

Innovative Governance and Policy Making in Tourism
Hossein Abdoh Tabrizi
40th UNWTO Affiliate Members Plenary Session:
International Seminar on Harnessing Cultural Tourism
Through Innovation and Technology
Hamedan, Islamic Republic of Iran
12-14 November 2018

Earlier today many in the previous panel including Dr. Giovine, the moderator of our panel, talked at length about innovation in tourism industry. Later at this panel, Mr. Candeias spoke about functioning features of a private fund to support financing heritage hotels in Iran. Dr. Vafadari provided us with an experience of agricultural heritage practice in Japan. And finally Dr. Solänniemi shared his experience of directing a nature center with us to boost sustainable cultural tourism in Finland. They were all talking about their experience of best practices around the globe.

They showed us that focusing on best practices is a way to provide positive incentives for reform efforts and encourage a constructive outlook on development. It affords the opportunity to shift our attention from what Iran should do to how it should do it. But all what they talked about needs a framework of an innovative and efficient governance to replicate and function in Iran.

Since the deep devaluation of Iranian currency after USA decision to pull out of JCPA accord (or Barjam as we call it in Iran) has created a lot of hardship for Iranian citizens, then we should at least fully employ the advantages of a low currency rate to boost our export and multiply the number of tourists travelling to Iran. For this to happen in the short run and be sustained in future, I take it as granted that Iranian Government should innovate to expand its tourism sector.

Many speakers mentioned today that Innovation in Tourism Industry is not just a physical change; it is not only changes in techniques, equipment and software, but a change in relationship between service providers and their users. The complexity of the innovation and uncertainty of the environment themselves substantially shape innovation. They told us that it is not adequate to focus solely on the innovation in order to achieve successful transfer, but due attention should also be given to the process that made an innovation possible. Yes, innovation can help cut costs, improve the products and open new markets;

i.e., here innovation is mostly done for competitive advantage. But public sector innovation is also a necessity. It involves significant improvements in the services that government has a responsibility to provide. Such innovation brings positive changes in efficiencies and increases public value.

Iran should target to reach both conceptual and policy tools to select and acclimate innovations in governing our tourism industry. We need policy makers who can focus on the challenges and perspectives of best practices and innovations in governance. They should be capable of transferring best practices to Iran. We have the capability to take up and implement best practices, despite the current embargos threatening Iranian economy. Policy makers should equip themselves to the approaches and methodologies for the adaptation of best practices. They should contribute to support and improve democratic governance at all levels by providing key ideas and useful tools for the transfer of best practices and innovation in governance and public administration.

From all different dimensions of the subject-matter, I believe at this stage the organizational form of the governance of the tourism industry is the most important issue of the tourism in Iran. We know that there is great capacity in all corners of the globe to reinvent government and to launch innovative practices in governance. Iran and its tourism sector is not an exception. We can learn from other countries' experiences in reinventing government and in this way save time, inspire new reforms, and in some cases be helped to leap over stages of development, and not only a single stage.

We need innovation and improvement in different conceptions of governance and public management in Iran. Although we need continuous improvements in managerial processes and systems, although new public management of networked governance requires innovation at large scale in many respects; but we in Iran first and foremost require innovations in organizational form of the governance, innovation at both central and local levels.

Iran should improve its understanding of innovations and best practices by highlighting that focus should be on the organizational context rather than on single innovation. Iran should propose a concept of public management practices that enables public managers to adapt a practice and make it work in a way that is suitable for their own environment. A problem has to be perceived as a social and political issue before innovations will be adapted. Similarly, convergence between policy agendas of local governments and innovations improves the chances of successful transfer.

I strongly believe that the governance of tourism industry should be transferred to a local government which is the lowest tier of administration within Iran state. It should and cannot be innovatively and efficiently run with offices at the state level, or by the central government. The world experience shows that the municipal autonomy is a key question of public administration and governance. Of course, the key role played by the municipalities for successful innovation depends on how they govern themselves and how the city council plays its leadership role.

By networked governance, of course, I mean the form of organization that globally increased the efficiency and reduced the agency problem through the distributed knowledge acquisition and decentralized problem solving.

Let me tell you why I say we should shift to local level governance for the tourism industry. Firstly because local authorities are responsible for providing infrastructure and amenities the tourism sector requires. Secondly as tourism activities occur at the local level, local government is well situated to avoid, remedy or mitigate the sector's challenges and potential socio-economic and biophysical effects. Thirdly, tourism stakeholders, such as tourism-related businesses and NGOs, are those most directly affected by the growth of visitor numbers to the Region. If stakeholders are members of local community, then they would be more aware of the sector's potential. Through their involvement with the industry, tourism stakeholders also experience the effects local government's tourism planning and management can have on the sector. These stakeholders can offer informed assessment on the effectiveness of local government's operations.

I also believe that community involvement has high priority. There are different definitions of the concepts of innovation and best practices and the process of innovation. More important is the effectiveness of new practices which depends on many intangible factors, such as partnerships and community involvement. Innovations must similarly be institutionalized to ensure that they will not fade away with a change in leadership. Also documentation is very important in the innovation process. Without proper accounting for these processes, innovations and best practices will continue to be a black box without any determinants or principles for success. We all know that efficient documentation is more probable at local level.

From a different angle, the capacities we need to adapt best practices in governance based on the experience of the European Governments is innovation at the local level. The success is not determined by political affiliation, geographical location, or the amount

of resources, but it is principally defined by the social actors at the regional level that are prerequisites for successful innovation.

Let's summarize that I look at good governance as a continuous process. Good governance is a continuous process of refinement, re-assessment of strategies and practices as well as incremental institutional development. Iranian policy makers should support and improve democratic governance in tourism services by providing key ideas and useful tools for the transfer of best practices and innovation in governance and public administration.

Iran is in need of a new agenda for innovation in governance and public administration. Although innovations in governance of tourism sector are confined in scope, they yet have the potential to trigger a bigger process of transformation of the State.

Thank you.