Explaining Decisions for Change in Destination
The Garbage Can Model in Action

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ABSTRACT

Purpose - The purpose of this paper is to present the garbage can model’s explicatory value in illustrating decisions for change in Swiss destinations.

Design/methodology/approach - Comparative case studies were elaborated for four Swiss tourist cantons (Berne, Grisons, Ticino, Valais) based on project reports and secondary sources including key informant interviews.

Findings - The paper provides insights about perceived problems, available solutions and participants in the researched tourist destinations at the time the choice was taken to establish destination structures. The garbage can model is a useful tool to analyze change in destinations. It explains why and how decisions in complex environments are established, why seemingly rational choices are not taken or taken too late, and it allows including stakeholders and particularly public intervention in public-private partnership structures.

Originality/value - The paper brings a new perspective in change management research for the tourism industry as it applies a model which has been derived from the public administration theory.

Key Words Tourist Destination, DMO, Change, Garbage Can Model, Choice

1. INTRODUCTION

Change in tourist destinations is driven by various events, institutions or actors, which exert pressure or indicate new directions. Destination management organizations (DMOs) are the coordinating institution in community-structured destinations and face the challenge of constant adaptation of products, services, and infrastructures to meet customer’s needs and other stakeholder’s requirements. DMOs can be seen as a mirror of the organizational aspects of a tourist destination. From a marketing and sales perspective, they are dedicated to represent the destination’s image and brand. Moreover, they coordinate local services and attempt to bundle them into market-driven product propositions. From a stakeholder perspective, they reflect the common goals and wishes of local tourist enterprises, public sector institutions, as well as repeat customers. Hence, they hold a central position, which makes them an object of attention for various institutions.

DMOs are continually under the influence of trends affecting the tourist industry. In Switzerland, at the end of the 19th century, the first tourist offices/tourist boards were created, mainly as so called “Verschönerungsvereine” (i.e., associations for local embellishment). Their main duty was to keep the streets clean, organize local waste disposal, adorn sidewalks with flowers and plants, operate an information desk, and print postcards and other advertisements. Bieger (2006), and Bieger and Laessner (1998) have pointed out that in the last fifty years, Swiss tourism has experienced considerable changes. These changes have affected local and regional DMOs: in the 1960s, the increasing capacity and infrastructure development in the alpine winter sport industry caused DMOs to expand their scope in local infrastructure and to establish sport centers, hiking trails, and information services for visitors; in the 1970s, the technical development of reservation systems and the emerging intermediary business in the travel industry have forced the DMOs to take on the new role of incoming agencies; in the 1980s, the trend in communication has produced a countless amount of logos and local brochures, financed with the budgets of the DMOs; in the 1990s, they had to additionally coordinate quality initiatives as well as destination wide ICT strategies, which are both results of the latest trends in the tourism sector. Today, Swiss DMOs are found to merge into larger units, in order to realize economies of scales and thus, a sustainable financial basis. In contrast to common practice in other countries, DMOs in Switzerland are not part of the communal authority. Usually, they are legally organized as private organizations, private cooperatives, or corporations. However, local inhabitants perceive DMOs as institutions with public tasks which makes them subject to public interest
and criticism. Additionally, DMOs’ financial resources are highly dependent on various stakeholders and on public institutions.

We think that discussing the change process of DMOs assists researchers and practitioners present a framework of change management dimensions (1) typical for the tourism industry and simultaneously (2) particular for DMO-type of businesses.

2. LITERATURE RESEARCH

The phenomenon "change" is associated with many different notions from various research traditions and streams of management research (for an overview cf. Baumöl, 2008). Following Pettigrew (1990) we consider change a dynamic rather than a linear input-to-output process as suggested by Lewin’s (1951) three-step model of change (unfreeze, move and refreeze). Reviewing change management literature, there is no single dominant theory or framework upon which academics agree (Baumöl, 2008; By, 2005). A common approach to structure different theoretical approaches to organizational development and change is Van de Ven and Poole’s (1999) four different process theory types: life-cycle type, evolution type, dialectic type, and teleological type. The four types vary in two dimensions: (1) the mode of change indicates whether the sequence of events in change is prescribed (evolution, life cycle) or whether they emerge in the course of transition (dialectic, teleology); (2) the unit of change specifies whether the change process focuses on a single entity (life cycle, teleology) or multiple organizational entities (evolution, dialectic). Weick and Quinn (1999) highlight that tempo or rhythm of change is a valuable third dimension. They distinguish between (a) episodic change, which is discontinuous and periodic, and (b) continuous change, that evolves incrementally. Approaches to manage change are commonly divided into two categories: approaches that assume change as planned building on Lewin’s (1951) three step model of change and those which assume change as being emergent to which Kotter’s (1996; 2007) frequently used eight change processes relate (By, 2005).

While these categories from organizational theory allow structuring DMOs’ change process, they fail to provide consistent theoretically based explanation for the particular change properties such as fluctuant participation, entanglement with local public and politics, seemingly irrational decisions, and ambiguous goals. Considering these deficiencies of organizational theories and the public nature of DMOs, change concepts form the public administration theory domain, promise an insightful alternative. With the garbage can model (Cohen, March and Olsen, 1972) public institutional theory offers a way to explain decision behavior in organizations that contrasts the rational decision theory which underlies planning approaches to change (Fredrickson and Smith, 2003). Cohen, March and Olsen (1972) consider organization as organized anarchies with three principal properties: problematic preferences, unclear technology and fluid participation. The first property, problematic preferences, refers to the ambiguity of goals under which decisions are made in complex organizations. In that sense, organizations “can be described better as a loose collection of ideas than as a coherent structure; it discovers preferences trough action more than it acts on the basis of preferences” (Cohen, March and Olsen, 1972, p. 1). The second property, unclear technology, states that organizational members have a limited understanding of the organization’s processes. Thus an organization “operates on the basis of trial-and-error learning procedures, the residue of learning from past experience, and pragmatic inventions of necessity” (Cohen, March and Olsen, 1972, p. 1). The third property, fluid participation, highlights that decision process participants vary in their degrees of attendance, involvement and effort they devote to particular choice situations. As a result, “who shows up for or is invited to a given critical meeting, and their degree of activity at the meeting, for instance, turn out to make a tremendous difference” (Kingdon, 2000, p. 84) to the decision outcome. Decisions in the garbage can model are the result of four independent streams, representing variables as a function of time (Cohen, March and Olsen, 1972): first, the stream of choices characterized by its time of occurrence and participants entitle to participate in specific choice occasions. Second, the stream of problems, determined by the time of occurrence, the energy required to solve the problem in an attached choice situation, and the access of a problem
to different choice situations. Third, the stream of solutions is determined by the amount of energy to apply a solution to a certain problem in a choice situation. Fourth, the stream of energy form participants assumes that there are some participants for choice situations with energy available for organizational decision making. These streams float independently within organizations. Therefore Cohen, March and Olson (1972, p. 2) refer to organizations as “a collection of choices looking for problems, issues and feelings looking for decision situations in which they might be aired, solutions looking for issues to which they might be the answer, and decision makers looking for work”. A choice opportunity is where these four streams come together and thus it can be viewed as “a garbage can into which various kinds of problems and solutions are dumped by participants as they are generated. The mix of garbage in a single can depends on the mix of cans available, on the labels attached to the alternative cans, on what garbage is currently being produced, and on the speed with which garbage is collected and removed from scene” (Cohen, March and Olson, 1972, p. 2). In consequence, the output depends on the “mix of garbage (problems, solutions, participants, and the participants’ resources) in the can and how it is processed” (Kingdon, 2000, p. 86).

Despite the traditional reference of public institutional theory to governments and government institutions Cohen, March and Olson (1972) as well as Fredrickson and Smith (2003) highlight that the garbage can model is applicable to non-governmental institutions – such as DMOs.

Literature on change management in tourism is rare, especially with regards to change on destination level. To our knowledge, the only two publications on change management for DMOs published (in English or German) are Bieger and Laesser's (1998) book on new tourism structures in Switzerland and Bieger's (1998) article on reengineering destination marketing organizations in Switzerland. Both publications draw on organizational theory to categorize but not explain the change process.

To contribute to the general understanding of change management processes in DMOs, we investigate the following two research questions:

(1) Are there particular characteristics to change processes for the case of DMOs?

(2) To what extent can the garbage can model explain the empirical phenomenon of change in destination management organizations?

To answer these questions, we subsequently apply the garbage can model in multi-case case study to four Swiss destinations and their respective DMOs. The remainder of this paper first describes the methodology and its limitations (chapter 3), presents the case-study's results (chapter 4) and concludes with a discussion of results as well as suggestions for further research (chapters 5 and 6).

3. METHODOLOGY

To research particular characteristics of DMOs’ change processes, and the garbage can model’s explicative value for the destination context, we follow Yin's (2003) approach to case study research. The case of Berne, Grisons, Ticino and Valais is a descriptive multi-case case study that illustrates the change decision labeled “establish destinations” for four Swiss alpine destination and their respective organizations. The case studies’ unit of analysis is the choice to change existing tourism structures to introduce destinations. To observe construct validity (Pettigrew, 1990; Yin, 2003) and gather qualitative and quantitative information relevant to answer the research questions, we collected and analyzed the following documents: project reports and secondary sources including specific interviews with informants involved in the described change initiatives.

To structure and analyze the data from the case study research we draw on the elements of the garbage can model by Cohen, March and Olsen (1972). In particular, the following criteria illustrated in table 1 will serve to organize the case study.
Table 1: Criteria to Structure the Case Studies

<table>
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<th>Criteria</th>
<th>Description</th>
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| **Problems** | • When did a problem become visible?  
• How much energy/effort is required to resolve a choice to which the problem is attached?  
• To which choices has the problem access? |
| **Participants** | • Who is participating in which choices?  
• How much energy do participants invest for a choice? |
| **Solutions** | • How much decision energy is required to determine the problem solving output at a specific point in time?  
• How many solutions are available? |
| **Choices** | • When is a choice activated for decision?  
• Who is entitled to participate in making a certain choice? |

Source: own illustration adapted from Cohen, March and Olson (1972).

The selected case study research method faces several methodological limitations (Yin, 2003; Miles, 1979): (a) limited rigor, (b) limited potential for generalization, and (c) unreadability. To weaken these concerns we analyze each case both separately and in a cross-case comparison. Since all selected cases represent Swiss destinations, the case study reflects (1) a specific national context with a particular economic, political, cultural and legal setting, and (2) a mature tourism market.

4. CASE STUDY

4.1. CASE SETUP: SWITZERLAND'S TOURISM REGIONS AND THEIR DMOS

Switzerland is a traditional tourist country, which has experienced four main development phases in its tourism industry (Müller, 2005, p. 203-205). The first phase occurred in the second half until the end of the 19th century, when the European nobility discovered alpine leisure activities combined with recreation and recovery tourism. In these years, there was no considerable organization or coordination of tourist activities (laisser-faire), until at the end of the 19th century a series of associations as well as numerous tourist offices have been founded (second phase of organization). The third phase of development was induced by World War I and lasted until the 1950s. This period caused a dramatic crisis in the Swiss tourist industry. Phase four released a first rebound, mainly nurtured by the increasing leisure time and income of the Swiss and Western European population. A later phase (mid 1960s until 1990s) accentuated growth in demand and in supply. The latter two development phases gave birth to many new tourist destinations with respective tourist offices. Since the 1990s Swiss tourism experiences an increasing international competition as well as a continuous shift in market structures. The dependence on the domestic and the German market made the country vulnerable not only to the tourist industry's general trends (i.e., increasing mobility, increasing international competition, and more demanding customers) (cf. Bieger & Laesser, 2005), but also to the saturation of markets which are characterized by more flexibility, access to long-haul destinations with regard to budgets and time, and an ageing society, seeking more valuable experiences than just skiing (Laesser & Bieger, 2008).

While the latest changes were occurring in a time period of around 25 years, local and regional DMOs, have tried to adapt to the increasing challenges. For some DMOs a gradual increment of budgets has been achieved. Additional funds were raised increasing overnight taxes in municipal subsidies, creating additional taxes (e.g. sport taxes, promotional taxes) or generating additional income from merchandising and booking provisions. Other DMOs have reduced their engagement in local services and infrastructure by outsourcing previous responsibilities (e.g., sport centers, camping sites, and hiking trails) and handing them over to the local municipality.
Unfortunately, these adaptations have been carried out without systematically questioning whether (a) their structures and processes and (b) their scope and therefore their activities were still up to date.

In the past twenty years, one major national initiative has tried to renew local and regional tourism structures in Switzerland. In 1997 and 1998 the Swiss Association of Tourism Managers (VSTD), which represents all DMOs, published a series of papers, pamphlets and a booklet, presenting new structures for the Swiss tourism industry (cf. Bieger & Laesser, 1998). The initiative was supported by a series of presentations and workshops at local and regional level. However, the implementation of new structures has been carried out at cantonal level, where local and regional stakeholders could concretely act with the help of communal and cantonal authorities as partners who could guarantee the legal as well as the financial framework for change.

4.2. A GARBAGE CAN ASSESSMENT OF DMO CHANGE IN SWISS TOURIST DESTINATION

As stated in chapter 3, the garbage can model considers a set of participants, of problems at stake, and of available solutions producing choices. For the selected cases Berne, Grisons, Ticino and Valais we analyze these elements of the garbage can model for the choice labeled “establish destinations”.

For the case of Berne (cf. Figure 1), the choice situation was effected by three major tourist organizations. Grindelwald, Gstaad and Interlaken left the umbrella organization “Berner Oberland Tourismus” (BOT) in the year 2000 because BOT failed to achieve sufficient market impact for its member organizations (Lauber, 2005).

In the Bernese choice situation labeled “Establish Destinations” participated cantonal government representatives, professional tourism associations, different tourist office managers form the Bernese Oberland, Consultants contributing different energy levels and their particular interests to the decision process (Müller & Müller, 2005; Müller & von Trott, 2005; Oehrli, 2002). Besides BOT’s insufficient market impact causing three tourist organizations to exit the umbrella organization, other problems attached to the choice situation included the decreasing number of overnights, mainly insufficient marketing funds in regional tourism organizations, and a lack of professionalism and service quality in Bernese tourism (Müller & von Trott, 2005). The available set of solutions ranged from a change in the cantonal mission statement for the tourism industry, introducing new tourism structures with larger regional units (maximum of six destinations) to specific forms of DMOs with different extents of steering and control functions (Müller & Müller, 2005; Müller & von Trott, 2005).

The choice situation described for the case of Berne resulted in nine destinations covering the Bernese Oberland until 2003 except for one valley which refused to participate in any destination-building activities (Lauber, 2003). The cantonal mission statement for the tourism industry was changed to reorganize financing allocation in the absence of BOT which had been suspended in 2001 (Müller & von Trott, 2005; Oehri, 2002). The coordination function was assigned to the association of DMO managers from the nine destinations.

For the case of Grisons (cf. Figure 1), the choice situation was effected in 2005 by negative regional and national press on visitor frequencies pointing out the weak seasons in Grisons compared to other cantons (e.g. Valais) putting pressure on cantonal authorities. The cantonal department for commerce and tourism (AWT) commissioned reports on the competitive environment for alpine tourism, brand reputation of destinations in Grisons, and organizational challenges (cf. Bieger et al., 2006).

In Grisons’ choice situation labeled “Establish Destinations” participated cantonal government representatives, hotel association, gastronomy association and cable car associations, tour operators, tourist office managers from local organizations and the cantonal DMO (Graubünden Ferien), consultants, and representatives of Swiss Tourism. The problems attached to the choice situation included the decrease in the number of overnights, negative press, weak international notoriety of Grisons’ tourism brands, organizational challenges (e.g. fragmented structures and insufficient funding for marketing activities), lack of professionalism in local tourism management, small number of innovative tourism products and high number of local and regional tourism brands (Bieger et al., 2006). The available set of solutions comprised new destination structures with larger regional units (no more
than nine), redefinition of Graubünden Ferien’s role regarding international market development and marketing coordination, sales-oriented regional marketing units, new financial basis for DMOs, professionalization of product development, and to develop international markets to generate more international overnights (Bieger et al., 2006; Bieger & Laesser, 2002).

Figure 1: The Garbage Cans “Establish Destinations” for Berne and Grisons

Source: own illustration.

Until March 2009, the choice situation described for Grisons resulted in six destinations covering the canton’s strongest touristic regions. The coordination of marketing activities and market development between Graubünden Ferien and the established DMOs has yet been insufficiently resolved. Therefore cooperation is still suboptimal: resources are partially spent redundantly on the acquisition of new international guests, and in turn the Swiss home market and guest retention receive less attention. The use of brands especially for advertisement in foreign market remains an unresolved issue.

For the case of Ticino (cf. Figure 2), the choice situation was effected in 2001 by the Cantonal Government and Ticino Turismo. In Ticino’s choice situation labeled “Established Destinations” participated the cantonal DMO (i.e. Ticino Turismo), cantonal government representatives, professional association of the tourism industry, local tourist office managers and consultants. The problems attached to the choice situation included stagnating overnights, strongly fragmented touristic offerings, lack of innovation, insufficiently coordinated cantonal tourism policy, weak sensitiveness among stakeholders regarding tourism industry’s issues, lack of coordination among local tourism organizations, and a lack of market research at cantonal level. The set of available solution covered new destination structures, a new board of directors for Ticino Turismo, the development of a cantonal tourism marketing strategy, increase promotion and sales activities with the aid of public funds, increase investment in tourist infrastructure, coordinated ICT efforts, and the creation of a tourism observatory included in Ticino Turismo. (Ticino Tourism, 2001).
For the case of **Valais** (cf. Figure 2), the choice situation was effected in 1996 by a new cantonal tourism legislation responding to decreasing overnights on since 1995, increased competitive pressure and more experienced and demanding customers (Biner & Wilk, 2008).

In Valais’ choice situation labeled “Establish Destinations” participated tourism experts, local tourist office managers, cantonal government representatives and consultants. The problems attached to the choice situation included decreasing overnights, increased cost pressure in summer season, more experienced and price-sensitive customers, insufficient cantonal funding for the tourism organizations on communal level, and the visitor’s tax which was one-sidedly imposed on guests. The range of solutions in the garbage can comprised new tourism legislation, more cantonal funds for the tourism industry, a supplementary tourism tax imposed on touristic beneficiaries, include Wallis Turismo in legislation process, quality improvement programs, larger regional tourism units to increase overnights, foster professionalism, and optimize resource spending, as well as to reorganize Wallis Turismo. (Biner & Wilk, 2008).

### 5. DISCUSSION

#### 5.1 CROSS-CASE COMPARISON

The four garbage cans representing choice situations labeled “establish destinations” summarized in Figures 1 and 2 show a number of similarities:

(a) A large number of stakeholders contribute their interests and energy which are required to realize problem solutions. They account for the set of perceived problems and available solutions.

(b) The choice situation is accompanied or induced by public authorities responding to increased public interest fostered by relevant media creating a sense of urgency.

(c) The attached problems mainly encompass decreasing overnights, fragmented structures lacking professionalism and insufficient funding as well as coordination issues.

(d) Cantonal funding and the corresponding legislation are issues of importance for both, the category of “problems” and “solutions” as the federal level provides only vague “guidelines” for tourism and no regular financial resources.

(e) The sequence of choices to introduce destination structures with DMOs as solution to the stated problems indicates a mutual influence of choices in different regions (me-too-strategy). Furthermore, it indicates consultants’ role in multiplying the idea of destination structures (cf. Bieger & Laesser, 1998) in Swiss alpine tourist regions.
(f) A closer look at the participant constellation shows that not only a combination of public and private, of industry and politics, but also a considerable fluctuation among the boards and directorships in the key institutions took place releasing a high amount of energy among the participants in the choice situation.

(g) The solutions chosen seem to be logical and timely, but the current status of destination structures in Switzerland shows that not all the plans decided by the participants have been realized as intended (Lagler, 2009). In fact, rationality of choices is limited by the perception (cf. Simon, 1959) and the energy level of the participants. However, it is often not shared by other actors further involved in the implementation process.

5.2 USEFULNESS OF THE GARBAGE CAN MODEL

The garbage can model is a useful tool to analyze change in destinations. First, it explains why and how decisions in complex environments are established from the interaction of four streams: choice situations, participants, recognized problems and available solutions. As the case study shows, this applies to DMO context with complex public-private level interactions and multiple stakeholder interests and influences. Second, the garbage can model succeeds to explain why seemingly rational choices are not taken or taken too late: the four streams determine when choices are to be made, which problems fluctuant participants recognize, what particular involvement and interests they contribute to the choice situation, and which solutions are available at the time of the choice. Third, the garbage can model provides a framework to include stakeholders (as seen in Bieger et al., 2004) and particularly public intervention in private and public-private partnership structures and is therefore a suitable framework to analyze change management for DMOs.

6. CONCLUSION

The analysis of the case studies confirms the particularities of change processes in destinations (namely lack of discretionary power, vast number of stakeholders) suggested by Bieger and Laesser (1998). In addition, we observed the following specificities of DMO change process: (a) it is important that the impetus for change originates from political authorities because of the numerous stakeholder interest that need alignment and the connected inherent inertia of DMOs, (b) media reports amplify the need for change creating a sense of urgency with DMOs and political authorities, and (c) in line with Swiss governmental structures, cantonal authorities are important actors and promoters of change in DMOs.

The garbage can model proves good explanatory power for the four analyzed case studies: First, the participants for each choice situation explain the set of perceived problems and available solutions (e.g. consultants multiplying the destination structure). Second, it explains why the choices made are partially irrational or why decisions are taken (too) late. In conclusion, we consider Cohen, March and Olson’s (1972) garbage can model to be an adequate framework to structure DMO change processes.

To validate these results, further research is required to look at other national contexts by additional case studies, e.g. in other alpine destinations. Moreover, we suggest future research to focus on dynamics occurring during the change process, i.e. considering the change of solutions, participants and problems for consecutive choices in destinations. Since most change processes are researched in retrospect, it might be worthwhile analyzing ongoing change initiatives of DMOs suggesting outcomes by means of operationalized energy levels attached to participants, problems, and solutions.
References


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