Strategy implementation in the Alpine tourism industry

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Abstract
Tourist regions with long tradition
and years of experience often have
a hard time implementing
strategic management concepts.
This is due to decision-making and
management processes at the
level of tourism policy and the
different levels of the tourism
organization. These levels were
bogged down for many years and
aggravated the task of carrying
out the required modifications.
With the example of the Alpine
region South Tyrol, this paper
explains the errors that are likely
to happen in the formulation and
implementation of strategic
concepts. The idea was to use a
concrete example to explain the
interdependence of the individual
elements of strategic
management from vision to
implementation while, at the same
time, elucidating the barriers and
the sources of resistance to
change at tourism organizations.

Introduction

During the last five decades, drastic changes in economic and social structures have taken place in the European Alps. In the past, due to great demand, it had been enough for tourism policy to provide the required infrastructure for a tourist region. Product development, marketing, and the implementation of strategies had been of only minor importance. Increasing international competition is beginning to reduce demand for tourist services in the Alpine region, leading to market exits in the hospitality industry and at the same time representing a new challenge for tourism policy. Tourism organizations, which on the one hand serve as connecting links between market and supply, and on the other hand guarantee the integration of the function of tourist planning on the level of destinations, are not up to these challenges. Implementation, or more so than the strategies of product development and marketing in destinations, becomes even more important for the practical and scientific discussion. This paper, using the example of a concrete case study from the Alpine region, shows the existing and potential barriers and challenges in implementing strategic decisions and policies. It depicts the correlation between tourism policy, tourism organizations, and the hospitality industry, and examines the strained relations between the hospitality industry and tourism organizations.

Problems and perspectives of Alpine tourism – the role of South Tyrol

During the last 50 years, tourism in the Alps has developed into an important economic factor and has been able to maintain this

position until the present time. In this development, the main contribution of Alpine tourism has been to provide sources of income and employment in those regions where economic alternatives are a prerequisite to preserving the function of a living environment where it was largely missing before (Tschurtschenthaler and Margreiter, 2001).

The postwar period in Europe was characterized by economic reconstruction. The general situation of shortages brought the activity of producing to the fore: all goods and services were in demand. This was also the case with Alpine tourism: demand came into being without any marketing efforts, only the respective facilities had to be installed. During those days, many Alpine destinations and regions lagged behind in the development of productivity compared to other regions outside the Alps. Differences of productivity resulted in wage differentials. The labor-intensive tourist sector profited from this difference, and the Tyrolean tourist industry was able to offer competitive products for more attractive prices compared to tourist suppliers in Alpine regions with stronger productivity. The Alps successfully competed with other destinations in terms of price and had a relative advantage compared to their competitors (Tschurtschenthaler and Margreiter, 2001).

The diminishing of the competitive advantages of Alpine tourism
In the following 20 years, however, two developments took place that made the advantage of low wages fade away. One of these developments occurred within the Alps and led to the undermining of the tourism labor market in terms of supply. There was an increasing importance of training and education in the tourism industry, and a weakening supply in the tourism labor market occurred. The gap between the average national educational level of individuals in the general economic sector

[157]

and those in the tourist sector, however, increased. The other development resulted in a regional displacement in the price-sensitive segments of the European tourist market, which was felt by Alpine tourist suppliers. New supplier regions developed with comparatively cheap economic conditions, and therefore price advantages, travel time to foreign countries decreased, and decades of demand behavior started to change. In the early 1970s, the summer season entered a stagnation phase, exactly the same time that winter tourism began to boom. This resulted in an overall development. It was only at the end of the 1980s that Alpine winter tourism also began to experience the first effects of saturation. The complexity of the causes leading to the crisis in Alpine tourism made it all the more difficult to develop simple counter strategies (Hutschenreiter and Peneder, 1996).

The entire European Alpine region includes parts of Italy, Germany, Austria, France, Slovenia, and Switzerland, as well as Liechtenstein. A total of 4.7 million guest beds and at least 370 million overnight stays (as of 1995) underline the position of Alpine tourism in the setting of European and world-wide tourism. The entire European Alpine tourism accounts for about 11 per cent of worldwide tourist arrivals and 17 per cent percent of European arrivals, although these numbers are decreasing (Siegrist, 1998).

South Tyrol is the northernmost province of Italy and is among the most important tourism destinations of the Alpine area. Based on 18.5 million tourist overnight stays and 3.2 million arrivals, the Italian province South Tyrol ranks third after the Austrian federal state Tyrol and the German federal state Bavaria (ASTAT, 1999). The development of the Italian tourism industry corresponded with the development of tourism in the entire Alpine area. South Tyrol has approximately 4,500 hotel and restaurant enterprises with 145,196 beds and 5,500 non-commercial accommodations offering 65,755 beds (Carlevaris, 2000). Analogous to the decline of overnight stays during the last ten years, a drop in the hospitality industry was reported as well. The number of hotel businesses has decreased by 20 per cent since 1985 and the number of all non-commercial businesses almost by 40 per cent (Provincia Autonoma di Bolzano-Alto Adige, 1997). The reasons for this decrease are to be found in the drastic restriction of expansion possibilities and its consequences, and the often-observable transformation of guest rooms into dwellings for personal use due to the decreasing demand and, consequently, the following

lack of supplementary income (Provincia Autonoma di Bolzano-Alto Adige, 1997). All in all, there has been a noticeable decrease of low classification accommodation within the last decade, while premium hotels, due to their high-quality standards, continued to register increases. In the context of the economic development of the province, the tourism economy claims approximately 20 per cent of the net product, yet due to the substantial decrease of overnight stays during the second half of the 1990s it registered substantial losses of the entire net product (ASTAT, 1999). In the context of the development programs since the 1950s, tourism policy has shown special consideration for small businesses and organizations within the hospitality industry and has focused on promoting the basic conditions for economic development of the hospitality industry. These promotions have concentrated mainly on creating the prerequisites for cooperation among companies and developing attractive offers and products. Special training programs, as well as further education possibilities, have been provided in order to help develop the hospitality industry.

Another important factor in tourism development in South Tyrol, in addition to the hospitality industry, is the role of tourism organizations as intermediaries between local service providers and the market. At present, South Tyrol has developed a three-level tourism organization:
1. 112 local tourism organizations;
2. 25 regional tourism organizations as a conglomeration of local tourism organizations (the aim of this strategy is to create a marketing initiative for a large homogeneous area and thereby develop greater effectiveness in the market); and
3. a provincial tourism board (Provincia Autonoma di Bolzano-Alto Adige, 1992).

These organizations were created to:
Unite the service providers and the representatives of tourism policy of each place or region (Kaspar, 1995, p. 55).

Are tourism organizations overloaded with responsibilities?
The inevitable question is whether tourism organizations are capable of fulfilling their tasks – considering the current developments of basic conditions – and whether tourism organizations are possibly overloaded with responsibility. It may be that tourism organizations in many countries and regions can no longer withstand this increasing pressure. In times of turbulent changes, tourism organizations (in their role as a point of intersection between the market and

the supply side) are gaining increasing importance, particularly with regard to developing tourism products with service providers and obtaining the necessary know-how and information for destination marketing. It is evident from the definitions of the areas of responsibility of tourism organizations, specified previously, that the implementation of the tasks takes a subordinate role. This fact is true for the entire field of strategic management. Therefore, the following section discusses the role of implementation in the context of the process of strategic management.

Strategy process and implementation: a literature overview

### What are the fundamentals of strategic management?

The methodology of strategic management is characterized by the differentiation of several "strategic" steps (Kirsch and Maassen, 1990). It is assumed that the evolution of an enterprise is caused by acute scarcity of commodities. Each individual step relates to the status quo and justifies facts, which gives shape to the steps that follow (see Figure 1).

The basis for strategic management is the identification and consideration of possible opportunities and dangers of environmental developments. The attempt to interpret management as a conceptual link between an entrepreneurial and environmental oriented theory emphasizes the necessity for the system and contingency approaches for strategic management and represents the management of an organization as an interpretation system of relevant environmental information (Daft and Weick, 1984; Daft and Steers, 1986; Lorange, 1979; Miles and Snow, 1978). The objective of strategic management is the creation of a future-oriented system that contains a balance of environmental and internal configuration. Particularly in times of accelerated environmental changes and turbulent markets, a mutual agreement on strategy and organizational structure is necessary (Ansoff *et al.*, 1976). This approach of strategic management corresponds with the requirement to be an orientational, basic concept rather than an instrumental procedural instruction. Successful strategic management depends on an environmental and developmental oriented conception of management (Macharzina, 1999; Yasai-Ardekani and Haug, 1997).

From thinking to doing!

The strategic implementation phase is a significant aspect of the strategic management process. Strategic management remains ineffective if strategies cannot be implemented efficiently. Regardless of this core meaning, little conceptual and empirical clarity can be found in the literature with regard to the duties of strategy implementers (Nutt, 1998; Welge *et al.*, 1996). Research shows that, apart from the success factors, such as structure, culture and personnel, management systems also play an important role in implementing strategies. We would like to address in particular the management of incentive systems (Ungson and Steers, 1984) and the parameters of change management (Gould, 1996). Often, necessary strategies for an effective organizational change fail at the management hierarchical level due to opposition on the part of the executives, a situation referred to as "implementation gap" (Alexander, 1985). The implementation of strategic management principles into a system depends, to a large extent, on how resistance to them can be diminished. Because the implementation of a strategy is something entirely new, it is usually connected with profound changes. The focus of this paper is to find the causes for the failure of the implementation of

Figure 1
Strategy implementation in the context of strategic management
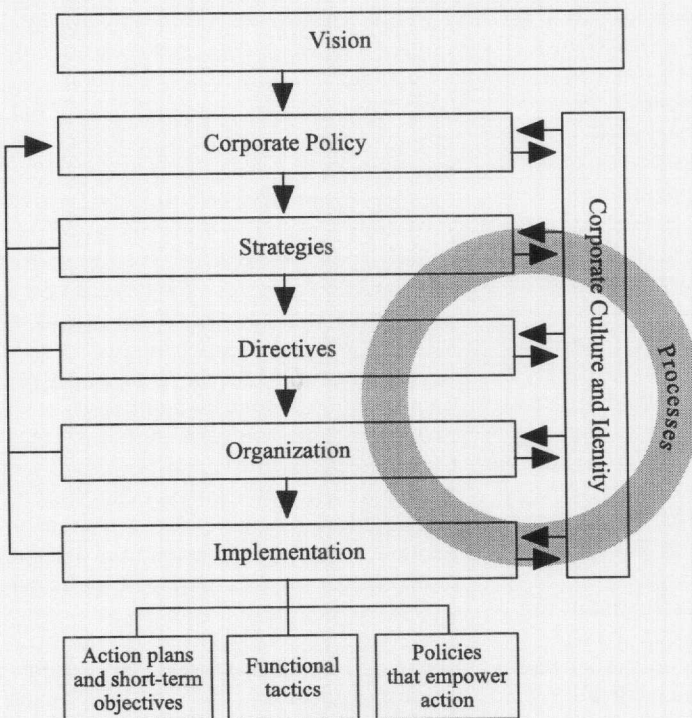
Source: Following Hinterhuber (1996)

[159]

strategy concepts. The barriers of the implementation of a strategic concept can be summarized in behavior and system resistances (Ansoff, 1979; 1982). Behavior resistances can be found in the will power of individual members or entire groups of a system and subsequently in their readiness to follow. For the most part, it is the preservation of once-achieved power potentials that cause this kind of behavior resistance. System resistances are either a result of disfunctionalities in the system or caused by the absence of sufficient skills. Conflicts between short- and long-term objectives are an excellent example for such disfunctionalities that lead to priority conflicts within the system, which can consequently cause the failure of projects or entire organizations. Therefore, strategy applications are always connected to continuous changes (Gould, 1996).

Tourism: exceptional planning – sloppy implementation
The previous research on tourism can be divided into three areas:
1 questions about the tourism industry and its operation, management, and marketing;
2 territorial development concepts on local, national, and international levels; and
3 social, cultural, political, and environmental aspects (Alipour, 1996).

Within all three areas, tourism planning plays an important role. Tourism literature focuses on the methodology of tourism planning (Lawson and Baud-Bovy, 1977; Murphy, 1985; Gunn, 1988; Kamra, 1997; Formica, 2000) rather than strategic management processes. Gunn talks about strategic tourism planning as an integrated development with regard to conservation and environmental protection, impact minimization, and haphazard development (Gunn, 1988). Similar to Gunn, Inskeep (1991) concentrates on land-use-planning tourism, with special consideration of sustainable tourism development. Both authors refer to the significance of the implementation process, which is important from the start of the planning process. However, discussions by Gunn and Inskeep concentrate on the manner of how tourism plans should be prepared; there is little discussion on the implementation and the monitoring of the plans (Choy, 1991; Pearce, 2000).

Choy, in particular, refers to the problems of long-term plans and the resulting sluggishness of their realization. Other authors focus on the special aspects of strategic planning in the tourism industry (Athiyaman and Robertson, 1995; Soteriu and Roberts, 1998; Hutchinson *et al.*, 1997; Phillips, 1996). In this context, the rapidly changing environment in the hospitality and tourism industry and the necessity of change management processes are referred to (Tracey and Hinkin, 1996; Olsen, 1999) without mentioning implementation processes (Olsen and Roper, 1998). Another aspect of criticism refers to the measurement of strategic planning effectiveness, to which only little attention has been given (Go *et al.*, 1992; Ingram, 1995; Phillips and Moutinho, 2000). While Go *et al.* (1992) refer to the importance of balance between the interests of stakeholders in communities and regions and the monitoring of the tourism performance of a community on four different levels (actions, programs, systems, policies), Phillips and Moutinho describe the strategic planning index as a diagnostic tool that measures the effectiveness of planning systems in the hotel industry with special consideration of different management levels. Setting explicit goals, assigning clear responsibilities for implementation, and involving all levels of management are necessary to increase the effectiveness of strategic planning in hotels. Okumus and Hemmington (1998) look into the barriers and the sources of resistance with existing strategies of change in nine UK hotels. The study refers to the significance of identifying potential barriers required to make the successful implementation of strategies possible. Depending on the specific situation, multiple strategies are to be applied on the part of hotel management. Furthermore, the study underlines the importance of the management's abilities, skills, and experiences.

In summary, no literature deals sufficiently with the topic of the implementation of strategies either in the tourism field or within the area of hospitality industry. It appears that for many years discussions have focused on the planning and preparation of the strategic planning process, but its concrete application has been neglected. This was also confirmed by Okumus and Roper (1999). Strategy implementation has been reviewed and evaluated by the two authors from the perspective of five different approaches. As a result it has been clear that there is no best way of strategy implementation.

What can be done to prevent sloppy implementation?
The possibilities of overcoming opposition to the implementation of strategies, which would then lead to the development of

suitable ways for effective strategy implementation, are offered in the following approaches (Ansoff, 1982). The flexibility approach aims to develop within a system a broad pallet of abilities in order to react quickly to multiple chances and risks. The target of this approach is to increase the general readiness of the system. The resource-based view in the strategic management process underlines this aspect since efficient and effective implementation can only take place if management is capable of involving employees' knowledge within the enterprise (Wernerfelt, 1984; Lorange, 1998). The second approach, the crisis approach, concentrates on top management, which is usually aware of the need for modifications early on but is not equipped with the necessary power potential to successfully initiate the modifications (Todd, 1999). One possible way to initiate them would be to get people involved who are outside of the system (for example, consultants or advisers). The implementation of the third approach, the compulsory approach, takes place under the sheer exercise of power and is mainly used in case of urgency. This approach can be dangerous since the real power constellations of the system are often misjudged. In literature it is often referred to as a business reengineering approach and focuses on its application in businesses with a small group of people (Hammer and Champy, 1993) and within a short amount of time, despite the risk of neglecting the actual strategy itself. The learning approach is the opposite alternative to the compulsory approach. It concentrates on analyzing the deficits of an enterprise's potentials and their modification through learning processes, with special attention to the involvement of all members of the system (Markóczy, 2001; Heracleous and De Voge, 1998; Thom, 1992). Contrary to Ansoff's (1982) opinion, neither the flexibility approach nor the crisis approach are genuine implementation approaches (Macharzina, 1999), since their aim is directed at the autonomy of the system and they can assist with the organization's development. The implementation process of the learning approach can be slow, since it acts according to the principle of the slightest resistance.

In practice, combinations of these approaches are used, which can be adapted to a specific situation in the conflict between organizational development and business reengineering. A frequently used method of implementation is the combination of the learning and the compulsory approach (Ansoff, 1982). The development of

management abilities for strategic implementation and the application of the strategy occur on a parallel basis. Thus, the realization of the strategies is to devise a solution for the most urgent tasks in order to simultaneously train the abilities of management for the next tasks.

Implementing strategies – the case of South Tyrol

In 1976, the South Tyrolean government created a law that regulated the structure and activities of South Tyrolean tourism organizations at provincial, regional, and local levels. At that time, South Tyrol had two different kinds of tourism organizations:
1 offices under public law, which were directly subordinate to the provincial government and financed by public means; and
2 tourism associations under private law, which were (indirectly) within the boundary of the provincial law.

At the provincial level, a tourism board was created in the form of a non-autonomous corporation of the province for which the government approved 100 per cent of the financial support. Generally, it can be said that there are worse conditions to fulfill performance requirements for the associations under private law in relation to tourism organizations than under public law (Stumpf, 1993). This applies to the modern office and communication technology as well as to the professionalism of executives or the level of education, which is higher in tourism organizations under public law than in those under private law. While it is more likely for tourism organizations under public law to have coordination problems within executive administration, tourism organizations under private law experience difficulties coordinating and agreeing with their members. In the 1980s, the main argument for criticism of South Tyrolean tourism organizations was the fact that they were divided into three different structural forms:
1 tourism administrations under public law;
2 tourism associations under private law; and
3 tourism consortia.

This resulted in substantial problems when it came to measuring the efficiency and effectiveness of strategic planning and implementation. Tourism organizations under public law were totally financed by tax money put at their disposal by the provincial government, while tourism organizations

under private law financed 50 per cent of their budget from membership fees of the hospitality industry and another 50 per cent from public support.

The rise of political power of the hospitality industry

The realization of marketing strategies was easy for tourism organizations under public law because the hospitality industry did not have to co-finance the measures and therefore only small modification resistance arose. On the other hand, in times of declining overnight stays, particularly at the beginning of the 1980s, the political pressure on these tourism organizations started to increase. There was a call for stronger integration of the hospitality industry into the formulation of strategies, in particular with regard to product development and marketing. Over the years, the missing institutional integration of the hospitality industry into the tourism organization (e.g. by membership) led to management's neglect of information policy with respect to the local hospitality industry.

The provincial law was amended in 1992, and these shortcomings should have been removed. The re-organization of tourism organizations was intended to privatize all tourism organizations under public law and to equate them with the tourism organizations under private law that were already in existence. This was done in order to create equal requirements for both managements. Additionally, the regional law provided for the creation of regional tourism organizations (i.e. a conglomeration of several local tourism organizations), with the target of transferring tourism marketing initiatives to the regional marketing platform for more efficiency. The result of this new regulation was a stronger amalgamation of local tourism organizations. If two or more local tourism organizations met the goal of at least 1.2 million overnight stays, they could form a regional tourism organization. In subsequent years, 25 regional tourism organizations were founded, all of which were responsible for creating regional product brands and for implementing marketing strategies in order to market the products and offers created at the local level. The local tourism organizations are therefore members of a regional tourism organization and finance approximately 50 per cent of the total budget of that organization. Only the provincial marketing organization remained publicly organized, since the political service providers at the provincial level wanted a guaranteed influence. Because privatization

of the local tourism organization and the establishment of private regional tourism organizations occurred, the political influence of the provincial tourism policy decreased drastically and was limited to the possibility of the additional assignment of financial sponsorship of the province for establishing new tourism products. Consequently, tourism organizations in South Tyrol were based on three levels:
1 local;
2 regional; and
3 provincial.

In summary, it can be said that amending the regional law in 1992 enabled, on the one hand, the process of creating marketing efficiency in larger tourism organizations and equal treatment of local and regional tourism organizations through privatization. However, the amendment also created an additional hierarchic level, which caused increasing transaction costs concerning strategy formulation and realization.

A new master plan for the South Tyrolean tourism industry

In 1995, the provincial government of South Tyrol ordered the formulation of a new master plan in order to reconsider and rewrite the most important guidance strategies for tourism. The creation of the master plan for the tourism industry of South Tyrol took two years, integrating all industry and tourism categories through their agency representatives. Its goal was the development of a normative framework for tourism policy as a basis for the realization of essential guidance strategies (Provincia Autonoma di Bolzano-Alto Adige, 1997). Yet, despite the fact that this master plan shows the direction and the project-specific goals of tourism policy in South Tyrol that need to be realized, it does not refer to any kind of priorities, to a timetable, or to deadlines.

According to this "Master plan for the tourism economy of South Tyrol 1996-2006" the future tourism organization in South Tyrol needs to make the following changes (Provincia Autonoma di Bolzano-Alto Adige, 1997):
- More impact force, speed, and flexibility required by the market.
- More commitment on all three levels of the tourism organization with regard to functions, division of responsibilities, and cooperation.
- Improved networking of the total system: in accordance with the "multi-business structure", the individual levels of the tourism organization (province, region, place) are to be merged with respect to

personnel criteria (i.e. better information management and more efficient execution of decisions bottom up and top down). This also includes the privatization of the provincial tourism organization in order to enable the required drastic measures.
• Clear separation between the non-delegable tourism-political guideline competence of the country and the autonomous executive competence of the tourism organizations.
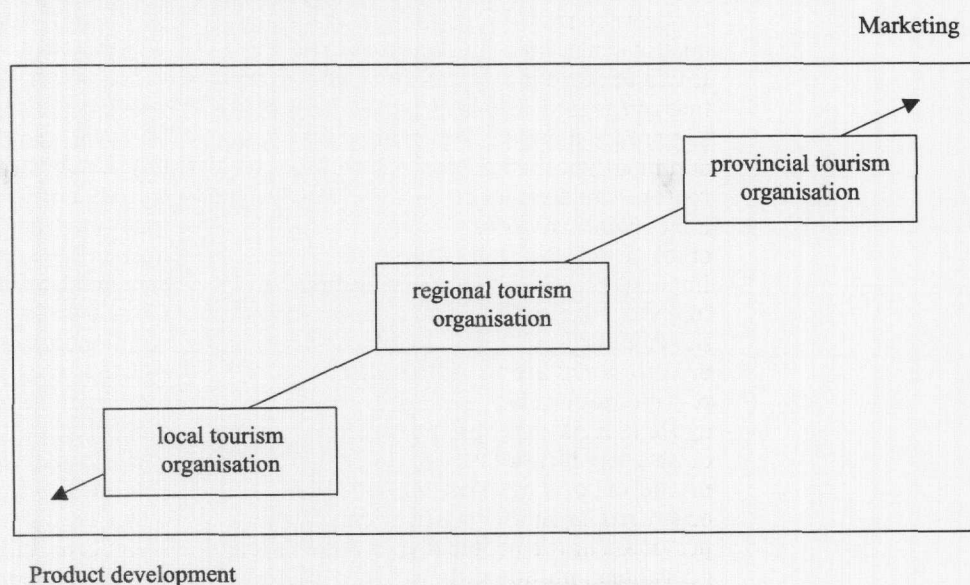
The different levels of tourism organizations (local vs regional vs national vs international) indicate different forms of integration, which are evident particularly in international forms of cooperation and new cross-border destination formations. These circumstances can cause problems with regard to coordinating product, quality, and marketing strategies within individual levels (Pechlaner, 2000a).

Figure 2 shows that the local tourism organization concerns itself mainly with product development as well as the care of the guests, while the regional tourism organization focuses more on marketing. This also corresponds with the division of responsibilities established in the 1992 law, although a strict separation of the functions, competencies, and responsibilities between the local and regional tourism organizations was not possible in the course of the implementation of the law (Pechlaner, 2000b).

How do tourism organizations and their members coordinate?

The definition of the interfaces between the (local) tourism organization and its members (the hospitality industry) is not easy to determine. One of the essential functions of a tourism organization is to support and coordinate the activities of its members and the public institutions with regard to the organization of offers geared to the market requirements, as well as to assist with the product development of member operations. The hospitality industry, being a member of local tourism organizations, can influence the decisions concerning offer organization and marketing, but has no influence on the decisions of regional or provincial tourism organizations. The decisions made at the regional level are mainly all market-relevant decisions that are of major interest to the hospitality industry. The significance of the hospitality industry is not sufficiently expressed by the decision makers of a regional tourism organization. Since the local tourism organization in South Tyrol is organized in the legal form of associations, each member of the hospitality industry has one voice, no matter whether it is a large hotel, which significantly contributes to the image of a destination, or a private guesthouse. This causes misinterpretations about the function of the different areas of the hospitality industry in the context of destination marketing and makes the realization of decisions, which were made in the local tourism organizations, more difficult. Consequently, the local tourism organization's management is confronted

Figure 2
Market orientation versus product orientation

with a series of modification resistances, which result from competency conflicts within the hospitality industry. This situation makes the horizontal and vertical cooperation between the different levels of the tourism organization, which is necessary to bundle products in line with the market requirement, more difficult.

Overlapping conflict fields as outcome
Consequently, the role of the hospitality industry and the tourism organization as intermediaries between the tourism product and the market is dominated by overlapping conflict fields, leading to modification resistance and hindering the realization of the strategies of the industry and the tourism organization. On the one hand, the fact that tourism organizations are multi-staged increases the transaction costs of cooperation on the vertical and horizontal level. Furthermore, the complexity in coordinating of functions, competencies, and responsibilities between the local, regional, and provincial levels increases. On the other hand, the hospitality industry can directly influence only local tourism organizations and can barely influence the decisions made on the regional level (although market relevant). Moreover, the same treatment of large and small tourism operators in the decision-making committees of the local tourism organization leads to misunderstandings and competency conflicts within the hospitality industry, which makes the realization of strategies in the area of product development, offer organization, and marketing definitely more difficult.

In the year 2000, the provincial government decided to fundamentally revise the law for tourism organization in South Tyrol. The background for this project was the recognition that the realization of normative targets of the tourism policy was not satisfying on the strategic level of the tourism organizations or on the level of the hospitality industry, due to different barriers and modification resistance. The following reasons can be identified (Autonome Provinz Bozen-Südtirol, 2000):
- Unclear definition of the tasks, competencies, and responsibilities of local, regional, and provincial tourism organization.
- Absence of sanction institutions on different levels.
- Lack of cooperation concerning tourism political targets.
- Difficulty of establishing economic principles in the tourism organization, since they are organized as associations and are consequently not recognized by

the hospitality industry as powerful organizations.
- The privatization of tourism organizations was realized in the form of a crisis management approach, without integrating the affected hospitality industry on a local level. Also the management of the tourism organization was not prepared for the new level professionalism.
- Because of this privatization, the hospitality industry had to contribute more to the financing of the tourism organizations. However, in return the industry did not receive more influence regarding the formulation of strategies of the supply development and the marketing.
- Because of the creation of regional tourism organizations (which are primarily responsible for marketing), local tourism organizations lost their importance. However, it is at the local tourism organization level where the hospitality industry is primarily represented.

The making of destinations
The principle of action of the new tourism organization in South Tyrol is defined according to destination areas on the local, regional, and provincial level (destination South Tyrol, regional destinations and local destinations) and less on the definition of (political) territories of a tourism organization, which do not take the market into account. The starting point for reconsidering the tourism organization in South Tyrol is thus the formation of tourism organizations with a destination potential (on a local or regional level), followed by the separation of functions and competencies between the different levels of the tourism organization.

At present, the reluctance to change among the tourism entrepreneurs is very high. However, the changed market situation forces new strategies and organizations and consequently feasible measures to help face these modifications. It is true that the normative measures of 1976 and 1992 set off change management processes, but they were never completely realized. This led to additional uncertainty caused by current developments in the most important markets. The introduction of a new process must consider, therefore, the existing barriers and avoid potential barriers if possible.

The in-depth analysis of experiences from projects over the last few years favors the combination of a learning and compulsion

approach (Ansoff, 1982). The objective of this combined approach is first of all the realization of the most urgent strategies by the introduction of a new law. This law would represent the normative tourism-political framework for the future. Before the law comes into force, however, another training initiative for the management of the tourism organizations should be introduced in order to prepare for the realization of that law. In recognition of the law a further training offensive should be applied in order to accompany the processes of the strategic change of the tourism organization to destination organizations. This process takes the basic principle of the integration of the hospitality industry and other industries, like trade and agriculture, into consideration.

This approach emphasizes the importance of accompanying measures for further education in the context of the change management process. In the process, the protection and development of resource infrastructure, tourism supply, and above all, knowledge, become prerequisites. The introduction of quality standards not only guarantees mandatory guest orientations, but also protection against offers with little market prospects. Enabling quality assurance and quality development systems of the destination offerings and the provision of this knowledge for the improvement of product development and marketing are the essential skills of a destination management and the making of a specific brand.

Destinations cannot be ordered. The commitment of a core group of supply carriers and opinion makers in the network of economics, politics, culture, and environment can initiate and accompany with persistence the changing process in places and regions. Each place and each region has other basic conditions to take into consideration, yet they all must first ask whether they are capable of supplying the right product for the right customer.

The measures for further education are used as an arrangement of application-oriented contents and also help with the organization of destination management in their own area of influence. In the context of the process cited previously, seminar modules are seen as a flanking measure of a realization process; also seminars can cause the process mentioned above. The object is first of all an intensive exchange of experiences between the partial target groups, as well as the creation of a tourism consciousness among non-tourism service providers, the strengthening of tourism management in relation to the economic,

social and political surroundings, and the integration of the entire region into a case study for further training (Osti and Pechlaner, 2000).

The system mentioned above should emphasize the network approach of a region or a destination. It is not so much about the skills and knowledge of the workers, but about the competencies of the tourism organization's management: it is also about the whole region as a network with specific authorities that are very difficult to imitate. These clusters require a continuous exchange in order to function and be viable (Bieger, 2000). The regions must enable the development of business core competencies.

Outlook

The case of South Tyrol is a concrete example for the problems arising from the non-observance of strategic management processes. Strategic management calls for the consideration of several steps, from formulating vision and objectives to their implementation. For the formulation of objectives in the framework of the master plan for South Tyrolean tourism, an in-depth analysis of environmental developments had been carried out, in particular, considering problems and perspectives of Alpine tourism. The decisive mistake made by those responsible for South Tyrolean tourism, however, has been the minor consideration of the balance between environmental developments and internal configuration in the framework of the concept of strategic development. During the long goal-setting process, the requirements of stakeholders were changing, resulting in an increase of resistance against reorientation from the year 2000. The willingness to bring the tourism organization in-line with the new principles of effective destination management and destination marketing has declined rapidly. From this point of view, the strategic concept remained rather ineffective. Another mistake was that no clear responsibility had been fixed for implementation, even though explicit goals had been formulated in the master plan for 1996-2006. In the three years after the official approval of the master plan by the provincial government, it was obvious that this plan was used as an argument for the realization of projects whenever the political opportunity was given. Consequently, many projects that were valued as important and necessary in the process of the formulation of the master plan fell entirely by the wayside or were not implemented until later on.

[165]

Maybe the biggest problem, however, was that even though all of tourism's executives knew the goals, they had no real idea of the consequences that might arise in the course of their implementation. Consequently, it is an important task of tourism policy to account for the changes of strategic orientation and to communicate the respective reasons. In this respect, it is essential to distinguish between behavior and system resistances in order to be able to take immediate action in case of the first signs of resistance. Ideally, the needs for action resulting from implementation of changes and strategies would have some direct influence on a set of measures for further education.

What does this case teach us? The realization of strategies is a permanent process of change in the area of conflict between organizational development and business reengineering. In the practice of tourism, the development of management skills as a prerequisite for insight into necessary and short-term accomplishment is established. Thus, the realization of the strategies can be seen as the beginning of a solution of the most urgent tasks in order to simultaneously train and develop the abilities of management for the next tasks. The typical forms of resistance against modifications are, on the one hand, the attitudes of rejection against those institutions responsible for the modifications, which consequently lead to the formation of opposition groups. On the other hand, there is an apparent acceptance of the modifications, while returning in a later phase of the conversion process to the old situation. The resistance is reduced if the persons affected get the assurance that the innovation comes from their own project and is not necessarily caused by others. If they feel that their autonomy and security is not threatened, and if the innovation or strategy is open for examination and revision, experience shows that appropriate corrections are desirable and possible.

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