THE EFFECT OF TOURISM POLICY ON INCREASING ORIGINAL LOCAL INCOME

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ABSTRACT

Garut Regency called "Swiss van Java" is rich in natural resource potential, but it is not the largest contributor to the local original income. The poor implementation of tourism policy, particularly in exploring, inventorying, and developing existing tourist destinations as the main attraction to tourists is one of its causal factors. The objective of this research is to find out the effect of tourism policy implementation on local original income in the Garut Regency. The research method employed was quantitative and data collection was carried out by distributing a questionnaire to 130 respondents. The data were then analyzed using simple regression data analysis with the help of SPSS 23. The result of this research showed that the implementation of tourism policy measured using standard and target, resource, inter-organization communication, executing organization characteristic, executive’s attitude, and social, economic, and political environment dimensions contributed to local original income by 38%.

Keywords:
Policy Implementation; Tourism Policy; Local Tourism Development

A. INTRODUCTION

As one of the nation’s income sources, the tourism sector is highly potential to be developed. Tourism is considered a multidimensional activity in development pertaining to social-cultural, economic, and political aspects (Spillane, 1987). As stated in Law Number 9 of 1990 about Tourism, the government contributes to tourism planning and development as legislator and regulator. In addition, the government is also responsible for deciding the destination of tour travel. Tourism itself is a trip from one place to another that is provisional in nature, conducted either individually or in a group, as an attempt of looking for balance or harmony and happiness with the living environment in social, cultural, natural, and science dimensions (Spillane, 1987). Tourism is also travelling to satisfy the passion and the curiosity on the pleasure-related interest (Masruroh & Nurhayati, 2016).

Garut Regency is a regency that is rich in tourist destinations, including natural, cultural, religious, and culinary. Therefore, the policy existing should be the reference for tourism management to run well in Garut Regency. The tourism-related policy in Garut Regency is mentioned in Garut Regency's Local Regulation of Number 2 of 2019 about Master plan of Local Tourism Development in 2019-2025 stating that the vision of Regency’s local tourism development is the realization of Regency area as the natural-based superior tourist destination in West Java with cultural support that is competitive and sustainable, toward the pious, advanced, and prosperous community.

The policy implementation model formulated by (Grindle, 1980) is called Implementation as A Political and Administrative Process. Grindle said that two variables are affecting policy implementation: the content of the policy and the context of implementation. The content of policy consists of interests affecting, type of benefit, degree of change to be achieved, location of decision making, program implementation, and human resources. In the same vein, (Edward III, 1980) suggested that Policy
implementation, as we have seen, is the stage of policymaking between the establishment of a policy and the consequences of the policy for the whom it affects”. While the policy implementation model formulated by (Metter, V., & Horn, 1975) is called A Model of The Policy Implementation; this model is used to analyze the implementation of policy. The components of the model are as follows: 1) Standard and Target of Policy, 2) Policy Resource, 3) inter-organizational communication and implementing activity, 4) characteristics of implementing agent, 5) economic, social, and political environment condition, and 6) Implementers' Attitude.

Concerning tourist destinations, many visitors coming from outside town to Garut Regency is an important factor to observe closely. In the presence of various tourist destinations, Garut Regency’s local government should prepare itself for being a competitive tourist destination, one of which is through creating credible tourism products, thereby can contribute foreign exchange to national tourism and spur the local tourism business to be an important element in the attempt of improving community economy and Original Local Income (PAD). Good policy is expected to improve a substantial PAD potential in the tourism sector in Garut Regency. The government realizes that the tourism sector is not the largest contributor to local income, but potentially increases Original Income (PAD) (Yuningsih, 2005). This tourism’s contribution can be indirect income or impact on non-tourism life growing due to tourism activity (Imron, 2015). Original Local Income is the source of local income made as a means of running government wheel, development, service and society, in addition, a means of improving people wellbeing (Hardianti & Hasyim, 2016).

In addition, as a tourist destination city, Garut Regency shall provide good service to tourists. Souvenir centres are required to facilitate the tourist getting souvenirs they want, and so are culinary centres. The facilities are not necessarily luxurious, but they shall be organized tidily and cleanly. With the existing potential in Garut Regency, it has been appropriate for the Local Government of Garut Regency to improve the people welfare from the tourism and trading sector, in addition to farming, plantation, and animal husbandry, and small industry existing. Those sectors will support each other and create new job opportunities for the people. To improve the people welfare and to optimize potential tourism and trade in Garut Regency, a comparative study should be conducted on those engaged directly in the problems.

Tourism sector management essentially can help Garut Regency's economy. However, based on the author’s prior observation on the implementation of tourism policy in Garut Regency, the tourism policy has not been implemented comprehensively. It can be seen from Human Resource’s poor understanding of tourism policy so that the preparedness of local tourist destinations has not been distributed evenly yet. In addition, the target of local tourism policy still focuses on some tourist objects only. For example, the Special Allocation Fund of IDR 5 billion was focused only on the construction of Situ Bagendit, Cangkuang, and Sayang Heulang tourist objects only, so that other tourist objects did not get construction fund allocation. Meanwhile, tourist objects managed by DISPARBUD, consisting of 5 objects, have not been developed maximally yet to be competitive at provincial and national levels. Another problem arising is related to Third Party, in which investors as the capital owners very rarely consult with BAPPEDA and BPMPT in developing tourism business, so that it is incompatible with RIPPDA and RTRW. For example, many investors have constructed tourist objects but have not reported yet to the Integrated Investment and Licensing Office, so that the construction is sometimes incompatible with RIPPDA and RTRW, thereby is considered problematic.

The less optimum economy in the tourism sector can be seen from not-too much Original Local Income (PAD) coming from the tourism sector in Garut Regency and economic development still concentrated on some tourism areas only. The income of the tourism sector managed by DISPARBUD includes inn/lodge/villa and retribution of recreation and sports centre business service. The target and the realization of Original Local Income from tourist objects managed by the Tourism and Cultural Office of Garut Regency are summarized in Table 1.
Table 1 Target and Realization of Original Local Income of Garut Regency’s Tourism and Cultural Office

<table>
<thead>
<tr>
<th>No</th>
<th>Tahun</th>
<th>Tempat penginapan/villa</th>
<th>Retribusi Jasa Usaha Tempat Rekreasi</th>
<th>Persentase</th>
<th>Target</th>
<th>Realisasi</th>
<th>Persentase</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>2014</td>
<td>1.692.500.000</td>
<td>1.481.243.000</td>
<td>87,52%</td>
<td>307.500.000</td>
<td>300.024.000</td>
<td>97,56%</td>
</tr>
<tr>
<td>2.</td>
<td>2015</td>
<td>1.910.975.000</td>
<td>1.393.334.000</td>
<td>72,91%</td>
<td>329.075.000</td>
<td>342.572.000</td>
<td>104,1%</td>
</tr>
<tr>
<td>3.</td>
<td>2016</td>
<td>1.637.438.940</td>
<td>1.570.380.000</td>
<td>95,90%</td>
<td>351.727.725</td>
<td>469.446.000</td>
<td>133,4%</td>
</tr>
<tr>
<td>4.</td>
<td>2017</td>
<td>1.549.500.000</td>
<td>1.258.724.000</td>
<td>77,41%</td>
<td>650.000.000</td>
<td>678.725.500</td>
<td>104,4%</td>
</tr>
<tr>
<td>5.</td>
<td>2018</td>
<td>1.825.624.054</td>
<td>727.318.000</td>
<td>39,83%</td>
<td>625.048.491</td>
<td>662.958.500</td>
<td>106%</td>
</tr>
</tbody>
</table>

Source: Tourism and Cultural Office of Garut Regency, 2019

From the table above, it can be seen that the target and the realization of PAD from the tourism sector managed by DISPARBUD decreased dramatically from 2017 to 2018, but it increased substantially from 2016 to 2017. Meanwhile, if the revenue coming from the tourism sector is managed well by DISPARBUD, it would contribute substantially to PAD. In addition, the tourism sector can absorb a substantial number of workers, and thereby decrease the unemployment rate in Garut Regency.

Recalling that Garut Regency has many potential tourist attractions, the management of the tourism sector is required to improve local income. It is in line with the objective of Law No. 32 of 2004 related to local autonomy, to enable the region to control and to explore financial sources easily, particularly Original Local Income (PAD), to fulfil the government for financing and development in its region.

Considering the problem phenomenon elaborated in the background section, the author is interested in conducting a study and studying more in-depth the tourism policy and the original local income as revealed in the problem phenomenon through research entitled The Effect of Tourism Policy Implementation on Increasing Original Local Income. The objective of the research was to find out the effect of tourism policy on the Original Local Income (PAD) of the Garut Regency.

B. METHOD

The method employed in this research was quantitative research. The measuring instrument used in data collection was a structured questionnaire. The respondents of the research consisted of 130 persons. Data collected were then analyzed using statistic descriptive method and statistic differential methods with simple regression analysis. Regression was used to predict the result of certain variables using other variables, involving two variables: the independent and dependent variables.

C. RESEARCH FINDING AND DISCUSSION

The research aims to find out the Tourism Policy: Potential Increase of Original Local Income. The result of data processing on Tourism Policy: Potential Increase of Original Local Income is presented as follows.

4.1. Classical Assumption Test

A simple regression test can be conducted following the classical assumption test to find out whether or not the data to be used is free of classical assumption in which data does not contain normality, autocorrelation, and heteroscedasticity. The result of data processing using SPSS 23 is presented below:

a. Normality Test

A normality test is conducted on a group of data to find out whether or not data distribution forms a normal curve. The good model has normal or close-to-normal distribution. This assumption test was conducted by seeing normal P-P plot of regression standardized residual through regression calculation with Statistic Package For Social Science (SPSS) 23 program. The easiest way to see normality is to see a histogram or display of graphics indicating a certain distribution pattern. The decision making is conducted based on the following:

a. If data is distributed around the diagonal line and following the diagonal line direction, the regression model complies with the normality assumption
b. If data is distributed far from diagonal line or not following the line direction, regression model does not comply with normality assumption

![Figure 1 Histogram](image)

From the histogram graphic in Figure 1, it can be explained that the graphic is bell-shaped; thus, it can be concluded that the regression model is distributed normally as it has met the normality assumption. Thus, an assumption that the data is distributed normally is met, and the distribution of original local income variable data (Y) has a normal value.

![Figure 2 Graphic of Normal Probability Plot](image)

From the graphic of the normal probability plot shown in Figure 2, it can be explained that data is distributed around the diagonal line and following the diagonal line direction. As such, it can be concluded that in this research, the regression model is distributed normally as it has met the assumption of normality.

b. Heteroscedasticity Test

The heteroscedasticity test aims to examine whether or not there is a permanent difference of residual variances between one observation and another. The good regression model does not show heteroscedasticity occurring; the method used in this test is through analyzing the graphic of regression plot between dependent variable prediction value (ZPRED) and its residual (SRESID).

The detection of heteroscedasticity can be conducted by seeing whether or not there is a certain pattern in the scatter plot graphic between SRESID and ZPRED in which the Y-axis is the predicted one and X-axis is residual (predicted Y – actual Y) that has been studentized. The assumption of heteroscedasticity can be analyzed as follows:
a. If there is a certain pattern, such as the existing points creating a certain regular pattern (waving, widening and then narrowing), heteroscedasticity has occurred.

b. If there is no clear pattern, and point distributed above and below 0 (zero) number on the Y axis, no heteroscedasticity occurs.

c. Autocorrelation Test

Table 2 Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
<th>Change Statistics</th>
<th>Durbin-Watson</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.62(^a)</td>
<td>.38</td>
<td>.110</td>
<td>6.26024</td>
<td>.117</td>
<td>16.982</td>
</tr>
</tbody>
</table>

From the table (appendix), it can be seen Durbin-Watson value of 1.984. This value is compared with table value using a significance value of 5%, a sample size of 30 and 1 independent variable. Therefore, the Durbin-Watson value of 1.984 is higher than the upper margin (du) and lower than 4-\(4-du\); it can be concluded that there is no autocorrelation.

4.2. Simple regression test

Considering the result of regression analysis and using a significance level of 5%, the following equation is obtained.

\[ Y = 39.516 + 0.276 \text{PAD} \]

From the result of the regression, it can be concluded that: Regression Coefficient value of 0.276 indicates that each 1% increase in Original Local Income will increase tourism policy by 39.5%.

4.3. Coefficient of Determination Analysis

The coefficient of determination calculation is used to indicate the closeness coefficient of determination, constituting the quadratic of the correlational coefficient. The coefficient of determination is also called determinant coefficient because the variance occurring independent variable can be explained through an independent variable. The coefficient of determination can be calculated using the following formula:

\[ KD = r^2 \times 100\% \]

KD = 0.622 x 100%  
KD = 38.44%
The result of the test shows that the coefficient of determination value is 0.38. It means that only 38% of original local income can be affected by the tourism policy variable, while the rest of 62% is affected by other independent variables.

Considering the data shown in the result of the research above, it can be concluded that tourism policy on the potential increase of original local income will yield a sufficiently significant result. The elements of tourism policy include standard and target, resource, inter-organizational communication, organizational characteristic implemeniter, executive attitude, and social, economic, and political environment dimensions highly affect the potential increase of original local income.

4.4. Result of Hypothesis Testing

The most important stage of statistic analysis that cannot be missed is hypothesis testing. This hypothesis testing is conducted as a statistical authentication of the presence of the positive effect of tourism income on the growth of original local income. This statistic hypothesis testing is conducted using a t-statistic test. This statistic hypothesis from the hypothesis testing in this research can be written as follows:

H0 : There is no positive effect of tourism policy on original local income.
H1 : There is no positive effect of tourism policy on original local income.

From the calculation above, it can be found the t-statistic value of 1.9788 and the t-table is 4.121. It means that t statistic 1.9788< t table 4.121, meaning that H0 is not supported and H1 is supported; therefore, hypothesis testing indicates that there is a significant effect of tourism policy on original local income.

D. CONCLUSION

Considering the result of the description of each variable above, it can be concluded that tourism policy measured using standard and target, resource, inter-organization communication, organization characteristic implementer, executive attitude, and social, economic, and political environment dimensions affect the original local income positively and significantly. Therefore, it can be said that the original local income will increase when tourism policy can support it.

REFERENCE


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