

Full Length Research Paper

Contributions and Drawbacks of Public Private Partnership to Tourism Development in Ado-Ekiti, Ekiti State Nigeria

Kolawole, G. T., Adedeji, E. O., Onihunwa, J. O., Chikezie, J.* , Omotayo, O. L., and Joshua, D. A.

Tourism Department, Federal College of Wildlife Management, New Bussa, Niger State, Nigeria.

*Corresponding author E-mail: judexmary1@yahoo.com

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ABSTRACT: This study assesses contributions and drawback of public private partnership to tourism development in Ado-Ekiti, Ekiti State, Nigeria. Data for the study were collected through structured questionnaires administered to 100 from the various PPP sectors as respondents; and the data were represented in simple percentage methods. The findings of the study revealed that both the public and

private sectors are contributing immensely to the development of tourism in the state; and for tourism to be fully developed; both sectors must collaborate to harness the enormous natural resources of the state.

Keywords: Contributions, drawback, public and private, partnership

INTRODUCTION

Tourism sector plays an imperative role in developing economic of world. Partnership has become a new financial model of management strategy to take advantage of available resources from different agents for capital investments. Nigeria is a vast country richly endowed with ecological and cultural resources. The country offers a wide variety of tourist attractions such as extended and many rivers, ocean, beaches ideal for swimming and other water sports, unique and diverse wildlife, vast tracts of unspoiled nature ranging from tropical forest, magnificent waterfalls and climatic conditions in some parts particularly conducive for holiday. Other attractions include traditional ways of life, preserved in local customs, rich and varied handicrafts and other colorful products depicting nature arts and life style, and the authentic unsophisticated but friendly disposition of many of the Nigerian populace.

Tourism has the potential to enhance lives in a sustainable framework through wealth creation, choice, innovation and competition. For tourism to achieve the

mentioned services, and also to become a key growth area of the state economy, there is need for substantial public and private sectors' collaboration. For this reason, governments of both developed and developing countries have taken the initiatives to develop the tourism industry. These initiatives according to Gamble (1989) involve laws to ease the transfer of money in and out of the country, providing tax incentives for investors, restricting the rights of trade unions, speeding up the processes of planning land purchase and trying to ensure political stability. Similarly the private sector on its part has been providing money used in building hotels, amusement parks, telecommunication, transportation, recreational centers, and supporting infrastructural development. All these are aimed at increasing export and stimulating tourism industry. Oladiji (2000) opined that when public (government) sector provides the needed platform or facilities, private sector now uses these facilities to provide services for tourists. This will enhance the economy of the nation through

taxes derived from both the facilities and services provided. For instance in Thailand, the government spent a huge sum of money to tar the roads, stabilize the political situation and make the environment to be clean. Then the private sectors facilitated in building of hotels, amusement park, provision of provision of telecommunication etc.

Falade (2001) also opined that for tourism industry to develop, both public and private sectors must develop a positive attitude towards the industry, otherwise the industry would not flourish. Here, what is really required is to work out a strategy as to how villagers/ local communities can be empowered to use and access the economic potential in a participatory manner. From both forward and backward linkages, the rural villagers / local communities and the tourism industry are mutually dependent on one another. CPPP provides a unique opportunity to private entrepreneurs, government and local communities to collaborate themselves in achieving key policy objectives of tourism and the resultant benefits like job creation, generation of revenue and socio-economic development. Therefore, the main focus should be on designing of such partnerships in a manner that is commercially attractive, fair and sustainable, satisfying the requirements of local communities and the industry.

PPPs may be seen as a cooperative alliance between the public and private sectors, in different areas of intervention which are traditionally inherent to the public sector, but without embracing a complete privatization process (Linder, 1999). It means a development of a project with a private people with an agreeable terms and conditions. It broadly refers to "an arrangement between the public and private sectors with clear agreement on shared objectives for the delivery of public infrastructure and public utilities." The underlying premise of PPPs is to benefit all parties involved, through alignment of their resources and goals. According to Kim et al. (2005), PPPs are essentially partnerships between public sector organizations and private sector and corporate investors, for the purpose of conception, planning, funding, construction and supply of infrastructural equipment or exploration of services.

Statement of problem

Today, public/private partnerships are considered "creative alliances" formed between a government entity and private developers to achieve a common purpose. Other actors have joined such partnerships including Non-governmental institutions, such as health care providers and educational institutions; non-profit associations, such as community-based organizations; and intermediary groups, such as business improvement districts. There is a myth about public private partnerships (PPPs) and how they help to improve service delivery and tourism development Dickson (2013).

Based on this assertion, this research work will probe into the following research question: What is the composition of the partnership? What are the roles of the partners in the scheme? Of what importance is this partnership to the development of the tourists' sites and finally, what are the challenges facing partnership method in the study area?

Objectives of the study

- (i) To assess the composition of public-private partnership in Ado-Ekiti.
- (ii) To find out the contributions of public private partnership scheme to tourism development.
- (iii) To find out the drawback of public-private partnership in tourism development.

MATERIALS AND METHODS

The study was carried out in Ekiti West Local Government Area of Ekiti State, Nigeria. Its headquarter town of Aramoko. It has an area of 366 km² and a population of 179,892 at the 2006 census (Figure 1).

Data collection and analysis

Data were collected through the use of primary and secondary source. The primary source comprise of questionnaire while secondary source also consist of literature such as internet, library search, newspaper, journal etc. Data collected were subjected to statistical computation using descriptive statistical measures such as frequency distribution, percentage and mean. Probability and non- probability methods was used for this study. One hundred questionnaires were administered for this study. A total of Ninety-six questionnaires were retrieved (Table 1). Table 2 shows the socio-demographic characteristics data of the various respondents who participated in the questionnaire administration. From the result, it was observed the male gender had the highest percentage with 66.7 % while the female were the lowest with 33.3% respectively. In the course of the research work the respondents were asked to reveal their Age grades, with 43.8% of the respondents indicated ages 31-40 years which is the highest percentage while ages 51 and above were the least with 16.7% respectively. The study also shows the educational background of the respondents. It was observed that 42.7% of the respondents had the highest percentage with HND/BSC certificate while the lowest percentage had other certificates with 4.2% of the respondents. The respondents were also asked of their marital status in order to establish their participation in the study. It shows that 57.3% of the respondents are single, 42.7% are single while divorced was Nil respectively.



Figure 1. Map of the study area.

Table 1: Questionnaires administered

| Study population | Techniques | Sample size |
|---|---------------|-------------|
| Ekiti State Ministry of Trade And Commerce | Simple random | 5 |
| Ekiti West Local Government Tourism Committee | Simple random | 6 |
| Residents in ipole iloro | Convenience | 22 |
| Residents in ikogosi | convenience | 22 |
| Traditional leaders in ikogosi | Purposive | 5 |
| Traditional leaders in ipole iloro | Purposive | 5 |
| Tourism suppliers in Ikogosi | Networking | 5 |
| Tourism suppliers Ipole iloro | Networking | 5 |
| Social clubs in ikogosi | Purposive | 10 |
| Social clubs in Ipole Iloro | Purposive | 10 |
| TOTAL | | 100 |

Table 2: Socio-Demographic Characteristics of respondents.

| Variable | Sub-variable | Frequency | Percentage |
|-------------------------|-------------------|-----------|------------|
| Sex | Male | 64 | 66.7 |
| | Female | 32 | 33.3 |
| | Total | 96 | 100 |
| Age | 20-30 years | 17 | 17.7 |
| | 31-40 years | 42 | 43.8 |
| | 41-50 years | 27 | 28.1 |
| | 51 above | 16 | 16.7 |
| | Total | 96 | 100 |
| Education Qualification | Primary Education | - | - |
| | WAEC/SSCE | 19 | 19.8 |
| | ND/NCE | 32 | 33.3 |
| | HND/B.sc | 41 | 42.7 |
| | Others (specify) | 4 | 4.2 |
| Total | 96 | 100 | |
| Marital Status | Single | 55 | 57.3 |
| | Married | 41 | 42.7 |
| | Divorced | - | - |
| | Total | 96 | 100 |
| Religion | Muslim | 45 | 46.9 |
| | Christian | 51 | 53.1 |
| | Traditional | - | - |
| | Total | 96 | 100 |

Table 3: Composition of public-private partnership.

| PUBLIC SECTOR | PRIVATE SECTOR | Non-Governmental Organizations (NGOs) |
|--|-----------------------|---------------------------------------|
| Ekiti state ministry of trade and commerce | Hotel Association | Environmental Association |
| Ekiti west local government | Transport Association | Tourism Association/Club |
| Ekiti state Ministry of land and physical planning | Souvenir outlets | Community Development |
| Nigeria police | - | - |
| Ekiti state ministry of environment | - | - |

Table 4: Drawback facing the partnership schemes

| PUBLIC SECTOR | | | | |
|--|----------|----------|-------|-----------------|
| Variables | YES (%) | NO (%) | Mean | Ranking |
| Poor policy | 62(95.4) | 3(4.6) | 4.690 | 1 st |
| Political instability | 57(87.7) | 8(12.3) | 4.412 | 3 rd |
| Misunderstanding | 50(76.9) | 15(23.1) | 4.211 | 4 th |
| Inappropriate planning and implementation | 59(90.8) | 6(9.2) | 4.562 | 2 nd |
| Clashes between different organizational culture | 26(40.0) | 39(60.0) | 3.967 | 5 th |
| PRIVATE SECTOR | | | | |
| Variables | YES (%) | NO (%) | Mean | Ranking |
| Inappropriate staffing | 7(31.8) | 15(68.2) | 3.412 | 5 th |
| Misunderstanding among stakeholders | 17(77.3) | 5(22.7) | 4.570 | 2 nd |
| Inadequate professionals | 9(40.9) | 13(59.1) | 3.697 | 4 th |
| Unstable community policy | 19(86.4) | 3(13.6) | 4.715 | 1 st |
| Clashes between different culture | 16(72.7) | 6(27.3) | 4.496 | 3 rd |
| NGOs | | | | |
| Variables | YES (%) | NO (%) | Mean | Ranking |
| Lack of monetary rewards | 15(68.2) | 7(31.8) | 4.49 | 3 rd |
| Misunderstanding among stakeholders | 12(54.5) | 10(45.5) | 4.40 | 4 th |
| Inadequate professionals | 20(90.9) | 2(9.1) | 4.62 | 1 st |
| Unstable community policy | 19(86.4) | 3(13.6) | 4.51 | 2 nd |
| Clashes between different culture | 4(18.2) | 18(81.8) | 3.93 | 5 th |

The religion affiliation of the respondent was also asked; whereby 53.1% constituted the Christian majority which is the highest, while 46.9% for Muslim faithful respectively. Table 3 shows the composition of public-private partnership (PPP), this was achieved through secondary data indicating the public private enterprise and the non-government organization available in the study area. Table 4 shows the drawback facing the partnership scheme. From the public sectors views, it was observed that the respondents with the highest mean score indicated poor policy with 4.690 while the least mean score indicated the option Clashes between different organizational cultures with 3.967. While in the NGOs inadequate professionals has the highest mean score with 4.62 respectively. Furthermore, the private sector also had their drawback as stated in the research questionnaire. It shows that Unstable community policy with 4.715 is a major challenge ranking 1st. While the lowest mean score indicated the option inappropriate staffing with 3.412 as the least ranked variables.

Conclusion

The study provides an insight into the often highly complex matter of the performance of tourism

partnerships. PPPs for sustainable tourism encompass a variety of different models, from simple social collaborations designed to improve the tourism experience, to major infrastructure and project development projects. As the capital investment required for the partnership increases, so does the need for a formal enabling environment in Ado-Ekiti. Both the public and private sectors have contributed immensely in the development of tourism in Ekiti state. While the private sector contributed in the area of road map development to guide tourists, building and running hotels, generating employment for citizens the public sector on its part has contributed in all areas such as expansion of airports, establishment of Airlines, building of good roads, provision of good public transport system, training of tour guards, establishment of traveling agencies, promotion of cultural activities, provision of employment opportunities, and provision of infrastructures.

Recommendations

The following recommendations were made in the course of this study:

(i) Large infrastructure PPPs should be awarded to large contractors, while the government should typically

participate as subcontractors, and benefit from the project outcomes.

(ii) However, the Government should make more needs to make PPP as well known and a sought after trade show to enhance tourism activities in the study area.

(iii) The public sector should resuscitated most of these tourist sites such as zoo, parks and other entertaining site attraction, to keep the tourism tempo high: and also to be attracting tourists to the state.

(iv) The public sector should collaborate with the private sector and NGOs by undertaking the funding and management of the state tourism industry.

(v) The public sector should provide accessibility to the tourism site by building good roads.

(vi) The public sector should partner with the private sector and NGOs to hold conferences, talk shows on tourism either monthly, quarterly on yearly educate people towards tourism development.

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