The role of stakeholders' collaboration in promoting tourism BSR in the Western Cape Province, South Africa

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Abstract

During the apartheid period in South Africa, international markets forced local tourism businesses to indicate their social responsibility activities before allowing them to enter into international partnerships. Today, the existence and sustainability of collaboration between tourism businesses and their stakeholders remains questionable. Different types of tourism businesses, 307 in total, were surveyed using stratified sampling. Government tourism departments and community organisations were identified as the key informants. Research data was analysed using both qualitative and quantitative techniques. The research findings were analysed and interpreted using both theoretical realism, stakeholder and neoliberalism frameworks. Factor analysis was also used to analyse the findings. The results of the study indicate that donors and sponsors control the relationship that exist in the Western Cape tourism industry's stakeholders, with a low response rate on general partnership that businesses persuade with their stakeholders. The results also show that where relationship between stakeholders exists, tourism businesses become more responsible on their business activities and willing to practice fair business with stakeholders. However, stakeholders should understand the type of relationship that exists. Government is edged to regulate this relationship to achieve sustainable development.

Key words: Business social responsibility, stakeholders, relationship, tourism.

Introduction

One theme in the tourism business social responsibility (BSR) discourse relates to the role various governments in developed countries have played in building relationships between stakeholders in the economic, political, environmental and social spheres. It is in this context that the role of the developmental state in developing countries particularly becomes an important element in the social transformation process (Tseane-Gumbi, 2015). In the current study the researcher argues that there is no guarantee that tourism businesses will pursue the interests of their social environments on their own and put the onus for change on the shoulders of the provincial government to ensure that workers, consumers and the broader Western Cape community obtain maximum advantage from the activities of formal tourism businesses. The researcher is of the opinion that the Western Cape provincial government needs to create opportunities for tourism stakeholders to interact effectively to spread the benefits tourism businesses bring in the province and the whole country.

Locally-owned tourism businesses lack the resources and capacity to engage in BSR while fearing to build relationships with large tourism businesses (Heath, 2001; Chahal, Mishra, Raina & Soni, 2014). There is a need to bring large tourism businesses and small businesses together in order to strengthen BSR initiatives in the province. The Democratic Alliance (DA) (2013) tourism policy claimed to have instituted a programme for empowering local communities, broadening business ownership and creating opportunities for marginalised groups. However, it is not clear how the DA intends to ensure the involvement of the private

sector in its initiatives. A relationship between various government political parties and businesses exists, yet this relationship does not address the communities' challenges. In current social contexts, tourism businesses constitute a source of ideological conflict between the business efficiency school and the business social responsibility school. The business efficiency school argues that the basis, or *raison d'être*, of business success lies in establishing effective relationships between business owners, workers, service providers and customers for the purpose of making profits (Sharp, 2006). The stakeholder approach holds that all stakeholders have rights to claim and demand from the tourism business, as shareholders do. Only the extent of these demands differs (Jain, 2013).

The stakeholder theory comprises three levels (Yirenkyi-Boateng, 2011). The first is a tourism business's own resources, including employees, customers, suppliers and investors. The second level consists of those stakeholders that affect a tourism business's industry, for example, regulators, unions and joint venture partners. The third level is stakeholders in a tourism business's social and political environment, such as the government, community and Non-Government Organisations (NGOs) (Valeriya, 2012). If a tourism business does not have a good relationship with any of the stakeholders at each level, it negatively affects its level and type of BSR activities. However, according to Yirenkyi-Boateng (2011), any success in social responsibility depends on internal relationships between stakeholders. The government plays a major role in strengthening stakeholder relationships through policy formulations. For instance, tourism BSR policy-making as a socio-political construct embraces a communicative approach in which the creation of tourism BSR policy is a dynamic process that stems from challenging dialogue and interaction between tourism stakeholders. Dredge and Jenkins (2007) mention that this tourism policy perspective is divided into policy subsystems, advocacy coalitions and networks. Policy networks refer to the formal and informal relationships between tourism businesses that influence the tourism BSR policy formulation process. They help to produce collaborative, collective learning and actions that will enhance the implementation of tourism BSR and promote tourism development (Dredge & Jenkins, 2007).

The development of tourism generally in the developed and developing countries rests on the development of the private sector (Sharp, 2006). The researcher agrees with Sharp that even in South Africa the private sector drives the tourism industry, hence the adoption of tourism in Growth, Employment and Redistribution Strategy (GEAR). Harvey (2006) contends that South Africa embraced neoliberalism immediately after its first democratic elections, yet the country is still facing its triple challenges of poverty, unemployment and inequality. Some of the main reasons for continuation of the country's triple challenges is poor and or lack of relationship building among the main stakeholders in the sectors such as tourism. Heath (2001) and Nyakunu and Rogerson (2014) agree that the partnerships between the government and private tourism sector should continue to grow to ensure sustainable tourism development and eventually reducing poverty, unemployment and inequality in the country. To strengthen this partnership, private tourism business should form trade associations to gain improved government support (Nyakunu & Rogerson, 2014). However, government needs to monitor this partnership to ensure sustainable development. Private tourism businesses provide most services that tourists require to reach their destinations and the products consumed while on site. Thus, a social responsibility element should feature in private tourism sector strategies. Private tourism businesses are expected to take part in the transformation process by removing the scars apartheid policies left on previously disadvantage groups (Naledi, 2001; Juggernath, Rampersad & Reddy, 2011; Nyakunu & Rogerson, 2014). The tourism private sector should not only commit to voluntary projects but should do so under the guidance of established legislation and provision of information.

The Western Cape Provincial Tourism Department is claiming to support while also playing a major role in strengthening and expanding tourism BSR development in the province, with

planning taking several approaches, including corporate social investment (CSI) initiatives. It has been noted that South African businesses generally prefer the CSI concept to the BSR concept. Nonetheless, to achieve its BSR objectives, the department initiated a number of activities from 2010 to 2014 (Western Cape Government, 2010). These include developing an action plan for the implementation of a social entrepreneurship programme in the Western Cape, facilitating meetings and dialogues between tourism stakeholders, and facilitating provincial social entrepreneurship conferences. However, the degree and impact of such meetings and dialogues are not well known while also questionable among various tourism stakeholders.

According to the Western Cape Government's White Paper on Sustainable Tourism Development and Promotion in the Western Cape (2001), public authorities should investigate activities that negatively affect the tourism sector and recommend the appropriate amendments. The proposed strategies include the involvement of private sector bodies in formulating tourism policies and plans. Through regular meetings with the private sector, the plans seek to review strategic matters. These meetings are considered an important platform on which debates on vital tourism policy and strategy issues such as BSR implementation could be discussed and conducted. The strategy also promotes free commercial activities involving the deregulation of numerous undertakings to promote tourism development throughout the Western Cape Province. The theory of neoliberal, which advocates that unnecessary regulations should be limited as far as possible, is therefore well entrenched in in the South African social policies including tourism development policies (Western Cape Government, 2001; Leubolt, 2014). However, the provincial white paper tries to promote the free market principle while ensuring that regulations exist to prevent profit maximisation excesses, unethical conduct, environmental damage and social inequalities. As such, the stakeholder relationship as a strategy to achieve sustainable tourism BSR implementation is central to this study.

Asamoah (2013) is of the view that governments should not only formulate policies and regulations as well as providing information but should also allocate financial resources to monitor economic, environmental and social indicators of tourism business operations. The researcher in the current study paid attention on the type and extent of integration and relationship that exists between major tourism corporations and small medium tourism enterprises (SMTEs), government and communities. To what extent does government facilitate this relationship, more especially with previously disadvantage group? BSR is concerned with the management of tourism businesses' relationships with a broader collection of stakeholders, and BSR reshapes the relationships between tourism businesses, governments and civil society (Steurer, 2010). However, in the context of South African tourism industry, this is still debateable.

Conceptual framework

Conceptualisation is one of the hallmarks of the critical realism philosophy. Its approach is based on the idea that social objects exist by virtue of the relationships they enter into with other objects (Sayer, 1992, 2000). Hence it is important to assess the importance of and types of stakeholder collaboration on the implementation of BSR in the Western Cape tourism industry. The adoption of the GEAR macroeconomic strategy in 1996 introduced neoliberalism in South Africa. The GEAR strategy confirmed that South Africa's economic development should be led by the private sector while the state plays a reduced role in the economy. It also indicated that state-owned assets should be privatised. Today the country's tourism industry embraces a government-led, private-sector-driven approach that promotes community's involvement (Fig, 2005; Leubolt, 2014). Neoliberalism endorses individual power and determination to dominate and control resources with limited government interference in a

market-driven economic environment (Smith, 2012). While those who possess and control the means of production achieve economic growth and development, socio-economic inequalities are intensified and exacerbated, especially in developing countries such as South Africa (Smith, 2012). Stakeholder theory is then important in South African tourism industry BSR mainly because of the gap that exists between the rich and poor as well as mistrust that is present between tourism businesses and civil society due to the legacy of apartheid (Hamann & Acutt, 2003; Leubolt, 2014).

Stakeholder and critical realism theories concentrate on the importance of relationship between tourism business and stakeholders, communities including government. Tourism industry's relationship stresses on the competencies and resources of the public and private sector in addressing BSR initiatives (Valeriya, 2012; Jain, 2013). It is argued in this study that this relationship is skewed, government intervention in tourism BRS is lacking or non-existence in most developing countries. Moreover, tourism BSR initiatives are not reaching the most vulnerable and previously disadvantage groups due to apartheid legacy which led to some poor communities leaving far away from industrial areas. Newell and Frynas (2007) and Asamoah (2013) state that public partnerships should be encouraged and supplemented by an open system because this enables academics, businesses, social interest groups and unions to provide feedback that could improve and direct the tourism industry. Stakeholder theory emphasis on the collaboration of tourism businesses and their stakeholders such as including NGOs, local government and experts, rather than trying to do everything by themselves.

Methodology

Research design

The study has a qualitative and quantitative design. The study has a qualitative component because it endeavours to establish how stakeholders, particularly communities in the tourism industry interpret the tourism business social responsibility activities and implementation. The study has a quantitative component that provides rich information on different types of quantifiable inputs and outputs. Therefore, it was the researcher's intention to apply an integrated and mixed approach consisting of both qualitative and quantitative components. The approaches in which tourism businesses conduct their daily activities reflects the meanings or value they ascribe to the BSR guidelines (De Vos, Strydom, Fouché & Delport, 2005). The qualitative research framework assisted the researcher in capturing this perception-based dimension of social reality. The qualitative component was concerned with explanations and touched on issues that reflect on how the values, ideas and interpretations of the stakeholders in the study influence their involvement, activities and concrete impacts on the tourism sector (Altinay & Paraskevas; 2008; Hopkins, 2008). It enabled the researcher to obtain information about what respondents think about the implementation of BSR guidelines in their respective tourism businesses. The quantitative method was applied to quantify the research problem through numerical data, which was then transformed to usable statistics. The measurable data was then used to formulate facts while uncovering research patterns.

Population and sampling aspects of the study

The survey population for the study was drawn from the tourism businesses registered with Western Cape Investment and Trade Promotion Agency (Wesgro), the City of Cape Town Tourism Department, Cape Town Tourism and the Cape Winelands District Municipality as indicated in Table 1. The total population of tourism businesses in the entire Western Cape

was 5 180 (Wesgro, 2010). However, the total population of tourism businesses registered in the selected municipalities was 1 449. Since bed and breakfasts, guest houses and backpackers accommodation establishments were omitted from the study due to their low BSR commitment, a total population of 1 192 was considered for the current study. Based on Issac and Michael's (1981) population sample theory, a total population of 1200 should have a sample size of 291. For the current study a total of 307 different tourism businesses were surveyed. A total of 452 questionnaires were completed successfully. The questionnaires were distributed to one tourism business manager or one owner and two general employees.

Table 1: Total number of registered tourism businesses in the two surveyed municipalities (Based on fieldwork)

Total number of registered tourism businesses in the two surveyed municipalities (N =1449)			
City of Cape Town Municipality		**Cape Winelands District Municipality**	
Accommodation	297	*Accommodation*	114
-Backpackers and self-catering	95	-B&Bs	53
-Hotels	77	-Lodges	25
-Guest houses	52	-Hotels	20
-B&Bs	45	-Guest houses	12
-Lodges	28	Attractions, including estate farms	284
Tour operators	82	Travel agencies	43
Travel agencies	75	Tour operators	27
Attractions	42	Car rentals	8
Destination marketing organisations	49		
Car rentals	21		
TOTAL	**863**		**586**

Additionally, the two different types of key informants of the study were surveyed. The first key informant was community organisations, of which ten were targeted. The second key informant was government tourism departments, one at provincial and two at local government level, and two destination-marketing agencies. A total of ten questionnaires were targeted from government officials. The researcher targeted one senior manager and one official at each of government departments and agencies. Senior managers are decision-makers and involve in policy formulations, while officials are implementers of policies and activities. Moreover, the study was conducted during winter, an off peak season in the province. As a result some employees take an annual leave during this time. Some employees prefer to take their annual leave during school holidays to spend time with their children.

Stratified sampling

This study incorporated the stratified sampling method. Altinay and Paraskevas (2008) assert that stratified sampling involves the researcher dividing the population into similar, diametrically opposed clusters known as strata. The implementation of BSR varies according to the size, location and type of tourism business. Some tourism businesses, such as golf courses and estates, depend entirely on the environment; hence, these tourism businesses are likely to be more biased towards environmental impacts rather than social impacts. Stratified sampling was then used to group the targeted tourism businesses. They were then grouped into different categories and further according to regions. Accommodation was divided into 77 hotels and 28 lodges. The researcher identified 82 tour operators, 75 travel agencies, 42 attractions, 49 destination-marketing organisations and 21 car rental agencies registered within the City of Cape Town Municipality. The Cape Winelands District Municipality included 20 hotels, 204 attractions including estate farms, 43 travel agencies, 27 tour operators and 8 car rental agencies. Bed and Breakfasts, backpackers, self-caterings and guest houses were omitted in this study due to their low commitment on BSR initiatives.

Data analysis

The analysis was done using computer software, the Statistical Package for Social Sciences (SPSS) version 2014 to assist the researcher in generating frequencies, such as the total number of accommodation establishments and the modes of tourist transportation available. The researcher used several statistical classification techniques, including factor analysis, to indicate the variations in the impacts of the implementation of tourism BSR activities and regulations. Qualitative method was used to analyse respondents' opinions and views. The data in this study was arranged according to the topic of the study. Burnard, Gill, Stewart, Treasure and Chadwick (2008) explain that thematic content analysis involves discovering themes or patterns in survey questionnaires or interviews. The thematic content analysis method was adopted to identify the themes and categories that initially emerged from the raw data generated in the field. The collected data was continuously verified and confirmed. This resulted in a coding framework that helped to reduce, refine and organise the volume of unprocessed information considerably.

Results

Formal link between surveyed tourism businesses and stakeholders

In Africa, the relationship between society and tourism business remains unclear because of the lack of BSR framework (Dzansi & Pretorious, 2009). The respondents were asked if their tourism businesses have any form of relationship with stakeholders (such as local communities, employees, customers, shareholders and suppliers). The results are depicted in Table 2. The majority of respondents (93.5%) answered 'yes', 6.0% said 'no' and 0.5% were not sure if such relationships exist.

Table 2: Link between the surveyed tourism businesses and stakeholders

Relationship between tourism businesses and stakeholders (N = 452, in %)					
Yes	93.5	No	6.0	Not sure	0.5
Total =100					

Types of formal link between tourism businesses and stakeholder

This analysis was important to establish the intention of tourism businesses in forming links with stakeholders. In a follow-up question, the researcher requested that those respondents who indicated that their tourism businesses have relationships with stakeholders provide clarification (Table 3). Fifty-nine per cent mentioned donors, 36.8% sponsors and 21% partnerships. Others mentioned friendship (13.4%), and 6.7% indicated public private partnerships (PPPs), while 4.5% did not know.

Table 3: Types of links between tourism businesses and stakeholders

Types of linkage (Multiple responses permitted) (N = 418, in %)			
Donor	59	Friendship	13.4
Sponsorship	36.8	Public private partnership	6.7
Partnership	21	Do not know	4.5
Total = 141.4			

Identification of BSR activities in surveyed tourism businesses

The respondents were further asked to identify their concrete tourism BSR activities to establish if the type of relationship tourism businesses embraces has an impact on the choice of BSR activities. Table 4 contains the findings by setting out the BSR activity choices provided. Table 5 shows that donations (62.3%) and education and training (56.6%) were the main BSR activities mentioned by more than half of the respondents. Of the respondents, 34.1% identified employment opportunities, 30.3% sponsorship, volunteerism work, 16.4% and 13.5% cash benefits. Of the remaining respondents, less than 10% highlighted the development of public facilities, infrastructural development, the provision of facilities and the promotion of information technology, respectively.

Table 4: Tourism BSR activities in which tourism business are engaged

BSR activities in which businesses are engaged (Multiple responses permitted) (N = 452, in %)			
Donations	62.3	Developing public facilities	7.7
Education and training	56.6	Local infrastructure development	6.6
Employment opportunities	34.1	Provision of facilities	6.2
Sponsorship	30.3	Community development programme	5.3
Volunteer work	16.4	Promoting ICT	2.4
Discounting prices	14.2	Do not know	1.5
Cash	13.5		
Total = 257.1			

Government's involvement in Western Cape tourism BSR

Various government tourism departments and agencies were also surveyed as key informants of the study. The results show that the Western Cape tourism departments and marketing agencies equally support BSR (20% each) by implementing business support initiatives, supporting tourism events, selecting one NGO to support every year and hosting awareness workshops for promoting responsible tourism. The tourism businesses that receive the most support are accommodation establishments (75%), followed by car rental (40%), while accommodation, 80% and attractions, 66.7% were the most tourism business supporting BSR activities (Table 5).

Enforcing partnership with the tourism industry was found poor, with 60% of officials indicating that they did not know if this exists, while 20% respectively mentioned the establishment of responsible charter and through Service-level agreement (SLA) or memorandum of understanding (MOU). Research funding is the main incentive identified by 60% of respondents. In addition, 50% of respondents hold multi-stakeholder dialogues quarterly or annually; 80% of respondents discussed environmental issues at these meetings. However, between the relevant surveyed tourism departments and agencies, it was found that there were no measurements used to evaluate the successes of BSR implementation by tourism businesses.

Table 5: Government's involvement in Western Cape tourism BSR

Government's involvement in Western Cape tourism BSR (N = 5)				
Western Cape tourism government departments and agencies	• Province: Economic Development & Tourism • COCT: Tourism Development	20 40	• Cape Winelands District Municipality • Cape Town Tourism	20 20
Department promotes BSR	• Yes	60	• No	40
Ways to support BSR ideas (Multiple responses permitted)	• Implementing business support initiatives • Supporting tourism events (R30 000)	20 20	• Selection of one NGO once a year and supporting it • Hosting awareness workshop • Initiated Responsible Tourism	20 20 20
Type of tourism businesses that support BSR (Multiple responses permitted)	• Accommodation • Attractions • Car rental agencies	80 66.7 60	• Travel agencies • Tour operators • Airlines	40 20 20
Total number of tourism businesses supported (Multiple responses permitted)	• Accommodation • Car rental agencies • Attractions	75 40 20	• Tour operators • Airlines • Travel agencies	20 - -
Enforcing partnership with the tourism industry	• Do not know • Facilitator • Moderator • Initiator	60 - - -	• Charter to commit to responsible tourism signed by FEDHASA, SATSA, SAACI, CTT, COCT • Through implementation of agreed intervention on SLA/MOU	20 20
Occurrences of multi-stakeholder dialogues (Multiple responses permitted)	• Every quarter • Annually • Depend on the project	50 50 20	• Every semester • Every five year	- -
Issues that are normally discussed in your various multi-stakeholder dialogues (Multiple responses permitted)	• Environment • Poverty reduction • Infrastructure	80 40 40	• Education • Corruption issues • Safety • Access to health services	40 20 20 -
Guidelines for BSR reporting exists	• Yes • No	80 20		
Details on BSR reporting guidelines	• N/A • Local government tool kits provide it	80 20		
Tourism industry BSR reporting procedure	• No current reporting procedures • Do not know	40 20	• Report annually • Through project indicators	20 20
Challenges of implementing BSR	• Financial challenges • Lack of information and commitment • Bureaucracy, red tape	20 20 20	• Government can only encourage businesses to adapt • To continue business investment	20 20
Solutions to the mentioned BSR challenges	• Clear guidelines and policy from government • Government incentives	20 20	• Communication and dialogue • Working closely with all stakeholders • None	20 20 20

Tourism BSR in the Western Cape communities

Generally there is a perception of poor community support from South African tourism businesses and a gap between what is practiced visas BSR implementation (King Report I, 2002; Fig, 2005). Langa, Gugulethu and Khayelitsha townships were selected to establish the nature of the tourism industry's BSR activities within communities living in informal settlements in the Western Cape Province. These three townships are popular to tourists visiting the Province. As indicated in Table 6, most relationships that exist between community

organisations and tourism businesses are partnerships (46.8%), and communities identified the most common BSR activity as volunteerism (66.7%). Financial constraints were the main challenge, while the Department of Social Works and Department of Corrections were mentioned as important role players. A total of 20.1% of respondents felt that big tourism businesses should be more involved in various BSR initiatives.

Table 6: Tourism BSR in the Western Cape communities

Tourism BSR in the Western Cape communities				
Community organisations by area	• Langa • Gugulethu	86.6 6.7	Khayelitsha	6.7
Type of community organisations	• Community movement • Children's shelter • Development forum • Tourism forum	20.1 13.3 13.3 13.3	• Old age home • Orphanage • Educare centre • Home for disabled	13.3 13.3 6.7 6.7
Type of relationship with the tourism industry (multiple responses permitted)	• Partnership • Donor	46.8 26.7	• Public Private Partnership • Not sure	20 6.5
BSR activities received from the industry (multiple responses permitted)	• Receiving volunteers • Education and training • Donations • Employment • Provision of facilities	66.7 53.3 26.7 20 13.2	• Local infrastructure development • Cash • Sponsorship	13.3 - -
Tourism government departments involve in BSR	• None • Social Development	80 13.3	• Correctional Services	6.7
Challenges the community organisations face (Multiple responses permitted)	• Financial constraints • Overcrowding • Political instability in the provinces • Community insisting to use and live in the centre due to lack of houses	40.7 20.1 13.4 13.4	• Lack of capacity building • Lack of food • Lack of trust from the adopted children • Lack of ventilation in the buildings	6.7 6.7 6.7 6.7
Solutions to mentioned challenges (multiple responses permitted)	• Big businesses should be involved • The management of organisations should not be politicised • Government should intervene • Not responded	20.1 20.1 13.3 13	• Donations for building materials • More funding • Promote private public partnership • Get support from National Lottery • Ventilator installation in the building containers	6.7 6.7 6.7 6.7 6.7

Factor analysis in testing tourism BSR and stakeholder relationship

The factor analysis technique was used to determine the relationships between certain independent and dependent variables. Factor analysis is a technique used to determine the factors that show the correlation between certain sets of variables and identify underlying factors (Baggio & Klobas, 2011). Researchers use this statistical method to describe inconsistencies between observed variables in terms of fewer unobserved variables called constructs. There are two types of factor analysis: exploratory factor analysis (EFA) and confirmatory factor analysis (CFA). According to Baggio and Klobas (2011), EFA is used to identify underlying factors, while CFA is applicable in the confirmation of a proposed or hypothesised factor structure. In this study, only EFA was used to identify the hidden or underlying constructs or dimensions that may or may not be apparent from direct analysis. To determine the number of factors, the statements used, referred to the influence of BSR application on both the internal and external tourism business stakeholders. The EFA yielded two factors from the items and statements under consideration for internal and another two

factors from the statements related to external tourism business stakeholders as indicated in Table 7. In interpreting the rotated factor patterns, an item was said to affect a given component if the factor loading was 0.40 or greater for that component, and if less than 0.40, it is then given to the other factor. Using these criteria, four items were found to affect the second component, which was subsequently labelled 'Accountability' (Factor 1). Four items weighed on the first component and were labelled 'Responsibility' (Factor 2) (Table 7). These factors were generated from statements related to internal tourism business stakeholders. The same technique was repeated aiming at statements referring to external tourism business stakeholders. In this case two factors were once more generated, namely; Transparency (Factor 3, and Fairness (Factor 4).

Table 7: Factor loading on the tourism BSR internal and external stakeholders

Rotated factor loading item: Internal stakeholders	Factor 1	Factor 2
The company encourages its employees to develop their skills and long-term career	**0.13**	0.59
Any form of discrimination in the company is discouraged	**0.28**	0.46
Employees are included in important discussions in the company	**0.14**	0.68
Employees' health, safety and welfare are taken into consideration by the company	**0.49**	0.54
A work-life balance is provided to employees	0.53	**0.38**
Business reaps the benefits of loyal customers	0.52	**0.07**
BSR teaches teamwork skills to employees	0.61	**0.24**
BSR programs are initiated and guided by top managers	0.61	**0.21**
Rotated factor loading item: External stakeholders	**Factor 3**	**Factor 4**
The company provides quality products and is honest in its agreements and relationships with customers and suppliers	0.12	**0.73**
The company's products have adequate information	0.20	**0.49**
The company pays suppliers on time	0.14	**0.74**
A customer complaint box is available and clearly displayed	0.31	**0.52**
The company resolves customer complaints timeously	0.16	**0.60**
The company encourages cooperation with other companies and organisations	0.35	**0.44**
The company provides training for local communities	**0.68**	0.27
Dialogues with communities take place regularly	**0.77**	0.17
The company encourages employees to participate in local community activities	**0.74**	0.22
Local communities are receiving financial support from the company	**0.58**	0.10
BSR assists in the recruitment of local community members	**0.43**	0.29

The summary of statistics which generated the mean level was established as seen in Table 8. Out of four factors, three factors had mean levels which indicate the impact and extent of tourism businesses relationship on their stakeholders. Based on the distribution for the Responsibility, Transparency and Fairness factors as indicated in Table 9, on a scale of 1 to 5, where 1 represents strongly agree and 5 represents strongly disagree, the majority of respondents strongly agreed with Responsibility factor (mean = 1.36), Transparency factor (mean = 1.28) and Fairness factor (mean = 2.20) as indicated in Table 9 and Table 10.

Table 8: Summary of statistics

Responsibility		Transparency		Fairness	
Mean	1, 3624595	Mean	1,2894531	Mean	2,2024004
Std Dev	0, 5879592	Std Dev	0,5141861	Std Dev	0,9887757
Std Err Mean	0, 0289667	Std Err Mean	0,0262394	Std Err Mean	0,0515435
Upper 95% Mean	1, 4194009	Upper 95% Mean	1,3410445	Upper 95% Mean	2,303758
Lower 95% Mean	1, 3055182	Lower 95% Mean	1,2378617	Lower 95% Mean	2,1010427
N	412	N	384	N	368

All three factors were tested against the question posed to the respondents in order to establish the impact of relationship on internal and external stakeholders. Table 9 indicates that those who have relationships with stakeholders are more responsible (mean = 1.31), more transparent on their business transactions and dealings (mean 1.20), and more fair in their business contacts and communication (mean 1.99).

Table 9: Mean level for A1 in Responsibility, Transparency and Fairness constructs

Responsibility		Transparency		Fairness	
A1-LEVEL	**Mean**	**A2-LEVEL**	**Mean**	**A3-LEVEL**	**Mean**
Yes	**1.31**	Yes	**1.20**	Yes	**1.99**
No	**2.05**	No	**2.36**	No	**4.03**

Table 9 again shows that the existing relationships between tourism businesses and stakeholders significantly influences businesses' fairness in balancing their interests and stakeholder expectations (mean = 1.99). Concerning the factors tested that influence Responsibility (A1-LEVEL), it was found significant. A1-LEVEL refers to the existence of a relationship between the surveyed tourism businesses and tourism BSR stakeholders. Thus, the existence of a formal relationship or link between tourism businesses influences the level of responsibility in the tourism industry. Creating a formal relationship or link between a tourism business and its stakeholders is one of the six strategies encouraged in the South African tourism industry to achieve social responsibility (Department of Environmental Affairs and Tourism, 2002; Yirenkyi-Boateng, 2011).The King Report II (2002) and Ndlovu (2009) argue that although tourism BSR reporting is an important aspect of BSR, many tourism companies might find it an iterative process. Thus, the nature and extent of disclosure of tourism BSR will develop over time as the necessary management information systems are developed. A2-LEVEL indicates that those tourism businesses that have a formal relationship with their stakeholders strongly agree with the Transparency factor. A strong relationship between a tourism business and its stakeholders influences the level of transparency. A3-LEVEL shows that the existing relationships between tourism businesses and stakeholders significantly influence businesses' fairness in balancing their interests and stakeholder expectations (mean = 1.99), especially when compared to those who do not have any formal relationship with stakeholders, (mean = 4.03).

Discussion

Table 5 indicates that 60 per cent of government respondents mentioned that they do not enforce any collaboration between tourism business and stakeholders in the province. Hence, as Table 2 indicates, formal collaboration between tourism businesses and stakeholders does take place, but there are few tourism business collaborations, especially with previously disadvantaged Black communities in the country. Where a relationship exists, donors and sponsors control the relationship, as seen in Table 3. Making donations is a norm in developing countries where there is increased dependency and few strict legal requirements. To maximise the contribution of tourism in the Western Cape Province, it is argued in this study that donor relationships be minimal. In the northern hemisphere, BSR initiatives, such as the Environmental Protection Agency (EPA), were established once businesses reduced their philanthropic activities (Crane & Matten, 2007). This is also possible to achieve in developing countries provided donor relationships are not the key form of relationships with stakeholders. In South Africa, townships such as the one surveyed are characterised by high levels of poverty, yet tourism businesses are reluctant to bring about significant change. The communities felt the need for big tourism to show more interest in townships which is lacking currently as seen in the Table 6. Instead there are more volunteers showing community support in the province. However, it is difficult for government to manage and regulate

volunteer tourism. Besides this, tourism businesses are under the impression that partnership is the most type of relationship that exists with local communities, while communities say otherwise. This supports Hamann and Acutt (2003) and Leubolt (2014) statements that mistrust exists in South Africa among tourism stakeholders and that some tourism businesses reports on BSR implementation differ from the actual BSR implementation.

Nonetheless, tourism businesses that embrace collaboration are more likely to engage in BSR activities. Table 9 indicates that those tourism businesses that have any form of formal relationships with stakeholders agreed more strongly (mean = 1.31) about taking responsibility than those who do not have any forms of formal relationships (mean = 2.05). These tourism businesses take responsibility for ensuring that their employees further their studies while discouraging discrimination among employees. There is also a strong relationship between the two variables of responsibility and friendship. Tourism businesses can take full responsibility for the effects of their actions on stakeholders only if a strong relationship exists. The findings in Table 9 suggest that tourism businesses that have a relationship with stakeholders are more transparent about their activities. Transparency means that tourism businesses disclose information about their effects to enable their stakeholders to make informed decisions, while also promoting fair business transaction for instance ensuring quality products and honesty in their agreements and relationships with customers and suppliers.

A small number of tourism businesses that participated in the study identified PPPs. This is worrying because this type of collaboration forms beneficial tourism business relationships that can promote local prosperity. PPPs can help academics, tourism businesses and social interest groups, including unions, provide feedback for the proper direction of the tourism industry in developing countries. Additionally, PPP assures communities that tourism businesses play an important role in improving local business management skills. Public institutions can assist with the provision of infrastructure for business training while tourism businesses contribute to skills development and mentorship. Nevertheless, PPP has to be monitored strategically. According to Makalipi (2014), PPP was a primary post-1994 South African government programme for reducing unemployment through the privatisation of businesses. However, due to a lack of monitoring this was unsuccessful. In addition, PPP creates employment for short periods through publicly funded contractors, who without support often lack the resources and requisite knowledge to expand their tourism business operations. Asamoah (2013) argues that although PPP should be encouraged to promote BSR in the tourism industry, the success of any type of partnership depends on public or private competencies and resources. The government tourism officials surveyed in this study indicated a general lack of financial support from the government in carrying out BSR activities. The results in Table 3 show an extremely low response to partnership, regardless of the Western Cape Government (2002) asserting that developing poor communities and instilling confidence in the tourism industry could be achieved through partnerships. The King Report II (2002) points out that South African tourism businesses generally have little interest in building sustainable partnership with their stakeholders. Almost two decades after the fall of apartheid, the country still faces the same challenges in relation to partnership in the tourism industry. The South African government is requesting businesses to work close with government and other stakeholders to grow the economy of the country (Morning Live, 2014).

Conclusion and recommendations

Collaboration between stakeholders, such as NGOs, communities, local governments and experts, can significantly contribute to pushing the BSR agenda in the tourism industry. Argandoña (2010) and Juggernath, Rampersad and Reddy (2011), among others, are in favour of using partnerships to promote BSR in the tourism industry. However, regulations should first be in place and tourism businesses should adhere to them. Most importantly,

understanding and knowledge of policymaking should be in place to strengthen any form of collaboration. The stakeholders should understand the type of relationships that should be forged to promote sustainable development. Even under the neoliberal mode of development, reforms can be made to ensure that the economic winners (the tourism businesses) establish positive relationships with stakeholders, including employees, communities, customers and suppliers. A constant review of BSR policies is required to ensure that not only the elite but also broader society benefit from policymaking. Public education programmes are necessary in this regard to highlight the concept of connectedness in social life. Figure 1 illustrates the central position of relationships in the BSR agenda. It indicates that sustainable development can be achieved by maintaining harmonious relationships among tourism stakeholders. South African governments through its various tourism departments and agencies should assess the degree of tourism BSR on the stakeholders concerned, which is achievable if a strong positive relationship between government and the tourism businesses, including communities exists and is maintained.
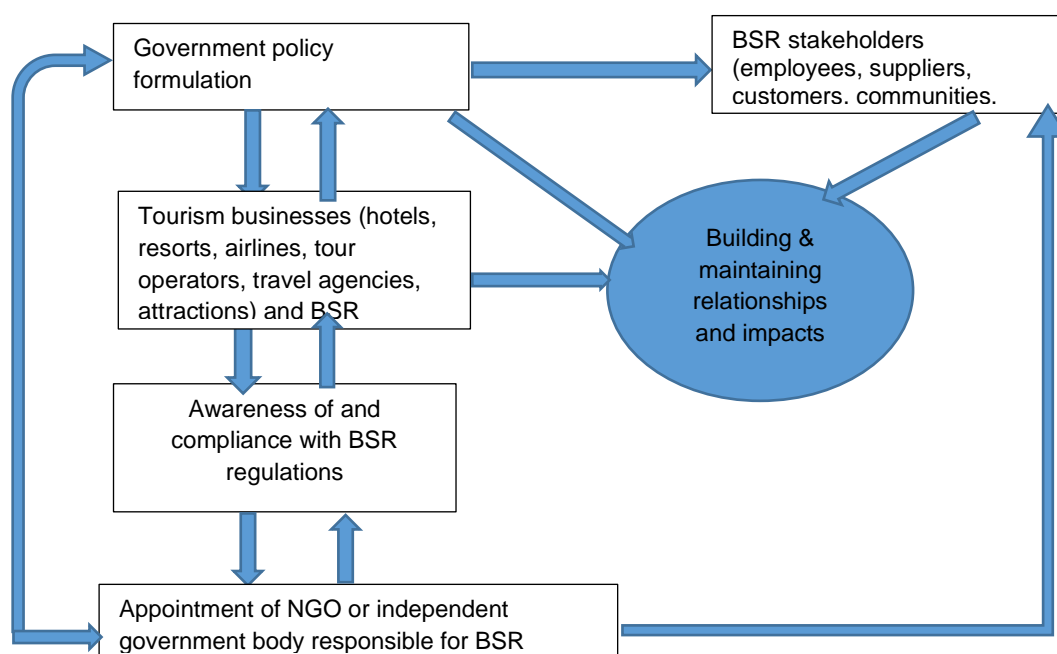

Figure .1: Model for the implementation of tourism BSR (Tseane-Gumbi, 2015)

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