

The Creation of a Tourism Village Governance Model: Study in Sleman Regency, Special Region of Yogyakarta*

Sugiyanto, R. Y. Gembong Rahmadi, Hery Purnomo

High School Village Department Community "APMD" Yogyakarta, Yogyakarta, Indonesia

This study discusses the creation of a tourism village governance model by conducting a study in Sleman Regency, Special Region of Yogyakarta. The main problem of the study is: How governance models are in accordance with the cultural, community, and geographical characteristics of rural tourism village in Sleman Regency? The purpose of this research: to create a model of tourism governance in a fair, transparent, and accountable manner while continuing to pay attention to sustainability in a professional manner and to be able to preserve local culture by adapting to the development of contemporary tourism. The research method is using a qualitative approach. The result of the study explains that the tourism village in Sleman Regency is divided into two schemes, namely bottom up from the community and top down from the initiation of the government (cq. Department of Tourism). A healthy tourism village governance model involves stakeholders and shareholders equally. Then, it is necessary to determine the Board of Director (BOD) and agents from the shareholders and stakeholders. Then Board Police Manual (BPM) is made, so that there is no hidden information and hidden action between BOD and agent. In conclusion: (1) The tourism village governance model created is expected to be able to bring justice to the shareholders and stakeholders fairly, because it is carried out based on BPM and GCG guidelines so that it still pays attention to sustainability in a professional manner. (2) The creation of the tourism village governance model is able to preserve local culture by adapting the current tourism development, as in the governance structure illustrated in Figure 1.

Keywords: tourism village, good corporate governance, village governance model

Introduction

Development is a process of social and environmental change leading to a better order and situation; the phenomenon of the emergence of tourist villages in various regions is part of the success of multi-dimensional development (Sugiyanto & Santoso, 2018). So, tourism development is a process of change and changing the environment, nature, and human behavior which direction supports the improvement of tourism services and facilities.

* This paper has been presented at an international conference on advocacy government and political science 2019 October 25-26 at the High School Village Community Development "APMD" Yogyakarta Indonesia.

Sugiyanto, S.sos., M.M., Dr., Department of Masters in Governmental Sciences, High School Village Department Community "APMD" Yogyakarta, Yogyakarta, Indonesia.

R. Y. Gembong Rahmadi, S.H., M.Hum., Governmental Science Department, High School Village Department Community "APMD" Yogyakarta, Yogyakarta, Indonesia.

Hery Purnomo, S.sos., M.A., Village Community Development Department, High School Village Department Community "APMD" Yogyakarta, Yogyakarta, Indonesia.

Sleman Regency has a potential of 1,212 hamlets and 86 villages which are accommodated in 17 districts; from the potential of 1,212 hamlets and 86 villages each village has its unique geographical space, community, organizing, and interests. Departing from the uniqueness, it turns out that several villages in Sleman Regency can be managed as tourist villages.

Tourism village is an area in the rural area that has a uniqueness as an attraction for the community (tourists); the uniqueness is arranged into a single unit system that has a sale value in the form of packages, meaning that the tourism village does not only have one attraction but has several attractions which are managed into one whole system.

Sleman Regency has 47 tourism villages in 2019 with several forms of tourism village governance. The first one is village tourism that is managed at the hamlet level without involving village officials. The second one is the tourism village that is managed by involving the Department of Tourism as the trustees or supervisors. The third one is the tourism village that is managed at the village level by involving village officials.

If the Sleman Regency government is able to carry out management with a complete system, it means that the government in implementing development can meet current needs without sacrificing generations to meet their needs (development which meets the needs of present without compromising the ability of future generations to meet their own needs).

Findings based on the results of a survey conducted by a team of writers related to tourist villages in Sleman Regency indicate that the division of income between stakeholders and shareholders has not been balanced. One example that can be seen is Pulesari Tourism Village, where the shareholder gets 80% shareholders and the stakeholder get 20%. From this it appears that other components have not been included in the recapitulation.

According to Sugiyanto, Tjahjono, Hortono, and Khuluq (2017), there are two kinds of trends in the formation of tourist villages, namely: The first scheme is the initiator or initiator of an individual who has an idea (bottom up), to bring the idea into reality; this person is unable to do it by himself so he asks friends, neighbors, and also people around him to cooperate; this process of cooperation to create the tourism village needs a number of capital and some facilities. The tendency of initial capital and donation facilities from the initiator and some interested group members; they tries to seek help from various parties, and after a long process a physical embryo of the tourist village is formed and starts to make income. When the tourism village is formed and consumers begin to tend, the new government intervenes with the excuse that they have the right to regulate. This is where conflicts begin to emerge, both individual conflicts between group members related to the sharing of results, and group problems with the government or third parties outside of them.

The second scheme, the village tourism is initiated by the government (top down) through the village government or Department of Tourism; in this second scheme, the initial capital and all of the facilities are from the government so that there are no obstacles related to it. The problems that arise in the second scheme tend to be rejected by the society because of the negative impacts of tourism.

On the basis of these various problems, it is necessary to make a professional model arrangement of tourism villages through phenomena-based academic feasibility studies, in order to create permanent sustainability and be able to improve the welfare of the society in a fair and transparent manner. From the background description above, a research question can be formulated as follows: How governance models are in accordance with the cultural, community, and geographical characteristics of rural tourism village in Sleman Regency?

Literature Review

There are research contributions: Firstly, this research is constructive-critical in nature that scientific knowledge is actually “constructed” and takes place through continuous social processes, and not all of a sudden, it is organized compared to other fields of life. Therefore, the theory of constructivism is a theory that gives freedom to human who want to learn or seek fulfillment of their needs with the ability to find desires through the help of other people’s facilities. And it is systemic because governance does not regulate individuals but regulates organizations that are comprehensive. Second, this research does not examine the static parts or episodes, but this research process will produce: (a) the construction chart of the tourism village management organization, (b) the tourism village management component with stakeholder elements and an explanation about the definition, description of authority, rights, and obligations of the legal aspects, and (c) the component of a tourism village manager with elements of stakeholders and an explanation about the definition, description of authority, rights, and obligations from the legal aspect, all of which are summarized in stakeholders referred to as shareholders and stakeholders.

Based on that, this research is something that is deliberately constructed, considering that the previous studies tend to focus on the function of tourism villages in encouraging village to be independent (Sidik, 2015), tourism village marketing (Arbainah, 2014), tourism village development strategy models (Fitrianti, 2014), the impact of tourist villages on social change (Kaesthi, 2014), and the effect of information technology on the level of tourist visits (Hasan & Setyaningtyas, 2015).

Research

The research creating model is carried out through a qualitative approach; data are obtained through surveys, documentation, and interviews with stakeholders with purposive sampling. This research is titled “The Model of Tourism Village Governance in the Department of Tourism in Sleman Regency in the Special Region of Yogyakarta”; the discussion in this study is limited to organizational governance using guidelines from Government Regulation Number 101 Year 2000 Concerning the Formulation of Good Corporate Governance in Indonesia, which includes: (a) transparency, (b) accountability, (c) responsibility, (d) independence, and (e) fairness (fairness and equality).

Result

The creation of a tourist village governance model will be realized in the form of a chart or organizational structure based on organizational organs and a qualitative explanation of the main tasks and functions of each organ of the organization. The discussion will start from understanding the concepts which are then discussed with the theory and some of the results from the previous studies of other researchers.

Model

The model is a reference that can be used as an example to assess a particular system. Furthermore, the model is interpreted as a pattern or variety/reference of a thing that wants to be made or produced, so that the model is the same as the most examples and can represent an object.

The model according to <https://www.scribd.com/doc/67125113/integration> is an abstract form or simplification/representation of the real world. A model is used to approach phenomena. Phenomena in general are complex so that the replication from the real world needs to be made so that the phenomena become simpler

and make it easier for people to learn. Furthermore, the model can be seen from the type, namely the verbal type, physical type and geometry. Based on the concept above, the tourism village governance is considered as a verbal model, so the tourism village can be used as an icon of the good corporate governance movement.

Governance

The core concept of good governance is the mechanism of inter-group relations and power structures in the process of making policy. The group in this case is the administrators group and management group. Central guidelines for the behavior of the managers and administrators are the values of the agreement as outlined in the articles of association (AD) and by-laws of the organization that have been approved by a notary. Values found together are used as a basis for the corporate governance value system in a tourism village that was formulated jointly by stakeholders.

A key player in a tourism village corporation which consists of stakeholders and shareholders is to realize an effective corporate governance mechanism. Organs in the tourism village organization consist the Board of Directors (BOD). According to Chapra and Ahmed (2002), BOD has an important role in corporate governance that emphasizes more on moral integrity than technical ability, but must understand the risks and complexity of shareholders in an effort to increase the capacity and welfare of managers, because BOD's task is to make Boards Police Manual (BPM), from BPM, BOD, easily carry out effective management control. Effective management controls can be used to determine internal and external conditions and can be used to predict the risks that will occur, because management's work also shows the level of transparency of the agent or manager in carrying out its functions.

In brief, the management's duties include: (1) making regular meetings, (2) making effective control of the conditions of management services, supervision of service infrastructure, and financial management, (3) making intensive discussions with senior management and internal audit, and (4) making rules, monitoring the progress in achieving financial institution goals.

In addition, the board also carries out supervision in accordance with the main duties and functions (Tupoksi) issued by the supervisory authority and modifies it if necessary, able to explain specific strategic objectives to shareholders, to enforce a code of ethics for senior management and staff work standards. The existence of BOD Management is determined by its ability to build a strong internal control system, effective risk management, making all important procedures, regulations, and rules especially relate to the recruitment of senior management that is free from nepotism and favoritism based on measured real capabilities.

The manager is a group of people appointed by the management to manage the activities (Sugiyanto et al., 2017). The manager's task is to be responsible for the daily functioning of the institution so that it can operate in a healthy and effective manner by creating an internal audit system, control procedures, and risk management. The internal auditor system is created by the manager based on sufficient technical skills and competence, and being independent so that it is free from work that is operational. Internal auditors regularly report on the performance of the village tourism agency to the administrators and management, and the management must play a role so that the internal audit is not under management pressure. If the results of an internal audit indicate things that need to be followed up by management, the administrators must encourage management to do.

Regarding to discipline as mentioned above is compliance to respect and implement a system that requires people to comply with decisions and orders and regulations. In other words, discipline is the attitude of obeying the rules and conditions that have been set unconditionally.

Meanwhile, the intention of effective internal control, besides to suppressing the seeds of fraud, can also understand the problems and shortcomings that occur within the institution and then spur management to develop strategies to resolve the problem. When this system is in progress, it will encourage management to develop a strategy for planning and self-readiness and togetherness that is oriented to long-term considerations rather than short-term goals for success and to anticipate problems in the future. In the relation to this, Olsen and Eadie (1982) said that the support and commitment of key decision makers is important. One indication of a strategic plan oriented to long-term considerations; namely management gives high priority to capacity building activities, both for education and training and also for investment in adopting technology in order to improve service to customers so as to build a good image for the institution is created (Chapra & Ahmed, 2002).

In an effort to suppress the seeds of whistle blowers, the thing that needs to be done is an awareness with internal parties to remind each other not to take action to deviate from applicable regulations. If this is done, it will cause the courage of other internal parties to voice these indications or deviations. The impact can lead to uncomfortable situations, violence, and even to the point of being able to eliminate one's job. Thus, special policies are needed to build a conducive atmosphere for the growth of the whistle blowers.

The uniqueness of the people in Indonesia is related to the tourism village: Firstly there are people who give some of their wealth as stock of the tourism village willingly granted without expecting back their shares; secondly, some people give their stock as capital for developing the tourism village but looking for a profit; thirdly as the tourism village capital is village owned by government in the form of land or others, then the village government asks as a result of the village tourism. All three have shares and are referred to as shareholders. On that basis, the tourism village as an institution trusted by the capital owners through a manager who is trusted to manage the shares must build high transparency in the shareholders and the public, if a whistle bower is detected in the manager, will be firmly dealt with by the administrators. Thus, improving the quality of corporate governance in a tourism village can be done by taking into account the aspect of openness in the representation model of the shareholders in the administrators. Regarding to the mechanism for the transfer of stocks and distribution of business results and the mechanism for distribution should be transparent.

This will be better if each shareholder understands it and gets information or reports about the management of the tourism village, although some shareholders do not want to know about their stocks because their contract is granted.

Tourism village as one of the potential sources of society welfare needs a healthy management model that meets the rules of business organizations that must implement good corporate governance guidelines in each tourism village by adopting corporate governance indicators that are adjusted to the conditions of the relevant tourism village. The indicators of corporate governance are presented in Table 1.

Table 1

Indicators of Corporate Governance

GCG principles	Definition	Indicator
Transparency	The conditions of the rules and regulatory steps are free, clear, and open so that all information can be accessed by all organizational organs and stakeholders.	Information disclosure Collaboration Cooperation Practicing collective decisions

(Table 1 to be continued)

Accountability	An obligation to report and be responsible for the success or failure of the implementation of the mission of the organization in achieving predetermined results, through the media of accountability which is done periodically, based on good faith.	Law, every organ and stakeholder gets fair legal treatment Honesty: do not abuse power, authority, and obey the norm Work pattern: effective-efficient for: Program Policy Financial
Responsibility	The form of responsibility in carrying out obligations in accordance with applicable regulations, so that all requests and requirements are handled on time and within a specified time.	Obey the rules Accountability: financial responsibility Liability: responsibility for one's actions towards others
Independence	Freedom to carry out duties and authorities that are not dependent and not influenced/not regulated by other organs.	Courage Independence Independently related Having great soul
Fairness: Fairness and Equality	In carrying out its activities, the organization must always pay attention to the interests of shareholders and other stakeholders based on the principle of fairness and prosperity in opportunities and rights.	The rules Procedure Technique Justice Professionalism

Note. Source: Secondary data processed 2018.

Tourism Village

Tourism village is an area in rural areas that has a uniqueness as an attraction for the community (tourists); the uniqueness is arranged into a single unit system that has a selling value in the form of packages, meaning that the tourism village does not only have one attraction but has several attractions which are managed into one whole system. Thus the tourist village as a form of rural area can be enjoyed by tourists in the form of service products, goods, the beauty of the area, its uniqueness or peculiarity, so that in tourist village it will be found: what tourists can learn, what activities tourists can do, objects and what attractions can be enjoyed by tourists; there is an inn or home stay that can be used as a place to stay for a while for the tourists, and what transportation can be used by tourists to go to the tourist village.

All activities in the tourism village must lead to the service of tourism needs with four constant conditions so that tourists feel happy, comfortable, safe, and wants to re-visit and are pleased to promote to their relations. The four conditions for meeting the needs of tourists are: (a) services with punctuality, (b) services with the right tariff conditions, (c) services with the right location requirements, and (d) services with the right conditions facilities.

Tourism Village Governance Model

Referring to agency and control theory (Berle & Man, 1932), a fundamental theory is for managing profit organizations. Both the birth of the top down and bottom up model tourism villages lead to profit. How to obtain benefits that are transparent and can be controlled well by the shareholders, then Berle and Man (1932) separated the rights and obligations between the BOD of a group of shareholders with the agents of a group that runs the management operations.

The elements of the tourism village shareholders include the Department of Tourism, the village government, the BPD, and individuals or organizations at the village level who invest stocks for the benefit of the development of the tourism village. There are at least five duties and responsibilities of shareholders are at least five, namely: (1) The shareholder appoints an agent/manager who is given the task to carry out the operational management of the tourism village. (2) Shareholders arrange BPM which will be used as work

guidelines for agents; BPM is realized in the form of AD-ART. (3) The shareholder will determine the composition of the administration, the trustees, and the supervisor. (4) Shareholders hold annual plenary meetings as a form of official accountability for agents reporting on the results of management work for one year. (5) Shareholders hold shareholders' meetings once a year to determine the agent who will be appointed to carry out the management of the following year and the shareholders will share profits according to the agreed BPM. The agent has the obligation to report to BOD in accordance with BPM.

The duties and responsibilities of the agent consist of: (a) carrying out BPM in running the tourism village operations and (b) compiling and reporting the results of the tourism village management activities for one year in the annual plenary meeting agenda organized by BOD.

The trustee's duties and responsibilities are to foster management at the BOD level and provide input to agents, while the duties and responsibilities of the supervisor are to supervise, provide input, and assist the administrator and agents. Based on that in managing the governance of tourism villages, a tourism village governance model can be created which involves all shareholders and stakeholders as follows:

The trustee consists of three people or three elements consisting of elements of the Department of Tourism, head of the village, and one of the community leaders. The supervisor consists of three elements or three people consisting of elements of BPD, youth, and community leaders. The board consists of several people consisting of shareholders, community leaders, elements of the village government and personnel who have initial ideas (initiators) about the village tourism. The manager or agent consists of several elements and many personal agents depend on the activities that can be sold in the tourist village. For example, the elements involved are art groups, cultural groups, educational groups, culinary groups, handicraft groups, and recreation groups, sports or religious groups, as well as farmer and livestock groups, if any. The model can be illustrated in Figure 1, as follows:

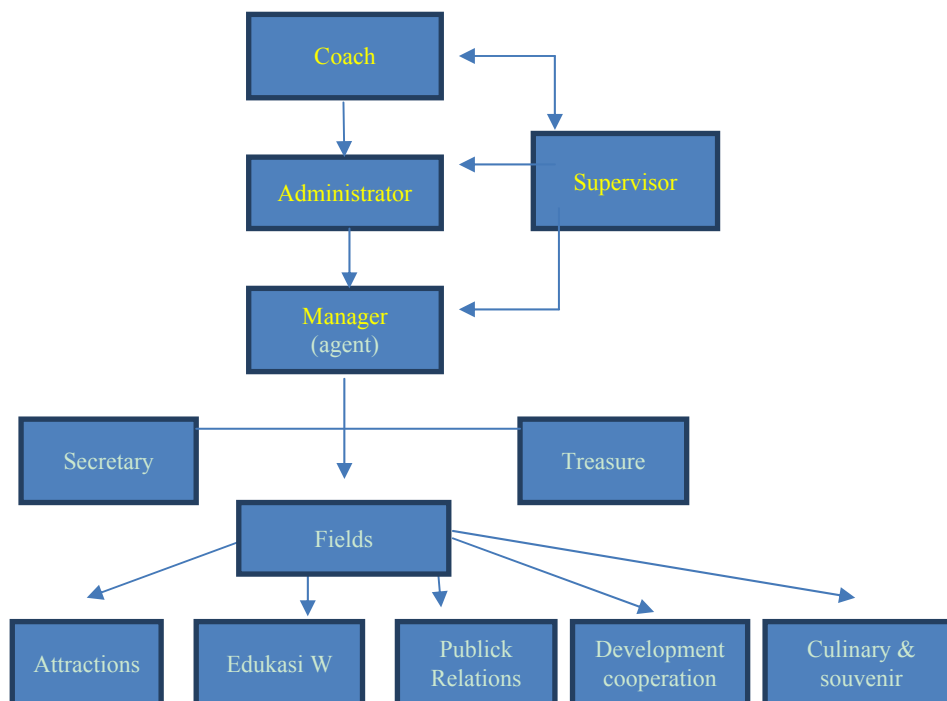


Figure 1. Tourism village governance model.

Conclusion

The tourism village is part of the natural attractions, recreation, culture, and education. The tourism village in Sleman District has beautiful and cool nature; some have historical heritage, a unique culture, and a friendly community. So it is appropriate if the government or together with academics creates the governance of tourism villages, so that tourism villages are able to become a source of welfare for the society.

Conclusions

1. The tourism village governance model created is expected to be able to bring about fairness for shareholders and stakeholders fairly, because it is carried out based on BPM and GCG guidelines so that it still pays attention to sustainability in a professional manner.

2. The creation of a tourism village governance model is able to preserve local culture by adapting to the current tourism development, as in the governance structure illustrated in Figure 1.

Suggestions

It is suggested to tourism village stakeholders to apply the tourism village governance model as illustrated in Figure 1. But before it is implemented, it is necessary to have socialization in advance to all stakeholders in the tourism village who will apply the model. It is hoped that each organ of the organization can carry out its functions and roles honestly, openly, and responsibly.

Implications

Implications of theory. Tourism as an interdisciplinary science requires contributions from various other scientific theories in order to strengthen the identity of tourism science. The governance of the tourism village contributes to the development of tourism science, especially the interaction and relations of organizational organs in the tourism village, including the theory of agency and control by Berle and Man.

Academic implications. The study of tourism villages can be studied academically through various approaches such as community approaches, economic approaches, information technology approaches, governance approaches, and other approaches. Because various approaches can analyze tourism villages, it is feasible for several universities to provide or create a tourism village laboratory for academic purposes.

Practical implications. Practically, tourism villages can bring income to the surrounding community and business people in the field of tourism, both at the lower economic level and MSME activities, as well as at the macro level.

Sustainability

This research still needs to be continued with the focus of monitoring and evaluating the application of good corporate governance in the tourism villages and other aspects that encourage the acceleration of the growth of tourism villages as well as factors inhibiting the growth of tourism villages.

References

- Arbainah, S. (2014). ICT-based joint marketing alternative promotion media for tourism MSME villages. *JABPI*, 22(2).
- Arini, W. P. (2003). *Analysis of promotion effectiveness of Candirejo tourism village, Magelang*. Central Java: Department of Tourism Business Tourism, Trisakti Tourism College.
- Berle, A. A. Jr., & Means, G. C. (1932). *The modern corporation and private property*. New York: The Macmillan Company.
- Chapra, M. U., & Ahmed, H. (2002). *Corporate governance in Islamic financial institutions*. Jeddah: Islamic Research and Training Institute, Islamic Development Bank.

- Fitrianti, H. (2014). Talun tourism village development strategy through community empowerment model. *Journal of Economic Development Analyst*, 3(1).
- Hasan, A., & Setyaningtiyas, W. N. (2015). The influence of electronic word of mouth on Facebook social media against the decision of visiting travelers to the Nglanggeran Gunungkidul tourism village. *Journal of the College of Tourism "AMPTA"*, 13(1).
- Kaesthi, E. W. (2014). Socio-cultural change of society in Karangbanjar tourism village, Purbalingga Regency. *Solidarity: Journal of Education, Society and Culture*, 3(1).
- Nuryanti, W. (1993). Concept, perspective and challenges. Paper part of the *International Conference Report on Cultural Tourism*. Yogyakarta: Gajah Mada Press.
- Olsen, J. B., & Eadie, D. C. (1982). *The game plan: Governance with foresight*. Washington: Council of State Planning Agencies.
- Priasukmana, S., & Mulyadin, R. M. (2001). Tourism village development: Implementation of the regional autonomy law. *Socio Economic Info*.
- Sidik, F. (2015). Exploring local potentials realizing village independence. *Journal of Policy and Public Administration*, 19(2). Retrieved from <http://Journal.ugm.ac.id/jkap>
- Sugiyanto, & Santoso, I. B. (2018). Batik: Object and tourist attraction. *International Seminar on Tourism (ISOT)*. Amsterdam, The Netherlands: Atlantis Press.
- Sugiyanto, Tjahjono, H. K., Hortono, A., & Khuluq, L. (2017). Phenomenological study on governance of "social welfare institutions" in the Special Region of Yogyakarta. *The 30th International Business Information Management Association Conference (IBIMA)*, November 8-9, Madrid, Spain.