Economic sustainability guidelines for a Community-Based Tourism Project: The Case of Thabo Mofutsanyane, Free State Province

Prof Albert. J. Strydom and Dinah Mangope
Central University of Technology
Free State
Republic of South Africa

and

Unathi Sonwabile Henama*
Tshwane University of Technology
Republic of South Africa
Email: HenamaUS@tut.ac.za

Corresponding author*

Abstract

Community-based tourism (CBT) is intended mainly for the underprivileged communities, and it is viewed as a form of tourism development that must be initiated, planned, owned, controlled and managed by the local community members towards the achievement of their needs and wishes. CBT takes environmental, social and cultural sustainability into account, and it is imperative that community members, regardless whether they are directly involved or not in tourism endeavours, gain some form of benefit as well. The main objective of this article is to formulate guidelines towards improving the economic sustainability of community-based tourism projects in the Thabo Mofutsanyana district of the Free State province. The primary goal of the study was to investigate the sustainability of financial investment in Community-based tourism projects in the Thabo Mofutsanyana municipality. The significant results that the study revealed indicate that some CBT projects failed mainly because of a lack of proper planning and ineffective financial management by the government. In some cases, the communities were excluded from the initial planning phases of projects, while training programmes to capacitate the community were also inadequate. The major challenge in the sustainability of CBT projects in the area was the provision of sufficient seed funding for the projects, hence the respondents believe that other donor agencies should be exploited to curb the funding issue. The study provides guidelines on how to improve the economic sustainability of CBT projects – not only in the study area, but also in other similar type of areas.

Keywords: Community-based tourism, sustainability, sustainable development, sustainable tourism

Introduction

Tourism is the world’s leading industry and has caught the attention of entrepreneurs and policy makers. “Many countries consider tourism as a means to increase income, generate foreign currency, create employment, and increase revenues from taxes. With the benefits that tourism offers to a country, it is not surprising that developing countries are viewing tourism as a means for alleviating poverty” (Botha, 2012: 2). Apleni et al. (2017a) affirm that tourism is an industry that is located within the consumption economy, where the tourists consume a multiplicity of services and products at the tourism destination area, whereas the primary drivers of many economies have been production economies, driven by mining, agriculture and manufacturing. Tourism has been used by countries as a form of economic diversification. Tourism in South Africa can be regarded as the “new gold”, as the traditional economic driver of the economy has been gold mining, with deep vertical and forward linkages.
The decline in mining production has created widespread unemployment and destroyed the economic prospects of the single industry towns, which depended on mining, as the major economic activity. “It has been observed that that South Africa’s travel and tourism industry is highly concentrated and dominated by a small group of large, mostly locally owned tourism organisations” (Butler, 2013: 628). Ndabeni and Rogerson (2005) noted that the largest number of enterprises are small firms. The majority of businesses in tourism can be considered to be small and medium enterprises. “Often, SMEs are also the vehicle by which the lowest-income people in the South African society can gain access to economic opportunities-at a time that distribution of income and wealth in South Africa is amongst the most unequal in the world” (Saayman & Olivier, 2005: 118). The majority of small firms in tourism, continue to create a plethora of job opportunities for thousands of South Africans. The biggest challenge facing the post-apartheid government, is the lack of jobs, which has relegated millions of South Africans to poverty as a result of unemployment. Tourism is a growth industry because it has sustained growth.

“Between 1990 and 2010, international tourist arrivals in South Africa expanded eightfold” Rogerson, (2012: 6). Apleni et al (2017a) noted that tourism has grown in South Africa to become a leading sector that creates jobs in the country. Tourism has been a major source of revenue for countries, specifically in the Third World. Its growth has been nothing short of phenomenal. In the 1950S, 25 million people travellers to a foreign destination. In the 1960s, this grew to 70 million. By 1997, 617 million tourists had been reported according to the Third World Network (2005). United Nations Conference on Trade and Development (2010) noted that the growth in the sector has made tourism a major generator of employment, because of the labour-intensive nature of tourism. Tourism will continue its growth trajectory as global wealth grows and the availability of fast transportation. “Tourism is a product that has the potential to be consumed over the lifetime of an individual as new destinations are visited and old are revisited. The institutionalisation of the vacation as a normal part of society as people move up the social strata” (Henama, 2014: 2).

Why Tourism

“Tourists undertake travel to a destination and import their foreign exchange into the destination country, just like an exported product. Since tourism is similar to an export product consumed at the destination area, it is essentially a service which is intangible and is simultaneously produced and consumed at the destination. Majority of the value adding happens at the destination area, which means that if a destination uses pro-poor principles, there would be less economic leakage from the local economy” (Henama & Sifolo, 2017: 47). “The tourism industry comprises a wide array of products and services whose boundaries for inclusion are not clearly defined but manifest in a wide variety of forms such as cultural, alternative, business and, of increasing significance in the South, nature based tourism” (Hill, Nel & Trotter, 2006: 163). “ Tourism is distinct from other sectors, in that, it is a cross-cutting sector and it involves a big diversity of services and professions, which is linked to many other economic activities…it is made up of five different sectors; these are: accommodation, food and beverage services, recreation and entertainment, transportation and travel services” (Akinboade & Braimoh, 2010: 149).

Zhang et al. (2009) noted that tourism is a coordination-intense industry in which different products/services (transportation, accommodation, and so on) are bundled together to form a final tourism product. The arrival of tourists at a destination, motivates the state to improve infrastructure and super-structure to benefit the tourism industry. “The tourism industry has been identified as a key growth sector because of its contribution to the South African Gross Domestic Product (GDP). The Industrial Action Plan, National Development Plan, National Tourism Sector Strategy, New Growth Path, all reiterate this position” Apleni et al. (2017:1). Growth in tourism has coincided with this structural shift towards a service-based economy in South Africa, which is inclusive of tourism according to Booyens (2016). Tauoatsoala et al.
(2015) noted that the tourism industry creates facilities that are ‘consumed’ by both tourists and locals such as airport infrastructure. The crosscutting nature of tourism, means that it has a direct, indirect and induced impact on the local economy. International tourism is regarded as an essential part of economic development strategies for many African countries (Akinboade & Braimoh, 2010). “Since 1994, the national government has launched several initiatives designed to promote and support economic development across South Africa through tourism” (Rogerson, 2002: 144) and “Outside of the country’s major cities, South Africa’s small towns also have faced the need for economic readjustment” (Rogerson, 2011: 161).

Community Based Tourism (CBT)

“Since the tourism industry become increasingly important for community growth around the world, the need to develop sustainable tourism had to also become a primary concern. Efforts to make tourism a more sustainable option had been focused increasingly on a community development approach” (Manavhela & Spencer, 2012: 535). According to Zapata et al. (2011) CBT is considered a tool that integrates the goals of the general concept of sustainable development. CBT has to fulfill the criteria that make it economically, socially, culturally and ecologically sensible and compatible with the communities in which it occurs. CBT has the potential to provide some unique opportunities for communities by offering not only greater benefits but also enhancing their involvement in planning and management of tourism in their village as well as community (Mizal et al., 2014).

CBT by its very nature is pro-poor, seeking to ensure the majority of the benefits accrue to locals and the local economy. “CBT is generally small scale and involves interactions between the visitor and host community and is particularly suited to rural and regional areas. It is commonly understood to be managed and owned by the community, for the community” (Engström & Leffler, 2012:2). Kiss (2004) postulated that development organisations see CBT as a potential source of economic development and poverty alleviation, particularly in marginal rural areas. The major concern lies in the sustainability and delivery of some aspects of sustainable community development, such as:

- Long term socio-economic conditions of the community in question (does it totally eradicate or alleviate poverty long after funding dries up?): Tourism is often driven by foreign, private sector interests; who have limited potential to contribute much to poverty elimination in developing countries. It is also noted for high levels of revenue ‘leakage’, and of the revenue that is retained in the destination country, much is captured by rich- or middle income groups – not the poor (Khanya & Roe 2001:1).

- Skills acquisition: Aref and Redzuan (2009) suggested that training is required since the change from agriculture to service activities is difficult for rural people. They lack the knowledge and experiences to successfully develop tourism activities. Some training needs to be executed directly by government and/or by other organisations that can be contacted for the purpose of bringing training to rural communities. “Training should be tailored specifically for the community’s tourism needs” (Okazaki, 2008: 513).

- The dominance of mass tourism operators: Trejos et al. (2008:2) indicated that past research has found that power relations are prevalent features of emerging CBT settings which result in the domination of community-based projects by local elites who monopolise the benefits of tourism.
• Low employment and income: Although tourism often promises community members improved livelihoods and a source of employment, the advent of fledgling tourism industries often fail to benefit communities equitably. High salary jobs in tourism are often scarce and require high levels of education (languages, administration, and accounting). "The remainder of the jobs are generally low income and low skill in nature – such as cleaning, security, waiting tables and cooking" (Trejos et al., 2008:10).

• Financial returns that are not up to the expectations of the people involved: “Due to high development costs, tourism projects often take time to generate the profits expected by local people. However, tourism depends on the numbers of tourists visiting the destination, which means that in order to gain expected financial returns, there has to be an extensive marketing strategy to attract targeted clientele numbers” (Trejos et al., 2008:17).

• Women and Youth empowerment: The development of rural women is an important consideration in the development of rural areas. According to a communication by Ban Ki-Moon (2012:1) the challenge includes finding concrete ways to address the plight of rural women, the inequality between men and women, boys and girls, as well as giving women access to basic services towards reducing poverty. Despite government commitment to rural development, there is little sign of empowerment especially for women and youth. It is the women who always have to shoulder the burden of poverty (Rogerson, 2009:51-69).

Wehkamp (2007:9) acknowledged that there are a number of different models for CBT projects. Some are run and operated by one or more entrepreneurial families who employ other community members and in this way spread economic benefits to the community at large. Others may be managed and operated by a village cooperative or community group, perhaps with the support of a donor agency or Non-Governmental Organisation (NGO). Often, CBT projects develop a system for redistributing tourism income to the community through education or health projects.

CBT aims to ensure that communities are empowered to participate meaningfully in tourism development. There is also another proviso, namely, that sustainable tourism is not only about the economic contribution of tourism to local economies but also about addressing the wider community needs, including physical and socio-cultural needs. Therefore, sustainability of tourism is dependent on community empowerment, participation and benefits from tourism as noted by (Kauppila et al. 2009:3).

According to Frunza and Carmen (2005) sustainable development and CBT are inherently connected because they share the same natural and cultural resources. Culture and social norms determine not only resource use but also structure internal and external relationships. Figure 2 below shows how CBT could be utilised as a tool for sustainable development.
Characteristics of Community-Based Tourism

CBT is premised on the inclusion of local people in the development of the tourism industry. Its characteristics include local control of development, community involvement in planning, equitable flow of benefits, and incorporation of resident values (Koster, 2010:4):

- Local control of development: there are many interest groups and many individuals who hold their own viewpoints, with the result that there is no easy way of reaching consensus. Communities rarely, if ever, speak with one voice. The mechanisms that are used to elicit the views of the community provide an opportunity for a minority of self-appointed community spokespeople, or people with strong views, to dominate the process; the views of the so-called ‘silent minority’ may thus often go unheard. Moreover, professionals may undervalue or even ignore local views that run contrary to their own. This is particularly prevalent when ‘public participation exercises’ are held to legitimise decisions that have, in all probability, already have been taken as noted by Swarbrooke (1999).
- Local participation in tourism planning and management: In South Africa, local people may have little say in the process, which is clearly at odds with the concept of sustainable tourism as noted by DEAT (1996). It is especially a problem in the heritage field, where the story of the community is told to tourists by outside professionals rather than local people. This is an extremely contentious issue in South Africa, particularly
in the cultural tourism context, where there is a scarcity of site guides. The lack of local control may often lead to developments that are inappropriate for their location because the outside agencies lack the necessary knowledge. Furthermore, it can lead to some or most of the benefits derived from the development being exported away from the local area (DEAT, 1996). The challenge for the past 20 years are therefore to find ways of making CBT more sustainable in itself, and to be better able to contribute towards the development of sustainable tourism in general.

- Equitable flow of benefits: according to Höckett (2009) rural community-based tourism proceeds rarely as an unplanned intervention of a free market process but more as a planned programme that is part of local or regional development strategies. This makes it possible to plan community-based tourism development carefully. Tourism development is supposed to be led by an organization of the community and the benefits should be distributed equally inside the community. The starting point is to discuss and identify the local values, needs and the possible impacts of this kind of tourism development. The communities should discuss what they are willing to contribute and what they are not willing to give up as noted by Hashimoto & Telfer (2006).
- Incorporation of resident values: the tourism product offering must not be at odds with the values of the resident community to ensure community support.

Research Methodology

The primary objective of the study was to determine the sustainability of financial investment in CBT projects in the Thabo Mofutsanyana district of the Free State province. Thabo Mofutsanyana District Municipality is situated in the north-eastern section of the Free State Province and borders most landlocked Lesotho and KwaZulu Natal. It nestles in the shades of the Maluti Mountain Range, between the Orange River in the south and the Vaal River in the north. Its Head Office is situated in Phuthaditjhaba about 48 kilometres south-west of Harrismith and 142 km north-east of Ficksburg. The area is primarily agricultural in nature and includes the former homelands of QwaQwa and the municipal area covers 26 035, 4 square kilometres. The main centres in the District are Bethlehem, Ficksburg, Harrismith, Vrede, Memel, Phuthaditjhaba, Senekal, Reitz, Warden, Ladybrand, Tweespruit, Hobhouse, and Excelsior. The most populated municipality is Maluti-a-Phofung which was declared as a node and has 52% of the district population and a density of about 88 people per square kilometre. Thabo Mofutsanyana is well known for several tourists’ attractions and destinations and also features a variety of annual festivals.

The research design was used qualitative. A case study design was adopted to depict a wide array of different variables, events and responses that would perhaps be disregarded or intentionally controlled in an experiment. The descriptive study was designed to collect data in the Thabo Mofutsanyana area. The nature of the research was to establish and investigate the reasons and opinions for the status of the selected CBT projects, with the aim of providing or suggesting solutions to the major problem. Self-administered questionnaires were used for gathering information. Data sources were non-random, sampling was purposeful, which meant that the respondents have been chosen because they have the most information about the topic under investigation. The population were CBT projects in Thabo Mofutsanyana District Municipality of the Free State, which had the majority of CBT projects. There were 21 CBT projects in the area. The CBT projects were categorised into: accommodation establishments (hotels, guest-houses, lodges and rondavels), hiking trails, hospitality training centres, craft centres, tourism routes, communication centres, water sports and other water activities.

A pilot study was conducted, where participants from one successful and one failed project verified the questionnaire. Data collection of the self-administered questionnaire was during 2014, in August and September. The researcher and the research assistant visited each CBT project and met with the respondents to explain the purpose of the research and to encourage
respondent willingness to participate in the research by completing the questionnaire. Research fieldworkers were identified to assist with data gathering. The total number of community representatives questionnaires to be administered was 80 which means that 4 community representatives per project (21 projects - population) was included in the study and be scientifically selected. Data analysis used descriptive statistics such as pie charts, bar charts and tables are used to display respondents' demographic information and personal perceptions. After the data was interpreted, the data was analysed through SPSS software. The projects were selected based on the project data base derived from the Free State Tourism Department. Sixty-six respondents completed the questionnaires, which resulted in a seventy-nine percent response rate. This is tabulated in Table 1 below.

Table 1: CBT projects on the study area and the frequency of respondents (community representatives) that responded to the questionnaires

<table>
<thead>
<tr>
<th>Projects</th>
<th>Frequency of response to the questionnaire</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual Initiation School Festival</td>
<td>1</td>
</tr>
<tr>
<td>Basotho Cultural Village</td>
<td>4</td>
</tr>
<tr>
<td>Black Water Fly Fishing and Trout Breeding</td>
<td>4</td>
</tr>
<tr>
<td>Bochabela Tourism Junction and Information Café</td>
<td>1</td>
</tr>
<tr>
<td>Clarens Arts and Crafts</td>
<td>4</td>
</tr>
<tr>
<td>Empereni Information Centre</td>
<td>3</td>
</tr>
<tr>
<td>Harrismith Tourist Office</td>
<td>4</td>
</tr>
<tr>
<td>Maluti Cave Route Hiking Trail</td>
<td>3</td>
</tr>
<tr>
<td>Maluti Thusa Batho Trail</td>
<td>5</td>
</tr>
<tr>
<td>Mantsopa Cave Project</td>
<td>4</td>
</tr>
<tr>
<td>Mautsendal Cultural Village</td>
<td>3</td>
</tr>
<tr>
<td>Metsi Matso Accommodation Facilities</td>
<td>4</td>
</tr>
<tr>
<td>Motouleng Ancestral Cave</td>
<td>3</td>
</tr>
<tr>
<td>Pathfinder Club</td>
<td>1</td>
</tr>
<tr>
<td>QwaQwa Guest House</td>
<td>2</td>
</tr>
<tr>
<td>River Ranger Project</td>
<td>4</td>
</tr>
<tr>
<td>Sangoma Caves (Nkokomohi Heritage Site)</td>
<td>2</td>
</tr>
<tr>
<td>Seekoeivlei Nature Reserve</td>
<td>4</td>
</tr>
<tr>
<td>Sterkfontein Resort and Reserve</td>
<td>4</td>
</tr>
<tr>
<td>Witsieshoek Cave (Community Tourism Crafts)</td>
<td>3</td>
</tr>
<tr>
<td>Witsieshoek Mountain Resort</td>
<td>3</td>
</tr>
</tbody>
</table>
Findings of the Study

Fifty two percent of the community representatives were involved in the initial planning of the projects. Therefore, this implies that 48% of them did not have information on why the project was initiated and they were never part of the planning and decision making process. It poses a risk when it comes to decisions that shape the project’s destiny. The level of involvement of community representatives in CBT project committees is also an important aspect of the CBT project development as shown in Figure 2 below.

![Figure 2: The level of involvement in CBT project committees](image)

The respondents stated reasons for their specific level of involvement in CBT project committees. Forty three percent were always involved, and the reasons were that they were members of the Board of Trustees, whilst 41% were sometimes involved, the main reason being that they were only involved when their inputs or expertise were needed. Ten percent reported that they were involved only when there was a need to clarify certain issues in the project. Monitoring and evaluation processes of the projects had to be a collaborative exercise with all stakeholders involved. The community as sole beneficiaries in community projects have to be part of the process so that they have information of what direction the project needs to take.

Figure 3 below illustrates the community representatives’ involvement in monitoring the progress of the CBT projects.

![Figure 3: The level of involvement in monitoring the progress of the CBT project](image)

According to Figure 3, only a third of the community representatives (34%) indicated that they were always involved in the monitoring of progress of the CBT projects and actively monitored it with the government officials. For the same reason, 26% were ‘sometimes’ involved and 14% ‘often’ involved. Lastly, 13% of respondents were ‘never’ involved in monitoring since the project was imposed on them and they had little interest in it. It is a positive gesture that the greater percentage of the respondents were involved in the monitoring process because
they were provided with information on interventions, development and efficiency that assisted in improving the project management, while it improved accountability to stakeholders and provided data to be used in the planning of future resources and policy making. For those that were not involved in the monitoring process they do not know the direction the projects are supposed to be taking and this may lead to possible failure of the project.

By far the majority (84%) of respondents agreed that the government equipped them with the necessary skills to perform their duties. Of particular importance are training programmes that were offered by the government to the community representatives. The community representatives were in the main trained in entrepreneurship skills (59%), tourist guiding (53%) and arts and crafts development (51%). A matter of concern is the fact that only 4% were trained in some basic accounting, 8% in marketing, 14% in guesthouse management, 20% in administration and 27% in leadership and general management. “Skills development has a central role to ensuring the effective and sustainable transformation and development of the tourism industry in developing countries, and in the case of South Africa, in ensuring that poorer South Africans benefit from this industry” (Kaplan, 2004: 217).

Because of the service attributes associated in the production of the tourism product offering, employee performance is imperative in ensuring success in the delivery of the tourism product offering to ensure customer satisfaction. Research by Kapondoro, Iwu & Twum-Darko (2015) positive attitudes by employees initiated all other soft and hard skills needed for superior performance. Skills development must ensure service quality, which will retain customers that will ensure business success. “The critical strategy to retain customers is to improve service recovery quality, and by having a quick response to service failure” (Nicolaides, 2012: 19). Rogerson (2008) noted that skills base for tourism service provision is limited with 70% of employees classed as unskilled. The skilling of staff remains imperative so as to be able to ensure local staff acquire skills that will ensure their upward mobility in tourism businesses. It is also imperative to clarify the benefit sharing mechanisms to the communities so that they assume a sense of ownership of the communities, and this is for purposes of effective development and a sense of belonging. Therefore, it was important that the government introduces some benefit sharing mechanisms to the communities and ensure implemented. The respondents were asked whether or not the government has addressed community benefit sharing mechanisms. The majority (80%) agreed, while 12% did not agree and 8% did not know about the mechanisms. This is illustrated in Figure 4 below.

![Figure 4: Benefit sharing mechanisms discussed by government](image)

The respondents motivated their responses differently in the sense that 56% of respondents indicated that community trust funds have been set up explained that the government and private investors have assured them that employment opportunities will be provided and direct revenue to the community trust fund will be guaranteed. This implies that, if successful, there will always be income for the community over the long term in case they want to venture into other businesses as a community, which means that the fund will be their investment or capital
needed for such ventures. 21% of the respondents’ indicated that there has been a collaborative agreement with the private sector, local government and the community that there will be a certain percentage of profits that will be shared amongst the community members involved in the development. Such a strategy would ensure that all stakeholders will receive dividends which will motivate and compensate employees who are community members. The community will be entitled to profits and other payments, which assists in positively influencing work effectiveness, productivity, good quality work and service, and lowering high costs.

Another benefit sharing mechanism that some respondents agreed to discuss with them was the establishment of a Board of Trustees. Only 4% of the respondents mentioned that there is a certain percentage of profits that is allocated to the community under the guardianship of the elected Board of Trustees on behalf of the community. The low percentage indicates that the introduction of this mechanism was inadequately executed, or that the respondents did not understand the mechanism as such.

Table 2 below gives an indication why CBT projects in the study area failed:

<table>
<thead>
<tr>
<th>Reasons</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mismanagement of funds</td>
<td>69</td>
</tr>
<tr>
<td>Excluding other stakeholders from the projects</td>
<td>33</td>
</tr>
<tr>
<td>Lack of employment, knowledge, skills, training</td>
<td>25</td>
</tr>
<tr>
<td>Lack of planning, research and consultation</td>
<td>12</td>
</tr>
<tr>
<td>Imposing projects on communities and lack of communication amongst stakeholders</td>
<td>10</td>
</tr>
<tr>
<td>Conflict amongst communities and rejection of projects by communities</td>
<td>10</td>
</tr>
<tr>
<td>Corruption, laziness and red-tape by government officials</td>
<td>5</td>
</tr>
<tr>
<td>Bad marketing</td>
<td>3</td>
</tr>
<tr>
<td>Neglecting the importance of culture and environment</td>
<td>3</td>
</tr>
</tbody>
</table>

From table 2 that mismanagement of funds is by far the most important reason for project failure in the study area. The exclusion of stakeholders and lack of employment, knowledge, skills and training are also areas of major concern.

Lastly, it is encouraging that 70% of the respondents agreed that the community will be able to manage the CBT projects without the assistance of the government and/or private sector. It is, of course, an open question if the respondents, who are community representatives themselves, are really objective about their own capabilities. Of those that did not agree (30%), more than two-thirds (69%) indicated that the community cannot manage the projects on their own because of a lack of adequate skills, empowerment and training.
Summary of Research Results

Below is a summary of feedback from community representatives on the CBT projects in the study area:

- Local control of development and community participation: half of the community was involved in the project mobilisation stage where community representatives were elected on behalf of the entire community. However, less than 50% of respondents attested to the fact that they always participated in project committee meetings and monitoring and evaluation processes.
- Empowerment of the community: although the majority of community members indicated that they were employed to manage CBT projects, it is a concern that few of them were trained in management marketing and leadership skills.
- Equitable flow of benefits: the majority of respondents agreed that benefit sharing mechanisms were discussed with the communities. However, by far the minority indicated that there was been a collaborative agreement with other role-players in terms of specific percentages of profit-sharing.
- The majority of representatives indicated that they have been capacitated with relevant skills throughout the planning and implementation of respective CBT projects. Respondents, however, also indicated insufficient training in basic accounting, marketing, guest house management, administration, leadership and general management. Some of the respondents are disappointed with the way things have been handled by the government. They have claimed that government have not utilised funding effectively. There was no follow up on the utilisation of the allocated funding, hence, this encouraged a lot of corruption on the site of government officials and other stakeholders that were involved in the development of the projects.

Recommendations

The following key drivers, based on the results of the literature study and empirical research, should be included in a set of guidelines towards improving the economic sustainability of CBT projects in the study area:

- Sufficient seed funding must be provided to establish CBT projects in order for it to be sustainable over the longer term. If such funding is not provided by government, the support of the private sector or other donor agencies should be acquired.
- If applicable, good partnerships should be established during the set-up of a venture.
- Sound financial management principles must be applied at all times by government, donor agencies and the community.
- Communities should be trained in all aspects of project management before CBT projects commence. In addition, emphasis must be placed on leadership development, service excellence, product standards, decision-making skills, etc. Local people should be given preference as staff members in CBT projects.
- The community must be involved from the initial planning stages of CBT projects.
- Communities must form an integral part of the monitoring of CBT projects. Monitoring and evaluation strategies must be developed for all projects.
- Effective communication between project managers and the community is imperative for projects to be successful. One way of achieving this is through the creation of community liaison forums.
- Communities must share in monetary benefits of CBT projects since its initial stages in order to create a sense of belonging and co-ownership.
• No CBT project should be imposed on communities; instead their buy-in from the initial stages are imperative. Key individuals in communities must be identified and consulted in this process.
• The importance of issues such as cultural heritage and environmental conservation should be emphasised from the initial stages of a project.
• All stakeholders must actively participate if success is to be achieved in CBT projects.
• Communities must be educated in the marketing concept. No CBT project can survive without proper marketing, market segmentation and market development.
• As in the case of private sector initiatives, all CBT projects must be guided by proper viability studies to determine its long term sustainability prospects.

Conclusions

The major concern of the study was to ascertain the sustainability of financial investment in CBT projects in the Thabo Mofutsanyana district of the Free State Province which has been addressed by achieving the objectives of this study. The findings clearly stated that the involvement of local communities not only seeks to achieve socio-economic development but to also evoke a responsibility within them to control and protect the CBT projects and all its aspects. The failure to practise responsible CBT development will place the sustainability of the projects in question. The CBT aspects referred to include the management of funds injected into the projects. With the government controlling the funding, challenges were encountered in maintaining financial sustainability. Hence, the respondents’ recommendations that there should be employment of proper monitoring and evaluation processes and appropriate procedures for CBT project finance management.

According to Gibson (2009), tourism both catalyses labour mobility (attracting workers to destinations) and mobilises workers to travel to other places on holiday. This therefore means that an area that attract tourists will benefit from increased tourist arrivals, and inward labour migration, looking for job opportunities. The tourism industry in order to retain the majority of economic benefit from tourism expenditure must ensure that it employs local labour. Tourism requires low-and-highly skilled personnel, and in the event that there is a paucity of highly skilled personnel, in the local population, training and mentorship programmes must be initiated with the support of government to ensure that such skills are locally available to reduce leakage. In research conducted by Butler (2013) in Dullstroom, Mpumalanga, it was noted that the retention of highly trained, loyal staff was a key factor in the success of many local establishments.

Rogerson (2013: 13) “For any locality to become successful with tourism as the lead sector, certain fundamentals must be in place. First, is the need for a tourism asset base which is necessary requirement as localities must develop a total tourism product or portfolio of products to attract visitors...Second critical requirement for success is appropriate and effective planning and management of tourism at the destination”. According to Urban Dynamics (2011) competitive advantage is no longer natural, but increasingly man-made, and is driven by science, technology, information and innovation. Local government has an important role to play in creating an enabling environment for tourism to succeed, through the provision of municipal services efficiently and effectively.

The success of a tourism destination, depends on securing a steady supply of tourists, to ensure the tourism value chain benefits from their expenditure, matching supply and demand. One of the challenges facing secondary cities, is lack of tourism supply, and there is a resident tourism market that can resolve tourism supply challenges, volunteer tourism. “Volunteer tourism can be defined as a form of tourism that makes use of holiday-makers who volunteer to fund and work on conservation projects around the world”. Pastran (2014:45), states that “volunteer tourism is an alternative form of tourism in which tourists spend time volunteering...
as part of their vacation in a developing country. It is becoming increasingly popular and is hailed by some as sustainable, pro-poor and mutually beneficial for both tourists and host communities". Research conducted by Benson & Seibert (2009) noted that 80% of German volunteer tourists stay for 1-3 months in South Africa. Volunteer tourists can provide a resident tourism market for the CBT products and must be explored and exploited to drive sustainable tourism initiatives.

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Date of Access: 22 April 2013.


