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### **ABSTRACT**

*This research tests Beaumont and Dredge's tourism application of governance structure theory using recent tourism planning efforts in the community of Sitka, Alaska. In less than two years, the community of Sitka undertook two separate tourism-planning processes in response to a major tourism event (need for cruise dock to accommodate large cruise ships). The first plan followed a participant-led governance structure, the second plan a council-led governance structure. The participant-led governance structure produced a plan through a collaborative process that empowered citizen participants and sought to limit growth, while the council-led structure produced a more pro-growth plan and downplayed citizen concern for maintaining quality of life. Through this research, tourism governance structures are critically analyzed with a clearer understanding of advantages and disadvantages of planning processes under differing governance structures.*

**Keywords:** Tourism planning, structures of governance, cruise tourism

### **INTRODUCTION**

Local systems of governance play a significant role in how communities plan for and develop tourism products and services (Reed, 1997). For the purpose of this research, local governance refers to any form of organizational relationship rather than only formal politically defined governmental entities (Edwards, 2002). Research has shown destinations or communities with tourism activities often employ one of three common structures of governance for their tourism industry and development; they are a council-led community network structure, a participant-led community network structure, and finally, a local tourism organization (LTO)-led community network structure (Beaumont & Dredge, 2010). Each governance structure has strengths and weaknesses, puts the power of governance in different hands, and influences what ideas and initiatives are ultimately implemented (Beaumont & Dredge, 2010). This research examines the case of Sitka, Alaska, where the community experienced multiple governance structures during a recent tourism planning process. Sitka is an island community in Southeast Alaska that had 9,000 residents at the time of this research, making it the fourth largest city in

Alaska (Mazza & Kruger, 2005) (currently about 8,500 residents and the fifth largest city in Alaska). The cruise industry is an important part of the economy in Sitka, and at the time of research the community accommodated 250,000 cruise passengers every year.(currently about 100,000 passengers per year) A study of Sitka allows for additional empirical testing of Beaumont & Dredge's (2010) governance structures and provides critical analysis of collaborative planning, an emerging framework and practice in resource-based geographies, particularly where the USDA Forest Service is working with communities to transition economies and enhance social structures.

## **LITERATURE REVIEW**

In many communities, the tourism industry is relied upon for economic growth when other natural resource based industries such as logging, mining, or fishing are in a state of decline. Tourism development has often been viewed as an imposed action, done with little input from the majority of community residents or non-tourism sectors (Sautter & Leisen, 1999). There is a substantial body of literature that posits tourism planning and development that utilizes community input can be beneficial to all stakeholders (Nunkoo & Ramkissoon, 2011).

Government agencies often view tourism development as a cure-all, especially in rural areas where natural resources based industries have dwindled and the development of other industries may not be feasible (Briedenhann & Wickens, 2004). Despite the fact that many tourism agencies are pro-tourism or growth oriented, they often have no tourism guiding policies or documents and haven't thought about or discussed how much tourism volume is too much from a social or ecological perspective (Devine & Devine, 2011). In such cases governments are sometimes viewed as part of a growth machine political system.

The concept of a community as a growth machine has been studied for more than 30 years. The basic principle of the growth machine is that the natural state of any locality is economic growth (Molotch, 1976). The elite members of a community (i.e., business owners, politically connected individuals, or members of government) have a vested interest in growth at the community level. In the case of the tourism industry, development for growth may provide financial (and other) benefit for a select group of individuals or organizations within a community (Lee & Chang, 2008).

Impacts of tourism development are not limited to the realm of economics; economic impacts are often accompanied by social and environmental impacts that may not be positive. In these cases, citizens sometimes wish to control growth and development to prevent a decline in their quality of life. One step toward controlling growth is through a tourism plan, which outlines how a community will proceed with tourism development into the future. Tourism planning can be done in a variety of ways, often depending upon what structure of governance is in place during planning. Through planning processes, relationships between citizens, government, and other organizations become evident and are tested.

Relationships between government and the tourism industry can take many forms. For the purpose of this research, we focus on testing and expanding upon two of three governance structures (council-led and participant-led) through which this relationship is built and

maintained. Beaumont and Dredge (2010) summarized three structures of network governance posited by Provan and Kenis (2008):

“1. Council-led networks, which are networks wherein a lead organisation takes a central coordinating role, facilitating and enabling collaboration, often contributing in-kind support and leadership. Power is generally centralised and communication and decision-making may be top-down. A network that is established and led by council is an example of this lead organisation governance arrangement.

2. Participant-led networks, which are networks wherein members themselves collaborate to achieve goals that would otherwise be outside the reach of individual stakeholders. Participant-governed network relations are generally decentralised, less formal and dependent upon the social and human capital that exists in its members. A grassroots community network is an example of this governance arrangement.

3. Network administrative organisations are the networks wherein a separate administrative entity is established specifically to undertake governance activities. This administrative unit, such as an LTO, operates as a central node for communication, coordination and decision-making.” (p.11)

In their study of tourism network governance in Australia, Beaumont and Dredge (2010) found that the type of network governance had considerable influence upon the power structure of relationships between government, businesses, citizens, and LTOs. The council-led network structure was seen to focus on economic and marketing interests, while largely ignoring environmental and social issues. The participant-led network generally focused on environmental and social issues of tourism development and produced a tourism action plan for the community. Finally, the LTO-led network held a particular focus on members of the LTO. Our research utilizes a deductive approach, examining systems of governance in Sitka as defined by Beaumont and Dredge (2010).

Advantages to citizen participation, or participant-led networks, in decision making at the community level are numerous. Irvin and Stansbury (2004) compiled a list of advantages of citizen participation in government decision making to both citizens and government (Table 1).

**Table 1 - Advantages to Citizen Participation in Government Decision Making (Irvin and Stansbury, 2004)**

	<b>Advantages to Citizens</b>	<b>Advantages to Government</b>
<b>Decision Process</b>	Bi-Directional Education Persuade and enlighten government Gain skills for activist citizenship	Bi-Directional Education Persuade citizens; build trust and allay anxiety or hostility Build strategic alliances Gain legitimacy of decisions
<b>Outcomes</b>	Break gridlock; achieve outcomes Gain control over policy processes Better policy and implementation decisions	Break gridlock; achieve outcomes Avoid litigation costs Better policy and implementation decisions

There are also numerous disadvantages to citizen participation in government decision making (Irvin & Stansbury, 2004) (Table 2).

**Table 2 - Disadvantages to Citizen Participation in Government Decision Making (Irvin and Stansbury, 2004)**

	<b>Disadvantages to Citizens</b>	<b>Disadvantages to Government</b>
<b>Decision Process</b>	Time consuming Pointless if decision is ignored	Time consuming Costly May backfire, creating more hostility toward government
<b>Outcomes</b>	Worse policy decision if heavily influenced by opposing interest groups	Loss of decision-making control Possibility of bad decision that is politically impossible to ignore Less budget for implementation of actual projects

Citizen participation in government decision making often imparts perceived control to those citizens involved in the decision making process (Zimmerman & Rappaport, 1988). When citizens participate in decision making, their increased perceived control can lead to a sense of empowerment (Zimmerman & Rappaport, 1988). A sense of empowerment, however, should not be confused with actual power. There are two types of power (Riger, 1993), *power over*, which is explicit or implicit dominance, and *power to*, which provides the opportunity to act more freely. When sense of empowerment is discussed it often refers to power to, which may or may not result in actual changes.

### **CASE STUDY METHODS**

Social scientists from the USDA Forest Service selected Sitka, AK as a case study for examining tourism and recreation planning and development. Sitka has several organizations involved in tourism planning and development. First, the Sitka Assembly is the main governing body of the community. According to their web page, “The City and Borough of Sitka has an Assembly-Municipal Administrator form of government in which the elected Mayor and Assembly members establish policy. Those policies are then implemented by the Municipal Administrator who is appointed by, and reports to, the Assembly (“City and Borough of Alaska,” 2012). Next, the long-range planning and economic development commission was created to tackle community issues including affordable housing and tourism planning. Finally, the Sitka Convention and Visitors Bureau is tasked with marketing and promotion of the community and member organizations. There are several other organizations and groups with an interest in tourism planning and development in Sitka including the USDA Forest Service, Alaska Natives (Shee Atika, Inc., the native corporation), Sitka Conservation Society, the National Park Service, commercial fisherman, charter fisherman, the Sitka City and Borough Department of Parks and Recreation, Alaska State Parks, tourism businesses, and the recently created Tourism Commission (started in November, 2010).

While a sizeable number of cruise passengers visit Sitka every year, the community lacks a deep water pier for cruise ship docking. As a result, cruise passengers must be lightered to and

from ships at anchor in the deep-water harbor. Construction of a multipurpose pier was proposed to the governing body of Sitka in 2005. The proposed pier was put to a community wide vote and failed to pass, resulting in support for a tourism plan to guide future tourism development. Two separate planning processes were undertaken over the following two years, one that was citizen based and initiated by the long range planning and economic development commission, the other consultant based and mandated by the Sitka mayor and Assembly. The first planning process was a collaborative effort led by community participants, based on a collaborative model developed by Chrislip and Larson (1994). This collaborative model focuses on bringing together a diverse group of community stakeholders to affect real, measurable change in communities (Chrislip & Larson, 1994). After a nearly one-year period of collaborative planning, the citizen led effort resulted in a nearly 100 page community tourism plan. The Sitka City and Borough Assembly did not adopt the resulting plan (Version1), as several important parties (including many tourism business owners and the local Alaska Native tribe) had withdrawn from the lengthy planning process or decided not to participate entirely. Shortly thereafter, the mayor and Assembly mandated that a second tourism planning process be undertaken with the inclusion of several groups and individuals to represent the community and tourism interests. An outside consultant was hired and the first tourism plan was used as a framework for the new plan. After a shorter, three-month planning period, the Sitka Assembly adopted the second plan (Version2).

In Spring and Summer 2010, researchers conducted 22 in-depth qualitative interviews with resident stakeholders (including members of the Sitka Assembly, Sitka CVB, and long range planning and economic development commission) from the Sitka community who were involved in either one or both of the planning processes (Patton, 2002). Interview protocol allowed for inquiry to test the existence of growth machine politics, governance structure, citizen participation in government decision-making, and empowerment. Interviewees were asked to describe their involvement in tourism planning and describe beliefs and attitudes about the tourism planning processes. Interviews were transcribed by at least two researchers present during the sessions and often tape recorded for greater detailing of notes. In addition to interviews, meeting minutes from the Sitka Assembly, the CVB, the long range planning and economic development commission, and the citizen stakeholder group in charge of the collaborative planning process (Version1) were analyzed to better understand their involvement in the planning processes. Finally, a content analysis of both tourism plans (participant-led Version1 and council-led Version2) was conducted to determine similarities and differences.

## **RESULTS AND APPLICATION OF THEORY**

In Sitka, each of the two planning processes offers an example of a different structure of governance. The first planning process demonstrates a participant-led structure, while the second planning process exemplifies the council-led structure. The participant-led structure produced a report (Version1) that focused on the concerns of many stakeholder groups, and particularly focused on maintaining quality of life within Sitka and expressing concerns over the conservation of natural resources. The council-led structure produced a tourism plan (Version2) that focused on economic concerns voiced by many local businesses. These results support the findings of Beaumont & Dredge (2010).

The Version1 plan was based on the overarching principle that no community remains special by accident. This plan sought to maintain the unique character of the community by

remaining a high value, moderate volume tourism destination. The plan focused on keeping businesses in the community locally owned and operated, and wanted to integrate the tourism industry into a diverse and healthy economy. The plan also states that benefits of the tourism industry should be distributed to residents of Sitka, and decisions about tourism in the community should be based upon factual information and transparent.

The collaborative nature of the Version1 plan created through a participant-led structure of governance allowed for many of the benefits, such as bi-directional education, discussed by Irvin and Stansbury (2004) to be imparted to both citizens and government. One interviewee expressed an increased understanding of the policy process and opposing opinions:

“The collaborative process, for people that stuck it out – and had different opinions – they had a better understanding of each other’s perspective.”

Those involved in the process felt a sense of empowerment (*power to*) by being involved in the decision making process. However, the process consumed more than one year, and the resulting plan was not adopted by the Assembly of Sitka – two disadvantages discussed by Irvin and Stansbury (2004). Inclusion of various stakeholder groups in the collaborative Version1 planning process prevented growth machine politics from influencing planning decisions. In fact, at the end of the lengthy process, one anti-growth interest group remained to make most decisions:

“Everyone was invited to the table during the planning process, but it narrowed down to antigrowth folks. Business owners and charter fishing operations felt alienated and left the table.”

The main goal of the Version2 plan was to maintain a healthy economy in Sitka. The Version2 plan states that characteristics of a healthy economy include durability, capacity to change as markets change, year round activity, reasonable pay, and growth (consistent with the goal to maintain quality of life). Maintaining quality of life was also included in the Version2 plan, and it highlights keeping Sitka’s sense of place intact, while keeping stores, restaurants, and other local businesses open year round. The Version2 plan states that action should be taken to help local residents and businesses become successful in their tourism enterprises, and the community should take a proactive role in managing tourism growth.

The Version2 plan created by the council-led structure of governance resulted in different outcomes for residents and government. There was a loss of confidence in the government decision-making body (Irvin & Stansbury, 2004) and a growth machine push for tourism growth in the community that many citizens disagreed with:

“A consultant was hired to “fill in the blanks” from Version1– or voids where some segments of the community were not represented. There was a “reverse alienation” of Version1 folks.”

These two structures of governance generated plans that have largely differing foci. While Version1 expresses that the most important issues in tourism development are keeping

Sitka unique, maintaining quality of life, and limiting growth, the language of the Version2 plan stresses the importance of growth while maintaining quality of life. It is clear that quality of life is a priority for Version1 but a secondary goal for Version2. Similarly, the Version2 plan stresses the importance of economic growth while maintaining quality of life, while economic growth in Version1 is a secondary concern.

## CONCLUSIONS

When there are two systems of governance that create two different plans, it is evident that, consistent with findings from Beaumont and Dredge (2010), each system of governance has advantages and disadvantages, resulting in divergent goals and objectives. However, each plan included some elements of quality of life and economic growth. This result indicates that those involved in the participant-led plan were generally aware of the concerns of those in the council-led plan and vice-versa.

Outcomes resulting from tourism planning based on different governance structures for citizens in Sitka were very different. The participant-led structure produced a collaborative plan that was empowering (*power to*) to citizens involved in the process. However, the collaborative process took almost one year, and in the end one specific interest group remained to make decisions. The council-led structure produced a plan that was based largely on the desire for growth by individuals of influence in the community.

Despite being officially sanctioned by the Sitka Assembly, the Version1 plan produced by the participant-led structure of governance was not officially adopted. Instead, the Assembly chose to adopt the Version2 plan developed by the council-led structure of governance. Individuals who were involved in both planning processes indicated in their interviews that they thought the Sitka Assembly acted in the interest of business over the interest of the individual by commissioning a second planning process using a council-led structure of governance. Communities generally only have one plan in place guiding tourism development. This research indicates that, in cases where multiple tourism plans are developed by organizations with differing structures of governance, the decision making body of the community ultimately possesses the *power over* which plan is utilized, particularly when public money, space, and institutions are involved. Sitka residents, like many communities with large scale development or large volumes of tourism, desired a platform from which to make investments according to desired levels of impacts. Empirical evidence examining the structures of governance studied by Beaumont and Dredge (2010) provides profound insight into the advantages, disadvantages, power structures, and social capital to implement future tourism development. Sitka serves as a case study for other cruise destinations.

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