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## Leadership, Culture & Sustainable Tourism

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### Abstract

Sustainable development in emerging economies that simultaneously preserves cultural identity can be realized by implementing a simple social business model, the profits of which fund sustainable tourism leadership venture. Social business models, rooted in the community, provide jobs and opportunities for local people. Profits typically provide funds for training and/or education that acquiesce to the global market in service-oriented, low pay and low social status situations. Endeavors that preserve local cultures are often found separately in sustainable tourism models. These models provide tourist experiences with face-to-face communication instead of voyeuristic photo-op excursions where tourists remain separated economically and culturally. Furthermore, as locals develop and coordinate these activities, their status changes from those who serve to those who lead. Although this is valuable for participant and tourist alike, funding of sustainable tourism can be problematic. However, by merging these models, not only is the community served, the profits provide reliable local income for leadership in the development of sustainable tourism. With the playing field leveled, locals gain pride and, in the process, preserve cultural identity. World peace is cultivated in the richness of meaningful moments in everyday life and the power of these exchanges. This paper will review social business, sustainable tourism models and the Lombok, Indonesia research journey that was the inspiration to merge these models into a sustainable venture.

**Keywords:** social business, tourism, sustainability, cultural identity, Indonesia

リーダーシップ，文化，及び持続可能なツーリズムの融合

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## Introduction

World travels expose different cultures, social structures, and economic situations yet, tourism can be impersonal for travelers and demeaning for locals in developing countries. Tourists visiting resort destinations in emerging economies are relatively affluent. The nature of resorts protects tourists, and especially in beach landscapes as found in Lombok Indonesia, tourists are sequestered. Excursions into local communities are rare or voyeuristic in nature. Locals become exhibits who receive minimal financial benefits and indigenous identities are objectified to a subservient social status. The paradox is that when tourism is personal, even everyday experiences result in rich memories. Providing tourists unique opportunities in foreign or alien settings is an amenity not forgotten. In addition, when guided by locals, cultural identity is preserved with pride. With the playing field leveled, face-to-face exchanges not only sustain cultural differences, but the experiences reinforce relationships unifying shared humanity.

The challenge to provide opportunities for locals and tourists yet preserve cultural identity resonated during my Lombok Indonesia research into a profound refrain: develop a reliable income source, which simultaneously provides employment opportunities and profits to fund a sustainable tourism leadership venture. The goals being to create opportunities, elevate the status of locals as leaders and preserve culture. This paper will review social business and sustainable tourism models and a Lombok journey that inspired this researcher to seek the synergism of merging these business models.

## Social Business

*If your not part of the solution your part of the problem* was Eldridge Cleaver's (1968) civil rights call to action and in this same message social business provides a quintessential answer: the application of business solutions for a new kind of resolution. Social business empowers as it provides continued support and solutions. It is a paradigm shift from classic business models as the business functions as a funding mechanism to support social activities, not monetary profits or shareholder returns. In a social business, as in any other business, profits are important but beneficiaries include sustaining opportunity for the future of local people.

The concept of social business was popularized by Muhammad Yunus, 2006 Nobel Peace Prize laureate, who defined a social business as, *an entity designed to connect a social problem to a business that is financially self-sustainable*. Profits are invested into the social benefit and provide income for community ventures indefinitely. According to Yunus and Reitz (2009) there are seven basic principles to a social business:

- Overcome poverty & other problems with education, health, technology;
- The business provides financial and economic sustainability;
- Investors can expect repayment with no other return;
- All initial investments repaid and future profits fund expansions/improvements;
- Environmentally conscious;
- Workforce paid fair market wage with better working conditions;
- Do it with joy.

While there is no lack of resources available, there is a lack of consensus as to what elements comprises a social business model. There is a trend in the literature to standardize and define criteria in order to evaluate and compare various enterprises. Yunus and his ongoing development of social business models, including web sites, are informative sources. The literature and best practice review by Brocken, Short & Evans (2014) are useful in covering innovations, research agendas, and business model archetypes. Social business resources and trends are found in Kane, Palmer, Phillips, Kiron, Buckley (2014). Models and descriptions are useful in Battilana, Lee, Walker, Dorsey (2012). Additional models are in the work of Cheriakova, (2013) and Murphy (2013). In general a social business adheres to basic business principles, market characteristics and values, which are linked to social mandates. Essential to social business success is an effective plan with the usual metric suspects and adding a few adjustments. The four basic principals are as follows:

- The value proposition describes the products and services that create worth for the customer and the social need being satisfied. Stating a clear social impact strategy including value measurements allows outcomes to be monitored.
- The plan must detail the financials of how profits are generated.
- The market segment served including customers and social needs.
- The implementation projections plans of required resources, partners, marketing & sales.

These are standard operating strategies. In social business, clearly defined business plans integrated with a social mission guides strategy, values and ultimately the success of the venture.

A social business generates economic value and social value in measurable impacts. In this shared mission models take a variety of approaches. A social enterprise can be integrated with a business in several ways. The internal model combines social programs and businesses such that they are one in the same. In the external model the business is created mainly as a method to fund a social venture where the business functions as a funding mechanism to support social activities. It was this external model I internalized.

## Sustainable Tourism

In the growing tourism market, themed tourism models are readily part of the leisure lexicon. Examples range from alternative to zoological tours and feature special interests, activities and places with search categories including beach, outdoor adventures, cultural, historic and ecotourism. Beyond place and activity, a successful vacation is also measured by simply being happy. Making joyful memories according to Hamblin (2014) is about experiences and not things. The search for the perfect vacation is essentially the pursuit of personal experiences in beautiful and unique locations.

Growth significant, according to the United Nations world Tourism Organization (UNWTO) Tourism Highlights 2014 publication, the tourism market forecasted increase is 6.3% per year and is double this rate in emerging economies. Furthermore, the market share in emerging economies exhibits high growth potential as evidenced in the following (year/market share) statistical trends: 1980-/30%; 2013-/47%; 2030-/57%. The market growth is clear, however the future blurred. Resources and resorts are not limitless such that development strategies are increasingly including the key word sustainability.

There are a variety of definitions and instructional information available on sustainable tourism. The Global Sustainable Tourism Council (GSTC) has established criteria and a common language with the intent of establishing and managing standards for sustainable tourism. The GSTC has named four impact categories for sustainable tourism:

- Sustainable Management
- Socioeconomic Impacts
- Cultural Impacts
- Environmental impacts

Exemplary of the global relevance for the future, UNESCO has a teaching module to explore the characteristics and objectives of sustainable tourism. By examples and interactive lessons the topics are introduced to students. The subjects are made relevant by encompassing the following objectives:

- To appreciate the benefits and problems arising from various forms of tourism, especially in terms of social equity and the environment;
- To develop a critical awareness of the ways in which tourism can enhance the welfare of people and protect our natural and cultural heritage;
- To promote a personal commitment to forms of tourism that maximize rather than detract from sustainable human development and environmental quality; and
- To plan ways of teaching about sustainable tourism

Sustainable tourism is the quintessential personal experience. This kind of travel is designed to minimize the impact on the environment, cultures and paradoxically has the greatest impact on humanity. Everyday life becomes a rich institution of resources of communications across cultures. Significantly it is in these simple moments of shared compassion and connections where happy memories reside. Additionally, the experiences expand empathy and compassion in the world we share.

Sustainable tourism is personal and processed as stories we tell. These stories inhabit our inner realm of sense making where we interrupt the world and our culture exists (Denning, 2005). Stories communicate knowledge, inspiration and also provide a memory frame that give meanings in life. Tourism that puts people together one-on-one is powerful because of the personal nature of the encounter. Everyday events whether a game or a simple meal or coffee on the *berugak* chatting with locals, are lasting memories and a great story waiting to be told. A real life experience in all its richness could be the best story of an exotic vacation. It is a lesson learned and social responsibility shared. It is the sustaining joy found in simple friendships.

### **The Lombok Journey**

My initial research was the seed planted in the rich green of Lombok Island Indonesia, which grew into the concept of merging a social business and sustainable tourism models. This was an organic and intuitive process derivative from leadership research. The following narrative provides the background and the materials and methods for leadership legacy research on the Lombok cattle industry and animal husbandry consultancy from 1973–1976.

The subject of the leadership legacy was an American employed by the Indonesian government as a consultant to develop the cattle and beef industry from 1973–1976. Dede Pendell (1910–1991) was also my father. He traveled widely in Indonesia, but preferred Lombok. Living in Anpanam for a year, he was adopted by locals and known in the old market as the Giant Cowboy. Accordingly, my research focused on Lombok.

The record of activities and movement was sparse with only a few anecdotal stories. For example, though it is common practice around the world to castrate young bull calves, the local Lombok custom was to amputate the entire scrotum causing pain, bleeding, long recoveries and sometimes death. Dede taught a simple clean castration method with almost no bleeding or discomfort. He also showed ways to kill cattle humanely while adhering to Islamic tenets. Perhaps the most charmed example happened on a road-surveying trip. Twenty or so people were walking through the forest when Dede bellowed deeply, “Be Quiet! Get Down!” Gesturing for all to kneel, the group waited and watched silently. He began to whistle the ‘horse whistle’, a peculiar sound that mimics a neighing horse. Slowly, a wild horse stepped out from the undergrowth and walked to his side where he reassuringly

stroked its neck.

Armed with these anecdotes, a few more stories and some photos, I went looking for any evidence of a forty-year old exchange employing two research methods: snowball sampling and wait-and-see. My local Lombok guide, in the habit of guiding tourists to the beach, was unfamiliar with this type of journey. I explained my approach with the following story. The Golden Pavilion, Kinkakuji, is a world heritage site in Kyoto Japan. This glorious gold-covered shrine, graceful gardens and elegant teahouse have a prescribed route walked by thousands. Past the shrine, along the path was a small, one-meter tall simple, unremarkable waterfall. I couldn't understand. So I waited and watched, and waited and watched. People walked by and still, I waited and watched, and waited. In a transforming instant a rainbow appeared. I called to my guide and a second rainbow appeared. '*Wabi sabi!*' exclaimed the guide. The obscure meaning of *wabi sabi* made clear: in the mundane there is beauty and in its recognition, reward. In Lombok this explained my methodology to wait and watch at local, simple places and ask all who happened by about a big gregarious American. My guide commented, "Let's wait for a rainbow." It was a *wabi sabi* way to what might happen.

During my research I found the Lombok people, places and food oddly familiar. I spent time waiting and watching at the local cattle market, wandering in old Anpanam, the Seranadi Hotel and the port of Lembar. People were open and helpful. I was invited to homes for coffee, or taken to someone who could speak English, or others called who might know or help about this distant history. The grace and ease of the Lombok people was charming. Their expressions joy felt as if I had found family. Places too resonated. Tiu Kelep is the highest waterfall on Lombok at thirty-meters high. The pool below the thundering falls was dangerous with a strong undertow so I stayed in knee-deep water at the edge. I was alone waiting and watching and in a mystic moment, I was encircled in concentric rainbows: a *wabi sabi* affirmation. Plates full of delicious food, spicy Taliwang chicken or fiery fish with rich strong Lombok coffee was the norm. But this was cattleman's legacy search, so my last day I asked my guide for a beef lunch. He had a surprise for me, but I knew it well. It was a common cattle ranch cuisine and Dede's favorite: ox tail soup or Lombok Bebalung- a fitting end to my journey.

The 2014 trip lasted eight days and while there was no direct evidence of a forty-year old exchange or leadership from a Giant Cowboy, so much had been familiar. More to the point, so much had been motivating. I was consumed with the idea to develop a sustainable opportunity, which would also support a leadership endeavor. Instinctively or hereditary, I felt bound to the people of Lombok. Inspired, yet upon my return to Japan I questioned whether the experience had been a romantic journey. Despite these doubts, the research on Lombok seemed to be a transformational mandate i.e., development of a social business to fund a sustainable tourism model. In looking for one legacy, I found another.

It was clear another trip to Lombok was required to reaffirm my research direction and explore possibilities. As the plans for my return began, people and opportunities supporting the venture

appeared as if to confirm my connection to Lombok and the change in my research direction. For example, in Japan I happened to meet a graduate student from Lombok who in turn directed me to his colleagues at the University of Mataram, Lombok in the Department of Economics with special interests in entrepreneurship and tourism. Suffice it to say other opportunities, people and encouragement continued before, during and after my March 2015 visit. Visualizing this venture was visceral and heart-felt. The journey was derivative of the past, consuming the present and firmly a part of my future.

## **Conclusion**

Social business and tourism models have limitations. Social businesses with social mandates in the tourism markets often provide training in the hospitality sector. These low social standing trades serve global markets but keep tourists and locals separated. In sustainable tourism models funding often comes from grants or donations that require constant effort to sustain. Funding that is not local can diminish as foreign interests wane. However, merging these models transforms limitations into a synergistic venture.

The challenge to provide opportunities on Lombok for locals and tourists yet preserve cultural identity was the refrain that resonated. Following my research on Lombok, a solution seemed clear: find a sustainable income source, which simultaneously provides employment opportunities with local profits funding a leadership center in sustainable tourism. The goals being to create opportunities, elevate the status of local as leaders and preserve culture. Additionally, when locals are the leaders of such experiences, the playing field has been leveled and the encounters elevated to lasting memories. World peace is made in such ways.

The extraordinary experiences on Lombok were profound, re-directing my research to the development of a small successful self-sustaining venture. The inspiration to develop sustainable opportunities that are broad-based with high social value was not original, but reassuring that the concepts were both valid and worthy i.e., reliable local income in a social business that is integrated in the community anchoring and funding sustainable tourism venture.

The social business and the sustainable tourism models envisioned are still conceptual with additional research on refining the social business selected, the particular requirements of doing business in Indonesia, community partners, facilities and of course more research on Lombok. The venture revolves around a simple successful business that is easy to manage, which provides funding and space to accommodate a sustainable tourism leadership training center as well as a tour departure point. The business plan for a sustainable successful venture is under development focusing on the value of products and services, social needs being satisfied, income, marketing, sales, partners, and implementation plan.

My leadership research on Lombok was inconclusive but not without results. The experience was an epiphany and evocative of the Islamic tent of *Amanah*. The meaning is complex with notions of *free will* to choose a path, coupled with the concept of *moral responsibility* as what one might feel from family or god and *fulfilling obligations* or a call to action. As it turns out, there was a leadership legacy from my father and a great story.

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