



Management

## **INVESTMENT CLIMATE OF TOURISM INDUSTRY IN CALABARZON: INPUTS TO BUSINESS OPERATIONS INITIATIVES**

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### **Abstract**

This study will identify the investment climate of tourism in CALABARZON. More specifically: it will assess the quality of investment climate of tourism industry in CALABARZON in terms of macro fundamental, governance and infrastructure; to test if there is significant difference on the assessment of the respondents to quality of investment climate when grouped according to LGU, residents and tourists; to propose a business operations initiative based on the results. The researcher used descriptive method to determine the investment climate and attractiveness of tourism industry in CALABARZON. The questionnaire is one of the major instruments used by the researcher to gather and collect the needed data. Results showed that majority of the respondents belonged to the young age group, female, single, college graduate and has an average income. The tourists, local residents and local government unit all agreed that CALABARZON region is moderately favorable for investment among investors since the climate is good and the competition is healthy. There is significant relationship on the assessment of the respondents to quality of investment with regard to governance. The researcher proposed business operations initiative win order for the tourism industry in CALABARZON region more competitive.

**Keywords:** Investment Climate; Tourism Industry; Macro-Fundamental; Governance; Infrastructure; Business Operations Initiative.

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### **1. Introduction**

Investment in tourism related infrastructure is needed to develop the world and to make certain accessibility to tourism resources/ establishments by road and air. big resources, both home and foreign, are required to make sure the sustainable increase of the tourism sector, and the improvement of sound infrastructure and management centers. For the tourism region to attain its

ability, in the medium and brief-term, strategic infrastructure linkages that reduce shipping time among destinations need to be recognized and an investment application developed and implemented, via each public and personal investments. these may want to covered selected small airfields within Nepal to inspire domestic travel and beautify the tourism product. (Afram & Salvi Del Pero, 2012)

Investments can be widely divided in one-of-a-kind methods, first of all as to the state of registry of the owning corporation, or the origin of the capital used for the funding, namely home or foreign, and secondly as to the civil person of the sponsor or owning entity, being from the non-public area or from a few department of government, falling below the general public area. consequently, the primary a part of this phase examines elements associated with domestic versus foreign direct investment in tourism. Then the second one-part deals with personal kinds of investment in tourism. investment is required not best to set up new tourism businesses and locations of their early stages of operation, however, also to modernize and expand present agencies in all degrees of their 'existence cycles'. Capital funding is, consequently, a everlasting want across the world to create new corporations and complete locations, however additionally to reshape and adapt them for their long term competitiveness. Tourism is predicated closely on domestic funding in many nations, especially in which high wealth individuals and their companies are numerous. (COMCEC Coordination Office, 2014)

One of the new frontiers of economics is the evaluation of growth from a microeconomic attitude. This puts the point of interest on the firm because the lever of increase, rather than the broad combination numbers which are the stuff of macroeconomics. examining the funding weather and the way companies thrive and create jobs gives economists a brand new attitude on the dynamics of improvement and poverty reduction. In the end, companies create over ninety percent of jobs, supply maximum of the products and offerings important to improve living standards, and provide the majority of the tax base had to fund public services (Smith & Hallward-Driemeier, 2009). The Philippines is turning into a greater appealing destination for overseas direct investment (FDI). The U. S. A.'s middle class is growing, and Filipinos quickly spend disposable income in a fairly stable political environment, assisting gross domestic product bounce to a median increase of 6.1 percent during the last six years. in step with vital financial institution information, FDI inflows reached a document boom of U.S. \$7.9 billion in 2016, a forty.7 percent increase from 2015. most people of investments went into finance and insurance; arts, leisure and exercise; manufacturing, real property, and creation. (2017 Investment Climate Statements)

A nice investment climate for tourism, underpinned by a valid tax regime, can play a crucial position in a central authority's growth and development method. But in many nations, tax structures for the tourism zone are characterized by exemption schemes and units that generate little revenue and burden business. This observe makes a specialty of the 3 essential issues facing policymakers dealing with tourism taxation in growing countries: financial incentives, area-specific levies, and cost-added tax (VAT). It discusses distinctive policy alternatives to inspire tourism investments while ensuring sustainable revenue collection (Corthay & Loeprick, 2010).

Tourism as arena's largest industry and the fastest developing enterprise. It is also a totally dynamic enterprise which had a reply to a wide variety of factors outside its manipulate. As one of the most modern industries it impacts on almost each different enterprise and in particular critical in regional

areas because it diversifies the region as financial base and increase the employment market in its broadest experience, (Bhatia, 2014). Tourism, therefore, is outstanding from a principle of enjoyment and pastime on one hand, and from tour and migration alternatively, (Cruz, 2011).

The Philippine Department of Tourism (DOT) was tasked to inspire, sell, and develop Philippine tourism as a main socio-financial hobby geared to producing overseas forex and employment and to unfold the advantages of tourism to a wider section of the populace. The local development Plan for Southern Tagalog (Region IV) gives the muse and direction for the authorities and the private quarter in growing the tourism industry within the place anchored in the sights in order to be evolved, improved and promoted. (Tamayo and Celis, 2006)

The Philippines valued 9 of 10 ASEAN international locations on FDI as a percent of GDP in 2015). Traders record the Philippine forms can be tough and opaque. but the commercial enterprise environment is substantially better inside the special financial zones, especially the ones available for export companies operated via the Philippine monetary area Authority (PEZA), acknowledged for its regulatory transparency, no red-tape coverage, and “one-forestall save” offerings for traders. (2017 Investment Climate Statements)

The study has identified top 10 tourist destinations in each provinces and group it according to classification. Since majority of the top 10 are natural attractions, the study focused on that aspect. The selected tourist destinations are Cabang cave and Malibic Libic Falls in Cavite, Pagsanjan Falls and Dalitiwan Falls in Laguna, Taal Volcano, Masasa Beach, Sombrero Island, Laiya Beach, Anilao Dive Sites and Mt. Maculot in Batangas, Daranak Falls, Mt. Pamitinan, Mt. Daraitan and Mt. Masungi in Rizal and Salibungot beach and Kunaway beach in Quezon.

With this, attractiveness of the region is not questionable however maintaining its popularity in terms of attractiveness is the major challenge. This attractiveness will be sustained through collaborative effort of the stakeholders of the tourism industry. Hence, government support to is necessary to attain such objective. The more favorable projects provided by the government for the industry, the more it will be attractive. On the other hand, in case government cannot provide other support services to the industry, private entities may intervene. This can be attain through investment. However, private investors need to consider the attractiveness of the region in terms of investment which is covered by the concept on investment climate.

## **2. Materials and Methods**

The study used descriptive method which focuses at present condition in the purpose to find new truth. This was used to determine investment climate of tourism industry in CALABARZON. The questionnaire is one of the major instruments used to gather and collect the needed data.

The subjects of the study are tourists, local residents and LGU particularly those offices who are engaged in the tourism industry. They are chosen as the participants because they have enough knowledge about the status of the investment climate and the attractiveness of the tourism industry in their respective areas. The study utilized 390 respondents which was from the total population of local residents, total tourist arrivals and total number of employees per provincial tourism offices provided by the Philippine Statistical Authority and respective provincial tourism office of

each provinces. It made used of stratified proportionate random sampling to distribute properly the number of respondents in each provinces and in each tourist destinations.

### Profile of the Respondents

Table 1 presents the distribution of the respondents in terms of the profile.

It can be gleaned from the table that in terms of age majority of the respondents are in the age bracket of 18-35 years old with a frequency of 256 and a percentage of 65.6. It was followed by the age bracket of 36-55 years old with a frequency of 103 and a percentage of 26.4. Lastly, is the age bracket 56 years old and above with a frequency of 31 and a percentage of 7.9. In terms of sex, majority of the respondents are female with a frequency of 204 and a percentage of 52.3 followed by the male with the frequency of 186 and a verbal interpretation of 47.7. In terms of civil status, majority of the respondents are single with a frequency of 208 and a percentage of 53.3, followed by the married with a frequency of 165 and a percentage of 42.3. Lastly, are the widow/ widowed/ separated with a frequency of 17 and a percentage of 4.4. In terms of educational attainment, majority of the respondents are college graduate with a frequency of 185 and a percentage of 47.4, followed by high school graduate with a frequency of 109 and a percentage of 27.9.

In terms of technical/ vocational graduate with a frequency of 71 and a percentage of 18.2, followed by elementary graduate with a frequency of 14 and a percentage of 3.6. Lastly, is the post graduate with a frequency of 11 and a percentage of 2.8. In terms of monthly income, majority of the respondents has an income of Php 10,001.00 – Php 25,000.00 with a frequency of 164 and a percentage of 39.2, followed by below Php 10,000.00. Next is the bracket Php 25,001.00 – Php 50,000.00 with a frequency of 56 and a percentage of 14.4, lastly is the php 50,001 and above with a frequency of 17 and a percentage of 2.8.

Table 1: Distribution of the Respondents in terms of their Profile

Profile	Frequency	Percentage
<b>Age</b>		
18-35 years old	256	65.6
36-55 years old	103	26.4
56 years old and above	31	7.9
Total	390	100
<b>Sex</b>		
Male	186	47.7
Female	204	52.3
Total	390	100
<b>Civil Status</b>		
Single	208	53.3
Married	165	42.3
Widow/ widowed/ Separated	17	4.4
Total	390	100
<b>Educational Attainment</b>		

Elementary Graduate	14	3.6
High School Graduate	109	27.9
Technical/ Vocational Graduate	71	18.2
College Graduate	185	47.4
Post Graduate	11	2.8
Total	390	100
Monthly Income		
Below Php 10,000.00	153	39.2
Php 10,001.00 – Php 25,000.00	164	42.1
Php 25,001 – Php 50,000	56	14.4
Php 50,001 and above	17	4.4
Total	390	100

Findings showed that most of the respondents are in the age bracket of 18-35 years old, female, single, college graduate and has a monthly income of Php 10,001.00 – Php 25,000.00 as supported by the data given by the Philippine Statistics Authority, (2017).

The study used questionnaire as the major instrument in gathering the necessary data. The questionnaire was adopted to the study of Islam S., Hossain K and Noor, M. (2017), entitled “Determining Drivers of Destination Attractiveness: The Case of Nature-Based Tourism of Bangladesh”. The questionnaire was composed of two parts. Part I contains the profile of the respondents. Part II contains the assessment of government support, investment climate and attractiveness of tourism industry in CALABARZON. The result of the reliability (Chronbach Alpha) was .901 which means that the questionnaire was reliable and can proceed to the actual survey.

Ethical considerations were practiced by the researcher in the conduct of the study to ensure that every information that will be gathered will be used for research purposes only to maintain the quality and integrity of the research. The researcher also seeks the consent of the respondents through letter and communication to make sure that they are prepared to answer necessary questions involved in the research. It was also ensured the confidentiality and anonymity of the respondents by giving them an option to write their names or not in the questionnaire. The researcher also ensured that the respondents voluntarily answer the questionnaires according to their will. Lastly, it was also ensured that none of the respondents of the study got hurt or harmed and their safety and security was of top priority.

The information gathered from the survey were classified, tallied and analyzed. The researcher used the following statistical procedures in analyzing these. Percentage was used to determine profile of the respondents. Weighted Mean was used to answer the objective number one that is to assess the quality of investment climate of tourism industry in CALABARZON and objective number two that is to evaluate the level of attractiveness of tourism industry in CALABARZON. One-way analysis of Variance (ANOVA) was used to determine the significant difference on the assessment of the respondents to quality of investment when grouped according to LGU, residents and tourists. Regression analysis was used to test if investment climate significantly affects attractiveness of tourism industry in CALABARZON.

### 3. Results and Discussions

Table 1.1.1 presents the assessment of the respondents on the quality of investment in terms of macro-fundamental which attained a composite mean of 3.09 with a verbal interpretation of agree. This means that the quality of investment climate in CALABARZON is moderately favorable that makes it reasonable for investors to have their investment in the region because the competition and the market has a good indicator of success rate.

Table 1.1.1: Quality of Investment Climate in terms of Macro-Fundamental

Macro-Fundamental	Tourists		Local Residents		Local Government		Grand Mean		Rank
	WM	VI	WM	VI	WM	VI	WM	VI	
1. The price of goods and services in tourist destinations are reasonable for both tourists and providers	3.33	A	3.34	A	3.33	A	3.33	A	2.5
2. The price of goods and services is competitive enough when to compare to other tourist destinations.	3.25	A	3.08	A	3.33	A	3.22	A	4
3. Business permit and licenses have reasonable amount.	3.14	A	3.52	SA	3.33	A	3.33	A	2.5
4. There are sufficient supply of labor force for all industry.	3.12	A	3.20	A	2.83	A	3.05	A	6.5
5. There are money changer nearby tourist destinations.	2.62	A	3.06	A	2.67	A	2.78	A	7.5
6. There are commercial banks easily accessible to tourists.	2.55	A	3.12	A	2.83	A	2.83	A	9
7. Locally made products with export quality are saleable.	2.95	A	3.04	A	3.17	A	3.05	A	6.5
8. Automated Teller Machine (ATM) is easily accessible to tourists both in peso and dollar currency.	2.55	A	2.96	A	2.83	A	2.78	A	7.5
9. Hotels and accommodation establishments are competitive enough to other places.	3.15	A	3.00	A	3.17	A	3.11	A	5
10. The local community has a positive outlook on the presence of tourists in tourist destinations.	3.36	A	3.42	A	3.33	A	3.37	A	1
<b>Composite Mean</b>	<b>3.00</b>	<b>A</b>	<b>3.17</b>	<b>A</b>	<b>3.08</b>	<b>A</b>	<b>3.09</b>	<b>A</b>	

Legend: 3.50 – 4.00 = Strongly Agree/ Highly Favorable; 2.50 – 3.49 = Agree/ Moderately Favorable; 1.50 – 2.49 = Disagree/ Less Favorable; 1.00 – 1.49 = Strongly Disagree/ Not Favorable

In terms of the assessment of the respondents, they agreed that the local community has a positive outlook on the presence of tourists in tourist destination got the highest assessment with a weighted mean of 3.37 and they also agreed that the price of goods and services in tourist destinations and business permits and licenses are reasonable with a weighted mean of 3.33. Meanwhile, commercial banks easily are accessible to tourists got the lowest assessment with a weighted mean of 2.83.

Results showed that having a local community with positive outlook on the presence of tourists makes the CALABARZON region moderately favorable for investment because it will build a good relationship and image with the investors and the local community which is an important factor in the success of investment. The positive response of the local community will also be an advantage to investors for the environment that can be created will be good enough to benefit both of the stakeholders of the tourism industry.

Mutual social and cultural interaction between resident and travelers is inevitable, considering the visitor moves make contributions to encountering one of a kind societies and areas, with an increasingly more altering degree of their differences. For that reason, the fine of interplay among travelers and citizens contributes to both traveler's experience and belief of the visited destination and attractiveness and tolerance of visitor by using residents. Many factors of countrywide cultures (values, norms or rules) have a big impact on tourists' behavior, their holiday expectations, satisfaction and therefore repeated visits. (Reisinger & Yvette, 2012).

Table 1.1.2 presents the assessment of the tourists, local residents and local government on the quality of investment in terms of governance which attained a composite mean of 3.37 with a verbal interpretation of agree. This means that the quality of investment in CALABARZON is moderately favorable that makes it reasonable for investors to have their investment in the region because the government is very supportive in the tourism industry and put more effort in its development which is also a good contributing factor in attracting investors in the region.

In terms of the assessment of the respondents, they agreed that the government and other stakeholders are working hand in hand got the highest assessment with a weighted mean of 3.55 and they also agreed that there is a proper implementation of taxation by the local government with a weighted mean of 3.33. Meanwhile, the proper implementation of environmental preservation and conservation got the lowest assessment with a weighted mean of 3.12.

Table 1.1.2: Quality of Investment Climate in terms of Governance

Governance	Tourists		Local Residents		Local Government		Grand Mean		Rank
	WM	VI	WM	VI	WM	VI	WM	VI	
1. Tourism policies are effectively managed by the local government.	3.33	A	3.38	A	3.33	A	3.35	A	6
2. Violators are apprehended properly and immediately	3.17	A	3.42	A	3.33	A	3.31	A	7
3. There are ordinances implemented in the tourist	3.26	A	3.68	SA	3.33	A	3.42	A	3

destinations in relation to safety and security of the tourists.									
4. The government and other stakeholders work hand in hand to maintain the peace and security of tourist destinations.	3.34	A	3.64	SA	3.67	SA	3.55	A	1
5. The local government is responsible enough to tis duties and responsibilities to the tourist destinations.	3.28	A	3.54	SA	3.33	A	3.38	A	4
6. Waste segregation management to tourist destinations are well implemented and monitored by the local government.	3.26	A	3.38	A	3.00	A	3.21	A	9
7. Police visibility is very observable to different tourist destinations.	3.16	A	3.46	A	3.50	SA	3.37	A	5
8. Environmental preservation and conservation is well implemented by the local government through different signage which are visible at every tourist destinations.	2.27	D	3.60	SA	3.50	SA	3.12	A	10
9. Curfew hours is well implemented and managed in every tourist destinations.	3.14	A	3.20	A	3.33	A	3.22	A	8
10. Taxation is properly implemented by the local government through infrastructure, facilities and amenities development to different tourist destinations.	3.24	A	3.62	SA	3.50	SA	3.45	A	2
<b>Composite Mean</b>	<b>3.25</b>	<b>A</b>	<b>3.49</b>	<b>A</b>	<b>3.38</b>	<b>A</b>	<b>3.37</b>	<b>A</b>	

*Legend: 3.50 – 4.00 = Strongly Agree/ Highly Favorable; 2.50 – 3.49 = Agree/ Moderately Favorable; 1.50 – 2.49 = Disagree/ Less Favorable; 1.00 – 1.49 = Strongly Disagree/ Not Favorable*

It can be manifested that having working hand in hand between the government and the stakeholders will make CALABARZON region moderate favorable for investment because there is an active participation of the stakeholders in the formulation up to implementation and monitoring of policies in relation to peace and security that could serve as a factor in the decision of the investors to invest in the region.

Successful tourism improvement entails balancing relationships among tourists, residents, places, and the businesses and companies that furnish tourism services (Zhang, Inbakaran and Jackson, 2016). Tourism development exerts a myriad of consequences that exchange the host community's



living experience. Local neighborhood participation and support for tourism is indispensable for sustainable tourism development (Gursoy, Chi and Dyer, 2010). Residents of host communities are viewed an integral part of the “tourism experience”. Murphy (2015), cautioned that goodwill and cooperation of the host community contribute to selling vacation spot experiences and identified the want of neighborhood participation to tourism improvement and marketing. Residents’ receptiveness and friendliness toward tourists have an effect on without delay with a tremendous experience, which influences the likelihood of tourists returning to the destination and the shipping of word-of-mouth guidelines (Carmichael, 2016). Therefore, appreciation resident attitudes toward tourism development enables tourism and authority’s leaders to format favorable strategies for neighborhood development, which in flip leads to greater aid from host communities (Murphy, Pritchard and Smith, 2010). Tourism proponents reflect on consideration on tourism essential to the prosperity of local communities, through raising resident well-known of living, which consequences in improving resident high-quality of existence (QOL) (Carmichael, 2016). The hospitality of local residents of a tourism vacation spot affects the health of the tourism industry, and tourism locations have to be

Table 1.1.3 presents the assessment of the tourists, local residents and local government on the quality of investment in terms of infrastructure which attained a composite mean of 3.21 with a verbal interpretation of agree. This means that the quality of investment in CALABARZON is moderately favorable that makes it reasonable for investors to have their investment in the region because the infrastructure is well planned and developed and are of good quality which is one of the contributing factor in the success of the tourism industry in the region.

Table 1.1.3: Quality of Investment Climate in terms of Infrastructure

Infrastructure	Tourists		Local Residents		Local Government		Grand Mean		Rank
	WM	VI	WM	VI	WM	VI	WM	VI	
1. There is an easy access to transportation services.	3.09	A	3.48	A	3.17	A	3.25	A	4.5
2. There are well-developed tourism markets and roads.	3.00	A	3.36	A	3.17	A	3.18	A	8
3. There are well decorated and comfortable accommodations.	3.26	A	3.32	A	3.33	A	3.30	A	2
4. There are available healthcare and emergency medical treatment facilities.	3.16	A	3.24	A	3.33	A	3.24	A	6
5. There are shopping and entertainment facilities.	2.94	A	2.88	A	3.17	A	3.00	A	10
6. There are souvenir shops that offers reasonable price of different products.	3.14	A	3.36	A	3.00	A	3.17	A	7
7. There are good quality of food and beverage establishments.	3.26	A	3.42	A	3.33	A	3.34	A	1

8. There are personal safety and security centers in the place.	3.16	A	3.42	A	3.17	A	3.25	A	4.5
9. There are available communication and network facilities in the place.	3.22	A	3.36	A	2.83	A	3.14	A	9
10. There are available power supply facilities in the place.	3.27	A	3.28	A	3.33	A	3.29	A	3
<b>Composite Mean</b>	3.15	A	3.31	A	3.18	A	3.21	A	

*Legend: 3.50 – 4.00 = Strongly Agree/ Highly Favorable; 2.50 – 3.49 = Agree/ Moderately Favorable; 1.50 – 2.49 = Disagree/ Less Favorable; 1.00 – 1.49 = Strongly Disagree/ Not Favorable*

In terms of the assessment of the respondents, they agreed that there are good quality of food and beverage establishments got the highest assessment with a weighted mean of 3.34. They also agreed that there are well decorated and comfortable accommodations and there are good quality of food and beverage establishments with a weighted mean of 3.30. Meanwhile, shopping and entertainment facilities got the lowest assessment with a weighted mean of 3.00.

This implicates that having provided the necessary infrastructures needed in the tourism industry will make CALABARZON region moderately favorable for investment because this will create good impression to investors for they will find it comfortable and idealistic to invest here because most of the infrastructure that they need to operate the business is present in the area and made available.

Tourism infrastructure is the groundwork of tourism development, as properly as a base for utilization of vacation spot resources. The significance of tourism infrastructure is reflected in the reality that it can contribute to growing the efficiency of production and distribution of tourism services, and, in some cases, such as remote destinations, even enlarge the furnish of tourism services. For travelers to be able to reach some traveler destinations, there should be the developed transport infrastructure, which is a precondition for consuming different tourism offerings of the vacation spot itself. The arrival of travelers enhances the effectivity of human assets at the destination, as tourists require sure offerings in order to feel better at some stage in them remain at the selected tourist destination. In particular, there is an amplify in the demand for infrastructure offerings in terms of water supply, waste disposal, communication and electricity supply, as the quintessential elements for blissful functioning of vacationers at the chosen destination. Infrastructure is described as the provision of public safety, transportation services, medical systems, economic systems, schooling systems, and different offerings involved in the population's, as properly as in tourists' demand (Ritchie and Crouch 2015). As a issue of the regional tourism product, tourism infrastructure is of exclusive significance for long-term tourism boom and the frequent growth of traveler destinations in presenting the required services to tourists.

Table 1.2 presents the summary of the assessment of the tourists, local residents and local government on the quality of investment climate of tourism industry in CALABARZON which attained a composite mean of 3.08, 3.37 and 3.21 respectively with a verbal interpretation of agree. This means that CALABARZON region is moderately favorable for investment because the climate is good and the competition is healthy that makes it more attractive for the investors.

Table 1.2: Summary Table on the Quality of Investment Climate of Tourism Industry in CALABARZON

Investment Climate	Tourists		Local Residents		Local Government	
	CM	VI	CM	VI	CM	VI
1. Macro-Fundamental	3.00	A	3.25	A	3.15	A
2. Governance	3.17	A	3.49	A	3.31	A
3. Infrastructure	3.08	A	3.38	A	3.18	A
<b>Composite Mean</b>	<b>3.08</b>	<b>A</b>	<b>3.37</b>	<b>A</b>	<b>3.21</b>	<b>A</b>

Legend: 3.50 – 4.00 = Strongly Agree/ Highly Favorable; 2.50 – 3.49 = Agree/ Moderately Favorable; 1.50 – 2.49 = Disagree/ Less Favorable; 1.00 – 1.49 = Strongly Disagree/ Not Favorable

It terms of the assessment of the three groups of respondents, governance make the quality of investment in the CALABARZON region moderately favorable because having good government leaders and policies implemented in the region in relation to tourism industry, makes the investors feel safe and secure and enable them to put up their businesses here. Government support is one of the important factor in attracting more investors because it also reflects good image which is one of the important factor in promoting the region as investment capital in the country.

Government worldwide apprehend that the overall requirements and policies that affect investment of their respective nations have come to be increasingly important within the appeal of foreign direct investment (FDI). it has been tested that promoting precise public governance by means of growing transparency and predictability of laws and rules and consistency of their enforcement, improving efficiency of techniques and encouraging better requirements of public service contributes no longer best to a better regulatory environment for enterprise but also to the elegance of an investment region. although many Governments have been running on improving public governance, very few have finished so in the context of funding merchandising. This notice discusses the query of what constitutes properly governance in investment advertising primarily based on nice practices and classes found out from UNCTAD technical cooperation activities, the growing importance of company governance, and the position of funding advertising businesses (IPAs) in enhancing governance inside the public and private area. (United Nations Trade Conference on Trade and Development, 2013)

### Proposed Business Operations Initiative

This section discussed the proposed business operations initiative for the CALABARZON region. A proposed business operations initiative was created in order to encourage each and every stakeholders of the tourism industry to be more active participant in improving the services offered in the Tourism industry of CALABARZON. From the lowest assessment of the respondents, the researcher had focused in that aspect to develop the operations initiative that will benefit both the community and the tourism industry practitioner to grow more and build good harmonious relationship with each other. Also, this will be a good avenue in improving the quality of services that are offered in the region and will be a good tool in making the region more competitive to the tourism industry of the other regions in the Philippines. Finally, this will ensure the tourists a more convenient and accessible tourism industry particular those first hand services that are needed by them in ensuring that they will have a good experience in visiting the CALABARZON region.

Table 5: Proposed Business Operations Initiative

Key Result Area		Proposed Business Operations Initiative	Time Frame	Persons Involved	Outcomes
Investment Climate	Macro-Fundamental	Establishment of Banking Institutions specifically satellite offices nearby tourist destinations and installation of Automated Teller Machines ATM.	4 months	Local Government  Local Resident	Easy access of tourists to different banking transactions at anytime.
	Governance	Implementation of information dissemination about environmental conservation and preservation through collaborative efforts of different stakeholders.	2 months	Other Tourism Stakeholders	Well-preserved and conserved tourist destination maintaining the balance of flora and fauna.
Investment Climate	Infrastructure	Development of tourism related establishments and infrastructure for customer satisfaction.	6 months	Local Government  Local Resident  Other Tourism Stakeholders	Increased in the number of tourist arrivals in the region as a result of well-developed tourism establishments and infrastructure.

**Gantt Chart of Proposed Business Operations Initiative**

Business Operations Initiative	2020												2021											
	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D
	a	e	a	a	a	u	u	u	e	c	o	e	a	e	a	a	a	u	u	u	e	c	o	e
	n	b	r	r	y	n	l	g	p	t	v	c	n	b	r	r	y	n	l	g	p	t	v	c
<b>INVESTMENT CLIMATE</b>																								
Mac ro-Fun dam ental	█	█	█	█	█	█	█																	
Gov ernance								█	█	█	█	█	█	█										
Infr astr uctu re															█	█	█	█	█	█	█	█	█	

**4. Conclusions**

- 1) Majority of the respondents belonged to the age bracket of 18-35 years old, female, single, college graduate and has an income ranging from Php 10,001.00 – Php 25,000.00
- 2) The tourists, local residents and local government unit all agreed that CALABARZON region is moderately favorable for investment because the climate is good and the competition is healthy that makes it more attractive for the investors.
- 3) There is significant relationship on the assessment of the respondents to quality of investment with regard to governance.
- 4) A business operations initiative was proposed to make the investment climate and tourism industry of CALABARZON region more competitive enough and to keep abreast with the demand of the industry itself.

**5. Recommendations**

- 1) Strengthening tourist banking transactions may be increased if there are established Banking Institutions nearby tourist destinations.
- 2) A more preserved and conserved tourist destination may be achieved if the local government will increase awareness on the importance of having good environment through visible signage at every tourist destination.

- 3) Establishment of shopping and entertainment facilities may be considered to ensure a more relaxing and worth while remembering experience for the tourists.
- 4) Proposed business operations initiative to make the CALABARZON region more competitive enough and abreast to the demand of the industry may be implemented.

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### Appendices

#### Survey Questionnaire

#### Investment Climate and Attractiveness of Tourism Industry in CALABARZON: Basis for Tourism Development Plan

Name (optional): \_\_\_\_\_

#### 1. Profile of the respondents

**Direction:** Put check (√) on the space provided that corresponds to your answer.

Age

\_\_\_\_\_ 18-35 years old

\_\_\_\_\_ 36-55 years old

\_\_\_\_\_ 56 years old and above

**Sex**

\_\_\_\_\_ Male

\_\_\_\_\_ Female

**Civil Status**

\_\_\_\_\_ Single

\_\_\_\_\_ Married

\_\_\_\_\_ Widow/ Widowed/ Separated

**Educational Attainment**

\_\_\_\_\_ Elementary Graduate

\_\_\_\_\_ High School Graduate

\_\_\_\_\_ Technical/ Vocational Graduate

\_\_\_\_\_ College Graduate

\_\_\_\_\_ Post Graduate

**Monthly Income**

\_\_\_\_\_ below Php 10,000.00

\_\_\_\_\_ Php 10,001.00 – Php 25,000.00

\_\_\_\_\_ Php 25,001.00 – Php 50,000.00

\_\_\_\_\_ Php 50,001.00 and above

**Quality of Investment Climate of Tourism Industry in Region IV-A.**

**Direction:** Kindly put check mark (√) on the column that corresponds to your choice.

4 – Strongly Agree/ Highly Favorable

3 – Agree/ Moderately Favorable

2 – Disagree/ Less Favorable

1 – Strongly Disagree/ Not Favorable

<b>Macro-Fundamental - achieving</b> reasonable fiscal and external balances, realistic exchange rate, inflation and interest rates, competitive markets, and social and political stability.				
<b>Items</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>
The price of goods and services in tourist destinations are reasonable for both tourists and providers.				
The price of goods and services is competitive enough when to compare to other tourist destinations.				
Business permit and licenses have reasonable amount.				
There are sufficient supply of labor force for all industry.				
There are money changer nearby tourist destinations.				
There are commercial banks easily accessible to tourists.				
Locally made products with export quality are saleable.				
Automated Teller Machine (ATM) is easily available to tourists both in peso and dollar currency.				
Hotels and accommodation establishments are competitive enough to other places.				
The local community has a positive outlook on the presence of tourists in tourist destinations.				

<b>Governance</b> - refer to transparency and efficiency in regulation ,taxation and legal system, strong and well-functioning financial sector, labor market flexibility and skilled labor force.				
<b>Items</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>
Tourism policies are effectively managed by the local government.				
Violators are apprehended properly and immediately.				
There are ordinances implemented in the tourist destinations in relation to safety and security of the tourists.				
The government and other stakeholders work hand in hand to maintain the peace and security of tourist destinations.				
The local government is responsible enough to its duties and responsibilities to the tourist destinations.				
Waste segregation management to tourist destinations are well implemented and monitored by the local government.				
Police visibility is very observable to different tourist destinations.				
Environmental preservation and conservation is well implemented by the local government through different signages which are visible at every tourist destinations.				
Curfew hours is well implemented and managed in every tourist destinations.				
Taxation is properly implemented by the local government through infrastructure, facilities and amenities development to different tourist destinations.				

<b>Infrastructure</b> - has to do with the availability and quality of physical infrastructure such as roads and ports, telecommunications, power and water supply.				
<b>Items</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>
There is an easy access to transportation services.				
There are well-developed tourism markets and roads.				
There are well decorated and comfortable accommodations.				
There are available healthcare and emergency medical treatment facilities.				
There are shopping and entertainment facilities.				
There are reasonable price of different products.				
There are good quality and taste of foods and beverage.				
There are personal safety and security of the place.				
There are available communication and network facilities in the place.				
There are available power supply facilities in the place.				



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