

University of Massachusetts Amherst
ScholarWorks@UMass Amherst

Travel and Tourism Research Association:
Advancing Tourism Research Globally

2015 ttra International Conference

Brokering sustainable learning communities: a rural micro-firm capability framework

Leana Jane Reinl
University of Guelph

Felicity Kelliher
Waterford Institute of Technology

Follow this and additional works at: <https://scholarworks.umass.edu/ttra>

Reinl, Leana Jane and Kelliher, Felicity, "Brokering sustainable learning communities: a rural micro-firm capability framework" (2015). *Travel and Tourism Research Association: Advancing Tourism Research Globally*. 10.
https://scholarworks.umass.edu/ttra/ttra2015/Academic_Papers_Visual/10

This Event is brought to you for free and open access by ScholarWorks@UMass Amherst. It has been accepted for inclusion in Travel and Tourism Research Association: Advancing Tourism Research Globally by an authorized administrator of ScholarWorks@UMass Amherst. For more information, please contact scholarworks@library.umass.edu.

Purpose –This poster exhibits the literary-identified capabilities required by micro-firm tourism practitioners to ‘broker’ local tourism practice in interaction with the broader tourism stakeholder base.

Design/methodology/approach – Adopting a learning community focus, guided by the understanding that individual learning and capability development occurs within a social context (Lave & Wenger, 1991) the authors analyse relevant tourism network and dynamic capabilities literature and catalogue micro-firm broker capability criteria based on the findings.

Background - In Europe, micro-firms employ less than ten (European Commission, 2011), while Industry Canada defines a micro-firm as one with fewer than five employees (Industry Canada, 2013). The overwhelming majority of tourism firms are micro in size and are instrumental in the economic growth, competitiveness and employment of rural communities (Johnson, Sear & Jenkins, 2000; Saxena, Clark, Oliver & Ilberry, 2007). These firms employ in excess of 7.7million people in Canada, and when combined with small firms they account for 98.2% of all Canadian businesses (IC, 2013). Canadian micro-firms’ main focus is concentrated on the local market, with 73% of the firms having over 60% of their market concentrated in the local community (IC, 2002).

Rural micro-firm practitioners have long since collaborated in pursuit of tourism development (Tinsley & Lynch, 2007). Such practice facilitates the emergence of a shared repertoire of stories, rules and routines, which permit community members to engage with one another effectively (Lave & Wenger, 1991). Micro-firms have an inclination to leverage their immediate business communities to counteract knowledge deficits and resource constraints associated with their small size (Denicolai, Cioccarelli & Zucchella, 2010). This approach can restrict rural micro-tourism provider access to the wider professional community and the knowledge it holds (Aylward, 2012; Reinl & Kelliher, 2010). As such micro-firms are encouraged to engage in multi-level networks alongside representatives of government agencies, higher education institutes, indigenous businesses and rural development groups (Drda-Kühn & Wiegand, 2010; Saxena *et al.*, 2007). This wider approach to knowledge generation acts to enhance their business capabilities, open resource channels, and/ or improve their competitive position (Kearney *et al.*, 2014).

Tourism research distinguishes between informal networks which exist at a local community level and formal networks, established and resourced by public actors (Morrison & Lynch, 2007; Tinsley & Lynch, 2007). Frequently under the guidance of a broker (Aylward, 2012; Halme, 2001) who is keen to further develop community engagement, network interactions are not isolated but rather form an evolving ‘learning community’ (Morrison, Lynch & Johns, 2004) wherein stakeholders pick up from prior encounters (Granovetter, 1995). Sustaining such a learning community (LC) requires ‘*network strategies which span individual actor boundaries and cross different levels of analysis*’ (Haugland *et al.*, 2010; 282). Research has provided pointers to capabilities required to coordinate a well-functioning tourism destination (Haugland *et al.*, 2010; Lemmetyinen & Go, 2009; Vanneste & Ryckaert, 2011). At a local community level champions are recognised as being pivotal in brokering learning and practice within, between and beyond formal network engagements (Philipson *et al.*, 2006; Reinl & Kelliher, 2014). While competencies key to individual micro-firm success; namely relationship management and opportunity management (Kearney *et al.*, 2014; Kelliher & Reinl, 2009) would likely be of value in this context, brokering a LC which links in a reciprocal way to the destination level would require a specific set of capabilities which

remain elusive in both the literature and in rural development policy spheres. Haugland *et al.* (2010: p 273) expand Eisenhardt and Martin's (2000) dynamic capabilities definition: 'processes to integrate, reconfigure, gain and release resources - to match and even create market change', by emphasising the collective capabilities of tourism stakeholders in that pursuit. Zollo and Winter (2002) suggest that such capabilities are distinguishable as stable patterns of collective activity which arise from learning and from the modification of routines in pursuit of improvement; a process which functions as a capability building exercise (Granovetter, 1995; Lave & Wenger, 1991). Key capabilities required for managing tourism networks, include role development and implementation, joint knowledge creation, network orchestration and visioning and alongside these, the partnering capability necessary to link unknown network actors (Lemetyinen & Go, 2009). In addition Haugland *et al.* (2010) note the importance of co-production and consensus building. The aforementioned capabilities function as prerequisites for learning and knowledge exchange in tourism networks (Morrison, Lynch & Johns, 2004) however one-way network provider exchanges are inadvisable when striving for sustainable micro-firm learning in practice (Halme, 2001; Kelliher & Reinl, 2009) and different network approaches will yield different capability outputs (Denicolai, Cioccarelli & Zucchella, 2010). 'Learning networks' for example, promote the development of sustainable learning behaviours by assisting micro-firms to identify and leverage opportunities for learning in a community of practice (Halme, 2001). Given that knowledge is constructed and transformed in the community where it belongs (Lave & Wenger, 1991) local communities can leverage a strong sense of 'shared identity' for developmental benefits (Lee *et al.*, 2005). A resource sharing capability (predominantly skills and knowledge) is required to support that goal (Halme, 2001; Johnson *et al.*, 2000; Saxena *et al.*, 2007) particularly in a micro-firm context. The division of roles and tasks must be achieved without diluting the connectivity required to build shared meaning and support knowledge exchange in the wider LC (Lave & Wenger, 1991; Reinl & Kelliher, 2014).

Findings – Adopting a learning community focus in consideration of local tourism practice (Lave & Wenger, 1991) under the guidance of a *broker* (Aylward, 2012; Halme, 2001) the micro-firm capability framework presented in this poster suggests that a strong sense of local community and role identity must be present to broker a LC in a rural micro-firm setting. Efforts to promote tourism development within rural communities should acknowledge histories of network engagement and the development of competencies that occur as a result. The broker should be recognised and developed as a guardian of engagement rather than being critical to the practice of the community itself. The criticality of this broker role is more clearly elucidated by the reality that LCs with leaders are more likely to be sustainable than those without. The literary findings suggest that stable patterns of engagement should seek to build broker value and nurture autonomy in pursuit of sustainable learning behaviours between rural tourism stakeholders at intersections of local/ regional practice, which in turn should offer up a sustainable resource base to support future collaborative practice.

Originality/ value – This framework highlights the potential value of 'local broker' capability development in supporting a sustainable learning community for collaborative rural tourism development.

Future research – The authors will explore and refine the literary-identified micro-firm capabilities required to broker sustainable learning communities in Canadian and US rural tourism contexts.

Key words: rural tourism; micro-firms; sustainable learning communities; broker capabilities

References

- Aylward, Elaine. (2012). Collaborative Rural Networks (CRNs) : An Examination of the Roles and Relationships between Regional Stakeholders, PhD Thesis, Waterford Institute of Technology, Ireland.
- Denicolai, Stephano, Gabriele Cioccarelli and Antonella Zucchella (2010). “Resource-based local development and networked core-competencies for tourism excellence.” *Tourism Management*, 31(2): 260–266.
- Drda-Kühn, Karin and Deitmar Wiegand (2010). “From culture to cultural economic power: Rural regional development in small German communities.” *Creative Industries Journal*, 3(1): 89-96.
- Eisenhardt, Kathleen. M and Jeffrey A. Martin (2000). “Dynamic capabilities: What are they?”. *Strategic Management Journal*, 21(1): 1105-1121.
- European Commission. (2011). *Observatory of European SMEs*. [Internet] Available at: http://ec.europa.eu/enterprise/policies/sme/facts-figures-analysis/index_en.html (Accessed January 30, 2014).
- Granovetter, Mark (1995) “Economic action and social structure”, *American Journal of Sociology*, 91(3): 481-510.
- Halme, Minna (2001). “Learning for sustainable development in tourism networks”, *Business Strategy and the Environment*, 10(2): 100-114.
- Haugland, Sven. Håvard A. Ness, Bjørn Ove Grønseth and J. Aarstad, (2011). “Development of tourism destinations: an integrated multilevel perspective”. *Annals of Tourism Research*, 38(1): 268-290.
- Industry Canada (2002). ‘Growth Determinants of Micro-Businesses in Canada’, [Online] Available at: <https://www.ic.gc.ca/eic/site/061.nsf/eng/rd00834.html> (Accessed: December 2014).
- Industry Canada, (2013) ‘Key Small Business Statistics – August 2013’, [Online] Available at: <http://www.ic.gc.ca/eic/site/061.nsf/eng/02803.html> (Accessed: November 2013).
- Johnson, S., Sear, L. and Jenkins, A. (2000). “Small Business Policy, Support and Governance.” In *Enterprise and Small Business: Principles, Practice and Policy*. edited by Sarah Carter & Dylan Jones-Evans. Harlow: Pearson, pp 48-77.
- Kearney, Arthur, Denis Harrington and Felicity Kelliher (2014). “Exploiting managerial capability for innovation in a micro-firm context”. *European Journal of Training and Development*, 38: 95-117.
- Kelliher, Felicity and Leana Reinl (2009). “A resource-based view of micro-firm management practice”. *Journal of Small Business and Enterprise Development*, 16(3): 521-532.
- Lave, Jean and Etienne Wenger (1991). *Situated Learning. Legitimate Peripheral Participation*. Cambridge: University of Cambridge Press.
- Lee, Jo, Amar Árnason, Andrea Nightingale and Mark Shucksmith (2005). “Networking: social capital and identities in European rural development.” *Sociologia Ruralis*, 45(4): 269- 283.
- Lemmetyinen, Arja and Frank M. Go, (2009). “The key capabilities required for managing tourism business networks”. *Tourism Management*, 30(1): 31-40.
- Lynch Paul and Alison Morrison (2007). “The Role of Networks.” In *Micro-Clusters and Networks: The Growth of Tourism*. Edited by Ewen Michael, London: Elsevier pp 43-60.
- Morrison, Alison, Paul Lynch and Nick Johns, (2004). “International tourism networks.” *International Journal of Contemporary Management*, 16(3):197-202.

- Phillipson, Jeremy, Matthew Gorton and Lutz Laschewski (2006). "Local business co-operation and the dilemmas of collective action: rural micro-business networks in the north of England", *Sociologia Ruralis*, 46(1): 40-60.
- Reinl, Leana and Felicity Kelliher (2010). "Cooperative micro-firm strategies: leveraging resources through learning networks." *International Journal of Entrepreneurship and Innovation*, 11(2): 141-150.
- Reinl, Leana and Felicity Kelliher (2014). "The social dynamics of micro-firm learning in an evolving learning community." *Tourism Management*, 40: 117-215.
- Saxena, Gunjan, Gordon Clark, Tove Oliver and Brian Ilberry (2007). "Conceptualizing integrated rural tourism." *Tourism Geographies*, 9(4): 347-370.
- Statistics Canada Business Register (2011). [Online] Available at: <http://www.ic.gc.ca/eic/site/061.nsf/eng/02715.html> (Accessed: November 2013).
- Tinsley, Ross and Paul A. Lynch (2007). "Small business networking and tourism destination development." *Entrepreneurship and Innovation*, 8(1): 15-27.
- Vanneste, Dominique and Laurence Ryckaert (2001). "Networking and governance as success factors for rural tourism? The perception of tourism entrepreneurs in the Vlaamse Ardennen". *BSGL*, 57: 53-71.
- Zollo, Maurizio and Sidney G. Winter (2002). "Deliberate learning and the evolution of dynamic capabilities". *Organization Science*, 13(3), 339-351.