

# The Role of Leadership and Innovation in Ecotourism Services Activity in Candirejo Village, Borobudur, Central Java, Indonesia

Iwan Nugroho and Purnawan D. Negara

**Abstract**—This paper is aimed to study the roles of leadership and innovation in the development of local people based ecotourism services. The survey is conducted in Candirejo village, Borobudur District, Magelang Regency. The study of a descriptive approach is employed to identify people's behavior in ecotourism services. The results showed that ecotourism services have developed and provided benefits to the people. The roles of leadership and innovation interact positively with a cooperative to organize an ecotourism services management. The leadership is able to identify substances, to do the vision and missions of environmental and cultural conservation. The innovation provides alternative development efforts and increases the added value of ecotourism. The cooperative management was able to support a process to realize the goals of ecotourism, to build participatory and communication, and to perform organizational learning. The phenomenon of the leadership in the Candirejo ecotourism enriches the studies of the ecotourism management. During this time, the ecotourism management is always associated with the standard management of national park. The ecotourism management of Candirejo is considered successful even outside the national park management.

**Keywords**—Borobudur, Candirejo, ecotourism, innovation, Leadership.

## I. INTRODUCTION

ECOTOURISM is defined as a tourism travel activities that are professionally and skillfully packaged, that contains educational elements as an economic sector, by considering cultural heritage, participation and welfare of the local people and also contains any efforts to conserve the natural and environmental resources [1], [2]. Ecotourism is also one of the entry points, as an economic approach to analyze and study benefits of natural resources and environment in a conservation framework. Ecotourism activities also become a frontline of the real sector that packages the cultural and environmental services so that it yields benefits for many stakeholders and supports sustainable development [3].

Ecotourism activity in Candirejo village, Borobudur district, Magelang regency has well developed. The number of foreign and domestic tourists visiting this village increased with time, namely 3695 people in 2011 [4]. The ecotourism management in the form of cooperative is able to operate the vision and missions of the organization to achieve its objectives, i.e. the

welfare and conservation of the environment and culture. The cooperative organizes ecotourism services business and generate benefits to members and the village in general. Cooperative is also able to establish some network with external parties to promote the ecotourism of Java-based culture.

The Candirejo ecotourism is constantly trying to improve the quality of management. The mechanism of monitoring and evaluation (monev) has been developed as articles of Statute of the Village Cooperative. The cooperative continues to innovate business development, to realize a community-based ecotourism and to make a cluster economy in Candirejo particularly and in surrounding regions in general. The institutional innovation and products and services development demonstrate the cooperation of all parties in the same vision. Monev is systematically implemented in the accountability reports of the village cooperative board every year.

This phenomenon of candirejo ecotourism can enrich ecotourism management studies. During this time, the management of ecotourism is always associated with the standard management of the national park [1]. The Candirejo ecotourism is considered successful even outside the national park management. Ecotourism services in Candirejo are independently managed by the community. It makes to prove that the combination of culture rich and cooperative management become a satisfactory alternative management. The ecotourism services character is a cluster [5], [6]. That always puts the community or the local population as an important component of ecotourism services [7]. The ecotourism cluster is an organization of ecotourism [8] that is performed by local people, non-governmental organizations, private sector, the national parks and the government to generate ecotourism entrepreneurship. The higher the roles performed by the local people the more optimally ecotourism cluster functions to obtain welfare benefits.

References [8] and [9] stated that the ecotourism organizations need to be strengthened with leadership to implement the vision for environmental conservation. Leadership is supported by innovation to explore the potential roles of the local people, in the form of initiatives and participation in order to contribute to local programs (bottom-up innovation) in the environmental and socio-cultural aspects [5]. The innovation is needed to maintain an ecotourism cluster in order to provide a benefit flow to the local people and visitors against the elements of market behavior that

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threatens the conservation of natural resources and the environment.

This research aims to describe the roles of leadership and innovation in the development of ecotourism in the Candirejo village, Borobudur district, Magelang regency, Central Java, Indonesia.

## II. RESEARCH METHODOLOGY

The research was operated with surveys and in-depth study in the village of Candirejo, Borobudur district, Magelang regency. The study used a descriptive approach to identify people's behavior in implementing ecotourism services, and its relationship with other organizations such as local government, private sector, NGOs and others.

Interviews were conducted to community leaders, cooperatives, tourist guides, village chief and other ecotourism actors. The Collection of data with a frame of reference used (i) products and services ecotourism [10], (ii) the impact of leadership: individual, group, and organization [8], (iii) the principle of community leadership and teaching community leadership [11], and (iv) the management of innovation [12].

## III. RESULTS AND DISCUSSION

### A. Regional Overview

The candirejo village is located in the district of Borobudur, Magelang regency the village is in the geographic position of 07 37'35" south latitude (S) and 110 013' 34" east longitude (E), at an altitude of 100 to 850m above sea level (Fig. 1). The average rainfall is 2468mm per year. The candirejo village is within 3km distance of the Borobudur Temple, or about 40km from the city of Yogyakarta. Access to Candirejo is very easy, from the direction of Yogyakarta to Semarang, with a comfortable and paved road. Communication infrastructure function optimally, which almost all mobile operators are found.

TABLE I  
PRODUCTS AND SERVICES OF ECOTOURISM IN CANDIREJO VILLAGE

No	Categories	Products and Services
1	environmental view and cultural attraction	Menoreh hill, watu kendil, Progo River, tempuran bank, Borobudur, Javaneese cultural tradition such as Nyadran, Sedekah Bumi, Jumat kliwon tradition, performing art of jathilan and kubrosiswo
2	Benefit of landscape	menoreh hill trekking, rafting, Borobudur, valley
3	Accommodation and services facility	homestay, visitor center, cooperative office
4	Equipment and supply	Guide personnel, DVT (dockart village tour), bike tour
5	Education and training	Cooking lesson, culinary, playing traditional music (gamelan)
6	Award and Appreciation	Kalpataru, Indonesia environmental award 2009

Categorization based on [10]

The Candirejo village lies in the valley between the Candirejo Menoreh hills (in the south and west) and Mount Merapi and Merbabu (in the east) and the Mount Sumbing (in

the southwest). Physiographic landscape is very beautiful with flat and corrugated, separated by Progo Rivers flowing towards the South coast in Yogyakarta Province. This beautiful landscape is the object of tourist attraction for enjoying the sunrise from the top of the Menoreh hill. The Candirejo village has 15 hamlets where eight hamlets are on the hillside Menoreh, and seven hamlets are in the northern plains traversed by the Progo River.

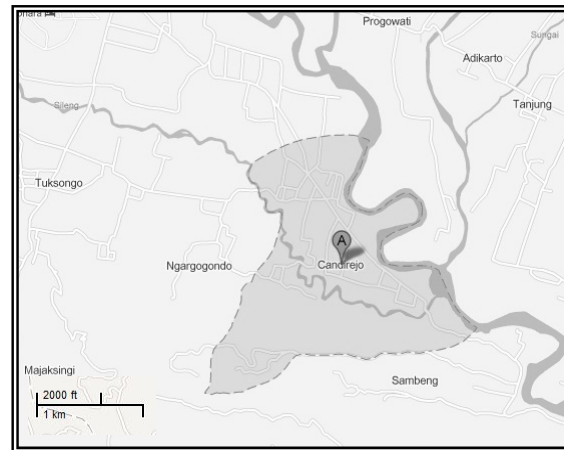


Fig. 1 Map of Candirejo village, Borobudur District, Magelang Regency (adopted from GoogleMap)

The number of Candirejo villagers is about 4058 people or 1057 households. The size of the village is about 366ha, comprising residential 100ha and the remaining agricultural land. The daily life of the people is very conducive, dynamic and active. Society still upholds togetherness, mutual assistance, and promotes a consensus agreement in any decision-making. They welcome to the government's program and participate actively to develop ecotourism programs and its supporting services, with innovation and creativity for the social benefit [4].

Most areas of the village are upland with a specific dry land crops. Previously, it was found many tangible rice fields, but it is changed because of residential development and unoperated of irrigation infrastructure. In this position, the potential for erosion is very high especially due to silty soil texture (including the Merapi eruptions in 2010). In the dry season, it is easy windswept dust; and rainy season, it is vulnerable to get carried away in surface runoff. Therefore, the carrying capacity of the environment of Candirejo village is probably low. The existence of the ecotourism activity provides an alternative livelihood not only for agriculture, but also reduces the pressure on agricultural land against conservation threats.

There are many interesting places and attractions in the Candirejo village and surrounding areas (Table I). Tourists can enjoy a dockart village tour, performing arts, practicing gamelan instruments, bamboo-pandan crafts, traditional agricultural systems, Menoreh tour, activity of river rafting, organic farming, a cooking a Javaneese culinary.

### B. Ecotourism Cooperative

The management of the Candirejo ecotourism has extensive experience. Before, Candirejo village was a poor rural area (ranked 17 of 22 villages in the Borobudur district). Borobudur tourism benefits were not significant for contributing the welfare to the Candirejo people. Thus, the village agreed to develop a new approach to provide welfare with a tourism services alternative. The idea of managing village tourism has been launched in 1992. The idea was developed and realized through a comprehensive discussion so that people can understand, change their attitudes and behavior for generating benefits significantly more or less as general tourism services.

In 1997, the people finally agreed to formulate Candirejo as an ecotourism village. Development of rural tourism was then facilitated by Patra Foundation-Pala Institute for Social Ecology and Ecotourism with funding from the Japan International Cooperation Agency (JICA) in 2001 to 2003. At the same time, an ecotourism management model began to find a form of organization as a cooperative. Exactly on 19 April 2003, the Candirejo village was inaugurated by Tourism Minister, I Gde Ardika as the tourism village, and established cooperative as management model (based on Legal Body No.220/BH/III/2004). According Ardika, the Candirejo village is similar to Ubud (Bali island), who both have adequate natural atmosphere, cool, green, fertile fields and picturesque scenery, that is guided by hospitality people.

The cooperative of candirejo ecotourism consisted of 56 people comprising homestay entrepreneurs (20 people), tour guides (7), dockart carriages (10), arts (Jatilan, dayakan, wulan sunu/selawatan, karawitan), agro (papaya, rambutan, etc.), rafting, and outbound. The cooperative organization serves considerable activities such as eco-tourism, agro-tourism, arts and culture, rafting, outbound, and savings/loans. During the nine years since its established, development of venture has increased significantly following the number of visitors (Table II). In 2011, the amount of net income reached 71 million rupiahs that is dominantly earned by foreign visitors (Table III).

At this time, the roles of cooperative and community participation has grown. Reference [13] stated that the Candirejo village cooperative has a positive impact on the preservation of cultural heritage around the Borobudur Temple. Society has an alternative farming and ecotourism, and enjoys the benefits of prosperity. They are responsible for passing on the value of Borobudur and Javanese traditions for future generations.

### C. Leadership and Innovation

The studies of leadership and innovation provide an important basis for the management organization of ecotourism services. The organization will guide the achievement of regional competitiveness coming from an entrepreneurial building through the roles of the leadership and innovation [14]. This action requires all parties to be entrepreneurs in a framework of ecotourism organization to generate benefits in ecotourism services and environmental

conservation.

TABLE II  
VISITOR DEVELOPMENT OF THE CANDIREJO VILLAGE COOPERATIVE,  
2003-2011

Year	Domestic	Foreign	Total
----- people -----			
2003	1071	43	1114
2004	1057	61	1118
2005	432	611	1043
2006	912	644	1556
2007	973	1056	2029
2008	1449	1424	2873
2009	1282	1796	3078
2010	1077	1872	2949
2011	632	3063	3695
<b>Total</b>	<b>8885</b>	<b>10570</b>	<b>19455</b>

Cooperative Annual Meeting 2011 [4]

TABLE III  
BUSINESS DEVELOPMENT OF THE CANDIREJO VILLAGE COOPERATIVE,  
2003-2011

Year	Income	Expenditure	Profit
----- Million rupiahs -----			
2003	18.45	16.89	1.56
2004	40.85	37.77	3.08
2005	71.27	65.89	5.38
2006	112.40	106.97	5.44
2007	185.72	179.38	6.34
2008	193.83	185.53	7.45
2009	202.29	192.16	10.14
2010	239.12	224.64	14.49
2011	340.55	320.89	17.10
<b>Total</b>	<b>1404.49</b>	<b>1330.12</b>	<b>70.97</b>

Cooperative Annual Meeting 2011 [4]

The need for the leadership in the ecotourism organization is very significant [9]. The leadership role is to implement the vision, missions and strategies in environmental conservation [8], as well as to explore the potential and or local innovations in environmental and socio-cultural aspects [5]. Local leadership is a concept that refers to the practices of local government, which is able to build a vision, to share needs and to implement partnership at the local level [15]. This requires a strong leadership that also is entrepreneurs to leverage the wealth of culture, language, and local peculiarities as a capital of local innovation. The leadership is able to promote comparative advantages, technological innovations and specialization, local infrastructures, management, education and training, and marketing [5].

Leadership in the ecotourism services of Candirejo been developed optimally. A Cooperative model and an organization mechanisms support the functioning of the leadership. A leader profile such as Slamet Tugianto (former village head) proves that his initiative can be absorbed and understood by people. The current village head, i.e. Singgih Mulyanto, and chairman of the cooperative, Tatak Sariawan, have a positive influence in the community and members of cooperative. This phenomenon of the Candirejo ecotourism leadership can enrich ecotourism management studies. During

this time, the management of ecotourism is always associated with the standard management of the national park [1]. The Candirejo Ecotourism is the one of successful experiences outside the national park management. Candirejo ecotourism services are independently managed by the people, to prove that the combination of culture rich and cooperative management becomes a satisfactory alternative management. The success of an ecotourism leadership in Candirejo can be explained by four criteria [15] as follows.

First, the decision-making supports conservation. Candirejo is a symbol of Javanese culture. The village saves cultural sites, develops traditional arts, and respects the values of Java. It all blends in the mindset, attitude and behavior in daily life of the community. Such values stability is reflected in the form of peace, hospitality and tolerance in term of other cultures from every visitor. Conservation efforts to values, culture and environment of Candirejo [13] become the foundation's decision setting as a tourist village in 1999. Without such a decision, the villagers in Candirejo would remain in the underdeveloped position and poor. This will encourage the exploitation of natural resources and environmental degradation. By this decision, the ecotourism services together with the values of Java, are able to develop the traditional attractions and environmental benefits to tourists. Generally, foreign tourists enjoyed the tradition of Javanese culture than domestic tourists. In 2011, the number of foreign tourists (3063 people) is higher than the domestic one (632 people). This situation has become a trend in the last five years [4].

Second is controlling. Characteristics of ecotourism services are low volume, high quality, and high value added, and are not mass tourism [1]. The Candirejo ecotourism learns a lot from the experiences elsewhere. The Candirejo is more concerned with the stability of the number of visitors. It better develops slowly in a controlled manner rather than sporadic and unpredictable one. Therefore, the position of cooperative as a service center, records coordinator, and control is very important. Therefore, every tourist in Candirejo must be recorded in the cooperative, in other words, there is no illegal travelers. The cooperative as a business entity must also be accountable to its members. Thus, mismanagement can be detected as soon as possible; control is also carried out carefully. There are always, independent travelers or accompanied by illegal guide who come to Candirejo. The commitment to control is being faced with emergence of ecotourism villages (i.e. Wanurejo village) that is very aggressively promoting ecotourism, and characterized by mass tourism. The Candirejo cooperative is not worried with this competition and remains committed to control ecotourism.

Third is developing a communication and participation. The Candirejo people are very grateful for the cooperative because it provides a medium for communication and participation. The cooperative seeks to coordinate and to facilitate ecotourism services, through service management that is transparent, fair and standardized. The member actors of ecotourism represented home stay, tourist guides, art, agro, rafting, outbound and dockart. The cooperative fairly and

equitably distributes economic benefits not only to the actors of tourism, but also donate some of the profits to the village which has an object of ecotourism. At the end of the year, a hamlet which is not passed by path of ecotourism also receives donations from the windfall profits of the cooperative. The cooperative also has a strategic position in learning an organization life. The business cycle of cooperative organization needs to continue and evolve for anticipating future opportunities. Each member of the cooperative needs to participate actively to develop business, to innovate, and to be ready to continue leadership in the future through the organization mechanisms.

The cooperative also carries out communication with external parties for promotional efforts and skills improvement. A positive support from the local government through technical or management assistance is significant. The role of the local government is essential to operationalize the development of ecotourism based on the principles (Ministry of Internal Affairs Decree No. 33 Year 2009 on Guidelines for Ecotourism Development in the Region, Section 2): (i) the fit between a type and characteristics of ecotourism, (ii) conservation, (iii) economic; (iv) education, (v) the satisfaction and experience to visitors, (vi) people participation and (vii) hold local wisdom [16].

Fourth is innovation. The ecotourism innovations in Candirejo still have a great opportunity for development, including technology, institutions, products and services, and its supporting activities. The character of visitors to Candirejo is basically the Javanese culture enthusiasts, mostly from abroad. The main destinations of the tourists are Borobudur or Yogyakarta. The cooperative has a network with travel agents, especially in Yogyakarta to bring tourists to Candirejo. Therefore, Candirejo should be able to provide a unique package, with attractive products and excellent services. Various innovations can be developed, for example, a clean homestay, food, and cultural traditions activities. The Candirejo ecotourism cooperative is trying to develop innovations in a variety of activities. According to [17], an innovation system is emphasized to increase the performance of knowledge-based economy, characterized by skilled personnels, education and training, and product innovations, strengthened by the information technology. Development of innovation in the ecotourism services is directed to build a social participation, to explore the regional potentials and to develop locally bottom-up on programs in the environmental and socio-cultural aspects [5]. In Candirejo, those also are focused on empowering the cooperative, promoting the transfer of knowledge and technology, and maintaining ecotourism organization to provide benefits to local people and simultaneously to enhance a conservation the environment.

#### IV. CONCLUSION

Ecotourism services in the Candirejo village has grown and provided benefits to people. It is based on the optimal support of the leadership and innovation. The role is to interact positively with the cooperative to organize ecotourism

management services. Leadership is able to identify substances, and to implement the vision and missions of environmental and cultural conservation. Innovation provides alternative development efforts and increases an added value of the ecotourism services. The cooperative management is able to carry out the process mechanism to realize the goals of ecotourism, to build participation and communication, and to bring about an organizational learning.

The leadership phenomenon in the Candirejo ecotourism enriches the studies in term of the ecotourism management. The ecotourism management of Candirejo is considered successful even outside the national park management. During this time, the ecotourism management is always associated with the standard management of national park. Ecotourism services in Candirejo are independently managed by the community, and prove that the combination of a culture rich and a cooperative management become a satisfactory management alternative.

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