STAKEHOLDER THEORY AS A MODEL FOR SUSTAINABLE DEVELOPMENT IN ECOTOURISM

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ABSTRACT
Tourism has been characterised by mass tourism, although new types of alternative tourism have emerged in recent years, one of which is ecotourism. The introduction of ecotourism has had a varying impact, both positive and negative, on tourist destinations. With the aim of reducing any negative effects, all local stakeholders who can affect or be affected by tourism must therefore be taken into account, and their participation in managing and developing this activity must be encouraged. Local communities should be taken into particular consideration and should always be the first to benefit from the introduction of ecotourism.

KEY WORDS
Tourism, Ecotourism, Stakeholders, Sustainable Development, Local communities.

RESUMEN
La actividad turística se ha caracterizado por un turismo de masas, si bien, en los últimos años se han ido incorporando nuevas formas de turismo alternativas. Entre ellas cabe mencionar el ecoturismo. Pero, su puesta en marcha ha generado diversos impactos en los destinos, tanto positivos, como también negativos, y para ello, y con la finalidad de reducir estos últimos, se deben tener en cuenta todos los stakeholders locales que puedan afectar o ser afectados por la actividad ecoturística, fomentando su participación en la gestión y el desarrollo de esta

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actividad. Sobre todo, las comunidades locales, que deben ser siempre las primeras beneficiadas por la puesta en marcha del ecoturismo.

PALABRAS CLAVE
Turismo, Ecoturismo, Stakeholders, Desarrollo Sostenible, Comunidades locales.

INTRODUCTION
Tourism is an economic sector which must be approached in a special way due to the interlinking of all the stakeholders involved in tourism activities (Castellanos Verdugo and Orgaz Agüera, 2013), both those based in the tourist destination and the tourists who travel to such places.

Tourists are currently looking for new experiences away from mass tourism spots, where they can discover the "authenticity" of a destination (Yeoman et al, 2007). This is mainly due to improvements in infrastructure and technology, which have led to an increase in trips being organised to such places (Castillejo Canalejo et al, 2011). In addition, tourists largely prefer to go on shorter trips but more frequently during the year (López-Guzmán et al, 2013), in order to better meet their expectations.

As result of this, new tourist typologies have emerged and shaped themselves around elements connected to culture, nature, gastronomy, industry, heritage etc, opening up new sources of income to local communities, in the form of jobs and the setting up of new companies in tourist destinations.

These types of tourism have adopted the concept of sustainable tourism, or in other words, the aim of establishing these new forms of tourism is to "meet the needs of the present without compromising the ability of future generations to respond to their own needs". These new types of tourism include ecotourism, a tourism that occurs in and aims to conserve natural areas and contribute to the development of local communities (Jalani, 2012). Accordingly, referring to ecotourism in particular, Butler (1991) puts forward the defence that sustainable tourism promotes “ecological balance”, when referring to a tourism which occurs in a location and is viable for an indefinite period of time and does not harm or otherwise alter the environment.

The objective of this study therefore is to analyse the importance of stakeholders for the sustainable development of ecotourism in the destination. The methodology used to compose this article involved a review of scientific literature, interviews and participant observation in various ecotourism areas within an international framework, both in developed and developing countries, as part of field work conducted for different research projects on ecotourism. The field work was conducted in 2011, 2012 and 2013 on visits to various natural areas in Andalusia (Spain) and the Dominican Republic.
In order to meet the objectives using the specified methodology in this research project, this article is divided into two main parts following this introduction; one part addresses stakeholder theory, while the other section presents the conclusions of the research. Finally, an alphabetical bibliography of works used in the preparation of this study is provided in the seventh section.

**STAKEHOLDER THEORY AS A MODEL FOR SUSTAINABLE DEVELOPMENT IN ECOTOURISM**

*The concept of the stakeholder in a tourist company.*

Tourist companies are becoming increasingly important in economic terms due to the number of jobs that they create and to the fact that their business activity is conducted in places which belong to local society. In this respect, the responsibility that companies have to society, the natural environment and other elements at play in the surroundings must be identified, and this is where stakeholder theory may be applied.

According to Brønn and Brønn (2003), Freeman was the first author to articulate the stakeholder perspective, which focuses on searching for proactive ways to change the way in which the world of business operates in relation to its surroundings. According to Freeman (1984), the term *stakeholder* refers to key players that can affect or be affected by a company's activities. For Sautter y Leisen (1999), this term requires a tourism planner who has a complete picture of all those people or groups who have a stake in the planning, processes and results of tourism services.

Different definitions of stakeholders have nevertheless been proposed over the years. For other scholars, a stakeholder implies any person or group with interests, rights, a claim or ownership in an organisation (Clarkson, 1995; Weiner, 1996; Jeffkins, 1997). Special mention should be made of authors who have followed Freeman's initial definition (Hallahan, 2000; Miguez González, 2007).

In all cases, the term stakeholder implies that a company is responsible in its management not only for shareholders but also for other individuals and/or groups which have stakes in the shares and decisions of the organisation (Lozano, 1999).

It may therefore be said 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 operations. In this respect, the local population has a major role to play as one of the key players that affect a company's development, given the fact that good planning would result in sustainable development in the destination (Massari, 2004).
This theory suggests that it is impossible to separate a company’s economic problems from wider social problems. According to Harrison and Freeman (1999), for example, economic effects are also social effects, and social effects are certainly also economic. In the light of this, one of the original ideas behind the stakeholder management approach is to try to identify a path that makes it possible to incorporate both economic and social aspects. For this reason, extensive criticism was levelled at this theory by a number of scholars, to which Freeman (1994) responded by offering a new definition that redefines the term as a series of voluntary agreements between adults who voluntarily affirm their commitment to the objectives and purposes of the corporation, as well as entering into cooperative agreements with other individuals or groups.

Ultimately, if the concept of stakeholders in a company is explored in detail, it emerges that there is general consensus in research spheres about Freeman’s important contribution to the development of stakeholder theory (Mitchell Ronald et al., 1997). However, the various authors specialising in this topic have occasionally put forward different definitions of stakeholders. On the one hand there are some very broad definitions, for example, that a stakeholder is any player (person, group, entity) that has a relationship or interest (direct or indirect) with or in the organisation (Thompson et al., 1991; Donaldson and Preston, 1995), and on the other there are more restricted definitions, such as that primary stakeholders are players (or categories of players such as employees, managers, suppliers, owners/shareholders and clients) which have interests in or expectations of the organisation, without which the organisation could not exist (Savage et al., 1991; Hill and Jones, 1992). This term has not therefore been used in exactly the same way as by Freeman, since each author has adapted it to their own philosophies.

Classification and types of stakeholder.

In terms of an organisation’s interest groups, the Spanish Association of Business Accounting and Administration (AECA, 2007) suggests that identifying stakeholders concerns the existence of two major approaches corporate governance, namely the financial or shareholder model and the pluralist or stakeholder model. For other authors, the list of an organisation’s stakeholders may include all groups with have an interest in it (Bussy and Ewing, 1997; Clarke, 1997; Harris, 1998).

Bussy and Ewing (1997), argue that organisations depend on a wide range of audiences or groups of stakeholders in order to realise their objectives and that these specific groups vary from organisation to organisation and from situation to situation; they typically include clients, end users, investors, employees, suppliers, governments, pressure groups, local communities and the media, and each one plays a decisive role in a company’s future.
For Mazo del Castillo (1994) stakeholders are audiences, although this complicates the matter somewhat. The distinction between stakeholders and shareholders is adopted from business literature in the English-speaking world, where the latter are defined as audiences that have vested interests in the company's ownership mechanisms, such as directly involved financial institutions, majority or minority shareholders, top-level directors, etc.

However, Baskin and Aronoff (1992) suggest that analysing stakeholders as a method for distinguishing between the different groups provides a realistic model that enables an organisation to visualise its surroundings.

According to the suggestion made by Mitchell Ronald et al., (1997), stakeholders are players (whether internal or external) that affect or are affected by an organisation's objectives or results to a varying extent, which depends on the level to which they have one of three basic attributes: power, legitimacy and urgency. Players that do not possess at least one of these attributes are non-stakeholders. In this light, Mitchell Ronald et al. (1997) proposed a typology (Figure 1), which implies that there are different levels of supremacy in an organisation.

**Figure 1.** Typology of stakeholders according to Mitchell Ronald et al., (1997).

By analysing the possible combinations of one, two or three of the stakeholder attributes, Mitchell Ronald et al. (1997) proposed three classes of stakeholder, each containing specific kinds of stakeholder:

a) Class 1 are latent stakeholders and include dormant stakeholders (which have power but lack legitimacy and urgency), discretionary stakeholders (which have legitimacy but no urgency or power) and demanding stakeholders (which have urgency, but lack power and legitimacy).

b) Class 2 are expectant stakeholders and include dominant stakeholders (which have power and legitimacy, yet lack urgency), dangerous stakeholders (which have urgency and power but no legitimacy) and dependent stakeholders (which have urgency and legitimacy but are powerless).

c) Class 3 are definitive stakeholders, which possess all three attributes, and are made known when on acquiring the missing attribute they present themselves to the directors.

Other authors have made a distinction between primary and secondary stakeholders. Primary stakeholders imply those groups which have a formal, official or contractual relationship with an organisation, and without which the company could not survive (Clarkson, 1995; Freeman 1984). According to some scholars, it is possible to include shareholders or owners, managers, investors, employees, clients and suppliers in this group (Savage et al., 1991; Hill and Jones, 1992). Some studies recognise the importance of the various primary stakeholders (Hillman and Kein, 2001) in achieving a company's mission, but meeting their demands or requirements is only considered if this would be beneficial to the company. All other groups which do not fall under this classification of primary stakeholders make up part of the secondary stakeholder group (Carrol, 1993). The latter include non-governmental organisations, activists, communities, the media and public administrations, among others (Garriga and Mele, 2004).

With regard to primary stakeholders, shareholders are one of the groups which have most power among the different stakeholders making up a company, given that this term refers to the legal ownership of one or more shares of capital stock (or shares) of a company, and who play a decisive role in the development of the business activity. In contrast, investors are any physical or legal person that buys or sells marketable securities with the aim of entrusting their assets and obtaining the maximum return on this investment. Clearly these are two groups which have a very significant role to play in decision-making and raising capital for the company.

Employees are those who carry out their work in the organisation under a work or professional contract and receive remuneration and/or payment in kind for their work. Depending on the kind of work performed, the sector and a company's own features, various working categories may be identified. Nevertheless, it is possible in general terms to divide employees into two main
groups: directors and non-directors. Non-Executive directors and Executive Directors are included in this group of stakeholders.

By the term “clients” it is understood that this includes consumers or users of products and services produced by companies. Consumers are the social group towards which the business operation is targeted, and revenue generated by sales of these products and services must be sufficient to cover production costs and the desired margin. Clients are, therefore, an essential component of a company and are vital to a company's survival. Attracting and understanding clients and customer satisfaction and loyalty are key priorities in business management.

Suppliers are people or organisations which provide work, products and services to the company without belonging to it. This relationship may be formalised in a contract, laying down the obligations assumed by the contracting company and by the external supplier. The most common clauses stipulated in such contracts are the price, delivery time, product or service specifications and their guarantees and payment methods. Suppliers may be more or less integrated in the value chain, meaning that they may occasionally be companies or professionals that work exclusively for a specific organisation, to which they provide essential components for their products.

With regard to secondary stakeholders, the local community or population is part of the group of public or private enterprises existing in the local context surrounding the company’s activity, and with which it interacts closely. People, organisations and consumers in general, which although they do not have a direct relationship with the organisation, may influence it by expressing their opinion concerning specific actions, which may, in their view, be positive or negative for society as a whole. This group, therefore, is of particular importance.

Public administrations, which fall under the authority of the Government in the tourist destination, are those entities with powers to shape the legal framework under which organisations and companies must conduct their activities. This framework sets out rights and duties, as well as laws and other official provisions for organisations.

Competitors are companies operating in the same sector that offer similar products and services to those produced by another company to potentially the same clients or consumers. With the aim of attracting new clients or being able to meet current clients’ new needs, temporary partnerships may arise between competitors, which may make it possible to reach quality standards that are not always achievable on an individual basis.

Financial institutions are those responsible for providing the finance necessary to develop and construct new infrastructures that will help to promote ecotourism in a specific destination.
Another important group within the secondary stakeholders are social agents, which refer to public interest groups whose action can have a decisive influence on the way in which companies are managed and may even determine a company's future.

Consumers also fall within this group and this label refers to the demand generated by experiencing the ecotourism activity or service and which, after it has been experienced, results in a positive or negative opinion of the activity/service being given.

It is important to consider the environment or the natural surroundings in the capacity of a stakeholder, although by their nature they should not be included in the groups of stakeholders, in that these interest groups may dramatically alter their relationship with a company depending on the company's treatment of nature and the respect it shows towards it or the conservation efforts it makes.

**Stakeholders in ecotourism activities.**

In the light of the points addressed previously, stakeholder theory makes it possible to take the view that a company is conceived on the basis of the range of actors involved in it and by those that are affected by it. Furthermore, in view of this theory the existence of social responsibility in companies can be easily discerned (González Esteban, 2007).

This theory also means that a company can be viewed as a series of relationships understood not only from the perspective of a legal or social contract but also in terms of a moral contract (García-Marzá, 2004). It therefore, demonstrates that stakeholder interests are not only economic interests, but that they may have other types of interest.

In this regard, for a company to become more competitive in the market and to be able to develop management strategies that are in line with this point, it must base itself on its dialogue with all its stakeholders and try to determine which interests and values are shared by them all, as well as which interests and values are unique to each group. González Esteban (2002) states that a corporation which wishes to manage its responsibility must take into account that this responsibility is defined on the basis of its dialogue with all of its stakeholders. This will help a company to define its short, medium and long-term objectives and strategies. Accordingly, Donaldson and Preston (1995) claim that attending to stakeholders' interests and complaints may increase a company's profitability.

This theory has been applied to the tourism sector on many occasions, based on identifying key players to collaborate and participate in planning and tourism development, thereby making these processes more participatory and entailing a higher level of mutual agreement (Sautter and Leisen, 1998; Williams et al, 1998; Medeiros de Araujo and Bramwell, 1999; Yuksel et al,

Some authors state that tourism is a complex phenomenon which occurs due to the presence of different stakeholders, each of which has different types of interests in the market (Sheehan et al, 2007; Jamal and Getz, 1995; Pike, 2005). In terms of this theory, therefore, a tourist destination may be viewed as an open system with multiple and interrelated actors, from both the private and public spheres (Pulido Fernández, 2008).

For many scholars, collaboration between the different stakeholders in a tourist destination is vital for sound planning in the destination (Simmons, 1994; Mandell, 1999; Ladkin and Bertramini, 2002; Pforr, 2006).

Other scholars have focused on analysing the advantages and disadvantages of collaboration between stakeholders in a tourist destination (Bramwell and Sharman, 1999; Medeiros de Araujo and Branwell, 1999; Aas et al, 2005). Although, in line with Buhalis and Licata (2002), tourist destinations are difficult to manage due to their size, complexity and stakeholder diversity.

The term "stakeholder" has also been applied to ecotourism and to activities conducted in natural environments (Jamal and Eyre, 2003). By focusing on ecotourism activities, and assuming that a stakeholder is any individual or group that is affected or may be affected by an organisation achieving its objectives, the major stakeholders would be those in national, provincial and local governments; accommodation, catering, and transport companies and agencies, etc; the local community; ecological groups; clients; suppliers; investors; employees, universities; other companies; tourists and NGOS etc.

Governments have an important role to play, since many of those in developing countries have stated that they are committed to conserving world natural heritage in a large number of Protected Natural Areas (PNA), the size and legal situation of which vary considerably depending on each country. This institution indicates in which protected areas in the country tourism activities may be conducted and which laws and rules apply to them (Blaikie, 1999; Bryant, 1997).

Other stakeholders, represented by local tourism and non-tourism companies, the local population and tourists who visit the area, also affect the development and evolution of ecotourism activity in a protected area. Colonising ecologically fragile areas, expanding agricultural borders, deforestation, pollution, the exploitation of raw materials and energy sources and, in some cases, a high number of visitors all represent a growing threat in these natural areas.
Within the protected areas and the surrounding areas, the local population who have a very low standard of living and a lack of cultivated land, put growing pressure on the available natural resources, which harms the natural environment (Dixon and Sherman, 1990). Ecotourism conducted in protected areas is considered accordingly as an instrument which provides financial resources to manage the area more effectively and to increase the local population's standard of living (Ceballos-Lascurain, 1996). According to Boo (1990), ecotourism also promotes conservation and sustainable development efforts.

External sectors, represented by intermediary companies or travel agencies, as well as non-local companies, control the most lucrative parts of the market, namely transport and accommodation (Chapela and Barkin 1995).

Accommodation companies are the most important in ecotourism, as they offer ecotourists accommodation which allows them to be in contact with nature (hotels, rural houses, hostels, bungalows, etc.), and this gives them the option to stay in the protected areas of the destination they are visiting for a longer period of time. According to Alvarez, Burgos and Cespedes (2001), the most important stakeholders for tourist accommodation companies are shareholders, the public administration, travel agencies and tour operators, the hotel chain or company to which it belongs, clients, suppliers, competitors and employees, as well as NGOs and other groups and/or associations.

According to Weizenegger (2003), stakeholders will only accept sustainable usage of protected areas if this also improves their standard of living and does not contravene their economic and political interests. In order to ensure a more comprehensive vision, the ecological and economic approaches to sustainable development which often emerge from the analysis of natural conditions or the capacity of the area must be complemented by the cultural, social and political aspects of the protected areas (Bryant Raymond, 1997).

Natural parks are one of the protected areas that enjoy the highest level of protection and various ecotourism activities can be conducted in these locations. For this reason, managing the resources of any natural park and planning how to manage the park itself entail taking decisions which affect human activities and which often cause social conflicts to arise among the different stakeholders in the area (Pulido Fernández, 2008). Corraliza et al. (2002) state that sustainable and efficient management of natural parks requires achieving an optimal level of social consensus.

With regard to the environment, it may be suggested that stakeholder theory sets out an appropriate theoretical framework for analysing environmental management, considering the fact that environmental issues are specific objectives for some particular stakeholders, whether
these are secondary stakeholders, such as NGOs or other members of society in general, or primary stakeholders, such as investors, employees, etc. (Fineman and Clarke 1996). This has come about due to the recent increase in the global society's concern for the environment. Stakeholders have therefore concentrated on studying interest groups which could affect companies, and by doing so have made it possible to determine the type of reports which should be drawn up to explain their impact on the environment (Azzone et al. 1997; Grafe-Buckens and Hinton 1998).

There are therefore many stakeholders to consider when designing, planning and implementing ecotourism activities in a destination.

**CONCLUSION**

Tourism is one of the major global industries. Tourist attractions are currently becoming more diverse and new alternative types of tourism to mass tourism are emerging. These alternative kinds of tourism both help to conserve the environment and boost the socioeconomic development of local communities.

Ecotourism is an example of one of these new types of alternative tourism. However, in order to develop it, policies, strategies, processes and even a unique business culture must be established, which will make it possible to create procedures and solutions to changes that occur in the surroundings (Engel, 1997; Röling and Wagemakers, 1998).

A destination must inform all its stakeholders as to what is happening (Massari, 2004), considering that if information flows freely and everyone collaborates with each other, the results achieved for the destination may be greater.

The term stakeholder must include all those players that are affected or may be affected by ecotourism activities in the destination, namely Governments, the local population, companies, administrators of protected areas, NGOs, etc.

Among these stakeholders, special attention must be paid to local communities. This group, which is part of the local population, must be made part of ecotourism planning, given that this activity may improve the local population’s standard of living, especially in under-developed countries, where this could help to reduce the poverty rate.

If all those local stakeholders are not taken into account when setting up ecotourism in a destination, it could have many a negative impact on the location, arising from social, environmental or political problems. In particular, the local community and NGOs are currently positioning themselves as groups with particular influence in certain countries, and excluding
them from territorial planning could have many adverse consequences in the destination in question.

Therefore, when it comes to developing ecotourism in a location, it is essential to take into account the idea that planning must be conducted in coordination and with the collaboration of all the agents that can affect or may be affected by this economic activity, putting particular emphasis on local communities, since they should be the first to benefit from ecotourism through the creation of new companies and new jobs, which will help to increase the local population's living standards at all times.

The last point is much more important in underdeveloped countries, such as the Dominican Republic, where socioeconomic development of local communities has been boosted in some ecotourism areas, thanks to the tourism planning involving all stakeholders in the tourist destination. A clear example of this is the Saltos de la Damajagua Natural Monument in Puerto Plata province.

There are also good examples in developed countries, such as the Doñana National Park in Andalusia, Spain, which has benefited from the stakeholders’ careful planning of the destination, resulting in economic resources being generated for all players involved in tourism activities in the area, including the local communities.

In conclusion, in order to achieve sustainable development in a location through ecotourism, all stakeholders must work together in a coordinated manner and in search of common benefits for the destination, with the aim of enhancing the socioeconomic development of the area’s population and promoting the conservation of natural resources, in order that they may be used by future generations.

BIBLIOGRAPHY.


