

CHAPTER I
THE CONTEXT FOR THE STUDY OF TOURISM EDUCATION AT THE TERTIARY LEVEL
IN INDONESIA

- 1.1. Introduction**
 - 1.2. Indonesian Tourism: Patterns, Opportunities and Challenges**
 - 1.3. Tourism Education Needs at Degree Level**
 - 1.4. Government Official, Educator, Tourism Industry Professional and Student Perspectives.**
 - 1.5. Issues Which May Affect the Development of Tourism Education in Indonesia**
 - 1.6. Summary of the Chapter**
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1.1 Introduction

The purpose of this chapter is to set a context for the study of tourism education at the tertiary level in Indonesia from the perspectives of stakeholders. The relevant stakeholders are government tourism officials, tourism professionals, tourism educators and tourism students. In the first section, the importance of the Indonesian tourism is discussed. The main aim is to provide a background to the rapid development of tourism education institutions. The influence on curriculum design and the approaches to current tourism education practices are also discussed. The second section considers tourism education needs at the degree level as well as definitions of stakeholders and the importance of acknowledging four different stakeholders. In the third section, issues in tourism education such as curriculum, industry involvement and other relevant dilemmas are explored. The final section looks at problems and issues faced by tourism educators in Indonesia, the need to conduct more research in the area and the gaps which exist in tourism education research. Since this thesis focuses on Indonesian tourism education and training needs it should not be assumed that its findings apply automatically to those of tourism education in other countries. Nevertheless, it

is anticipated that many of the findings and implications of the study will have relevance to tourism education in other developing and developed countries.

1.2. Indonesian Tourism: Patterns, Opportunities and Challenges

To provide background information on the importance of the tourism industry to Indonesia's economy and the relatively rapid growth of tourism programs, it is essential to review the current and past status of the industry. The reviews are focused on both international visitors and domestic tourists. Such discussions will be used to support the needs for qualified human resources in Indonesian tourism.

In the last decade of the twentieth century, tourism was one of the most important sectors in the economy of Indonesia and a major source of foreign exchange earnings (Rahardjo, 1998). For example, the government had set a target to attract up to 5.4 million foreign tourists to Indonesia in 2001, a 5% increase from 5.1 million targeted for 2000, contributing some US\$ 5.4 billion worth of foreign exchange and making the sector the country's number one source of foreign exchange (Government expects, 2000).

During the period of 1990-1996, Indonesia experienced a dramatic increase in international arrivals with an average of 17 % per year. The foreign arrivals reached 5.1 million, increasing 43 % compared to that of the end of the fifth PELITA (1988-1993) with the total arrivals of 3.4 million (Figure 1.1). Accordingly, foreign exchange earnings related to the industry also increased significantly from US\$3.15 billion in 1992 to US\$ 5.4 billion in 1997.

However, towards the end of 1997, the national economy experienced a marked decline, as a consequence of an extreme fall of Indonesian Rupiah currency against US\$. This situation worsened since some of the governments of the major market countries such as the United States, Japan and Australia issued travel advice warnings to their citizens to defer any unnecessary travel to Indonesia due to the instability in the country. Consequently, the

overall international arrivals dropped significantly during 1998, with only 4.6 million, a 17 % negative annual growth compared to 1997 (Directorate General of Tourism (DGT), 1999c).

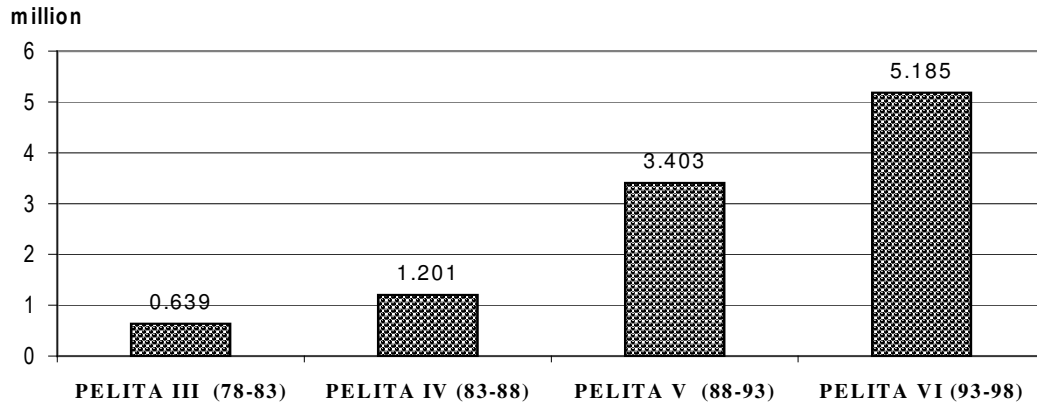


Figure 1.1 International Tourist Arrivals 1978 - 1998
Source: Directorate General of Tourism, 1998a.

To attract more international arrivals, whose expenditure represents a considerable contribution to national income, Indonesia is also committing substantial manpower and resources. Indonesia has raised its commitment towards developing the sector by establishing the Indonesian Tourist Promotion Board (ITPB), and increased its budget for promotion. Indonesia correspondingly plans to make tourism the nation's number one foreign exchange earnings by the year 2004, when the target for arrivals is 11 million and receipts could reach US\$ 15 billion from the current level of 4.3 million (Directorate General of Tourism (DGT), 1999a). However, as the multi dimensional crisis hit Indonesia in early 1997, projected tourist arrivals were revised with foreign arrivals predicted to reach 6.9 million by year 2004 with total revenues of US\$ 7.6 billion (Saifuddin, 2001). Accordingly, a series of national plans, strategies and policies have been applied and will be examined in the subsequent sections of the thesis.

1.2.1. Government Policy in Tourism

According to the 1998 Broad Outlines of State Policy (GBHN), the government's mission in tourism was the continuation and growth of tourism development to increase foreign exchange earnings, expand employment and business opportunities together with their equitable distribution, encourage provincial growth and sustain the function and the quality of natural environment (DGT, 1999c). These policies remain the same from the 1988 GBHN. An additional policy focusing on the sustainability of the environment as a response to challenges regarding the effects of national tourism development has been introduced recently.

To begin with the planning for tourism, the government established a department to develop tourism in the late 1960s. However, the main breakthrough for the industry occurred in the first half of the 1980s when a different attitude began to permeate official thinking (Travel and Tourism Intelligence, 1991). At the early stage, government regulations on foreign investments, aviation and restriction on visitor entry hampered the tourism industry. To build a hotel, for instance, 33 different permits were needed from different authorities.

However, since then a continuous process of reducing bureaucracy and regulation has taken place. In 1983, for example, visa restrictions were lifted for nationals of 24 countries and the visa requirement no longer applies for a two-month stay for nationals of 48 countries (DGT, 1999b). Recently, this policy is being reviewed. It is proposed that visas would apply for all visitors other than those from countries having bilateral relationships with Indonesia. This proposal, however, aroused protests from a number of associations such as the Association of Travel and Tour Agencies (ASITA) expressing their concerns, as this may affect the growth of the international arrivals (Visa policy, 2000). The proposal, however, has not been applied and visa free entry facility remains current for 48 countries (Saifuddin, 2001).

A series of strategies addressed by a government working group during 1996 has been applied to accelerate the growth. Such strategies, consisting of deregulation for the incorporation of tourism businesses within areas administered by tourism authorities, development of integrated tourism packages and special interest tourist attractions and improvement of regulation and supervision of the operation of international hotel chains (Department of Tourism, Post and Telecommunication (DTPT), 1997) all have the potential to further increase the arrivals. As a result of the implementation of the special interest tourism policy, for example, both foreign and domestic tourists visiting National Parks demonstrate a stable increase from 11 thousand in 1984 to 86 thousand in 1993 (DGT, 1998a). The industry has also seen an increase in numbers of special interest tourism packages being offered such as white water rafting, diving, agro tourism, forest trekking and mountaineering and cave exploring (DGT, 1998a: 43). Furthermore, deregulation of airlines, simplification of entrance requirements and the expansion of tourism plants, especially hotels, associated with the provision of investment incentives and increased opportunities for private sector involvement have also contributed to the rapid increase (Wall, 1997). Recently the government has also offered delayed tax payment and deregulation on licensing process as special facilities for investment in tourism (Saifuddin, 2001).

In 1990, the government developed its Ten-Year Tourism Development Plan assisted by a United Nations Development Program (UNDP) -funded team of international consultants with local counterparts. In May 1992, a National Tourism Strategy was released consisting of a national report and 27 provincial reports. This plan was aimed at assisting the government in policy making to obtain maximum benefit from tourism, more income and employment and increasing the amount of foreign earnings (DGT/ UNDP, 1992 cited in Wall, 1997). However, after two years it was found that the consultants failed to address a number of sociopolitical issues, including government objectives related to domestic tourism (Sofield, 1995). Beginning in 1992, a team of researchers from three state universities (Bandung Institute of Technology, Gajah Mada University, and University of Indonesia) and government ministries

prepared a new national ten-year tourism development plan using Butler's tourism destination life cycle model as a major tool of analysis (Yawajita, 1993 cited in Sofield, 1995). Each of 27 provinces of Indonesia was positioned along the 'S' curve to represent the stage of development of each province. This, in turn, was used to provide an objective assessment of needs and to justify central government decisions on development as appropriate to economic and social circumstances (Sofield, 1995:691). The final product of the team was a National Tourism Development Master Plan, consisting of a National Report, 6 Regional Reports and 6 Tourism Development Corporation Reports (DGT, 1998a). In the light of the process Sofield (1995) argues that its multi-dimensional approach and its comprehensive application of the model could be a document of particular value to those interested in tourism planning and development process in the Third World.

In 1990, a national body called the Indonesia Tourist Promotion Board (ITPB) featuring some of the main stakeholders in the tourism and hospitality industry plus representatives from other sectors indirectly involved was established to increase tourism marketing and promotion (Hall, 1996). The recent strategies for marketing consist of re-positioning the tourism image, carrying out research and market analysis, promoting new products and particularly promoting eastern Indonesia as a marine, eco and cultural destination (Year of Rehabilitation, 2001)

A number of activities are ongoing to promote Indonesia as a tourist destination, such as participation at international tourist events, image promotion through selected media, and establishment of tourist offices overseas. Such strategies which commenced in 2000 and were allocated a budget of Rp. 42.8 billion for marketing and promotion and Rp.8 billion for international relation are significant efforts by the government to improve the industry (Year of Rehabilitation, 2001) The total budget for 2001 was Rp 154.8 billion excluding the budget allocation for the DGT. However, the amount of US\$ 10 million for marketing is far below that

of Indonesia's neighbours such as Thailand, which has a promotional budget of US\$ 100 million.

In 1998, a new National Tourism Development Master Plan was completed with French consultants under the Euro Asia Management (EAM). It was a collaborative work among the EAM, DGT, consortium of three universities, national and regional governments and private sector organisations such as the Indonesian Hotel and Restaurant Association (IHRA), ASITA and centers of education and training. The aims included the following: to develop a master plan for long-term tourism development until 2009, to determine the short-term and long-term priorities to enhance bilateral cooperation between Indonesia and governmental or private international tourism experts and to determine appropriate tourism projects to develop a mutual cooperation between Indonesian and French tourism industries.

The Ministry of Tourism and Culture (MTC) has also established new Strategic Plans for Culture and Tourism 2001 – 2004 (RENSTRA), outlining a series of realistic targets. For instance, by considering the political and economic situation in Indonesia the targets for international tourist arrivals and domestic tourists for 2001 were 5.4 million and 128.52 million respectively. The expected growth is between 7 – 10 per cent and 1.9 per cent per year respectively by 2004. Accordingly, the foreign exchange earnings are expected to reach US\$ 7.6 billion by the end of 2004 and domestic expenditure will be Rp. 16.97 trillion.

The government is also committed to increasing the quality of tourism products and services. Small and medium tourism enterprises, such as community-based and village-based tourism which are involving more local people are the core targets to improve the standard of living of people currently living in poverty (DGT, 1999c).

The reasons why tourism has been targeted are twofold: employment and foreign exchange earnings. Tourism is recognised as a labour intensive industry capable of providing large

numbers of jobs for the rapidly increasing population of working age (Travel and Tourism Intelligence, 1991). With a population approaching 210 million the employment opportunities that tourism can provide are recognised as being of considerable importance. By the end of PELITA V in 1993, for instance, there were a total of 539,000 in direct employment, 36 % of whom were in the accommodation sector, 40 % in restaurants, 15 % in recreation and entertainment facilities, and 7% in travel agencies (Junaedi, 1994). With the increase of accommodation and other related tourism business, the tourism industry has correspondingly increased its employment opportunities significantly (DTPT, 1997). It was projected that by 2007, the industry would create 8.5 million employment positions with 1 in 11.4 employees overall provided by the tourism industry (Saifuddin, 2001). Moreover, driven by the success of Tourism Development Corporation (TDC) in Nusa Dua, Bali, the government has prioritised eleven new destinations, namely Lombok, Manado, Biak Irian, Krakatau, Padang, Belitung, Baturaden, Bintan, Pangandaran, Goa Makassar and Nias (Figure 2.2) to stimulate development throughout the country. The development of these TDCs, however, has been constantly criticised as to how to differentiate each TDC, which mostly have similar characteristics, for marketing purposes (Wall, 1997).

The government has also been actively involved in creating awareness of the benefits of the industry particularly as a foreign exchange earner for the Indonesian economy. However, more emphasis is placed on the role of tourism as a foreign exchange earner rather than on the development of outbound and domestic leisure travel (Wall, 1997). Information on both outbound and domestic tourism is not easily accessible. The outbound market is considered a luxury in Indonesia with approximately half a million passengers per year traveling overseas (Wall, 1997). The preferred package for travelers especially for families is group travel, with a growing proportion of parents visiting their children studying abroad. The average length of stay is between two and three weeks, with the USA, Europe and Asia as the most popular destinations. However, the growth of the Indonesian middle class may mean more Indonesian visitors to Singapore, Malaysia and Thailand on short-break holidays.

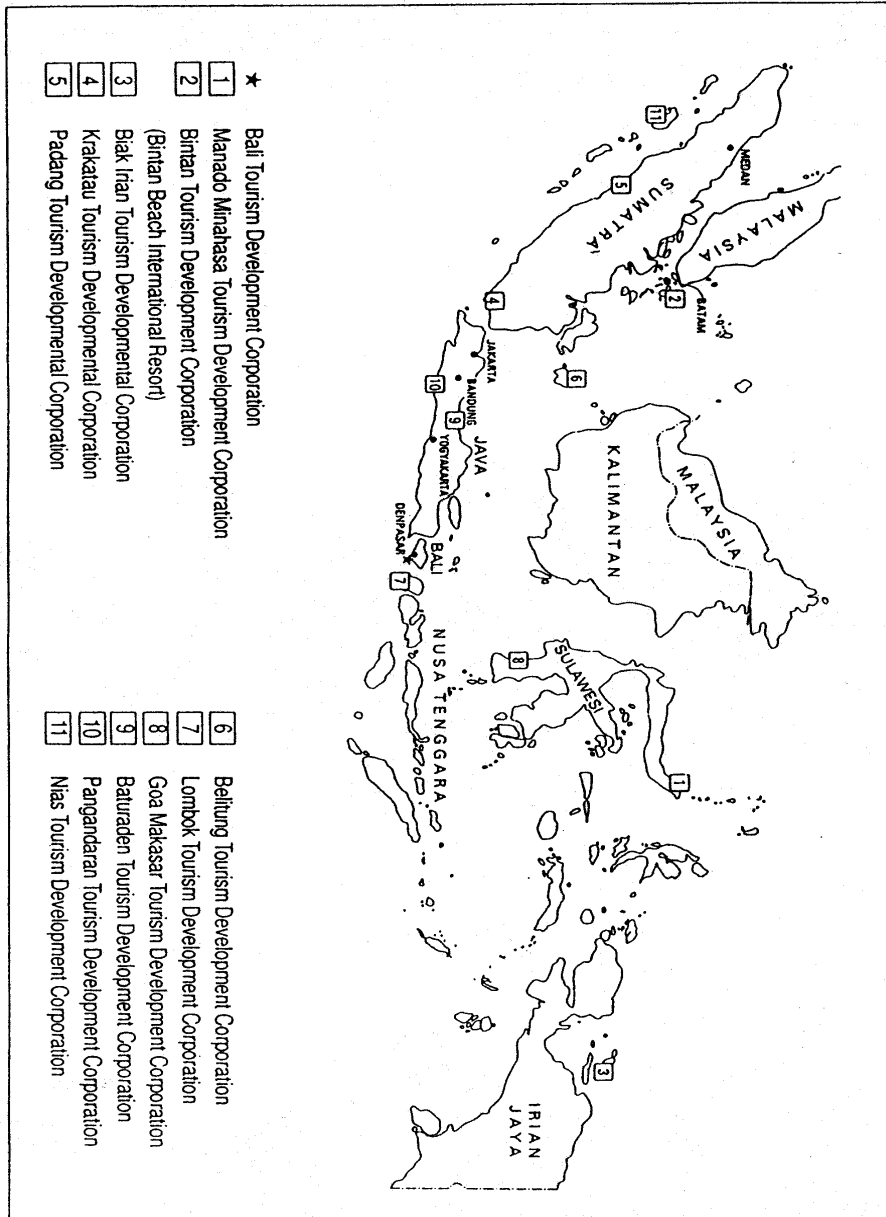


Figure 1.2. Tourism Development Corporations in Indonesia
 Source: Wall and Nuryanti, 1997

1.2.2. International Tourist Arrivals and Domestic Tourism

Apart from a drop in 1998, international arrivals increased throughout the PELITA VI from 4.1 million in 1994 to 5.1 million in 1997, resulting in a significant increase in Indonesia's foreign exchange earnings, from US\$ 3.9 billion in 1993 to US\$ 5.4 billion in 1997. The increases were well above the lower targets set in PELITA VI for each year.

The traditional sources of international tourists are among others Singapore, Japan and Australia. These three countries continue to be the three major markets and together account for nearly half of all international arrivals (DGT, 1999b). More than half (57%), however, were from Singapore, Japan, Malaysia and Taiwan combined, with Asia contributing 75.9 % of all arrivals (Wall, 1997). Such a trend remained the same in 1999, when Asia contributed about 68.55 % of total foreign arrivals (Saifuddin, 2001).

TABLE 1.1
Visitor Arrivals to Indonesia by Country of Residence 1995 - 1999

Rank 1999	Country of Residence	Visitors				
		1995	1996	1997	1998	1999
1.	Singapore	1 046 533	1,300,482	1,376,377	1 446 060	1 332 877
2.	Japan	486 278	665,711	706,942	469 409	606 102
3.	Australia	320 484	380,475	539,156	394 543	531 211
4.	Malaysia	511 903	392,562	481,713	491 597	531 211
5.	Taiwan	352 797	607,016	404,929	281 959	440 212
6.	Republic of Korea	115 091	250,035	246,307	177 852	349 247
7.	Germany	167 653	107,607	185,976	141 314	220 440
8.	USA	155 111	197,923	171,707	150 042	169 083
9	United Kingdom	165 788	145,268	142,161	137 600	151 763
10	Netherlands	136 858	122,410	144,622	81 507	138 296
11.	France	80 422	88,322	107,847	70 396	86 022
12.	Hong Kong	93 163	123,321	103,450	53 500	78 613
13.	Italy	55 735	62 912	67 802	50 383	67 316
14.	Philippines	96 242	51 487	50 925	104 192	46 177
15.	New Zealand	28 339	33 077	38 762	32 590	41 556
Total		3 812 347	4 588 599	4 768 669	4 083 544	4 331 677

Sources: Directorate General of Tourism, 1999a; Saifuddin, 2001.

Despite some fluctuation, those three markets remain the highest since 1994-1997 with a slight variation in 1996 and 1997 when Taiwan and Malaysia became the leading three with arrivals of 511,903 and 607,016 respectively (Table 1.1). Absolute growth is occurring in most markets but the relative importance of Asia as generator of visitors is expanding at the expense of Australia and Europe. By looking closely at the trend it appears that most visitors are from Asian regions such as Taiwan, Malaysia and South Korea. Qu and Zhang (1997) also estimate that towards the end of 2001 the major inbound markets of Indonesia will be Asia (65.8 %), Europe (20.8 %) and Oceania (10.0 %).

In terms of type of visitors, Indonesia mainly attracts younger visitors with over 52 % of them under the age of 34 and 78 % below 45 (Travel and Tourism Intelligence, 1991). The trends do not seem change over the period of a decade. In 1998 for instance, the highest proportion of the major markets is in 35-44 age group, followed by 25-33 age group.

1.2.3 Purpose of Visit and Frequency of Visit

The pattern of the purpose of visits has changed slightly over the period of a decade (Figure 1.3). In 1990, some 81 % of total arrivals at the four main ports of entry were for holiday purposes and only 14.3 % were on business (Travel and Tourism Intelligence, 1991). However, the proportion of visitors selecting Indonesia as a holiday destination tends to decrease significantly, as the country becomes a more international trading nation. As a consequence, the share of business purpose tends to increase. Figure 1.3 indicated that holiday purposes declined from some 81 % in 1990 to 51.77 % and 51.8 respectively in 1996 and 1998. Consequently, the holiday purpose of visits were also affected by showing declined pattern from only 18 % in 1990 to 51.77 % and 51.8 % respectively in 1996 and 1998 (DGT, 1999c). The changing trend has consequently changed the policy set up by the government as according to Wells (1990) different pattern of visit implies different needs.

The trend in repeat visitations has correspondingly changed over the years. In 1995, the repeaters were slightly below 50 %. In 1996 the pattern indicated 65 % of the international visitors were repeaters (Gunawan, 1999). Conversely, the first time visitors have altered in a line with the changes for repeat visitation. In 1990, for example, 58.4 % of all arrivals visited Indonesia for the first time, while after a decade 46.2 % was the first time visitors, and 54 % repeat visits (DGT, 1998). However, this figure masks some market share differences, with only 8 % of Malaysian tourists on a first visit, for example, compared with 51 % of German tourists and 52 % of British tourists.

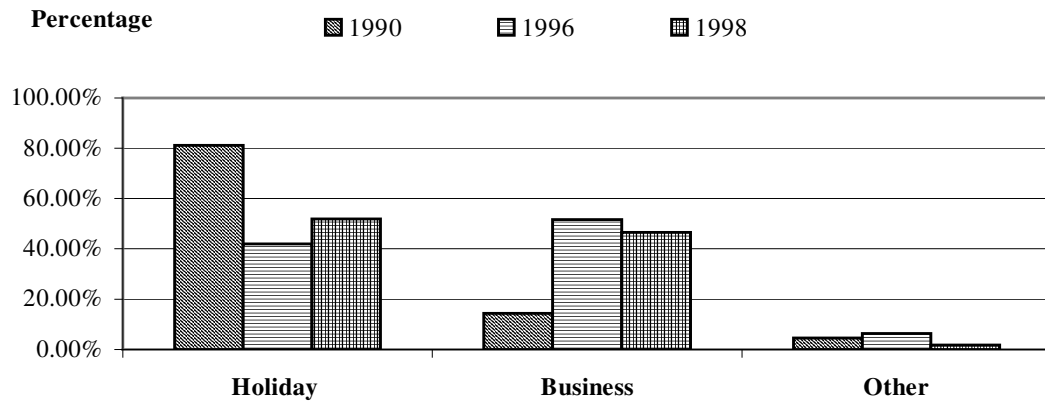


Figure 1.3 International Tourist Arrivals by Purpose of Visit (1990 – 1998)
Sources: DGT, 1999c; Gunawan, 1999

1.2.4. The Average Length of Stay and the Distribution of Expenditure

Partially reflecting the large size of the country, the average length of stay of foreign tourists in 1990 was 11.8 days for the four main ports of departure, thus falling slightly short of the target set in the five year plan (Travel and Tourism Intelligence, 1991). 1991 saw the average of length of stay in excess of 13 days if Batam was excluded and almost 12 days incorporating Batam arrivals (Wall, 1997). Although it falls slightly in 1997 with the average of 10.55 days, Indonesia remains in the first position, exceeding two major rivals, Singapore and Thailand, in the Asean market (DGT, 1998a). In 1999, the average length of stay for foreign tourists was 9.84 days and it was projected that it would reach 10 days within 2000 –

2004 (Saifuddin, 2001). There are opportunities with this length of stay to fulfil the goal of dispersing tourists from main destinations such as Bali and Yogyakarta to other provinces in Indonesia.

Markets with an above-average length of stay include the Netherlands, the USA, Germany, Australia and the UK, while those below average include Singapore, Malaysia, South Korea, Japan and Taiwan. This reflects, to a certain extent, the behavioural differences between the long and short haul markets (Travel and Tourism Intelligence, 1996). However, beginning in 1990, a steady decrease in the length of stay has been occurring, from an overall 11.8 days in 1990 to as low as 10.2 days in 1995 (Table 2.3). The average is increasing slightly in 1997 with 10.55 days.

TABLE 1.2.
Length of Stay in Indonesia by Selected Country of Origin, 1990 and 1994-1998

No	Country of Origin	Year				
		1990	1994	1995	1997	1998
1.	Netherlands	26.1	22.3	20.0	17.35	16.97
2.	Germany	22.1	16.0	15.6	13.91	12.51
3.	USA	14.5	14.6	13.9	6.86	8.24
4.	UK	14.3	11.3	11.6	13.01	12.08
5.	Australia	13.7	12.7	11.2	13.82	11.34
6.	South Korea	7.4	7.6	7.0	6.58	10.46
7.	Japan	8.3	7.8	7.5	8.73	8.4
8.	Taiwan	12.1	8.0	7.3	7.8	7.17
9.	Malaysia	6.1	6.1	6.5	6.59	7.05
10.	Singapore	3.8	4.9	4.4	-	-
11.	All Markets	11.8	10.3	10.2	10.55	10.38

Sources: Travel & Tourism Intelligence, 1996; DGT, 1998

The purposes of travel and the country of origin of the visitors define quite different market segments with distinctive implications for economic, social impacts and development. For example, the changing trend in purpose of visit, from predominantly on holiday to some more business travel requires a high standard of accommodation and restaurants, although the length of stay will be shorter than for holiday makers. On the other hand, holiday makers rely more on the availability of attractions and support services.

Similarly, visitors from different countries exhibit different holiday patterns and expenditure. Based on a recent survey by Central Bureau of Statistics (BPS), data indicate that Japanese tourists stay for a shorter period (8.4 days in 1998) and spend more money on their visits (DGT, 1999c). The French, on the other hand, stay longer with an average of 13.76 days in 1998 with the expenditure of US\$1060.69. Not surprisingly, visitors from farther away such as Europe and America, have a tendency to stay longer than travelers from Asia-Pacific countries. Japanese visitors also require high standards of services and hospitality representing three words: Quick, Correct and Clean (DGT, 1999b). Often, they demand particular personnel who understand their culture and who speak Japanese language. Additionally quality hotel amenities and shopping opportunities are important to this market (Wells, 1990).

Table 1.3
Distribution of International Tourist Expenditure and Tourism Revenue (1997 – 1999)

Item of Expenditure	Tourist Consumption Expenditure (%)			Tourism Revenue US\$ Million		
	1997	1998	1999	1997	1998	1999
Accommodation	27.6	19.0	23.3	1466.1	823.3	1035.4
Food and Beverage	11.6	9.6	10.6	615.2	417.1	471.2
Souvenirs	11.3	7.8	9.6	602.4	366.5	424.5
Shopping	-	9.5	4.8	-	411.5	211.3
Local Transport	5.1	3.8	4.5	271.4	165.9	198.6
Local Package Tour	5.8	6.0	5.9	308.6	261.2	263.1
Domestic Flight	13.2	12.3	12.8	703.5	531.9	567.1
Sightseeing	5.0	4.8	5.0	264.5	208.3	217.5
Entertainment	6.7	5.7	6.2	354.4	245.6	274.2
Health & Beauty	3.6	4.2	3.9	189.4	181.1	172.1
Guide Service	4.2	4.0	4.1	223.5	171.9	181.7
Education	-	8.2	4.1	-	354.3	181.9
Others	6.1	5.2	5.6	322.5	222.6	249.1

Source: Saifuddin, 2001.

Expenditure by international visitors varies according to the origin of the tourists and the purpose of visit. For instance, according to the International visitor survey in 1998, the highest proportion of Japanese visitors are those taking a holiday (72.36 %) compared to

business (which only accounts for 21.61%) and the average spending is relatively higher compared to other Asian markets (DGT, 1999a). However, in the past three years (1996-1998) the average expenditure indicated a significant decrease from US\$1241.29 per visit in 1996 to US\$1105.83 per visit in 1998 (DGT, 1997). This decrease could, perhaps, be attributed to the decline of Indonesia Rupiah in relation the US dollar which influenced the spending patterns of the tourists.

1.2.5. Domestic Tourism

Steadily rising living standards and greater ease of mobility have contributed to a higher number of and a wider distribution of domestic tourists. The total travel by Indonesians is enormous compared to the country's international visitor figures. Research carried out by the BPS found that in 1991, for instance, 64.5 million Indonesian citizens made a total of 72.2 million visits. In 1994, the trend indicated that there is a quite significant increase in the total visits. The National Population Census conducted by BPS revealed that around 83.6 million people traveled within Indonesia, surpassing the domestic tourist target at the end of Repelita VI (DPPT, 1997). This trend continues with a greater number of Indonesians taking the trips during 1997. The results of the survey indicate that more than 98.3 million people travelled within Indonesia.

Domestic tourism has grown rapidly in recent years reaching an estimate of over 135.75 million travelling all over Indonesia with an estimate total expenditures of Rp.16.97 trillion by the end of 2004. Figure 1.4 indicates that the growth of domestic market in terms of province of origin, which is about 4 % per year, is not as striking as the international arrivals. In spite of the fact that the substantial numbers are important to get a picture of Indonesia's tourism, systems are not currently in place to monitor its development. Only limited information such as the total number for each province as either generator or beneficiary is available. Other significant information is also limited as research in domestic tourism is lacking. However, this situation is gradually improving, as decision-makers require increasingly better information

upon which to base policies, plans and program for management and development. The domestic market slightly decreased between 1997 – 1999 due to factors such as the decreased income, the political situation and security and restricted transportation as a result of high transportation tariffs (DGT, 1999c).

The patterns of travel can be summarised as follows. Most of the travel had originated in and was directed to Java, the most populated and relatively developed island in the country, and to Bali as one of the most popular tourist destinations in Indonesia. In fact, based on a survey in 1984 the trips to Java and Bali accounted for a combined total of 67 % effectively two thirds of all Indonesian distributions. The rapid growth of the cities with high-rise building and recreation facilities has driven people’s urge to travel. Now the first five top destinations and the provinces of origin are West Java, East Java, Central Java, Jakarta and Bali. In all these areas the infrastructure developments are progressing more than other provinces.

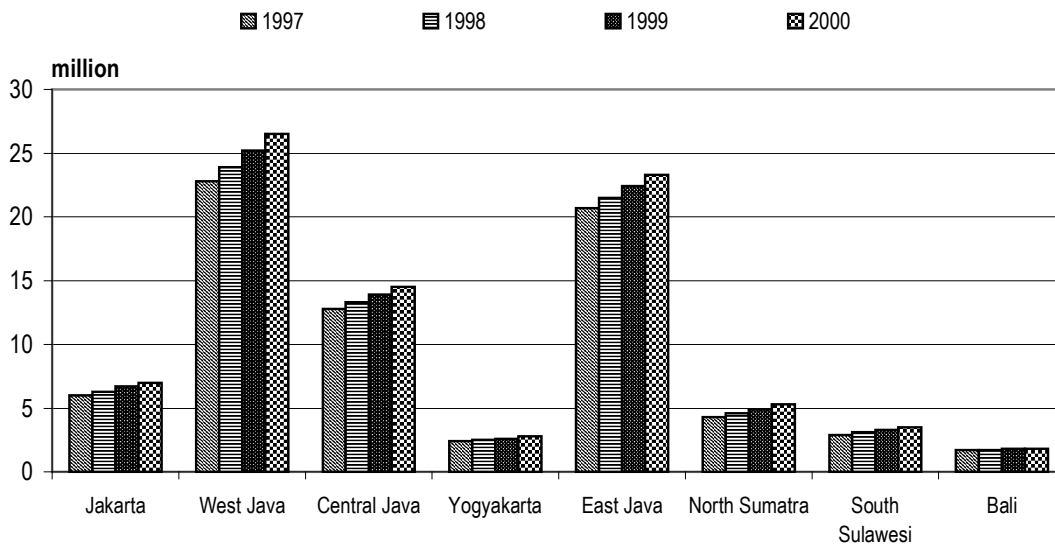


Figure 1.4 Distributions of Domestic Tourists by Province of Origin (1997-2000)
Source: Directorate General of Tourism, 1999c

There are two main purposes for which Indonesians travel. The dominant purpose is to visit friends and relatives (VFR), which comprised 43.9 % of trips in 1991 (Basuki, 1993 cited in Gunawan, 1996) and 54 % in 1998 (DGT, 1999c). Vacation or recreation is the second most

common purpose of travel, 31.8 % in 1991 and 24 % in 1998. In addition there is a substantial percentage of business related visits, which made up 7 % of the trips in 1998. Indonesia is a Muslim dominated country with almost 95 % of the population being Muslim. The VFR market is particularly promising since in the holiest day of Islam (Ied Fitr) family members, who usually live in different parts of the country, will visit the senior members of their family.

A substantial percentage of domestic travel in Indonesia involves overnight stays with friends and relatives (37.3%), followed by stays in budget class hotels (22.0%), and classified hotels (11.2%) (Gunawan, 1996). A large percentage of domestic travellers also stay in a variety of accommodation such as guesthouses, boarding houses mosques and others. This indicates that domestic tourism involves a great variety of participants from different social and economic backgrounds.

The transportation patterns of domestic travellers do not appear to have changed a great deal since 1991. In the 1991 survey, most domestic travellers in Indonesia were found to use public buses (76 %), some used rail transportation (2.6 %) and around 8 % used private cars (Gunawan, 1996). Recent data on domestic tourism indicates that the most favoured types of transportation were public buses (76%), followed by rail transportation (9%), approximately 6 % used water-based transportation and very few of them used air travel (2%) (DGT, 1999). With the development of more convenient rail transportation in Java, it is estimated that the pattern of travel might change slightly with those preferring to travel by air changing by rail.

1.2.6 Marketing Opportunities and Challenges

Indonesia has the potential to further develop its tourism industry. Indonesia has an extremely rich and varied resource base for tourism comprised of cultural, historical and natural attractions. The majority of the population adheres to the Islamic faith; however, there are more than 300 ethnic groups who speak 350 different languages (Saifuddin, 2001). The

expression of their culture in landscapes, building styles, music, dances, ceremonies, arts and crafts contribute greatly to Indonesia's attractiveness as a tourist destination (Wall and Nuryanti, 1997).

Historical attractions are also abundant, contributing to the variety of tourist destinations to be offered. Some historical sites such as Borobudur and Prambanan are listed as UNESCO World Heritage. Recently the government has reportedly proposed to UNESCO that Mount Kawi, Pura Besakih, Sawah Berundak and Pura Taman Ayun should be included in the list (Bali & Indonesia on Line, www.indo.com). Furthermore, as a tropical country, Indonesia is rich in natural resources. Beaches to provide sea-sun-sand vacations are important assets to Indonesia's tourism as well as flora and fauna in many parts of the country (See Figures 1.5 – 1.7). It was reported by the Directorate General of Tourism (1999d) in Tourism Database Product that there were at least 871 cultural based-tourism and heritage sites spread across the archipelago and 439 nature-based tourist destinations consisting of National Park, Marine Park, and Agrotourism facilities.

However, despite its great variety of tourism-based resources, on going problems such as the general image of Indonesia and the uneven development of tourism in each province could hinder its further development (Wall and Nuryanti, 1997). Furthermore central to the topic of the thesis there persists the issue of well-qualified tourism professionals responsible for managing the industry and its impacts.

To a certain extent, the image of Indonesia as a country is unclear especially to potential international visitors. In fact the image of Bali, as a destination is relatively stronger than Indonesia in general (Wall, 1997). This is even worsened by the fact that most tourism research conducted in Indonesia so far is preoccupied with the island of Bali (Oppermann, 1992). This is not surprising since Bali has been known long before Indonesia declared its independence as a destination.



Figure 1.5. Rice Granaries in Toraja



Figure 1.6. Borobudur (Central Java)



Figure 1.7. Bromo Mountain (East Java)

Indonesia in general. This, to some extent, is a challenge for the government to create an image which is likely to describe the diversity of Indonesia. The discussion over the value of a slogan as a national marketing strategy, for example whether to use 'beach plus' or 'plus beach' indicates how difficult it is to encapsulate Indonesia in a single phrase. The former places an emphasis on the unspecified 'plus', which presumably, implies the rich diversity of cultures and emerging ecotourism opportunities (Wall, 1997), whereas the latter stresses traditional sea-sun-sand image vacations.

Furthermore, even though the regional market of Indonesia's tourism is emerging, for example, Wall and Nuryanti (1997) state that Asia now dominates the market by more than half (57 %), the number of tourists from other markets such as the United States, the Netherlands and England remain low (Figure 1.8). It is undeniably a challenge for Indonesia to attract more long-haul tourists from America and Europe who are likely to stay longer and spend more during their visits to Indonesia.

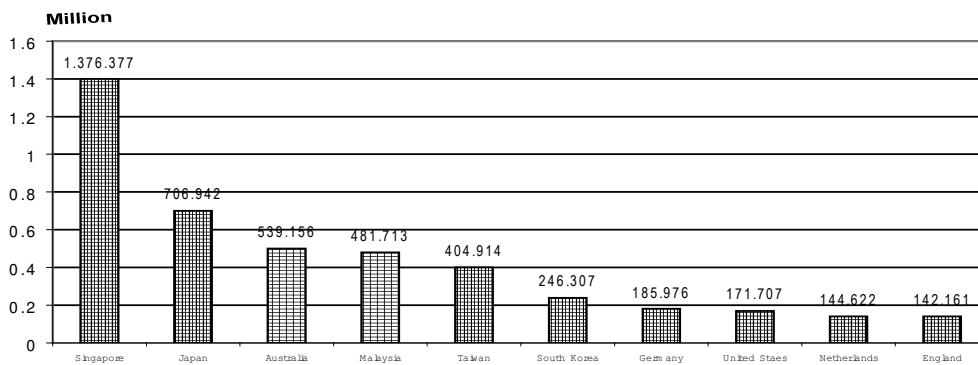


Figure 1.8 Foreign Tourists Main Markets to Indonesia (1998)
Source: Directorate General of Tourism (1999b).

Unless Indonesia varies its marketing strategy to focus more on markets other than Asia, it is expected that Indonesia may face increasing competition from other emerging destinations in the region (Wall and Nuryanti, 1997). Therefore, it seems imperative that the government along with other tourism stakeholders must address the questions of the nature of Indonesian

tourism products and the position which they wish to achieve in the international tourism marketplace.

1.2.7. Potential Problems Facing Tourism Industry in Indonesia.

Indonesia is characterised by its great diversity. It comprises of more than 13, 500 islands, with five larger ones namely Kalimantan, Sumatra, Irian Jaya, Sulawesi and Java. With a population approaching 200 million people, it is the third largest country in Asia in terms of both population and area after China and India, and the fifth most populous country in the world (Wall, 1997). As far as the distribution of international tourists is concerned, the international tourist arrivals are unbalanced across the provinces. In 1996, for example, the percentage of tourists staying in star-rated hotel was in Bali and Jakarta with 30 % and 25.6 % respectively. Consequently, the expenditure was not distributed evenly among the provinces.

Although international tourism in Indonesia is very important in supporting the Indonesia economy, tourism has created a number of problems such as conflicting issues related to the use of temples. In Bali, as one of the most visited provinces in Indonesia, the use of temples as both places of worship and as tourist attractions has been debated. Tourists sometimes do not seem care that people are praying when they are wandering around taking pictures which distract the ceremony. Junaedi (1994) asserts that there are other potential problems in the industry. For example, in general, ASEAN countries enjoy a significant number of international tourist arrivals. However, compared to others Indonesia received less than Thailand or Singapore. This may be due to the fact that the process of offering free-visa facilities, for example, is often obstructed by the personnel of immigration. The other member-countries of ASEAN show a great awareness of the importance of visa facilitation, such as a 21-day visa free facility to certain countries.

Additionally, the government policy that only focuses on broad-scale tourism development may contribute problems to a society. For example mass tourism requires standardised facilities such as chain hotels which may be usually built in areas where local people cannot benefit from the development. Therefore, recently the government has focused more on small-scale tourism such as village-based tourism and agrotourism which are introduced as alternatives to enhance the local people's standard of living. Sometimes, problems might stem from conflict within the government as well such as the aims of international tourism organisations. The membership of PATA, for instance, was considered as ineffective to the development of the tourism industry in Indonesia (Year of Rehabilitation, 2001).

To sum up, the tourism industry remains important as one of the most important sources of foreign exchange earnings for supporting Indonesia's economy in general. Consequently, the government has decided to allocate the industry a high priority compared to other sectors such as manufacturing. Moreover, tourism also generates more employment opportunities for young people, particularly in the accommodation sector which continues to develop despite its recent downturn due to the effect of global recession.

However, continuing the development of sustainable tourism for Indonesia requires a number of ongoing issues to be solved. The issues for the private sector include the supply of qualified employees, not only for its rank and file positions but also for managerial levels. There may be a need for the involvement of the industry in tourism education and training to further enhance the quality of both education and the industry. For the public sector, the needs of qualified researchers, planners and decision-makers for the industry are relatively high. The public management of the industry both for its economic and employment advantages as well as its negative impacts in the environment and socio-cultural area needs skilled personnel.

Therefore, tourism education, which is considered as one of the sources providing qualified personnel, is an important area for investigation. Particularly, several aspects that have direct relationship with the industry such as the curriculum content and the design of tourism programs as well as the tourism education – industry interface, and the involvement of tourism education stakeholders in the process of administering tourism education are worthy discussion parts. To investigate such issues, a number of literature reviews will be presented in the following section. This material includes tourism knowledge and concepts and the relevant generic skills needed by the future employees.

1.3. Tourism Education Needs at the Degree Level

In addition to being the third major earner of foreign exchange, another primary contribution of tourism to Indonesia is its capacity to generate employment (Rahardjo, 1998). It is always difficult to provide accurate statistics, particularly in developing countries because employment is spread across a range of industries, and accurate figures are not always available. Nevertheless, in one sector, that is the accommodation sector, the total number of establishments, especially the classified hotel, has grown dramatically from 334 in 1987 to 825 in 1999 (DGT, 1999d). This indicates a steady growth over a decade and a very significant development (20 %) could be identified during 1997 – 1998 (TABLE 1.4).

TABLE 1.4
The Development of Classified Hotel in Indonesia, 1991-1999

Year	Total		Development (%)	
	Hotel	Room	Hotel	Room
1991	467	42,117	8.10	17.22
1992	515	45,245	10.28	7.43
1993	568	50,583	10.29	11.80
1994	623	57,398	9.68	13.47
1995	697	66,357	11.88	15.61
1996	725	69,994	4.02	5.48
1997	753	73,269	3.86	4.68
1998	810	82,489	7.57	12.58
1999*	825	83,833	1.85	1.63

Source: Directorate General of Tourism, 1999d.

*Data available from January – June 1999

With this stable growth, the industry plays important roles in creating employment as well as business development. The impact of tourism in Indonesian economy is enormous. It is estimated that the hotel industry needs at least 47,000 employees including 3,000 in middle and upper management levels every year (Bendhi, 1994) while on the supply side, tourism education has not been able to meet the demand for employees, especially at the middle and upper management. The potential exists for government to show initiative to develop and promote more indigenous trained personnel. This initiative would reduce the dependency on foreign expertise and also avoid some leakage of the foreign earning. In addition, based on the research conducted by Department of Tourism and Culture, only 7.29 % of the hotel employees possess an education and training and most of the middle and top management are short of preparation (Bendhi, 1994). Indeed, it is claimed by some that the challenges facing the tourism industry will only be met successfully by a well-educated, well-trained, bright, energetic, multilingual and entrepreneurial workforce who understand the nature of tourism and have professional training (Cooper et al, 1998).

In order to keep abreast with the significant development of the tourism industry in Indonesia, tourism education is responsible for providing a qualified human resource for both public and private sectors. The supply of the human resource for tourism industry has been unsuccessful so far. Industry often complains about the quality of graduates who are mostly not as capable as the industry has expected. Consequently, the industry would prefer recruiting graduates from economic or business studies who are generally stronger in their marketing capability or recruiting employees for lower positions who are then further trained for higher position (Gunawan, personal communication, 11 November 1999). Furthermore, the tourism education institutions and public sectors are in a great demand of staff graduated from 4-year degree programs.

Research on tourism and tourism education are lacking, contributing to insufficient tourism databases at national level, which in turn hampers the formulation of appropriate policies and

decisions (Gunawan, 1997). Wall (1997) argue that many decisions are being made both at the strategic and destination levels in the absence of a strong information base and there appears to be an urgent need to strengthen the research underpinnings of policy decisions. In other words, research is needed to support a sector that has been entrusted to play a heavy role in the national development scheme. The scope of the research itself can be grouped broadly into three areas i.e. development of databases, development of an academic body of knowledge on tourism and identification of strategic issues in different localities with tourism potential (Gunawan, 1997). With those in mind, this section, therefore, will explore several points in relation to the needs of tourism degrees to enhance Indonesia's tourism education and the tourism industry overall.

1.3.1. Issues for Tourism Human Resources in Indonesia.

Indonesia has recognised for some time that tourism could not be sustained unless there were enough people with high quality education and training to provide services that comprise the tourism industry. In effect, the need to develop human resources has become imperative as a consequence of the rapid growth of tourism.

In public sector, the Ministry of Cultural and Tourism has designed a special planning in improving the quality of tourism officials through a variety of ways. For example by conducting a regular in-house training for certain levels of staff or providing them with fund for pursuing further formal tourism education. To anticipate the growth of tourism, the ministry has taken steps by introducing the following programs:

- A program to accelerate the provision of human resources in the Ministry of Tourism, Post and Telecommunications. This program includes efforts to encourage greater private sector participation in the provision of education and training while adhering to international standards.
- Standardisation of Education and Training. The standardisation of education and training is being accomplished through enforcing Skills Qualification Standards formulated by the Permanent Working Group. This standardisation will later be made

into guidelines for tourism businesses undertaking education and training as well as for government and private education and training institutions (DGT, 1998)

In addition, as one of the members of the Economic and Social Committee for Asia and the Pacific (ESCAP), Indonesia has also recognised that there exist shortages in tourism human resources that hinder the development of sustainable tourism in Indonesia. Among others are (1) strategies and policies on investment in human resources need higher priority; (2) qualified and experienced instructors are in short supply; (3) there is an inadequate supply of quality teaching materials, and (d) the supply of skilled personnel is not commensurate with demand, especially at the managerial level (Yamakawa, 1999). Recognising those shortages, several steps have been taken by both the public and private sectors, such as establishing more training centres of excellence.

Furthermore, the geographical characteristics of Indonesia and its size require particular attention in supplying human resource for the tourism industry. The uneven levels of the growth of tourism, for instance in the development of classified hotels in each province also contribute to the complexity of public sector in recruiting its human resource (Table 1.5). Some provinces such as Jakarta and Bali have relatively higher growth in tourism infrastructure. For example in 1998 there were 105 classified and 229 non-classified hotels in Jakarta, with a total of 20,456 and 8,321 rooms respectively. Another factor that may affect the development of tourism in public sector is the movement and promotion of the employees. Those who have completed training in tourism will usually be promoted and move to different provinces. Therefore, new employees who have no advanced tourism training often have to learn tourism positions.

TABLE 1.5
The Development of Classified Hotels by Selected Provinces

PROVINCES	YEARS					
	1993	1994	1995	1996	1997	1998*
West Sumatra	102	102	127	127	189	139
West Java	432	432	827	827	974	927
Bali	608	608	722	722	1,220	743
South Kalimantan	34	40	40	40	152	84
Southeast Sulawesi	13	13	13	13	62	74

Source: Directorate General of Tourism, 1999d

Having taken into account various factors contributing to the underqualified tourism employees in Indonesia's tourism industry, it seems imperative that government and private sectors discuss the problems and take action in order to ensure the flow supply of qualified human resources in the near future.

1.3.2. The Needs of Tourism Researchers and Educators for Advancement of the Industry and Education.

Industry leaders, government and educators have recognised that appropriate human resources provision is an essential element for the type of long-term tourism development in Indonesia. In the beginning of the development of Indonesia's tourism industry, the biggest proportion of financial incentive was allocated for improvement of physical infrastructure. Policies such as relaxing requirements of foreign investments and visa requirement and efforts such as improving the quality of tourist facilities have been made to increase the tourist arrival to Indonesia. The success of the policies has given rise to a pressing need for the provision of skilled staffs to manage and deliver an enhanced quality of tourism product. Beside, the availability of staff who is able to perform tourism research is limited in the public sector. Most of the research has been carried out by either Centre of Tourism Studies at universities or by private bodies. In fact one of the recommendations released by the Government of Indonesia in 1992 states that the Director General of Tourism be given an improved capacity to undertake tourism research. It is indeed imperative that the government pays attention to the supply of high quality employees for further success of tourism industry in Indonesia.

On the other hand, the absence of coherent framework for tourism education and training strategy during the earlier development of tourism education has led to a fragmented and frequently duplicative pattern of human resource development initiatives. This has been noted by Craig-Smith & Fagence (1995a, 1995b) who report that that most of Asia-Pacific countries, including Indonesia, lack a comprehensive national tourism education and training strategy. Furthermore, deficiencies in trained staff are closely linked to shortage of training facilities as well as qualified trainers. In many cases, the quality of teaching and training has not kept pace with developments and innovations taking place in the tourism industry (The Network of Asia-Pacific Education & Training Institutes in Tourism (APETIT), undated). To overcome the problems related to the quality in tourism education and training, World Tourism Organisation considered that establishment of a network of tourism training institutes and organisation for Asia and Pacific regions was strongly recommended and Indonesia, represented by Bali Hotel and Tourism Training Institute and Manajemen Pariwisata Indonesia (Indonesian Tourism Management), has become members since September 1997 (APETIT, undated). The Meeting for Establishment of a Network of Tourism Training Institutes and organisations in the Asia and Pacific Region was organised by the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) at Tehran from 22 to 25 September 1997 in cooperation with the World Tourism Organisation (WTO) and the Pacific Asia Travel Association (PATA) and with financial assistance from the Government of Japan.

Although the number of tourism institutions in Indonesia has grown significantly and now offer both non-degree and degree programs, the supply of qualified tourism educators and trainers to deliver better education for future tourism industry remains low. This lack of educators reflects an earlier history where universities had not been interested in including tourism studies in their education system. Therefore, most tourism educators have no formal education in tourism.

The responsibility of tourism education and training lies not only in providing human resources for tourism industry but also in preparing policy makers in the public sector. It is, therefore, very crucial that the concerned bodies such as government, tourism educators and industry professionals propose an integrated planning for tourism education. At present tourism research has lagged behind the dramatic changes of tourism industry, because the provision of financial incentives for tourism research to some extent is less compared to other sectors. For instance, in a program called Riset Unggulan Terpadu (Domestic Collaborative Research Grant Program) under the directorate General of Higher Education, tourism is generally included in social, economic and cultural dynamics, not as a separate field. Wall (1997) suggests that basic market research questions such as why most international visitors in Yogyakarta visit Bali but not the reverse appears simply not to have been undertaken. Further he asserts that it seems that many decisions are being made both at the strategic and destination levels in the absence of a strong information base and there appears to be an urgent need to strengthen the research underpinning policy decisions.

Currently, tourism education relies upon the availability of lecturers with a variety of backgrounds. Most of them have economics, geography and politics as their first interest. The needs of lecturers having a tourism background are growing and government policy requires that in opening a college of tourism, there should be at least three lecturers graduated from a tourism-related degree (Mudyana, personal communication, 19 November 1999). Several universities have begun to offer tourism studies in conjunction with economics, business or management at both undergraduate and graduate levels. Further, at least at present three postgraduate programs in tourism and several courses in tourism are given under the title such as Tourism Management and Business (Pitana, personal communication, 20th December 2000). In regards to the supply of tourism educators, Pearce (2002) identifies that there are two broader groups of pathways i.e. the traditional pathways which have been described above and a more recent pathways which includes graduates of tourism programs. This new wave of prospective educators is those who deliberately study

tourism from either undergraduate to postgraduate levels or postgraduate level only in order to be involved in tourism teaching.

In the light of the issues, the study will investigate the current practice of Indonesia's tourism education from different stakeholders; the industry-education relationship; the experts' view on the curriculum content of a master's degree program; and the future development. Subsequently four different studies will be undertaken separately to address the subject matters.

1.4. The Perspective of Government Tourism Official, Tourism Educator, Industry Professional and Student.

The following section will explore a definition of stakeholder for the purpose of the thesis, the identification of tourism education stakeholders and the importance of collecting the four perspectives of the stakeholders.

1.4.1. Definition of Stakeholders for the Purposes of this Study

Stakeholder theory was originally developed by Freeman (1984) within management literature. The theory itself remains debatable among theorists and there is no agreement on what Freeman (1984) calls 'the principle of Who or What Really Counts. That is who are the stakeholders of the firm and to whom do managers pay attentions. However, it is beyond the scope of the thesis to discuss the disagreement. The consideration of the application of the stakeholder theory itself has been broadened, not only has it been applied in the form of a business management tool for organisation, but more commonly, it has also been described in the context of planning and management (Hardy & Beeton, 2001). The theory has also been frequently utilised in tourism research (Hardy & Beeton, 2001; Jamal & Getz, 1995, Keogh, 1990, Young, 1999), as an attempt to identify perspectives of a single stakeholder or comparing more than one stakeholder of tourism industry.

A stakeholder is defined as 'any group or individual who can affect or is affected by the achievement of an organisation's objectives (Freeman, 1984:46). Thus a group qualifies as a stakeholder if it has a legitimate interest in aspects of the organisation's activities (Donaldson & Preston, 1995). In Sautter & Leisen's (1997) terms this group has either the power to affect the firm performance and/or has a stake in the firm's performance. Tourism education, as an institution has also recognised its multiple stakeholders who have legitimate interests on its development. Based on the theory, the identification of stakeholders of tourism education include: government officials who are responsible for planning and design of tourism education and the beneficiary of the products; tourism industry professionals who become the beneficiary of the tourism education's products (graduates); tourism educators who are responsible for designing and running the tourism education; and students who may be affected by the decision made by the institutions as well as customers who benefit from better quality staff performance.

Shepherd & Cooper (1995:14), although they do not mention the stakeholder term in their work, identify that there are differing groups of individuals in tourism education and training who determine the future of tourism education and training. They comprise students, tourist, educational institutions, government, media and the tourist industry. The involvement of different stakeholders in the process of both designing and delivering of a program will likely influence the performance of tourism education establishments, which in turn improve the quality of the tourism education.

Unfortunately, anecdotal observations suggest that most tourism program in Indonesia have been designed predominantly by certain groups of stakeholders such as educators and institutions with less involvement from the industry and tourism student. This traditional approach is identified as a content approach to curriculum design in education. The approach places the institution as the central force and the students and industry are required to adapt to the system (Shepherd & Cooper, 1995). This results in a relatively low industry acceptance

as the graduates do not frequently meet the qualifications recommended by the industry. Few tourism institutions have sought industry's assistance in the process of designing and the running of the program to minimise the problems of finding job opportunities upon the graduation. For example, Nusa Dua Tourism College has been involving the industry since the beginning of the establishment of the institution, in curriculum design and the process of delivery.

Furthermore, little research investigates the opinion of students about tourism education particularly in developing countries to determine the type of programs that will be suitable to their needs. Few studies have investigated students' perceptions on, for example cooperative education and students' image of the hospitality industry (Casado, 1992; Barron & Maxwell, 1999; Waryszak, 1997; Waryszak, 1998). It is therefore there is an important opportunity for a systematic approach of diverse stakeholder views of tourism education in developing countries.

Research on tourism education had been done quite extensively in both developed and developing countries (Wells, 1990, 1996; Ibida, 1990; Airey, 1991; Mukhwana, 1991; Ichioka, 1998). However, there are several important gaps to note, especially related to tourism education in developing countries. For example there has been little research conducted to investigate students' perspectives why they are interested in taking tourism training and education and how they view current tourism education. Most studies undertaken paid little interest in students' views. Therefore by including them in the study we are able to detect what reasons bringing them to finally choose tourism as the area of study. This will also lead us to understand what type of career they would like to pursue in the future whether it is in tourism or other areas. It is also expected that by looking at currently enrolled students as one of the stakeholders in tourism industry, we will be able to anticipate the needs of education and training for industry.

1.4.2. The Identification of Tourism Education Stakeholders.

In the recent literature, researchers propose increased collaboration in the planning process (Sautter & Leisen, 1999). Although the statement above is particularly directed towards the planning of tourism's physical infrastructure, tourism education too is characterised by its relationships with various stakeholder groups. Based on the definition proposed by Freeman (1984) at least five different stakeholders in tourism education were identified. They are educators – those who are responsible for developing the programs to be offered. Second group is tourism industry, represented by tourism professionals – those directly involved in recruiting the graduate of tourism education. The next group of the stakeholder is students – those who 'make use of' the services given by tourism education and the fourth group is government tourism officials – those who directly involved and contributing to the development of tourism education as well as the consumers of the product and finally customers who benefit from better quality staff performance and decision. Haywood and Maki (1992) identify that in the education and employment interface, there are implicitly or explicitly four groups of major players who involve in the process of educational or employment process, comprising educators, employers, students and employees. For the purpose of the thesis, however the government and business group will be seen to represent the consumers, albeit indirectly.

1.4.3. The Importance of Collecting the Four Perspectives of the Stakeholders for this Study.

Studies on tourism education are generally more concerned with involving educators and industry professionals as the subjects since they are more prominent in determining the future of tourism education provision (Cargill, 1995; Cooper, Scales, and Westlake, 1992; Cooper, 1993; Cooper & Shepherd, 1997). Despite realising the existence of the varied stakeholders in tourism education, few studies have examined the perceptions of students as a stakeholder towards tourism education (Barron, 1997; Charles, 1997). Thus given a recognition of multiple stakeholders in tourism education, it would seem that understanding of

stakeholders' perception of tourism education in Indonesia would be beneficial for identifying and setting relevant and acceptable goals for the future development of tourism education.

Westlake & Cooper (1998:585) argue that there is often a tension between the groups – students, the industry and the government. The industry is seeking students with the requisite knowledge and skills, the government (often through The Ministry of Education) is attempting to provide a balanced curriculum; whilst students are looking for courses which meet their expectations of tourism as a sector. Further they assert that these conflicts can be resolved by facilitating an effective communication between the differing stakeholders. This simple statement does however mask an array of complex issues and different needs.

In order to lessen the tension between the industry and tourism education, Goodenough & Page (1993) have drawn up the following suggestions which detail a good practice approach to incorporating industry input in curriculum planning and industry participation in education. In order to strengthen the relationship between the industry and tourism education there are several steps to be taken such as by visiting industry involved in tourism, conducting seminars and using visiting speakers from the industry, inviting industry professionals to conduct group assessment and feed back session, and setting out cooperative goals with the tourism industry.

TABLE 1.6
The Education/Employment Experience Between Key Players: A Selected Study

KEY PLAYERS			
Educators/ Employers	Employers / Students	Employers/Employees	Educators /Students
Baum, 1990	Brymer, & Pavesic, 1990	Hiemstra, 1990	Knutson, 1989
Fernsten, et al, 1990	Dev., 1990	Pallett, 1989	Ashford & Hood, 1990
Go, 1990	Laker, & Gregory, 1989	Teare and Brotherton, 1990	Littlejohn & Watson, 1990
Lefever, 1989	Litvin, S.W., 2000	Tabacchi, Krone & Farber, 1989	Barron, 1998
Moilliet, 1990			
Pollock, & Ritchie, 1990			
Koh, 1994			
Shepherd & Cooper, 1995			
Ichioka, 1998			
Tan & Morgan, 2001			

Sources: Adapted from Haywood & Maki, 1992; Content Analysis, 2000

Based on problems the industry and education encounter, such as the satisfaction among the key players in the education/employment interface, several studies have been conducted to see overcome the problems and to accommodate the differing perspectives of the stakeholders or key players (Haywood & Maki, 1992). Some of the studies, which are taken from Haywood and Maki's study and those identified by the researcher are highlighted in Table 1.6. The studies include educators and employers, employers and students, employers and employees, and educators and students. Such studies were conducted to better understand the perspectives of the stakeholders in closing the gaps. Furthermore, they argue that it seems importance to identify the gaps between those stakeholders' expectation as an attempt to develop a clear understanding of the problems and issues at the education/employment interface. Their investigation revealed that not only did each player have divergent opinions on many topics but also there were definite variations in understanding between expectations of the groups (Haywood & Maki, 1992:240).

Based on reasons explained above and within financial and time constraints, this thesis attempts to investigate four selected interest groups which include government officials, tourism educators, industry professionals and students. The selection of these groups were based on reasons such as those four interest groups were major players in tourism education excepts students who are often neglected in such research. Furthermore, the decision was also made since most studies involved educators and industry professionals. By investigating the four perspectives, it is argued that a comprehensive view of the various needs and perceptions of multiple stakeholders can be obtained. Furthermore, such an approach has the potential to identify differences and similarities between the groups and gaps which may exists in the relationship between the stakeholders.

1.5. Issues in Tourism Education which May Affect the Development of Tourism Education in Indonesia

Tourism education is considered a young subject area since even by liberal estimates, it is only a maximum of 50 years of age (Cooper, et al. 1996). These authors further indicate that there are several obstacles hindering the development of tourism education. For example it lacks theoretical basis as current tourism education is often approached in a fragmented way. This section, therefore, will explore briefly common issues in tourism education and training internationally and relate them to the current provision of Indonesia's tourism education. These universal issues might be responsible for the slow growth of tourism education at the tertiary level in Indonesia, particularly at degree levels.

1.5.1. Curriculum Issues in Tourism education.

The curriculum issues in tourism education have been centred mostly on the debates over a core curriculum and the scope and nature of industry involvement in curriculum development and design (Shepherd & Cooper, 1995).

The core curriculum debate has been underway in several countries such as the UK and Australia. The topics being discussed involve whether a core curriculum is necessary to help tourism education develop into a mature discipline. Additionally, some experts suggest that by formulating a core curriculum the overall quality of teaching and learning and the standard of information delivered could be improved (Shepherd & Cooper, 1995).

Despite international moves to standardised curriculum, there exists an enormous diversity in the way in which tourism studies is taught and interpreted by individual educators and departments (Cooper et al., 1996: 179). The diversity of approaches to tourism studies, perhaps, will not possess drawbacks if it is offered under the school of business or economics. However, if tourism is offered as a stand-alone qualification, a core curriculum can be seen as necessary to justify the claims of fully preparing individuals in the area's content.

Under the notion of core curriculum there are two different lines of thoughts (Cooper et al., 1996). The first group is those who support the idea of introducing a core curriculum to improve the overall quality of teaching and learning. By such application the theoretical underpinnings of the subjects are correctly taught (Shepherd & Cooper, 1995). Further, it is argued that it would minimise confusions amongst students as to what a tourism qualification actually involves (Cooper et al., 1996). On the opposite, those who do not agree with the core curriculum maintain that such an agreement would inhibit the creativity and innovation which currently exists within the teaching of tourism (Cooper et al., 1997:180). It is also potential to reduce the development of the body of knowledge (Shepherd & Cooper, 1995).

The second is concentrated into the extent and nature of industry input into curriculum development and design. At lower level of training involving skill-based education, the necessity to involve the industry is apparent. The industry, as the customer, will be satisfied by the fact that the product of a training program is meeting the demand of the industry. In order to reach this target, the industry's involvement can be seen as essential to identify the needs and describe them into achievable targets. This leads to the development of competency-based education, which take into consideration the skills in the first place.

The third issue focuses on approaches to curriculum designs. Cooper et al (1996) examines that two different approaches, content and process approaches, are apparent. The former is a traditional, teacher-led curriculum (Smith & Cooper, 2000) in which institutions including educators are responsible for designing and developing the curriculum of a program and also accountable for selecting the modes of delivery. The method does not involve other stakeholders such as students and industry professionals as an attempt to enhance the program's quality and appropriateness. The latter is a collaborative process involving other stakeholders in the process of designing and delivery. The process approach is based on the students' learning needs with the focus literary in the process of learning rather than the content of the course (Smith & Cooper, 2000).

1.5.2. Industry Involvement

Literature on tourism education has shown that traditionally tourism industry has been involving in tourism education since decades. Some commentators points out that both the industry and tourism education often have conflicting interests in regards to certain aspects of tourism such as the course content (Tan & Morgan, 2001). However, overall the industry has been supportive recently by being involved more in the process of designing and/or carrying out the curriculum (Haywood & Maki, 1992). The involvements could be either as a tourism educator or a member of the board. In Indonesian context, in its early stage of establishment of Bandung and Bali hotel schools most industry professionals, particularly from hotels, were parts of the team in deciding the design of curriculum and carrying out the programs (Putu Anom, personal communication, 10 September 2000).

However, the degree to which they are involved remains debatable. Educators in general would consider that greater involvement in curriculum design is likely influencing the design of curriculum, which accommodate the industry. By way of contrast, if less involvement occurs, the curriculum is likely far from the industry needs.

Cooper et al (1997) identifies several points in the education-industry interface. The most important factors contributing to the complex relationship is the industry's characteristics, which comprises many sectors such as accommodation and transportation sectors. Since there is no real agreement or definition or definition between the industry, educators and the government as to what actually constitutes the tourism industry (Cooper et al., 1997), the relationship seems more complex. Given that there is no agreement on the basic opinion, the tourism education would likely decide what sectors are considered as the focus of the study. Even if the focus has been decided, there is no guarantee that that the sector would recruit the graduate upon their graduation (Cooper et al., 1997).

1.5.3. Tourism Educators.

The effective curriculum design, operation and delivery of tourism courses depend on the quality of the educators. In higher tourism education, the quality of staff is more problematical because of the nature of tourism studies which is considered as a new and emerging discipline. This leads to the recognition of the involvement of individuals with different background of disciplines in tourism education to fulfill the need of tourism educators, and the belief hold by the part of industry that such educators need to have experience in the industry (Wells, 1990). As a new field of studies tourism education experiences difficulties in recruiting and hiring qualified teachers (Faulkner et al., 1995).

The quality of tourism studies becomes more important in Indonesian higher tourism education. Therefore, the department of Education Art and Culture requires that in opening a four-year tourism program, certain qualifications of the educator should be taken into account (Mudyana, personal communication November 1999). There should be a balanced combination of those having non-tourism and tourism degrees. However, this is relatively difficult to achieve since current tourism higher education has not concentrated in producing degree graduates. The government, later on, decided that graduates of a 4-year diploma are regarded the same as four-year degree graduates both in quality and formal qualification once they employed.

However, a significant number of tourism educators come from other mature disciplines such as geography and economics and some of them are involved in teaching tourism core subjects. This could, to some extent, be tolerated since the availability of tourism educators possessing tourism background is scarce. Therefore, recruiting those from existing departments will perhaps resolve the problems temporarily. In addition to recruiting the individuals from different disciplines, tourism higher education also invites tourism professionals from the industry. Their qualifications vary from formal education from overseas such as hotel school to diploma graduate from Indonesia. Yet they possess an extensive

range of practical experiences with the industry. Pearce et al. (1998) identifies four different approaches to staff recruitments: existing staff in hospitality or hotel school to add tourism teaching; middle level and senior industry executives are encouraged to get involved in teaching tourism; scholars in various fields and skilled personnel from other countries. This aims at achieving a well balance of skills and backgrounds.

Furthermore, qualification has become one important issue in tourism education. Previous study conducted in the US reveal that there was a shortfall in well-qualified educators (Nebel et al. 1986). The result indicates that only 40 % of full time faculty member held a doctorate. However, a very promising progress has been achieved lately that most of the tourism institutions in North America require a doctorate degree in tourism for filling the vacancies as a tourism educators (Ritchie and Sheehan, 2001a). In Australian context, Pearce predicts that in the next ten years there will be more tourism educators qualified with doctorates in tourism, not in a different background like previously (Pearce et al., 1996).

1.5.4. Relationship between Tourism Education and Industry

A study conducted to observe on the relationship between tourism education and industry revealed some important issues (Haywood & Maki, 1992). For example each major player in tourism education had divergent opinions on many topics as well as different expectations. Educators were more interested in developing theoretical and conceptual issues to introduce rigour into their curriculum. In contrast employers wanted and expected more emphasis on practical knowledge and skills, while students wanted more opportunities to practice what they had learned (Haywood & Maki, 1992:240). Furthermore, they have identified a series of gaps existing at the education/employment interface. For example the conflicts between educators and employers such as employers' support of educational program perceived to be inadequate and conflict in value of theory versus practice are among important issues.

Cooper (1995) discusses at length the relationship between both groups, particularly the problems involved in achieving an education/industry partnership and proposes ways of reducing the pressure. He suggests that by building a consortium of industry and education, enhancing educator's contact with industry, profiling job and applying competence-based approaches to tourism education are among the solutions. Furthermore he asserts that tourism education needs to seek industry involvement by in designing curricula and course content.

1.5.5. The Government Policy on Tourism Education

It has been recognised by governments and tourism industry that qualified human resources for the industry are supplied by both a well-designed tourism education and qualified training program. The rapid development of the sector will influence the availability of job opportunities for the graduates. However, so far governments have been slow to realise the importance of a broad education in tourism and hospitality (Westlake & Cooper, 1998). As a result the focus of tourism education, which is formerly in an accommodation sector, remains distorted in hotel schools, although a need has developed for travel and tourism elements to be included in tourism education program.

Based on the National Education System (Department of Education and Culture, 1989), there are two different types of higher education in Indonesia. The first one is a professional-type education that focuses primarily in mastering specialised or job-related knowledge and skills, while the latter is an academic-oriented education, which focuses primarily on improving mastery of sciences (National Education System, 1998). At the early state of development, government focused mainly in establishing tourism professional-type education, which are offered in both colleges and training centres. To accelerate the development of the industry the government offered opportunities to private bodies to conduct tourism education. This collaborative work enhances the development of tourism education and training. The quantity of institutions has increased dramatically since then

The national education policy focuses on legislation, coordination, planning and financing all level of education, and can also incorporate policies on which subjects or courses are taught, the issuing of certification guide, and so on (Amoah & Baum, 1997). Within Indonesia's national education system, the directorate general of higher education is responsible for managing higher institutions, both state or privately owned. The tasks include passing the legislation, accrediting private institutions (National Accreditation Board), and setting up a consortium for each discipline. Tourism studies has not yet formed a consortium, since it has not been considered as a discipline yet. Therefore, in order to accommodate the presence of tourism studies, it is included under the consortium of economic studies.

1.6. Summary

This chapter has examined the problems and issues facing tourism education in Indonesia today and the potential contribution of the present study to exploring these problems. It discussed the various problems in tourism industry human resources and tourism education and has also examined the needs of tourism education at the degree level to decrease the dependency on tourism educators who possess different background. Further, it explored various issues that may affect further development of tourism education in Indonesia.

In the section of the development of tourism education, the ongoing debate between tourism experts on the status of tourism studies in the world of knowledge was explored. There were two different perspectives that were identified i.e. those who advocate that tourism studies is becoming a discipline (Cooper et al, 1998; Goeldner, 1988; Ryan, 1997) and those who oppose tourism studies maturing into discipline despite such indicators as a growing number of tourism journals and professional associations. The discussion of important definitions such as education and training, and tourism and hospitality were briefly outlined to set a context for the study. It was noted that tourism studies are best understood in relation to a tourism system. Some appropriate frameworks were identified (Gunn, 1979; Leiper, 1981;

Mill & Morrison, 1998). The history of the development of tourism education in Indonesia along with its current status in the higher education system was also reviewed. This provided a basis for understanding the delayed progress of tourism education at the university level. Further, the approaches of tourism education proposed by several authors and relevant to Indonesia were identified (Echtner, 1995; Howell and Uysal, 1992; Ritchie, 1995; Theuns & Rasheed, 1983).

The needs of tourism education at the degree level were considered with particular references to the hotel industry and the public sector. The rapid growth of the tourism industry and the dependence on foreign employees were among the specific reasons identified which could heighten the priority for developing more degree level courses in Indonesia. The values of tertiary degree courses for research and providing tourism educators of the future were highlighted. It was also suggested that policy making in the tourism industry seemed to be made in the absence of strong information based derived from tourism research (Wall, 1997).

In section 1.4 the importance of including four different stakeholders for the present study was discussed. It was argued that the need for increased collaboration in the planning process is in general increasing. This was also considered important in directing the future development of tourism education in Indonesia. The stakeholder theory, which was derived from management literature, was defined and used to inform stakeholder selection in the study. It was noted that some researchers do not use the term 'stakeholder' but use different terms to identify the participants in the tourism education. Furthermore this section advocated the value of collecting all four perspectives – government, educators, students and professionals- on the current tourism education in Indonesia.

In the section 1.5 issues that may influence the development of tourism education in Indonesia were presented. Those issues include curriculum issues, which centred on core

curriculum and the scope and nature of involvement of the industry, the need for tourism educators and the kinds of industry involvement in education. Other problems such as relationship between tourism education and industry and government policy on tourism education in Indonesia were noted.

The overall aim of this study is to investigate tourism education stakeholders' perspectives on the development of current and future tourism education in Indonesia. For the purposes of this study, hospitality will be considered as a part of tourism education like other components of tourism industry such as transportation and marketing. Therefore it will not be differentiated as a subject of the research, rather it is included in the study of tourism education in Indonesia.

A number of tourism education's frameworks which have not been outlined in this chapter and tourism education studies will be highlighted in the subsequent chapter. Different approaches to the studies will also be examined along with methodological approaches to tourism studies. Furthermore, the chapter will also present methodology proposed for the present studies and conclude with the aim and objectives of the study.