SALIENT STAKEHOLDER IDENTIFICATION PROCESS FOR STRATEGIC ECOTOURISM MANAGEMENT FROM THE PERSPECTIVE OF FORESTRY DEPARTMENT

By

YIP HIN WAI

Thesis Submitted to the School of Graduate Studies, Universiti Putra Malaysia, in Fulfillment of the Requirements for the Degree of Doctor of Philosophy

May 2014
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One’s achievements are a combination of many individuals’ encouragements and guidance;

My deepest appreciations to those who have had enlighten and assist me to be where I am as well as where I will be.
Abstract of thesis presented to the Senate of Universiti Putra Malaysia in fulfillment of the requirement for the degree of Doctor of Philosophy

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May 2014

Chair: Associate Professor Abdullah Bin Mohd, PhD

Faculty: Forestry

Stakeholder involvement in ecotourism development is essential for sustainable development as specified under the Malaysian economic transformation program. For permanent forest reserves of Peninsular Malaysia, many parties are interested to take advantage of this program as it is able to benefits them. As custodians for forest security, Forestry Departments need to take proactive step to leverage various stakeholders as this task was neither sole responsibility of the department nor responsibilities of others. This Departments needs to work closely with those institutions where strategic approach should be employed to identify, define and specify the rightful stakeholders. Engaging with salient stakeholders in ecotourism development process would increase the possibility related issues being addressed and handled strategically. Forest managers need to acquire specific skills to identify salient stakeholders from a pool of stakeholders where each organization has different interests. The main problem for most forest managers in identifying salient stakeholders is that the process was complicated to differentiate between the more salient stakeholders from the other stakeholders. The previous identification procedure was too straightforward, mainly by browsing the name list. On the other hand, by applying the salient stakeholder identification process that based on three key constructs, legitimacy, power and urgency, it is able to provide the appropriate guidance to assess and recognize the rightful salient stakeholders.

The objective of this study was to evaluate stakeholder identification process used currently and determine the causal factors on this identification process. Improvement on existing stakeholder identification approach was also examined. A mail questionnaire was distributed in Forestry Departments, both at the Headquarters (Peninsular Malaysia) and state forestry departments, through the respective directors. At the same time, selected environmental-based non-government organizations were included to identify the differences on their responses on these salient stakeholders’ features. Snowball sampling was applied to get respondents from these organizations. A total of 137 respondents answered the questionnaires. They were
consisted of 129 respondents from Forestry Department and eight from non-government organizations.

From this study, based on the responses from Forestry Departments, the key constructs from pre-determined model were compared with those derived from statistical tests. Principal component analysis was employed to determine the numbers of components within each key construct and also relevancy of items within these key constructs. It was found that legitimacy was considered as priority for both pre-determined and statistically tested model. However, there was an indication that urgency was the embedded factor in this selection process but, in overall, it did not giving stronger magnitude than legitimacy. Key construct such as power was not a chosen as salient feature, even though it was considered as more influencing than the other two key constructs theoretically.

For the causal of selection on salient stakeholders’ features, structural equation modelling was employed. A statistically sound acceptable model was presented due to persistent with specification errors within the variables. This model was presented as it gave an initial idea how causal factors and improvement were linked together with salient stakeholders’ features. In this model, dispositional attributes were found to be influencing the selection of salient stakeholders’ features as compared to situational attributes. Among these dispositional factors, lacking knowledge among forest managers in managing relationship with other organizations was highly agreed as one of the causes of failing to identify salient stakeholders.

For the process that involved improvement of stakeholder identification, personal development as dispositional approaches was better explained the relationships with salient features and influent factor than situational approaches. Personal development included human capital strengthening to enable forest managers to be more competent in planning for ecotourism development.
Penglibatan pihak berkepentingan dalam pembangunan ekopelancongan adalah mustahak bagi kemampuan pembangunan yang telah ditetapkan dalam program transformasi ekonomi Malaysia. Bagi hutan simpanan kekal di Semenanjung Malaysia, terdapat ramai pihak yang berminat untuk mengambil peluang melalui program ini kerana ia dapat memberi manfaat kepada mereka. Sebagai pemegang amanah dalam perlindungan hutan, Jabatan Perhutanan perlu mengambil langkah proaktif untuk bekerjasama dengan pelbagai pihak yang berkepentingan kerana tugas sebegini bukan tanggungjawab tunggal jabatan ataupun tanggungjawab pihak yang lain. Jabatan ini perlu bekerjasama rapat dengan pihak-pihak tersebut di mana pendekatan strategik perlu digunakan bagi mengenalpasti, menakrif dan menentukan pihak-pihak berkepentingan yang sah. Berinteraksi dengan pihak berkepentingan yang menyerlah dalam pembangunan ekopelancongan akan dapat meningkatkan peluang isu berkaitan dapat dikemukakan dan ditangani secara lebih strategik. Pengurus hutan perlu memperolehi kemahiran yang spesifik bagi mengenalpastikan pihak berkepentingan yang menyerlah daripada satu takungan pihak berkepentingan di mana setiap organisasi mempunyai kepentingan berlainan. Persoalan utama bagi kebanyakan pengurus hutan dalam pengenalpastian pihak-pihak berkepentingan yang menyerlah adalah proses tersebut adalah rumit untuk membezakan siapa yang lebih penting daripada yang lain. Prosedur pengenalpastian sebelum ini adalah terlalu terus dengan melihat pada senarai nama sahaja. Sebaliknya, penggunaan pengenalpastian pihak berkepentingan yang menyerlah berdasarkan kepada tiga konstruk utama, iaitu kesahihan, kuasa dan desakan, dapat menyediakan satu panduan untuk menilai dan mengenalpasti pihak berkepentingan yang menyerlah dan sah.

Objektif kajian ini adalah untuk menilai proses pengenalpastian pihak berkepentingan yang digunakan dan juga menentukan faktor penyebab proses pemilihan ini. Penambahbaikan pendekatan pengenalpastian pihak berkepentingan turut diperiksa. Kajian soal selidik mel telah diagihkan

Daripada kajian ini yang berdasarkan pada maklum balas dari Jabatan Perhutanan sahaja, konstruck utama daripada model awal kajian ini telah dibandingkan dengan konstruck yang diperolehi melalui pendekatan statistik. Analisis komponen utama telah digunakan bagi menentukan bilangan komponen dalam setiap konstruck utama dan juga kesesuaian butiran-butiran tersebut dalam setiap konstruck utama tersebut. Adalah didapati bahawa konstruck kesahihan diberi keutamaan dalam model yang ditentu pada awal kajian dan juga model yang telah diuji secara statistik. Walau begitu, terdapat tanda menunjukkan konstruck desakan yang mendasari proses pemilihan ini tetapi ianya tidak memberi magnitud yang kuat secara keseluruhan berbanding dengan konstruck kesahihan. Konstruck utama seperti kuasa tidak dipilih sebagai ciri menyerlah walaupun ianya dianggap sebagai faktor yang lebih mempengaruhi secara teorinya berbanding dengan dua konstruck utama yang lain.


Bagi proses yang melibatkan penambahbaikan pada pengenalpastian pihak berkepentingan pula, pembangunan peribadi, iaitu satu pendekatan pembawaan, adalah penjelasan yang lebih baik bagi hubungkaitannya dengan ciri-ciri menyerlah dan faktor penyebab daripada pendekatan situasi. Pembangunan peribadi yang meliputi pengukuhan modal insan bagi memperkasa pengurus hutan menjadi lebih cekap dalam perancangan pembangunan ekopelancongan.
ACKNOWLEDGEMENTS

Pursuing this doctorate study was a combination effort of one person with many supports and guidance of many at the back. Without their continuity assistance and guidance, directly or indirectly, this research work could not be achieved within the timeframe. Here, I would like to acknowledge all those who have contributed to make this study success.

First and foremost, to my main supervisor, Dr. Abdullah Mohd, I would like to express my gratitude for leading me into this stakeholder subject and also all his guidance and advices thought out years in building my understanding on this subject. To my supervisory committee members, Dato’ Dr. Wan Razali Wan Mohd, Dr. Awang Noor Abd. Ghani and Dr. Manohar Maripan, I liked to thank them for guidance in going through this study and developing my understanding on this subject matter. My deepest appreciation went to my supervisory committee for building my career on this field. Not to miss out the valuable comments from the examiners and also Dr. Puan. Their feedbacks on this study have improved the contents and writing style of this dissertation.

Furthermore, I would like to acknowledge colleagues in research and consultancy project groups, LPF, Sabah S&T, Sabah PS&T, Matang Mangroves, Marudu, Johor Mangroves, and also other university members and friends, who I’m not able to name everyone in details, names could go as long as the contents. All of them have built my career and professionalism along the way. Specially note was going to the late Dr. Daniel Henning, late Mr. Bishan Singh and Mr. Daya for their enlightenment on philosophical foundation and aspirations on education.

Special thanks go to the Forestry Department Peninsular Malaysia, especially to the Forest Planning & Economy Division and Eco-Park & Forest State Park Division, to make this survey success. Also, to State Forestry Departments involved in this survey. I would like to personally thank the participants in this survey. Without their responses, this research would not be able to accomplish.

Also to the staffs, including their members, of various Non-governmental Organizations (WWF-Malaysia, MNS, SAM/CAP and WI-Malaysia), who have spent their valuable time for taken part in this research. Their opinions give remark in contrast to their counterparts in the Forestry Departments.

Not to be missed out is the Transparency International Malaysia Chapter (TI-Malaysia) with invitations on their seminars and conference on forestry governance that have provided many opportunities to observe the interactions between Forestry Departments, other government departments and non-government organizations and other civil societies in discussing forest governance issues in this country. Their discussions on these issues also provided ideas in designing research instrument.
I also wish to acknowledge and thank Ministry of Education, Malaysia (formerly known separately as Ministry of Higher Education) for their financial support in pursuing my study through its MyBrain15 program. In addition, I would also like to thanks the same ministry for providing research fund, Fundamental Research Grant Scheme (FRGS), through Universiti Putra Malaysia, to conduct this research. Also, to the same university, Universiti Putra Malaysia, in providing financial assistance allowing this dissertation being presented in World Graduate Conference on Tourism, Hospitality and leisure in Istanbul, Turkey. Attending international conference with international scholars in the similar field enlightened the academic and intellectual

Last and not least, to my family members who continue to support morally in pursuing career. Without their supports and constant encouragement, I would not have completed this study.
I certify that a Thesis Examination Committee has met on 27 May 2014 to conduct the final examination of Yip Hin Wai on his thesis entitled “Salient Stakeholder Identification Process for Strategic Ecotourism Management from the Perspective of Forestry Department” in accordance with the Universities and University Colleges Act 1971 and the Constitution of the Universiti Putra Malaysia [P.U.(A) 106] 15 March 1998. The Committee recommends that the student be awarded the Doctor of Philosophy.

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