

# Tourism Stakeholders and Their Roles for Tourism Development: Evidence from Nekemte Town as a Tourist Destination in Western Oromia, Ethiopia

Lammi Dinsa Kumsa (MA)

Lecturer of Tourism and Hotel Management, Salale University

## Abstract

Tourism stakeholders play central roles in shaping destinations' development courses in any country. Despite great scholarly attention to tourism stakeholders worldwide, the Nekemte's town stakeholder context remains untouched. This study addresses this gap by examining the diverse stakeholders influencing tourism development in Nekemte. Using a pragmatic research approach, participants were purposefully selected based on their expertise and active involvement in local tourism. The research employs qualitative analysis to illuminate stakeholders' roles, revealing ambiguities in their perceived contributions to tourism development. The findings emphasize the critical need for clarifying stakeholder roles, fostering collaborative efforts, and conducting further research to unlock Nekemte's tourism potential for comprehensive development. Embracing these insights promises to unite stakeholders and position Nekemte as a leading tourist destination.

**Keywords:** Stakeholder, Tourism Development, Tourism Stakeholders; Stakeholders' Collaboration, Stakeholders' Role; Tourism Destination

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## 1. Introduction

The inherently interconnected nature of the tourism industry, compounded by the involvement of multiple stakeholders in crafting compelling tourist experiences, poses significant challenges for destinations striving to achieve and maintain competitiveness (Fathimath, 2015). The success of destination competitiveness is not the result of isolated efforts but rather the cumulative contributions of all stakeholders involved in creating the holistic tourism experience. As Azzopardi (2011) elucidates, tourism is an industry characterized by the collaboration of diverse stakeholders, including suppliers, government agencies, market intermediaries (such as travel agents and tour operators), NGOs, the general public, and tourists. A stakeholder is defined as any person, group, or organization impacted by an issue's causes or consequences (Bryson and Crosby, 1992). Freeman (1984) broadens this definition to include any group or individual that can affect or be affected by the attainment of the organization's goals. Donaldson and Preston (1995) refine this idea further, arguing that stakeholders must have a legitimate interest in the organization.

The Ethiopian Ministry of Culture and Tourism Bureau envisions Ethiopia as one of Africa's top five tourist destinations by 2020 (MoCT, 2015). However, the disintegration of stakeholders remains a major hurdle, as highlighted by numerous scholars, and persists as an unresolved issue. Efforts at both federal and regional levels have been made to identify stakeholders and their respective roles. Despite these efforts, a clear identification of stakeholders and their roles in Nekemte Town is lacking. Previous studies, including those by Mulugeta (2017, 2012), Tesfaye and Taye (2017), Gebrekiros (2016), and Sintayehu (2014), have examined stakeholders in tourism development. Tesfaye and Taye (2017) identified stakeholders in the Ethiopia's Central Rift Valley, highlighting best practices and operational challenges. Sintayehu (2014) identified stakeholders and their

responsibilities in the Bale Zone. Gebrekiros (2016) assessed stakeholder involvement and coordination in cultural heritage management, focusing primarily on cultural heritage rather than comprehensive tourism development.

This paper aims to comprehensively identify key stakeholders in tourism development and address major concerns in Nekemte Administrative Town. It evaluates the roles and responsibilities of these stakeholders, identifies those involved in tourism development, and assesses their awareness and contributions to the sector.

## 2. Literature Review

The systematized approach and more concern for stakeholder issues is traced back to the work of Freeman (1984) and since 1984 academic interest in a stakeholder approach has grown and broadened. In his seminal work, Freeman (1984) stated the stakeholder as any individual or group capable of influencing or being influenced by the firm's performance in achieving organizational success.

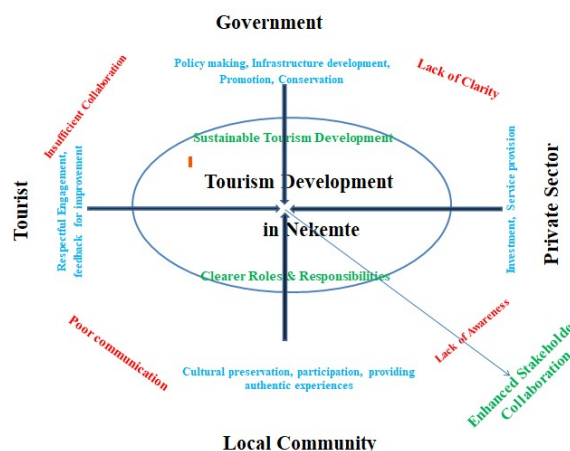
Tourism stakeholders encompass individuals or groups who are actively engaged in, have an interested in, or impacted by tourism (Aas, Ladkin, and Fletcher, 2005). According to these authors, this group comprises public authorities, tourism professionals, tourism business enterprises, non-governmental organizations, voluntary actors, and the press and other media.

Stakeholder theory then suggests that a company's obligations are not limited to its shareholders but that they extend to a wider group, namely the stakeholders or all those that benefit or are affected by the company on the basis of its operation (Orgaz, 2013). Tesfaye and Taye (2017) also claimed that the stakeholder theory focuses on the value of coordination among tourism organization and other stakeholders. Jamal and Getz (1995) stated that stakeholder theory has been used in tourism to realize the interdependency of stakeholders and their influence on developing a given destination.

Prebe (2005) noted that little attention has been made to build a thorough stakeholder management process model that enables the facilitation of actual stakeholder model with in modern organizations. Depending on the work of Prebe (2005), Quinlan (2005) identifies steps of dealing with stakeholders' involvement management as follows.

Ethiopian tourism policy has evolved significantly since the 1960s, with the Ethiopian Ministry of Culture and Tourism playing a central role. The establishment of Destination Management Organizations (DMOs) and regional Tourism Transformation Councils (TTCs) exemplifies the commitment to public-private collaboration (MoCT, 2015). The policy aims to guide Ethiopia towards becoming a premier tourist destination through sustainable and inclusive practices.

Fig 1: Stakeholders and their Collaboration framework



Source: Own construction, 2024

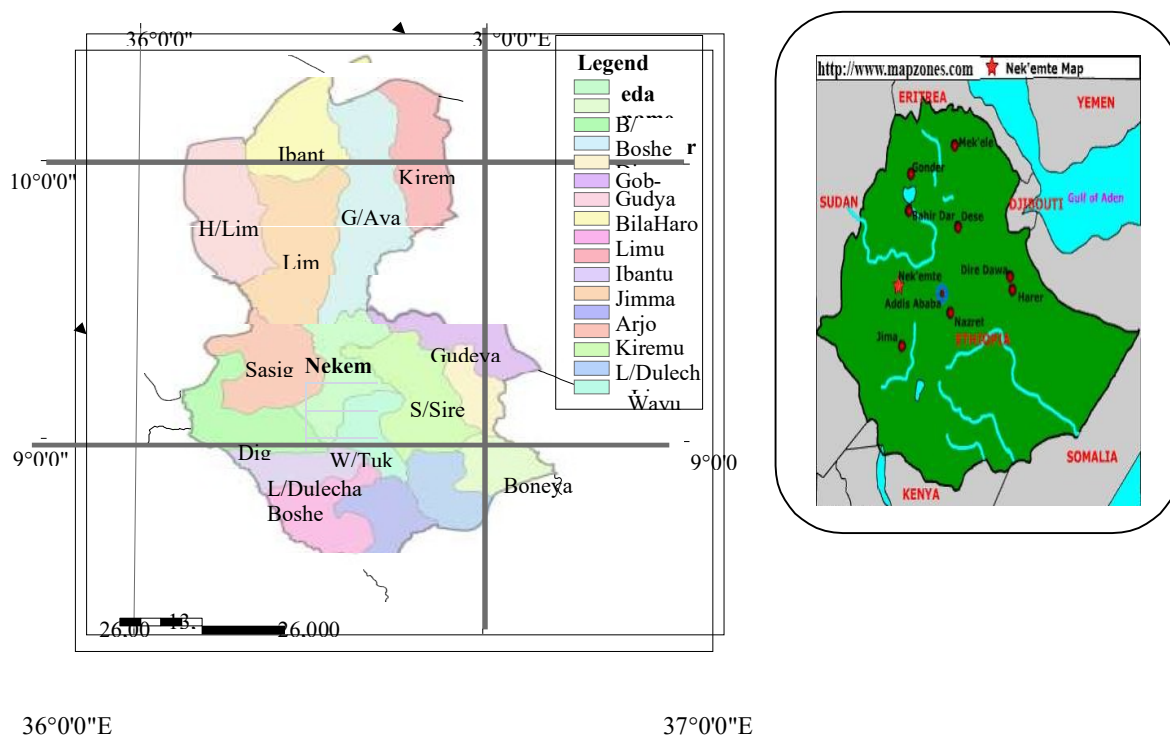
### 3. Methodology

#### 3.1. Research Site Description

Nekemte town is found in the Western Oromia regional state, Ethiopia, established in the mid-19th century on a flat, hilly landscape. It lies 331 km in western direction of Addis Ababa, 110 km northeast of Gimbi (the capital town of Western Wollega), and 250 km northwest of Jima Zone. The town's astronomical coordinates place it between 9° 36' 0" North and 10° 37' 0" East, with an altitude of 2088M above sea level. The town spans approximately 3,192 hectares. It is bordered locally by Guto Gida Woreda to the north (5 km), Wayu Tuka Woreda to the east (10 km), and Diga Woreda to the west (12 km) (Nekemte Culture and Tourism, 2017).

The 2007 Ethiopian National Census also disclosed that the total population of this town was 75,212 of whom 38,385 are Male and 36,834 were female. In regard to the religion background, the majority, i.e. 48.49% are Protestant Christians, while 39.33% are followers of Orthodox Christian and the rest 10.88% were Muslims.

Figure 2: Map of Nekemte Administrative Town with Respective Woredas



Source: CSA (2007)

#### 3.2. Research Design, Approach, Sampling Techniques and Source of Data

The researchers employed a qualitative research approach along with a descriptive research design. This design is particularly useful for providing a comprehensive overview of the stakeholders' involvement in the development of tourism in Nekemte Administrative Town. By utilizing qualitative methods, the researcher was able to capture the nuanced perspectives and experiences of various stakeholders, providing a richer understanding of the tourism dynamics in the area.

The study aimed to delve into the complexities of stakeholder roles through a combination of in-depth interviews, key informant dialogues, and direct observations. Interviewees were chosen deliberately and strategically based on their expertise and direct involvement in tourism activities within Nekemte. This purposive sampling ensured that the data collected was relevant and insightful. Additionally, the snowball sampling technique was employed to reach a broader network of stakeholders by using the initial respondents to identify further participants.

In total, 138 respondents participated in the study, representing a diverse array of stakeholders including government officials, industry experts, and local community members. The diverse range of stakeholders

included in the study ensured a comprehensive understanding of the tourism landscape in Nekemte. Field observations and thematic analysis were instrumental in uncovering the intricate relationships and roles within the tourism sector. This methodological approach provided a holistic view of the stakeholder dynamics, highlighting their contributions and challenges in the development of tourism in the area.

#### 4. Key Findings and Discussion

##### 4.1. Tourism Stakeholders

The study has identified three primary categories of stakeholders actively engaged in tourism sector in Nekemte Town: government-driven organizations, private sector entities, and other groups such as the local community and tourists. The stakeholders within these categories play diverse roles in supporting and advancing tourism in the area. The detailed summary of these tourism stakeholders are provided in the following section.

Table 1: the list of Tourism Development Stakeholders in Nekemte Town

Government Driven Tourism Stakeholders	Oromia Regional State Tourism and Culture Bureau
	The Office of Culture and Tourism in East Wollega Zone
	Nekemte Administrative Town Culture and Tourism Office
	Nekemte Administrative Town Municipality
	Western Region Forest Enterprises Wollega District
	Public Training institutions (Wollega University and Nekemte TVETC)
	Research Center
	Western Region Ethio-telecom Nekemte Branch
	Wildlife conservation authorities
	Agriculture office
	Medias like Nekemte FM radio and Wollega University Community Radio
	Nekemte Town Health office
	Nekemte Peace and Security Office
	Nekemte Town Communication Bureau
	Nekemte Land Development and Mngement Bureau
	Nekemte SMME Office
	Nekemte Trade Bureau
	Destination facilities and service providers like local Guides
	Finance Bureau
Education Bureau	
Construction Bureau	
Private Sector	Hotels and related establishments like restaurants, bars, cafeterias
	Private Training Institutions (New Generation University)
	Local guides
Others	Local Community
	Tourists

Source: Own Construction, 2024

##### 4.2. Comprehensive Analysis of Stakeholders' Role

Tourism development in Nekemte Town involves various stakeholders including government entities, private organizations, NGOs, tourists, and local communities. Each plays a crucial role in shaping the town's tourism landscape.

#### 4.2.1. Government Entities

Government-driven organizations are essential for the formulation of tourism policies, infrastructure development, and sustainable management of tourism resources. These entities include:

- **Oromia Regional State Culture and Tourism Bureau:** Oversees tourism policies and infrastructure development, promoting cultural heritage and enhancing global tourism presence.
- **East Wollega Zone Culture and Tourism Office:** Markets the zone's attractions, collaborates with communities for sustainable tourism products, and ensures protection of these attractions.
- **Nekemte Town Culture and Tourism Office:** Focuses on promoting local attractions, ensuring hospitality standards, and improving services through collaboration with businesses.
- **Nekemte Administrative Town Administration Bureau:** Manages infrastructure and public safety, ensuring a conducive environment for visitors.
- **Land Management Bureau:** Allocates land for tourism purposes and promotes sustainable development and community involvement.
- **Eastern Region Forest Enterprise Wollega District:** Focuses on forest conservation and eco-tourism initiatives.
- **Trade Bureau:** Licenses tourism businesses and facilitates investment opportunities.
- **Wildlife Conservation and Climate Change Bureau:** Protects natural resources and addresses the impacts of climate change on tourism.
- **Agriculture Bureau:** Supports agro-tourism and integrates agriculture with tourism to create unique experiences.
- **Nekemte Town Health Office:** Ensures health services and sanitation standards in tourism areas.
- **Training Institutions:** Provide tourism courses, technical support, and research to address tourism development challenges.
- **Research Center:** Conducts tourism research and promotes potential attractions.
- **Nekemte Town SMME Bureau:** Supports new businesses and provides financial assistance
- **Nekemte Communication Bureau:** Coordinates promotional activities and grants event advertisement permissions.
- **Peace and Security Bureau:** Ensures safety at tourist sites, hotels, and major roads.
- **Eastern Region Ethio-Telecom Nekemte Branch:** Provides mobile and internet connectivity in tourist areas.
- **Media:** Promotes tourist attractions and raises awareness through educational programs and coverage.

#### 4.2.2. Private Organizations

Private organizations, including hotels, restaurants, cafes, resorts, lodges, and small and medium-sized enterprises (SMMEs), are integral to the tourism infrastructure. They provide essential services such as accommodation, dining, and immersive experiences that shape tourists' perceptions of the destination. These businesses contribute significantly to the local economy through tourism revenue and employment. Additionally, they guide tourists to local attractions and support the industry of Meetings, Incentives, Conferences, and Exhibitions (MICE), which is vital for business tourism. Their collaboration with government agencies is crucial for diversifying tourism offerings and ensuring sustainable development practices.

#### 4.2.3. Local Community

The local community plays a pivotal role in tourism sector development. Community members, from artisans preserving traditional crafts to storytellers sharing ancient tales, are custodians of Nekemte's rich cultural heritage. Their involvement in tourism initiatives helps preserve these traditions, fosters community pride, and promotes sustainable tourism practices. The participation of local community in tourism ensures that the tourism development is inclusive, culturally sensitive, and beneficial to all stakeholders.

#### 4.2.4. Tourists

Tourists are central to the tourism industry. They drive tourism growth by choosing ethical and environmentally responsible operators, respecting the host community's heritage, and traveling in a culturally and environmentally sensitive manner. By supporting conservation efforts and providing valuable feedback, tourists help shape the continuous improvement and growth of tourism services. Their experiences and preferences are crucial for the evolution and sustainability of the destination, making them active participants in the development process.

### **4.3. Stakeholder Awareness and Role Clarity in Tourism Development**

Despite the crucial roles assigned to various stakeholders in the tourism development of Nekemte Town, a significant challenge lies in the awareness and understanding of these roles among the stakeholders themselves. The effectiveness of tourism development initiatives heavily relies on the clear delineation and comprehension of responsibilities by each stakeholder. However, observations indicate a pervasive lack of awareness and clarity.

#### ***i. Lack of Awareness among Stakeholders***

One of the primary issues observed is that many stakeholders, particularly at the grassroots level, are not fully aware of their responsibilities and the potential impact of their actions on the tourism sector. For instance, local government offices and bureaus, which are instrumental in implementing policies and overseeing tourism-related activities, often lack detailed knowledge of the specific roles they need to play. This gap in understanding hinders the effective execution of tourism strategies and can lead to overlapping functions or, conversely, to critical tasks being neglected.

The lack of awareness extends to the private sector and NGOs as well. While these entities are expected to invest in and promote tourism, their efforts are often disjointed and lack coordination with governmental initiatives. Without a clear understanding of their roles, private businesses and NGOs may either overstep their boundaries or fail to take necessary actions that could complement public sector efforts. This lack of alignment causes resources to be used inefficiently and overlooks opportunities for collaborative development.

#### ***ii. Lack of Clear Communication and Education***

There is a lack of comprehensive and clear communication and education among tourism stakeholders in Nekemte, posing a significant challenge. Stakeholders often do not have a thorough understanding of their roles and responsibilities, resulting in fragmented efforts and missed opportunities for coordinated development. Transparent communication channels for providing comprehensive education on stakeholders' roles and responsibilities are also insufficient. Government bodies at all levels, from federal to local, fail to engage in dialogue with private organizations, NGOs, and community leaders. Workshops, seminars, and training sessions are underutilized as effective platforms for disseminating information and clarifying roles.

Furthermore, readily accessible documentation and guidelines outlining specific duties and expectations for each stakeholder are crucial. These resources can help stakeholders better comprehend their contributions to the broader tourism framework and encourage more coordinated efforts. For example, comprehensive guidelines from the Oromia Regional State Culture and Tourism Bureau could outline promotional activities expected from local tourism offices while specifying the support anticipated from private sector investors and NGOs.

#### ***iii. Weak Stakeholder Collaboration***

From the research analysis it identified that the collaboration among stakeholder is weak. The absence of regular meetings and forums where stakeholders can discuss challenges, share insights, and align their strategies contributed weakens the collaboration. In other ways the weak collaboration contributed for low awareness and clarity.

### **4.4. Conclusion and Recommendation**

#### **4.4.1. Conclusion**

The development of tourism sector in the Nekemte Town requires a multifaceted approach that acknowledges the roles and contributions of diverse stakeholders from various sector and backgrounds. The study reveals that the importance of awareness and role clarity among stakeholders to ensure successful tourism development. While significant efforts have been made by various government entities, Non-Governmental Organizations, private organizations, and local communities, a persistent lack of clear understanding of responsibilities impedes the progress. Addressing these gaps through enhanced communication and education is crucial for harnessing the full potential of Nekemte's tourism sector.

#### **4.4.2. Ways Forward**

The success of Nekemte Town's tourism potential relies on the collaboration and clear delineation of roles among all stakeholders. To achieve this, stakeholders must enhance communication, provide educational resources, and foster stronger collaboration. Establishing regular meetings and forums where stakeholders can discuss challenges, share insights, and align strategies is essential. Implementing targeted training programs will enhance stakeholders' understanding of their roles, while developing and distributing detailed guidelines outlining each stakeholder's responsibilities will further promote effective collaboration. Encouraging joint initiatives and projects among stakeholders will optimize resources and drive sustainable tourism development.

Additionally, establishing monitoring systems to track tourism initiatives and gather feedback will enhance accountability and support continuous improvement. Through implementing the aforementioned efforts, Nekemte Town can achieve effective approach to tourism development, transforming it into a vibrant and thriving tourist destination.

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