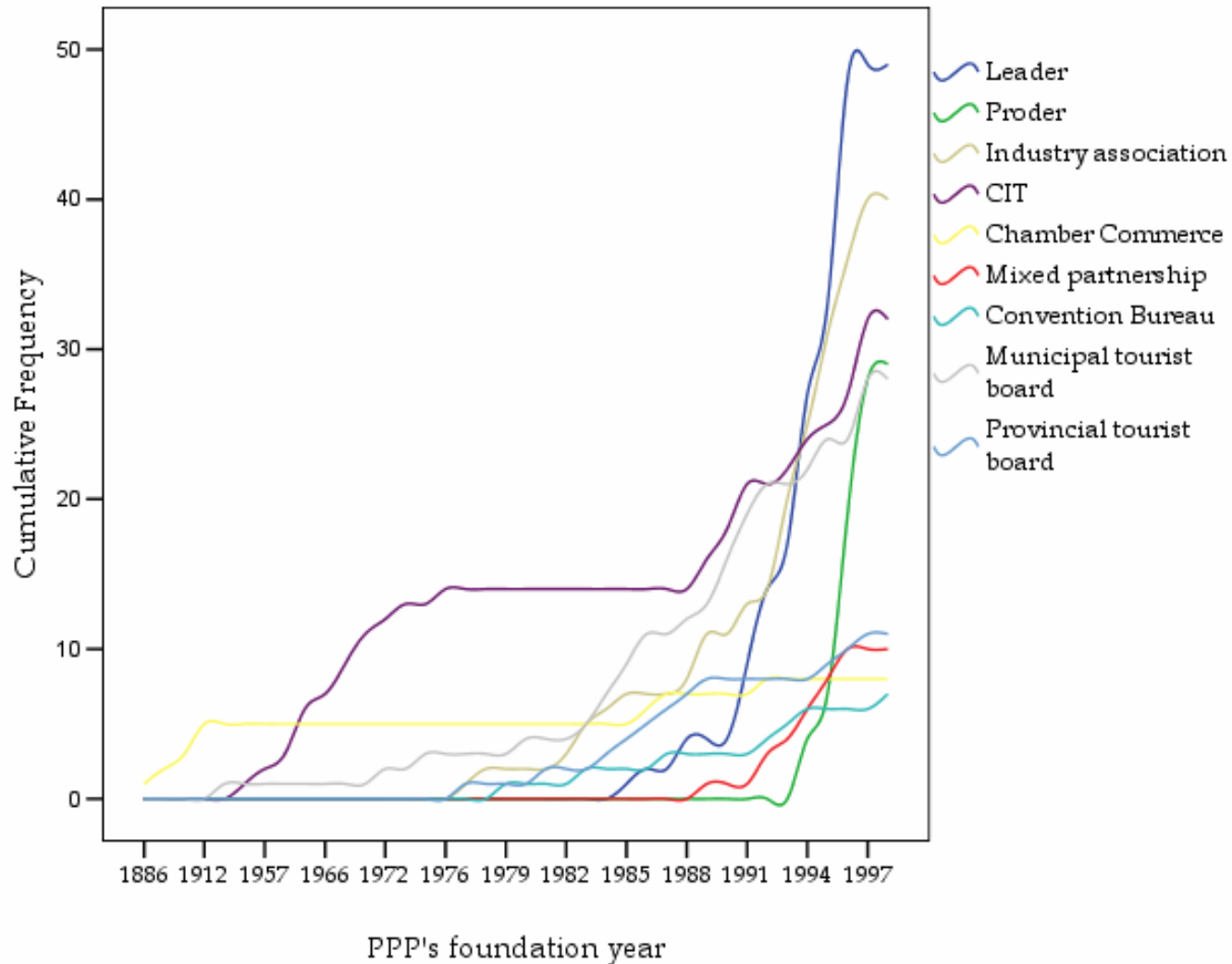
1. What is public-private partnership?

Tourism partnerships have been defined as “the collaborative efforts of autonomous stakeholders from organizations in two or more sectors with interests in tourism development who engage in an interactive process using shared rules, norms and structures at an agreed organizational level and over a defined geographical area to act or decide on issues related to tourism development”

Long (1997, p.239)



Life-cycle of local tourism partnerships in Spain





2. Why are public-private partnerships still in fashion?

- The public sector's pursuit for effectiveness: marketization, outsourcing, decentralization
- Public budget cuts, financial crisis
- The redefinition of the public sector towards relational, multi-level and network governance models, Europeanisation
 - In EU: increased border permeability and new politic-administrative instruments providing financial backing to cross-border partnerships
- Heterogeneity and fragmentation of the tourism sector
- Collaboration and the search for legitimacy. Myths, imitation and isomorphism
- The organizational response in highly structure and mature tourism networks
- Projectification of policy making





The manager of the Mieres Mountains Tourism Partnership explained that “the tourism plan and the new partnership will be similar to those that have been implemented in Gijón, Oviedo and Cudillero. The work we have to do is very similar to the one undertaken successfully by the Tourism Plan for the Mining Region”

Mieres municipality



3. Why is collaboration / PPP important?

- Interdependency of the tourist sector, and potential conflicts of interests raise the issue of coordination
- More efficient policy formulation and tourism planning
- Reduces implementation gap in plans and policies
- Outcome-oriented partnerships can also: attract visitors, improve market access, increase entrepreneurial activity, develop quality products, develop infrastructures...
- Lead to increasing pooling of resources by the stakeholders
- PPP can buffer adverse tourism impacts and contribute to more sustainable development, strengthening local and regional identity, and more democratic governance
- PPP can be trust-building mechanisms in tourism destinations: enhance learning and exchange, strengthening local skills, knowledge and information, hope for better future

- Access to collaboration and PPP, who participates?
- Internal tensions, contradictions and ambiguity
- Who decides? Power struggles for decision-making
- PPP trapped in one-way communication and other operational failures: are partnerships inefficient or simply window-dressing rituals to secure social legitimacy?
- PPP and the loss of power
- The loss of trust in participatory processes

[illegible]



Personal Characteristics

- ♦ Absence of Leadership.
- ♦ Lack of confidence in some of the spokespeople's representativeness by some partners.
- ♦ Low initiative of the members (bureaucrats, managers and businessmen).
- ♦ Existence of a reduced group of stakeholders with higher initiative, old members of the previous Local Tourism Partnership.
- ♦ Lack of the 'right person'
- ♦ Distrust the fair representativeness of the organisations within sectoral associations.

Organisational Characteristics

- ♦ Support to the representatives by their organisation.
- ♦ Fragmented and diverse nature of the organisations.
- ♦ Level of performance: local, regional, national...
- ♦ Similar domains + productive activities= competitive attitudes.
- ♦ Similar domains + supportive activities= lack of coordination or cooperation.
- ♦ Gaps in the local tourism domain→Public-private conflict→provision of 'public goods'.
- ♦ Identification of core, intermediate and peripheral tourist groups. Potential interorganisational conflicts.
- ♦ Reduced group of core tourist organisations. Disconnected intermediate and peripheral groups: diffused tourism domain.
- ♦ Weakness of the tourist industry.

Interpersonal Characteristics

- ♦ Positive relationships between the members.
- ♦ Low frequency of IOR contacts, and attendance to the meetings by some of the members.
- ♦ Weak identity of a work-team.
- ♦ Mutual adjustment of interests: possibility to achieve consensus.
- ♦ Existence of a sub-group of organisations with a higher level of communication and spirit to work in team.
- ♦ Awareness of the existence common goals.
- ♦ Awareness of the possibility to achieve mutual benefits.
- ♦ Lack of confidence in politicians and their willingness to implement policies.
- ♦ Lack of confidence, on behalf of the local government, in businessmen and the lack of objectivity of their proposals.

Operational Characteristics

- ♦ Identification of stakeholders: complete but absence of non productive groups.
- ♦ Non-existence of incentives.
- ♦ Non-existence of an strategic plan.
- ♦ Unequal interest in the agenda between the members:
 - ♦ important issues out of the agenda
 - ♦ heterogeneity of the participants
- ♦ Inappropriate meetings environment.
- ♦ Consensus about the convenience of the advisory function of the Partnership.
- ♦ Deficient implementation of the advisory function.
- ♦ Low frequency of the meetings.
- ♦ Deficient organisation of the meetings.
- ♦ Insufficient provision of information in the meetings.
- ♦ Need for specialized work-groups.
- ♦ Unqualified convener.
- ♦ Lack of professional staff, expert in tourism.
- ♦ Lack of enough resources to operate successfully.

Figure 4.2. Public, quasi-public, quasi-private and private tourism partnerships according to the level of public intervention in the funding and membership.

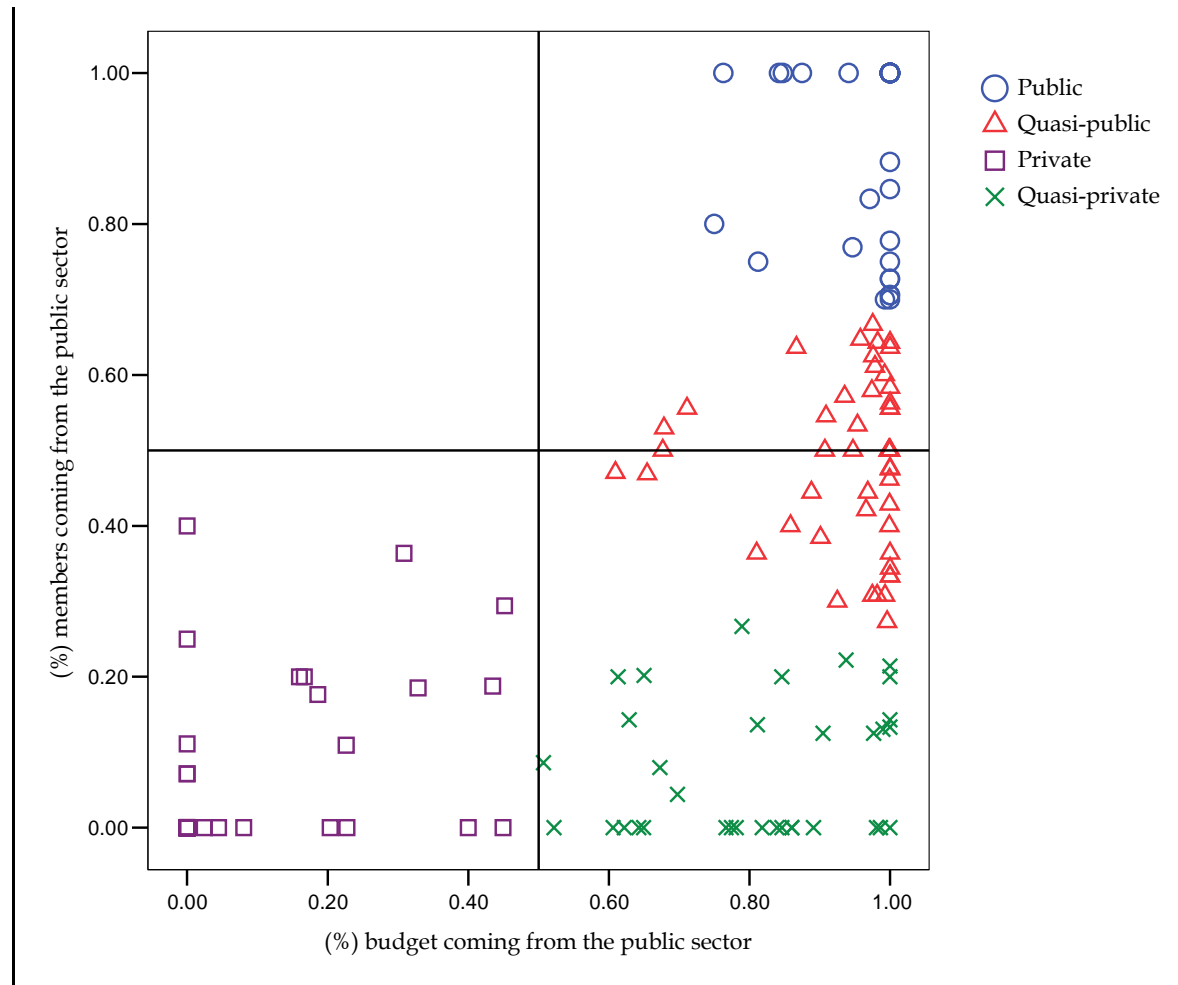
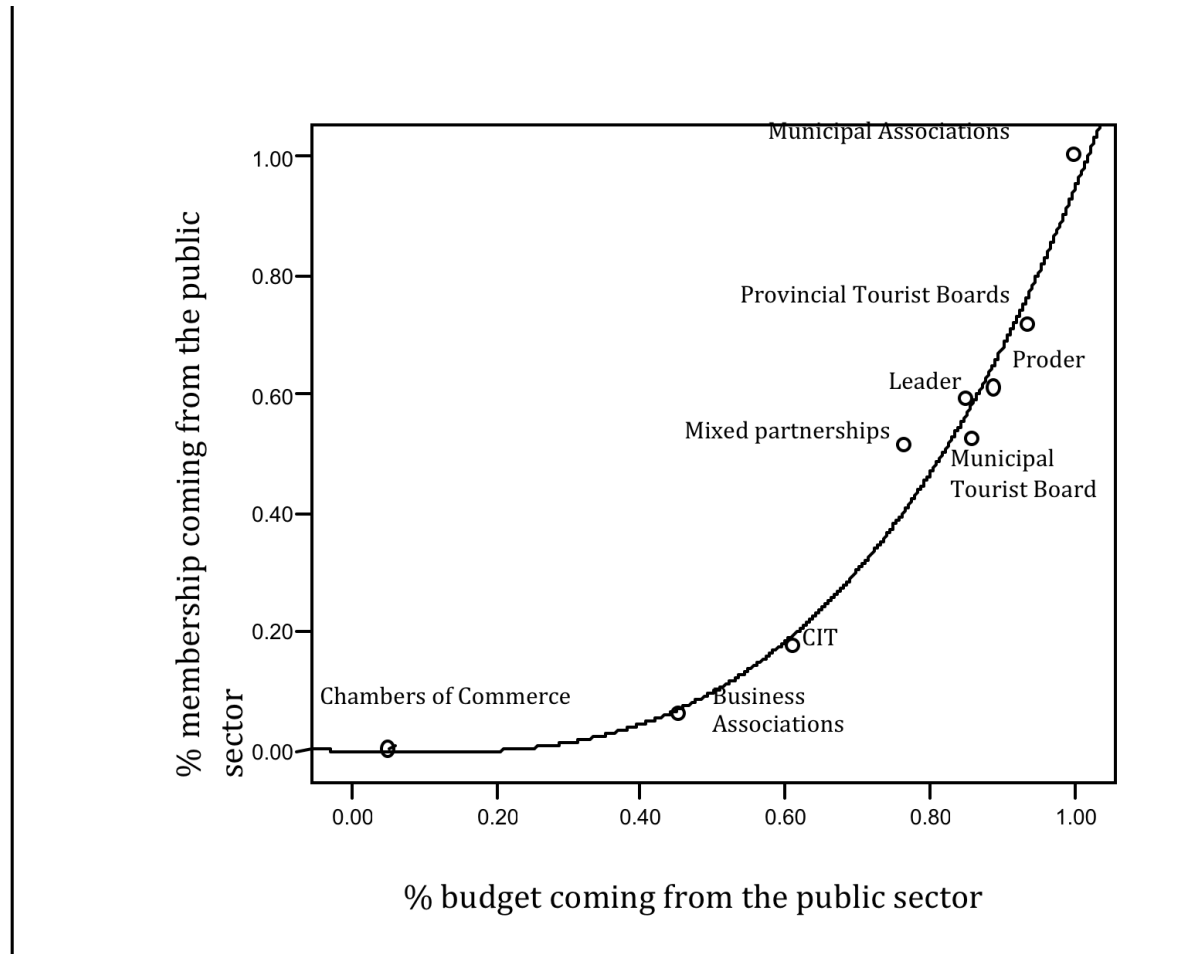


Figure 4.3. Representation of the local tourism partnerships in a public-private continuum according to the variables: public membership and public budget (averages by types of organisation)





Implications for promoting PPP in interregional cooperation in Barents region

- Multi-level governance/partnerships are often dominated by governmental actors. How to encourage private participation in the participation and funding of the PPP?
- How to create management boards and decision-making procedures where all actors are represented?
 - How will public and private organizations participate both in funding and in decision making?
 - How will different sectors (hotels, restaurants, travel agencies...) and geographical areas (municipalities, countries) will be represented?
 - Criteria for vote share: per inhabitant, per associated members, per financial contribution?
- Interorganizational collaboration between tourism partnerships, partnerships federations to carry out some activities as promotion, procurements
- Organizational survival and PPP's practices and impacts: how to broaden the agenda and regain resources and social legitimacy. Eg. bring "institutional arrangements" to the partnership: regional and national governments, EU and other potential funding sources



Implications for promoting PPP in interregional cooperation in Barents region

- How to balance legitimacy and effectiveness, comprehensibility and innovation? Partnerships can be as different (or innovative) as legitimately possible.
- Intermediaries in tourism partnerships: how intermediaries perform their translations and what contradictions they face
- Tourism partnerships are the result of high cohesion in tourism networks leading to increasing inter-organizational exchanges via, e.g. partnerships. How mature is/are the tourism networks in the region? Collaboration is an evolutionary process.
- PPP as part of destination governance structures and networks: Scandinavian interactive governance models
- Formal and informal networks: where is cross-border collaboration occurring and how to enhance those networks



Implications for promoting PPP in interregional cooperation in Barents region: challenges for cross-border partnerships

- Obvious challenges: geographical distance, languages
- Cross-border cooperation can remain more superficial than cooperation and partnership within a country because it occurs mostly between key organizers.
- Who governs cross-border cooperation projects /partnerships? Active participation of key organizers
- Cross border partnerships and collaboration is even more fragmented and diverse than ordinary partnerships with the consequent risks for ambiguity, tensions and other contradictions.
- Similar attractions available in different regions/countries can create competition in detriment of collaboration
- Actors from different nationalities participate in different degrees due to different national institutional contexts.