

## **Destination Governance – A New Management Concept for Tourism Destinations?**

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In recent years the term “governance” turns up increasingly in contributions on destination management. Let me give you some examples.

It’s about: “A Typology of Governance in Tourism Policy” (Hall 2011), “Governance and Management of Tourism Destinations” (Baggio et al. 2010), “Corporate Governance in Destinations” (Beritelli et al. 2007), “Touristic Governance” (Fuchs 2006), “Innovative Destination Governance” (Nordin & Svensson 2007), “Tourism-related Urban Governance” (Connelly 2007), “Regional Tourism Governance” (Zahra 2011), “Local Tourism Governance” (Beaumont & Dredge 2010), “Centralized and Decentralized Tourism Governance” (Yüksel et al. 2005), “Governance of Tourism Partnerships” (Eagles 2009), “Modes of Tourism Governance” (Erkuş-Öztürk 2011), “Issues for Governance in Tourism Planning” (Moscardo 2011), “Governance Capacity in Coastal Tourism” (Caffyn & Jobbins 2003) or “Destination Competitiveness Governance” (Paskaleva et al. 2009). But within these contributions the term “governance” is used for quite different things to some extent.

And so a lot of contributions on governance point out the lack of a generally accepted definition of governance. Or, like Pierre and Peters (2000, 7) said: “The concept of governance is notorious slippery”. But nevertheless it’s an increasingly popular term. So, what’s at the bottom of the term and what is its key to success?

In general governance describes all modes of co-ordination of social interaction. That means all kinds of regulation structures between market and hierarchy as well as networks, clans and communities (Lange/Schimank 2004, 19; Mayntz 2006, 14). This is a general meaning of governance based on Williamson’s theory of transaction-cost economics and it is rather used in an analytical way. In contrast there is a more limited meaning of governance that is concerned with self-organizing networks between multiple independent actors involved in complex relations of reciprocal interdependence. These networks are based on dialogue and negotiation and there is an emphasis on participation, equal rights, empowerment and common welfare when you use the term ‘governance’ in this more restricted meaning (Jessop

2002, 1; Offe 2008, 68; Schuppert 2008, 24). For practitioners governance seems to be fashionable because it is situated that collective task fulfillment is settled more effectively (Stoker 2002, 98). In this sense governance has normative significance. Governance is seen as a “new” form of governing or steering (Rhodes 1996). “New” because changing conditions required an addition or a substitute for hierarchical methods of determining goals and means. Processes of governance include the emergence of new institutional arrangements and regulation structures, which can develop outside of existing organizations but within the framework of individual contexts and the integration of different logics of steering (Schuppert 2007, 494; Fürst 2005, 220).

But what does it mean for the management of destinations?

Destinations have a slightly difficult character. Destinations have to be understood both as objects and subjects of the tourism industry. This dichotomy affects the question if the destination management is tied to the political-administrative system or the entrepreneurial thinking of profit-oriented business units. Organizational structures of destinations can, depending on the emphasis on political/administrative compared to entrepreneurial aspects, be classified as community models or corporate models (Flagestad und Hope 2001).

Matured destinations of the European tourism market that are organized within the framework of the community model are characterized by highly complex interrelations between public, semi-public and private actors. The relations can neither be classified in terms of hierarchic domination and subordination, nor are the domains clearly defined. While the actors are legally independent, they economically depend on the creation of a complex product, which cannot simply be defined by its economic aspects, but involves an important social and symbolic level. Consequently all actors rely on a common understanding about problem definitions and objectives to put the product ‘destination’ on the market. Such processes can only be managed heterarchically. And this is where we come back to the governance approach and the problem of heterarchic steering.

There is no kind of destination where one actor is able to control and steer all other actors who “make” the destination. Destinations can’t be managed like an enterprise. The potential for development merely unfolds by the interaction of a variety of connected but also unconnected actors with ambitions just as multifaceted and intransparent (Fürst 2003, 444). But the interactions are not only strategically motivated. There is a spatial proximity but also a cultural proximity that is responsible for non-economic factors of community-building you need for

processes of governance. So, destination governance is based on a territorial governance approach (ibid., 442). For this kind of approach it is difficult to represent the variety of actors that is producing a destination. There is no homogeneous collective actor but you need a collective ability to act.

The idea of governance as double indirect goal-oriented acting (Schimank 2007, 233f.) or de-centred, context-mediated steering (Glagow/Willke 1987) – a term that is less familiar, however, at least outside the German-speaking world (Jessop 1998, 30) – results from a confession of the impossibility of direct steering. Governors try to achieve the requested status by designing the structural context of other actors, so that these actors produce it. Regarding steering contexts as governance configurations implicate the analytical perspective's decentration. There is no clear separation between the subject and the object of steering (Mayntz 2006, 11ff.). Instead of the acts of steering and interventions of steering subjects, now the focus is on structures and processes of spatial steering (ibid., 14). It's called "soft" steering because the focus is not on coercion and control but on persuasion and consensus (Göhler 2007; Pierre/Peters 2000, 105). Decision-making is based on arguing and bargaining and systems of rules that are shaped by affected actors themselves in a problem- and context-sensitive way. The consensus carried out generates that kind of self-commitment, which is constitutive for collective action.

So, what could be the definition of destination governance? The traditional question in destination management would be: "How can destination actors be governed by a DMO to produce a competitive and successful destination product?"

What is important in fact is the question: "How should governance arrangements be shaped so that processes of co-operation and interaction between all destination actors (including the DMO) can produce a competitive and successful destination product on the basis of a general consensus?"

In general processes of governance show a tendency for institutionalization because they need a minimum of reliability and transparency (Fürst 2003, 445). DMOs lend itself to serve as an organizational core, which means administrative infrastructure and so on. But governance also needs a shared understanding of problems and shared values to develop a common vision (Healey 1999, 114). The problem for destination governance in doing so is to balance different logics of actions in the destination.

While political actors look about votes and the administration has an orientation towards local decision-making and laws and so on, the private sector is geared to the market and thinks in processes of problem-solving. Organizations of civil society – for example nature conservation organizations – are affected by idealistic orientations like sustainability and their members' solidarity (Fürst 2003, 445; 2004, 48f.). But you have also to reconcile the different but parallel operating logics of competition and co-operation between actors with different frames of reference. This means that a DMO has to serve as an intermediary (Kleinfeld 2006, 406). Its position is between autonomous but also interdependent actors, sometimes characterized by obstinacy up to antagonism. This means that processes of governance are unpredictable, which is a general problem of reflexive self-organization (Jessop 2002). From a pessimistic point of view the dependence on the actors permanent performances of reflexivity is conducive to the risk of failure of governance (Haus 2007, 77). But on the other hand and from a positive point of view this is just a broadening of the destination's options for action (Healey 2002).

Clipped: Destination governance doesn't result from a focal organization known from network management, in fact it results from governance capacity. Patsy Healey (1999, 115) defined governance capacity as a "strategic relational node or arena in a locality, a point of reference for many relational webs, and a locus of the development of shared understandings among the diversity of open relations in a place", which covers all relevant actors, both private and public, and their ideas of development. So it should be obvious that destination governance attaches importance to the aspect of participation and so you can see the proximity to approaches of participative or community-driven tourism planning.

Well: What is the part of the DMO in processes of destination governance? Even destination governance requires a management, but from a different perspective. Regarding the DMO as the organizational core of governance, different management tasks accrue from this position. The Dutch governance theorist Jan Kooiman (2003) sees the practice of governance on three levels:

The first level is about „opportunity creation“. It's the so called "first-order governance" (ibid., 135-152). Actors have to participate in operative processes of problem-solving and the creation of collective performances and sometimes they have to be empowered to join these processes. The DMO has to play a facilitative role and to establish a "contact culture" (Haus & Heinelt 2004, 178). This means strengthening social communication, intensifying

interactions und encouraging trust building. This kind of generating interorganization conditions is called “indirect management” (Lax & Sebenius 1986, 314-329).

The focus of the second level is institution building as a framework for problem-solving. This is the so called “second-order governance” (Kooiman 2003, 153-169). Second-order governance is about establishing policy-instruments to connect different action arenas, for example by establishing “round tables”.

The third level focusses on the overall coherence of institutional forms and its practices of problem-solving based on shared norms and values. The so called “meta-governance” (ibid., 170-189) is the “governance of the governance” (Jessop 2002, 5). There is a strong need for a shared definition of problems like a mission statement or a destination vision. It is about shaping a normative framework in public arguing and bargaining, a way of re-articulating or collibrating governance. It can be called discursive steering and it is a central mode of meta-governance. As a meta-governor the DMO has to chair this kind of “meaning community”. Meta-governance is a central management task but it is no kind of “elite acting” (Haus 2007, 85). It is not the establishment of a central governance unit that is able to govern the totality of all interactions within the destination. Even the DMO has a relationship of interdependence with the rest of the destination actors. This means that the DMO has also to be seen as an object of meta-governance (Sørensen 2002, S. 704f.).

It is important that all three levels are based on systematic communication as a pre-condition for successful governance. Communication intensifies group-building and networking, it deepens the destination knowledge, adjusts value systems, fosters the generation of social capital, changes cost-benefit valuation and attitudes.

Well, the question is now: Is destination governance really a new management concept for tourism destinations? The German political scientist Claus Offe (2008) once called the concept of governance an “empty signifier”. This term borrowed from Laclau’s and Mouffe’s discourse analysis means that a term embraces so much meaning that in fact it means everything and nothing at the same time. But just because of missing a fixed core of meaning such an empty concept can become hegemonic and constitute an identity that pretends to solve problems. So the empty signifier organizes a discourse and this is the way it has to be understood as part of a linguistic practice that opens new options to act (Haus 2008, 98; Arndt & Richter 2009, 57). Even the successful implementation of the new label “destination governance” is a significant political process and points to learning processes in destinations.

This means that destination governance is far away from being a universal remedy. But just to think about new concepts might be helpful in a way.

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