

**Contingency Based Tourism Village Managerial: Proposed Development of
Eco-Village Tourism in Bantul Regency.**

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ABSTRACT

This research aims to review the theoretical study of contingency theory and the concept of entrepreneurship in the context of submitting research propositions about antecedent factors and the consequences of management patterns of eco-village tourism. Observations are planned to be carried out using a sample of 11 tourist villages in Bantul Regency and data collection is carried out by in-depth interview techniques with 25 research participants including community leaders, business people and government officials who manage Small and Medium Enterprises (SME). More detailed this paper explores the external and internal environmental factors that have a significant influence on the managerial pattern of eco-friendly tourism villages. Managerial pattern dimensions include the intensity of innovation, proactive behavior and business agility are also predicted to determine the success of the management of environmentally friendly tourism villages.

Keywords:

Managerial Pattern, Eco-Village Tourism, External and internal environment, The success of eco-village tourism, Bantul Regency.

ABSTRAK

Penelitian ini bertujuan untuk mengkaji studi teoritis dari teori kontingensi dan konsep kewirausahaan dalam konteks penyerahan preposisi penelitian tentang faktor anteseden dan konsekuensi dari pola pengelolaan pariwisata desa-eko. Pengamatan direncanakan akan dilakukan dengan menggunakan sampel dari 11 desa wisata di Kabupaten Bantul dan pengumpulan data dilakukan dengan teknik wawancara mendalam dengan 25 peserta penelitian termasuk tokoh masyarakat, pengusaha dan pejabat pemerintah yang mengelola Usaha Kecil dan Menengah (UKM)). Lebih rinci makalah ini mengeksplorasi faktor-faktor lingkungan eksternal dan internal yang memiliki pengaruh signifikan pada pola manajerial desa wisata ramah

lingkungan. Dimensi pola manajerial meliputi intensitas inovasi, perilaku proaktif dan kelincahan bisnis yang juga diprediksi menentukan keberhasilan pengelolaan desa wisata ramah lingkungan.

Kata kunci:

Pola Manajerial, Wisata Desa, Lingkungan eksternal dan internal, Keberhasilan pariwisata desa, Kabupaten Bantul.

A. Introduction

Indonesia's territory is dominated by rural areas, where each village has natural potential that can be developed as a village excellence and can be used as the basis for village economic growth. The concept of rural tourism in a number of developing countries has been believed to be effective in bringing changes to the village economy (Doh, Park and Kim, 2017), including in Indonesia. Referring to the source of the Indonesian Central Statistics Agency (2018), the Government of Indonesia has developed a number of 1,734 tourism villages with the most positions in Java and Bali, namely 857 new villages in Sumatra (355 villages) Nusa Tenggara (189 villages), Kalimantan (117 villages), Sulawesi (119 villages), Papua (74 villages) and Maluku (23 villages). The increase in the number of tourist villages is considered quite rapid because in 2014 there were only around 1,300 villages. The development of the tourism village is expected to be able to encourage local economic growth through strengthening the potential of natural resources, human resource management as a manager that must be equipped with creative and innovative managerial skills.

The managerial pattern is defined by Doh, *et al* (2017) as the conception of tourism village managers' perceptions of the potential of village resources that can be managed as a sustainable business activity to sustain the rural economy. Ainley, et al (2011) explained that the first step that must be taken is to foster entrepreneurial attitudes for village community groups, local government support is needed to create conditions for creating small businesses in rural areas as pillars of rural business activities. Interesting or not a village as a tourist destination in addition to depending on the uniqueness of natural resources such as the beauty of the natural panorama also requires creativity to create the characteristics of the uniqueness of the village as a tourist destination needs to be packaged as a new business model (Keen, 2004; Kousis, 1989).

The phenomenon of tourism village management classification by the Ministry of Tourism provides a very diverse picture of the initial success of tourism village management and indicators of success in rural tourism have not been described by previous studies. The

research gap is identifying appropriate managerial patterns for rural tourism development and how to manage rural tourism as a tourism business that must be managed professionally. Doh, et al (2017) noted the potential obstacles to rural tourism development namely seasonal, small business scale, lack of human resource knowledge, lack of experience and related government support is minimal. The management of rural tourism needs to be seen as a business organization that must be managed professionally and innovatively.

The issue of rural tourism has become an extraordinary phenomenon amid some changes in Indonesian tourism market interest, such as increasing public demand for short holidays, the need for tourism activities that are focused on providing experience and social changes such as anti-urbanization. And this paper aims to explore what external and internal environmental factors affect the managerial pattern of eco-friendly tourism villages in the Bantul Regency. The second objective is to explore what consequences are expected for the selection of appropriate and effective managerial patterns. The reason for research using a sample of tourist villages in Bantul Regency is that Bantul is one of the regencies in DIY Province which has developed the most tourist villages, namely 11 tourist villages. The progress of the tourism village business is regularly reviewed, and from 11 tourism villages there are 9 tourism villages which are categorized as innovative tourism villages. The nine tourism villages are Santam Tourism Village, Kreet, Wukirsari, Manding, KebonAgung, Karangtengah, Sultan Agung Footprint, Skyline and Tembi (Kedaulatan Rakyat, 2019).

B. Literature Review

1. Rural Tourism Business

Rural tourism business assumed as a rural areas can be enjoyed by tourists as a place that can built up comfortable, magnificence, simplicity, tranquility and foster a sense of traditional ownership which collectively contradict to modernization (Frochot, 2005). The rural tourism experience have to be packaged as able to give a unique impression, because the activities are different from daily tourism. So rural tourism as a form of recreation must be packaged to create a unique and memorable short vacation, for example tourists can fill they weekend vacation by farming activities, producing art products, performing dances or traditions of a village.

To encourage tourist visit in rural areas, it is necessary to understand the efforts needed to create a value and what added value that can increase the local economy (Frochot, 2005). So understanding the rural area situation is very necessary, since rural activities have to be seen as a valuable activity and as a main source of community income. For example, agrotourism villages portray farming as major activities of rural communities and creating

added value through the activity and the agricultural products need to be pursued, so it will become a unique and sustainable competitive advantage.

Differentiation activity is an act of designing a set of meaningful differences that able to distinguish from its competitors (Kotler, 1997). Kotler explained five ways to create differentiation (1) the ability to create different products, (2) the ability to create unique services; (3) the ability to create superior HR capabilities differentiation; (4) The ability to create distribution channel differentiation and (5) lastly is the ability to create an unique image through determining competitive position, the using of brand emblems and promotions or advertisements which different from competitors. According to Ireland and Hoskisson, 1996 the company ability to create uniqueness will increase their sustainable competitive advantage. An innovative managerial pattern will create the success of eco-friendly tourism villages management.

The management of rural tourism is assumed as small business management, and there is no specific formula for managing small businesses. Management of rural tourism refers to the theory of small business management that not require a long-term strategy and formal control systems (Park, Doh & Kim, 2014). Small business management tend to be more informal and the achievement of the management tend to avoid unexpected results and to increase revenue. The study of management-behavior aspects as a crucial aspect will able to explain the managing process of an informal and complex small-business (Doh, Park & Kim, 2017). This research assumes that the principles of small business management have a tendency to be lazy but want some revenue escalation applied to the tourism business (Getz and Carlson, 2005). However, business contexts differentiation will affect the evaluation results of tourism business management due to different business operational decisions (Doh, Park & Kim, 2017).

2. Contingency Theory

The basic concept of contingency theory refers to the importance of general principles of management with organizational behavior, it explain the mechanism and the relationship between small business environment and appropriate management practices. According to Donaldson (2001) environmental aspect and management behavior as key aspect that can affect organizational performance. The classical view believe that optimal use of resources will determine performance achievements, while contingency view assume that organizational effectiveness will determined as long as the capability of developing organizational structure through some contingent variables (Van de Ven, Gaoco & Hining, 2013). Van de Ven et al (2013) argues that contingency theory integrates classical view and

modern behavioral theories. Manager have to control and adjust to respond a number of organizational context variables as contingent variables since the contingency view assumes that the contingent variables moderate the effect of organizational characteristics on performance. In this research, contingency variable is determinants of business management principles which affect performance. The principle of management is how far manager's ability to develop effective business strategies and in harmony with the context of the business environment so company's competitive ability can be increased.

3. Entrepreneurship Attitudes in business management

Entrepreneurship concept interpreted as a different and new value-creating concept through time and money investment has been done. A number of researchers define that entrepreneurial orientation depends on managerial patterns influenced by the business environment (Hatten, 2015 and Timmona, 1994; Doh, Park & Kim, 2017). The classical view of assignment and managerial level will assess how far environmental changes occur and if the existing changes create opportunities for business growth, then what kind of reactions must be done and developed. While in the contingency view, managerial ability have to be able to predict what kind of changes will occur and how to prevent the changes, so the changes do not give an impact on performance degradation. Phelan and Sharply (2011) argue that the initiation of change as a key element in entrepreneurship. Managers preference prefer to take a risky action, because of the novelty of business process management such as using new methods and techniques to create new products, risks will always be inherent.

Fogel (2001) Individual characteristics that reflect the spirit of high entrepreneurship are high self-confidence, readiness for high change, a desire for great innovation, a spirit of high competition and very strong goal orientation. In this study entrepreneurial behavior is seen as a way of aligning a business into the context of the existing business environment to achieve optimal results and therefore small business managers can choose several different ways for their business operations according to the business situation and objectives. Managers need to respond to changing market conditions quickly by using lower costs than large companies. Companies must be able to understand the market well and be able to modify products quickly if needed (Dah, Park & Kim, 2017).

4. External and internal

Environment The external environment is described as external parties who are related to business success and conditions outside the company that can affect business success. External parties can be interested parties government and non-government, while conditions such as economic, political, cultural and others can also affect the success of the

business. Miner (2015) identifies factors such as economic status, organizational support and local communities as external factors for the success of business management.

In this study, we try to confirm two different external sub-factors, namely the attitude of the community over the extent of their assessment of the tourism potential and attraction of tourism objects and the sub-factors of economic conditions. Ainley et al (2011 / argued that communities as active actors need to be identified with their feelings and beliefs about the potential of their villages because this will determine their role in the development of rural tourism. Keen (2004) also emphasizes the importance of community perception because they are able to understand history of the region and understand the uniqueness of the village to be developed as a tourism business, while the economic status reflects the conditions of the market environment that will indirectly provide an overview of market potential, by Page and Getz, 1997) market conditions will affect the size and duration of company operations and market conditions will determine the level of competition.

The internal environment describes all the real and intangible resources factors of the company which will influence the managerial decision making process (Donaldson, 2001). Business age factors, business size, ownership and business forms are legal or not as well as industry factors as important factors that must be considered for better company performance. Davidson also explained that companies that are younger and smaller will experience business growth faster than companies that operate longer and larger; also, companies operating in locations with limited resources and limited markets will grow faster than those operating in better locations.

While Doh et al (2017) mentioned that the company's internal conditions and capacities such as business experience, ability to manage cooperation networks and business motivation. These internal elements will influence the business management process, so that the management of rural tourism is not just a hobby, a routine of activities but must be accompanied by a strong profit-making motive and a slightly more aggressive business management is needed. The researcher also explained that longer business management would result in accumulation of learning so as to form business experience, so when business management is managed by older managers who have pioneered old businesses will affect business sustainability even higher. Jurur's financial limitations triggering creativity and collective business management will also drive innovation processes better than family businesses that tend to avoid financial risks.

5. Managerial Pattern

Behavior Managerial reflects manager's preferences in decision making, and in this study preferences are defined as managers' tendencies for innovation, more aggressive business management or a tendency to maintain business stability and behave safely (risk elimination). The two decisions indicate two different decision-making behaviors. This is in line with the opinion of Park et al (2014) which states that the characteristics of managers who focus on innovation will require personal characteristics of managers who are proactive and more aggressive operational decisions.

Innovation is defined as an expectation to support creativity and experimentation such as the introduction of new products, the creation of newness, the development of technology and the application of new processes (Lumkin& Das, 2001, p.431). While competitive aggressiveness is defined as the tendency of companies to fight their competitors directly and intensively through the ability to create a competitive position that is superior and the success of the company compared to the industry average. Diverse manager preferences according to Doh et al (2017) are triggered because of the diversity of existing environmental conditions and environmental conditions will determine the success and failure of manager's decisions. In the context of rural tourism entrepreneurship according to Koh (2006) that the role of entrepreneurs or village tourism managers as a key element of the success of rural tourism development.

C. Development of future research models and prepositions The research

Model is designed to be multi-year with 3 research channels namely the antecedent analysis of managerial patterns; the evaluation of the tourism village management process and the final stage examines the consequences of the managerial pattern applied after receiving empowerment. Antecedent testing is intended to confirm the influence of external and internal business conditions, while the review of management processes emphasizes 3 aspects of managerial behavior namely the level of innovation, proactive behavior and competitive aggressiveness. Phase analysis of the impact or consequences of managerial patterns after mentoring on financial benefits, relational relationships and strengthening the capability of independent tourism village managers need to be done as a form of research success reports.

In the context of small businesses, especially rural tourism businesses, informal managerial patterns are strongly influenced by management's perception of different external and internal environments, this is posited to refer to the conceptual framework of contingency

approaches raised by Donaldson (2001), the research proposition related to external factors proposed by P_{1a}; 1b; 1c. As follows:

- P_{1a} : Perceptions of managers over the environment of rural communities have a significant effect on managerial patterns (classified in: *innovativeness; pro-active; aggressiveness*).
- P_{1b} : Managers 'perception of local economic status / conditions significantly influences managerial patterns (classified in: *innovativeness; pro-active; aggressiveness*)
- P_{1c} : Managers' perceptions of government support have a significant effect on managerial patterns (classified in: *innovativeness; pro-active ;aggressiveness*)

While research propositions related to the influence of internal factors on managerial patterns are expressed as propositions (P_{2a}; 2b)

- P_{2a} : The manager's perception of the ability to build a network of cooperation (*networking ability*) significantly influences the managerial pattern (classified in: *innovativeness; pro-active; aggressiveness*).
- P_{2b} : Managers' perceptions of business experience significantly influence managerial patterns (classified in: *innovativeness; pro-active; aggressiveness*)

The second stage of evaluating managerial behavior patterns is assessed by conducting direct observations and in-depth studies of the extent of operational practices of friendly tourism village management the environment is carried out, to design a number of training programs that can improve the managerial behavior of village tourism managers. The results of in-depth studies and empowerment actions are followed up with a model analysis plan for the consequences of managerial pattern practices on business performance.

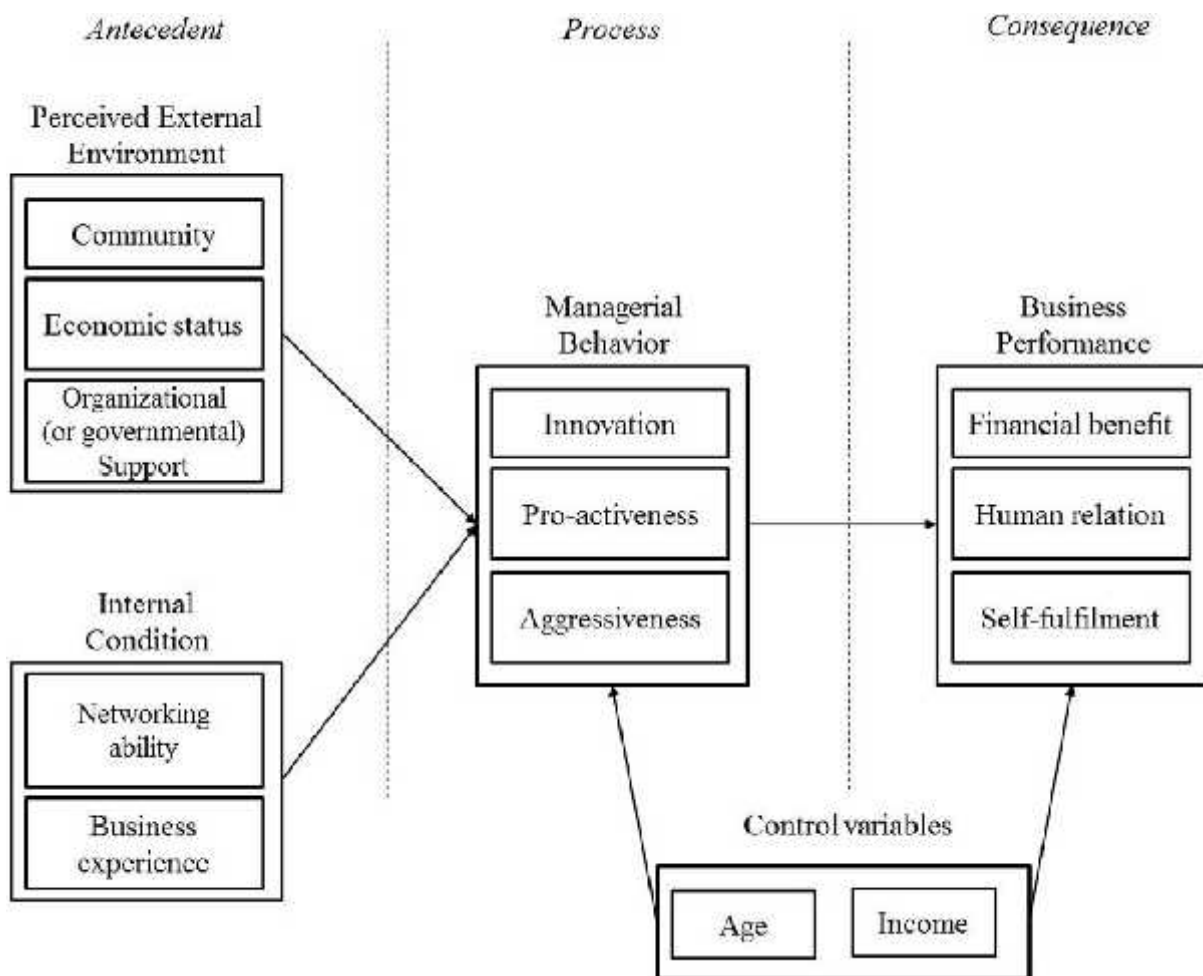
Different managerial behaviors will result in different decision consequences and long term will affect the ability to create different overall business performance. The context of rural tourism businesses is usually small, requiring considerable consideration, because changes occur so frequently and quickly that decision processes for strategic choices are also faster (Doh et al, 2017). Managerial preferences that are oriented to the rapid level of innovation require diverse new knowledge so that managers are able to grow the number of tourists visiting. Novelty also results in large investment needs and willingness to accept the consequences of risks that will arise. Success due to the effectiveness of the managerial

pattern will affect the company's performance such as financial benefits, independence and relational relationships. Then referring to the conceptual framework of contingency theory the proposition is proposed P_3 for the analysis of the consequences as follows:

- P_3 : Managerial patterns (classified in: *innovativeness; pro-active; aggressiveness*). Will have a significant positive effect on business performance (*financial benefit; self-fulfillment; human relation*).

The author has confirmed with a number of managers of the Tourism Village in Bantul Regency, as many as 25 research participants. Interviews are designed in a semi-structured format, to confirm indicator items developed from previous theory or research to be adapted to the business context especially rural tourism businesses. Illustration antedensendi models and the consequent managerial pattern for the development of eco-friendly tourist village in Bantul as presented in Figure 1 as follows:

1. Empirical proposed Model



D. Practical implications

The proposal of this research proposition need to be submitted in order to evaluate the success of the Regional Development Planning Board (Bappeda) of Bantul Regency in the implementation of the Regional Innovation System, especially how far the effectiveness of the program in supporting the succession of the Tourism Village. The orientation of innovation is intended to support the sustainability of rural tourism businesses that are environmentally friendly, it means that all the latest action taken have no impact on the nature disaster or the surrounding environment. The focus of the study was conducted in 11 tourist villages that have been set by the government. The managerial behavior of tourism village managers needs to be assessed because the characteristics of tourism development businesses generally have the characteristics of informal small businesses, so managers' perceptions of environmental factors that are assumed to be contingency variables that can influence strategic decision making patterns need to be assessed.

The second practical implication is expected that the results of the research will provide a concise description that is useful for the managerial ability and success of the tourism village business. The development of rural tourism is considered strategic in the context of strengthening the local economy, so that the extent of local community participation in participating, the extent to which the effectiveness of regulations and other external and internal factors are taken into consideration by the tourism village manager in making strategic decisions.

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