

WORKING PAPER

Performance Measurement on Local Tourism and Cultural Governance

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Abstract

Measuring performance is an essential topic within the discipline of public administration. In the Philippines, at the local government level, it is being implemented mainly using the Seal of Good Local Governance (SGLG) indicators. It aims to recognize local government authorities whose governance practices are admirable. The evaluation is predicated on a set of criteria, including tourism and culture as governance areas. This study defined tourism and cultural governance according to academic literature. The present assessment criteria for these distinct areas of governance were analyzed using a framework developed for this paper based on the literature on performance measurement. This paper also attempts to suggest a customized index based on the Balanced Scorecard (Kaplan & Norton, 1992). The research concludes that the current performance measurement is incomplete and needs to be improved.

Keywords: *performance measurement, local governance, tourism and culture*



Introduction

Tourism and culture have held an important place on the international political agenda for decades. According to the United Nations World Tourism Organization (UNWTO, 2020, p. 15), “tourism policies and activities should be conducted with respect for the artistic, archaeological and cultural heritage, which they should protect and pass on to future generations”. There are many key issues to be addressed today, such as sustainable tourism development and cultural preservation. Public policies on tourism and culture guide these goals. The government leads the management of tourism and culture, maximizing the potential advantages and mitigating the negative effects. What steps have the organizations managing tourism and culture taken to reach these objectives?

Governments have attempted to establish national and local tourism and cultural development strategies and programs. Tourism and culture are best maintained at the local level, as locals are most familiar with the area. How can it be argued that the development of tourism and culture in the area was well achieved when there were so many unique ideas of governance?

The concept of performance measurement is well-established in the field of public administration. This concept refers to the approach an organization employs to objectively evaluate the extent to which stated goals are being attained (OECD/DAC, 2000). The Seal of Good Local Government (SGLG) was established in the Philippines to evaluate the performance of local government units. SGLG assesses the LGU’s compliance with good governance using a set of criteria. Indicators on tourism, culture, and the arts were added to the SGLG criteria in 2017.

The following questions emerge: re these metrics on tourism and culture the best indicators of good tourism and culture administration? As an index, can the SGLG be considered a best practice for measuring performance? Or is it necessary to improve the existing measurement criteria?

Research Objectives

This research paper aims to improve the performance measurement of local services for tourism development and cultural preservation. This study has the following specific objectives:

1. to establish a conceptual framework for local tourism and culture and the arts index;
2. to assess the current performance measurement criteria used in local tourism and cultural governance; and
3. to propose modifications to the Seal of Good Local Government indicators used in measuring the performance of local tourism and cultural governance by customizing an index.

To achieve this purpose, the following questions are posed:

1. How can local tourism and cultural governance be effectively measured?
2. How do the existing Seal of Good Local Government indicators assess local tourism and cultural governance?
3. How can the index be enhanced to comprehensively measure the performance of local tourism and cultural governance?

Significance of the Study

The integration of tourism development and cultural heritage into the present requirements of SGLG is relatively new. The Department of Interior and Local Government is constantly working with key government entities to better refine the indicators used to assess the LGU’s compliance. Also, the execution of the modifications introduced by the Mandanas ruling will affect the local management of culture and tourism in terms of funding and manpower. The results of this study may add value to the reformulation of SGLG criteria and may serve as inputs in preparation for the transition to increasing responsibility for the local governments.



Aside from its practical value, this study may also contribute to the body of knowledge in performance measurement for public organizations. This study seeks to contribute insights to the evaluation of performance measurement related to tourism development and cultural preservation.

Literature Review

Local Tourism and Culture Management

The local government plays a crucial role in the management of tourism and culture. According to Oates (1972), local public administrations will be better able than the national government to provide services that adhere to the preferences of the citizens within their jurisdictions. In the Philippines, local government units have a specific office in charge of managing tourism and cultural affairs. According to Javier and Elazigue (2011), local governments could provide optimal power over infrastructure, policy, and planning for their areas. They also said that in addition to providing a link between the people and the government, LGUs implement the policies and have influence over their areas. The LGUs also act as conduits for bringing the benefits of government into each community. Kajornbun and Dhirathiti (2019) agree with this because the local government is assumed to be aware of the difficulties surrounding tourism development in the area. Thus, the LGU may monitor such development within its authority. According to Alampay et al. (2018), in the Philippine system of local governance, provincial governments are in the best position to provide the leadership and resources needed to assist municipalities in carrying out their activities. Furthermore, even if coordination mechanisms are in place, municipal governments retain the authority and autonomy to make decisions in their respective areas of responsibility (Dela Santa, 2018).

There is a rich literature on the role of local government in the pursuit of tourism development and cultural heritage (Efrata & Kristiana, 2018; Javier & Elazigue, 2011; Gorica et al., 2012; Kapera, 2018; Vieira et al., 2016). Local governments also have a great influence on the success of local tourism businesses and the conservation

of resources (Javier & Elazigue, 2011). Local governments appear to be the natural leaders whose main tasks are to improve local standards of living and manage local resources (Kapera, 2018). Gorica et al. (2012) wrote that local governments can be directly involved in sustainable tourism through laws, regulations, the provision of infrastructure, and security, and indirectly through providing support to the private sector and raising awareness about culture and heritage.

Impact of Performance Measurement on Local Governments

Performance measurement is an established concept in the field of public administration. Woerrlein and Scheck (2016) listed the definitions made by the authors on performance measurement. This concept refers to the method an organization uses to objectively assess how well-stated objectives are being realized (OECD/DAC, 2000). Many authors interchange performance measurement with evaluation (Bell-Rose, 2004) and monitoring (Schober et al., 2013). Performance measurement involves evaluating progress toward short- and long-term goals and reporting data to decision-makers to improve program performance (Poister, 1983). Neely et al. (2006) described performance measurement as monitoring and managing organizational processes to ensure success. Dimitrijevska-Markoski (2019) divided performance measurement and management research into three categories: the development of performance measurement, the increase in performance information utilization, and the influence of performance measurement and management on organizational performance. Overall, performance measurement provides fertile ground for research due to its widespread use in the public sector.

In the last couple of decades, efforts have focused on establishing performance measurement systems. Performance measurement systems track selected performance measures periodically (Poister, 2003). Many authors have designed a performance measurement process that includes conceptualization and strategy, indicator selection and target setting, data collection and analysis,



information management for decision making, performance evaluation, and system reviews (Adair et al., 2006; Franco-Santos et al., 2007; OECD/DAC, 2000; Poister, 2003).

More recent studies are focused on the correlations of performance measurement with satisfaction and trust (Beeri et al., 2018; Carinugan et al., 2015) and accountability and transparency (Beshi & Kaur, 2020; Damgaard & Lewis, 2014; Melo et al., 2020; Poister, 2003). Citizens benefit from performance measurement because it increases their satisfaction with local government services and functions, as well as their trust in local government (Beeri et al., 2018). Practices of transparency, accountability, and responsiveness significantly affect public trust (Beshi and Kaur, 2020). But the top management and the citizens must be well-informed of the reports on performance measurement to earn their trust, as stated in the early studies (Poister, 2003; Damgaard & Lewis, 2014). When these measures are reported to top management, they provide for the accountability of operations to these stakeholders (Poister, 2003). Transparency is promoted by making performance information available to the public.

More than just measurement, information is key to making performance relevant to stakeholders. Performance information is mostly used for monitoring top management performance and for internal accountability purposes (Melo et al., 2020). Carinugan et al. (2015) found in their study that those who were knowledgeable about or aware of services and used them generally experienced satisfactory performance. When performance measurement is adequate and performance information is used, there is an impact on perceived organizational performance (Dimitrijevska-Markoski, 2019). Performance enables a broader discussion of the quality of government services (Ferguson, 2019). Measures utilized must be appropriate and pass the tests of sound measurement performance for monitoring systems to provide the necessary information (Poister, 2003). Stakeholders can understand and relate to the impact of performance measurement if the indicators are clear and objective.

The careful selection of indicators is one of the crucial phases in the performance measurement system. Poister (2003) emphasized that defining performance indicators is at the heart of the performance management process. To have a defined focus and measure goals, indicators need to be integrated into conceptual frameworks (Zou et al., 2018). If chosen and used properly, indicators help users manage performance (Hailstones, 1994). The introduction of performance indicators, which focus on results and outcomes through monitoring and assessment, is aimed at decision making and ultimately contributes to the organization's long-term success (Bautista, 2013).

Many authors have examined local government performance management (Boyer & Martin, 2012; Dye, 2017; Gerrish, 2016; Hall, 2017; Melkers & Willoughby, 2005). However, performance information studies on municipal government performance are scarce (Dimitrijevska-Markoski, 2019). Gerrish (2016) did a meta-analysis on how performance assessment affects organizational performance, although he only included education, policing, and job training agencies. Nineteen of 47 performance management publications in the *Journal of Public Administration Research and Theory* examined public services, notably education, welfare, and health (Dzinic & Manojlovic, 2018).

Meanwhile, many studies have found a correlation between performance management and organizational performance. Wang (2002) studied the effects of the practice in US cities, where performance measurement aids in defining service goals, expectations, and strategies. In more recent research, Gerrish (2016) found that performance management has a small but positive impact on public organizational performance. Dimitrijevska-Markoski (2019) concluded that while performance measurement affects how performance information is used, it has no direct bearing on organizational performance. Diokno-Sicat et al. (2020) examined Philippine municipalities' perceptions of the Seal of Good Local Governance (SGLG). The study found that 74% of municipalities felt the SGLG criteria affected "the way they determine their vision, policy options, goals, objectives, and priorities in the



comprehensive development plan” (Diokno–Sicat et al., 2020, p. 9). There is a need for studies focusing on the influence of performance measurement on organizational performance among local governments.

Development of the Index

In 2014, a ten-question framework for developing and evaluating a governance index was conceived by Ms. Rachel M. Gisselquist of the United Nations University–World Institute for Development Economics Research (UNU-WIDER). Since 2014, this framework has served as a guide for the construction of some local governance measurements and the evaluation of policy indexes. The framework is comprised of ten principles, six of which pertain to the basic methodology of social science, and four others that are similarly important but subject to debate (Gisselquist, 2014). The first six principles address fundamental issues that indexes must always strive to overcome. These include principles relevant to the “formation of concepts, the content’s validity, reliability, replicability, robustness, and relevance”. The latter four principles raise a range of issues, including “descriptive complexity, theoretical fit, estimating precision, and correct weighing”.

There were also many recent studies on the use of performance measurement tools in the tourism and hospitality sectors (Altin et al., 2017; Assaf & Tsionas, 2019; Fatima & Elbanna, 2020; Ribeiro et al., 2017). However, most of these studies are either conducted on tourism firms or looked at more traditional performance measures such as arrivals and receipts. Assante et al., (2012) proposed a scale to measure the local government’s management of tourism. According to their findings, locals who consider that the government manages tourism development effectively have a more positive opinion toward the effects of tourism. The study by Vieira et al. (2016) examined the correlations between economic dependency, local government management of tourism, perceived tourism advantages and costs, and support for sustainable tourism development. The findings show that people support sustainable tourism development, provided they think

tourism management is effective and know its impacts. Some authors attempted to measure the management of cultural heritage preservation (Guzmán et.al, 2017; Vecco & Srakar, 2018; Wang, et.al., 2022). However, there is a lack of studies on measuring the performance of local government units in the preservation of culture and heritage.

Gisselquist (2014) also stated that there are additional strategic and practical considerations. The first thing they should think about when deciding whether to develop a new governance index is what it would add when there are already many measures available. Second, does the index’s utility justify its expense? Would it be preferable to spend money on other sorts of governance evaluations? Does it make financial sense to spend a lot of time collecting data for an index? In every nation or just a few? What indicators are required? Third, it must be recognized by the government. Governance evaluations can have significant impacts in the actual world. Will those being examined consider the index valid as conceived and implemented? An integrated approach for the Smart City Index was developed by Zou et al. (2018). They analyzed the previous research on smart cities and used it to propose a conceptual framework. This conceptual framework was then used for the creation of a smart city index. They also employed the analytical hierarchy process (AHP) to weigh the indicators in their analysis. The methodologies they used to create a smart city index can be replicated for creating performance indices in other areas of interest and governance.

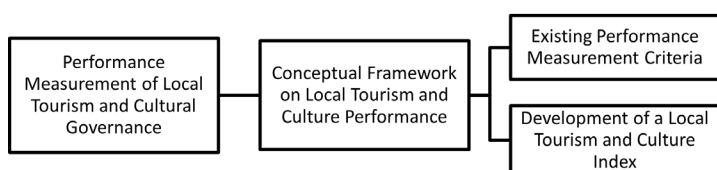
Even though these are the findings of previous research, some questions remain. How effective are the existing criteria for measuring local governance? How well do the indicators capture the characteristics of good local government concerning tourism and cultural affairs? Because there have been few studies conducted on this topic, the question is how the deployment of a performance measurement system contributes to the development of tourism and culture.



Conceptual Framework

Figure 1 illustrates the framework employed in this study. The study’s aim is to improve the performance measurement of local tourism and cultural governance. This shall be done by establishing a conceptual framework for measuring the performance of local tourism and cultural governance. The framework shall then be used to analyze the performance measures already in use and develop a proposed index.

Figure 1
Conceptual Framework



For this study, three hypotheses are proposed. First, a conceptual framework for local tourism and culture performance will result in a more effective measurement of governance. Second, the existing measurement criteria on tourism and culture is incomplete to picture performance if examined based on the framework above. Lastly, a customized index can comprehensively measure the performance of local tourism and cultural governance.

Methodology

This qualitative study involved a variety of data collection techniques. Three major steps were followed for improving the performance measurement of local tourism and culture. The first step was to develop a conceptual framework. This was attained by doing desk research on the concepts of local tourism and cultural performance and examining them within a framework of policy analysis.

The second step was to evaluate the current criteria for measuring performance. This was accomplished by asking about the experiences of national and local key players in the implementation of the Philippines’ Seal of Good Local Governance

(SGLG). An interview with the Department of Interior and Local Government (DILG), specifically the Bureau of Local Government Supervision, shed light on the rationale and development of the SGLG criteria. Interviews with the Department of Tourism (DOT) reveal how the department provides input and recommendations on the criteria. Also, an interview with a tourism research expert from the academe enriched the topic, specifically the development of the framework and indicators. In addition to conducting interviews with key informants, the researcher organized a focus group discussion on the local level. An FGD was conducted with local tourism and cultural affairs offices.

The third step entailed the creation of a customized index using the proposed conceptual framework. In selecting indicators, the author presented the proposed framework during the scheduled interviews with key informants and focus-group discussion with the local tourism and cultural affairs offices.

The key informants were selected based on their familiarity with how the SGLG was implemented and their involvement with their local counterparts. The implementing agency for SGLG is the Department of Interior and Local Government (DILG), through the Bureau of Local Government Supervision (BLGS). The key informants selected were members of this unit and have first-hand knowledge of the SGLG. Key informants from the Department of Tourism (DOT) came from the units cooperating with the DILG in the implementation of the abovementioned program and must understand how this works on the local level. Interviews with consultants in tourism and culture have been done to supplement the results from the public sector.

When choosing the participants for the FGD, the area selected for this study has demonstrated the significance of tourism and culture. Also, they have had previous involvement in SGLG compliance. Participants were not limited to personnel of the local tourism and cultural affairs office but also included people who contributed to the development of tourism and culture in the area. The Cordillera Administrative Region in the Philippines



was chosen by the researcher for this study due to its significance in tourism and culture. The proposed FGD participants were provincial, municipal, and city tourism and cultural affairs officers from the region. To allow the FGD to take place, official letters were sent to the appropriate authorities. Additionally, a consent letter was provided following data privacy and confidentiality.

These inputs at the national and local levels provided useful insights into the development of tourism and culture management performance measurement. Data has been examined using existing literature and contextualized for the local setting.

The systematic literature review (SLR) was utilized for analysis in developing a conceptual framework on the performance of local tourism and cultural governance. SLR “identifies, selects, and critically evaluates research in order to answer a specific issue” (Dewey & Drahotka, 2016, as cited in Library Guides (n.d.), para. 1). Existing studies were integrated to establish a well-defined conceptual framework. The conceptual framework served as the basis for creating a performance indicator later in this study.

For most of this study, thematic analysis was used to analyze qualitative data. Braun and Clarke (2006, as cited in Lochmiller, 2021) defined thematic analysis as an approach for identifying, understanding, and reporting patterns or themes within data. They also added that thematic analysis “can report on experiences, meanings, and participant reality” (p. 2). According to Braun and Clarke’s definitions, thematic analysis encapsulates what the participants consider valuable and is primarily concerned with creating a descriptive account of the participant’s understanding. This qualitative analysis approach tries to comprehend the viewpoints of key informants and FGD participants on the development of a performance index for tourism and cultural governance. Thematic analysis shall be used to analyze data on research questions number 2 and 3.

Systematic literature review and thematic analysis were employed as methods for analyzing data.

Results and Discussion

Establishing a Conceptual Framework

When applied to tourism, governance is about managing tourism sectors at all levels of government through coordination, collaboration, and cooperation that are efficient, transparent, and accountable. (Duran, 2013; Song et al., 2013; UNWTO, 2010). Some authors believe tourism governance involves creating rules and methods for implementing policies and economic goals that engage all institutions and people, enabling stakeholders to achieve goals of collective interest (Beritelli et al., 2007; Flores, 2009; González, 2008, as cited in i Gispert, et al., 2020, p. 2). The tourism sector’s dynamic nature and destination managers’ many roles require governance to coordinate and link all stakeholders to manage complexity (Palmer, 1998). Governance helps tourism destinations adapt to difficult circumstances (Baggio et al., 2010). Governance of natural and cultural heritage activities and assets is vital for three reasons, according to Shipley and Kovacs (2008). First, since one of the objectives of a destination is to be recognized as a World Heritage Site, effective management is required. Second, numerous local museums and historic places are administered by volunteer organizations. These organizations require financial management because they receive funding in addition to donations, fees, and admission fees. The third factor relates to the sociocultural fabric, which includes local participation, acceptance, and engagement.

The literature provides selection criteria for performance measures. Measures of performance include outcomes, cost-effectiveness, outputs, efficiency, service quality, and customer satisfaction (Poister, 2015). A wide variety of measures abound, including cost measures, work-load-accomplished measures, effectiveness/quality measures, resource-utilization measures, and productivity indices (Hatry, 1980). Among the models often



used in public administration are the economy–efficiency–effectiveness (3Es) model, input–output–outcome (IOO), and balanced scorecard (BSC). The BSC model has the highest potential since it considers the needs of stakeholders (Gbczyska & Brajer–Marczak, 2020). The BSC model is the most suitable for analyzing a governance domain involving cooperation among stakeholders, such as tourism and culture.

The BSC offers a comprehensive overview of both financial and non–financial indicators through four perspectives that link visions to individual goals and measurements (Handoko & Wehartaty, 2017; Hladchenko, 2015). As shown in Figure 2, the authors of the BSC Kaplan and Norton (1996) provided four perspectives that serve as the foundation namely: the internal business process perspective, the financial perspective, the customer perspective, and the learning and growth perspective. When applied to tourism and cultural services, the BSC allows for the measurement of administrative and customer views of performance. The perspective of internal processes follows the goals related to the system that must be enhanced to achieve the goals established in another dimension, the financial perspective. The customer dimension relates to the local community that receives public services in addition to visitors. The learning and development approach focuses on capturing the capabilities of staff, information systems, organizational alignment for business management, and continuous improvement.

The concept of the BSC has been applied to operationalize performance in the hotel and tourism industry (Elbanna et al., 2015; Kang et al., 2015). It has been used in the hospitality and tourism sectors, especially in adopting the concept of sustainability (Vila et al., 2010). The Balanced Scorecard allowed the Korean National Tourism Organization (KNTO) to examine its assets in its personnel and management system and reengineer its work processes to improve its financial results and customer value (Hong et al., 2001). KNTO continues to use the Balanced Scorecard to assess and improve its strategy, processes, and measures on an ongoing basis.

This study adopts the balanced scorecard and the principle of outputs and outcomes for tourism and culture. The model will serve as a platform for analyzing existing performance measurements. Also, the framework will be used as the basis for developing a customized performance index for tourism and cultural governance.

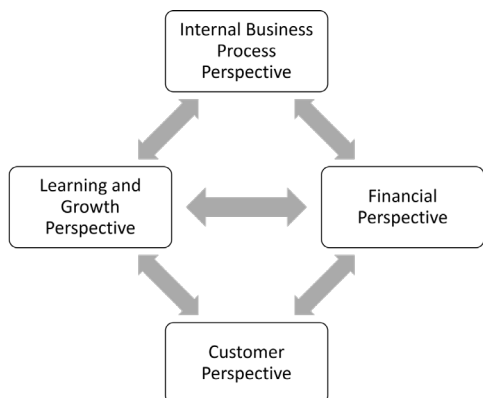
Existing Performance Measures

One of the governance areas under the Philippines’ Seal of Good Local Governance focuses on Tourism, Heritage Development, Culture and Arts. This area aimed for conditions where LGUs foster the value of sustainable tourism and nurture culture and heritage. Based on the 2021 Assessment Criteria, an LGU must meet the minimum requirements for tourism and culture to qualify for SGLG as shown in Table 1.

According to the DILG–BLGS, the current list of criteria is based on the mandated local government code. Every indicator is backed up by a legal basis. In the words of the Assistant Division Chief of the SGLG secretariat unit:

As a general guidance to the technical working groups, ang hinahanap natin is what is mandated to local government units. Ano ba ang nirerequire ng mga existing rules and regulations, mainly by the local government code and other laws to be complied by LGUs in the respective governance areas. We do not add any indicator without a legal basis... If it is not mandated by law, hindi namin basta-basta hingin sa kanila... It would be against the LGU to look for something that is not mandated of them. (C. A. Vega, personal communication, 21 December 2022)

Figure 2
Balanced Scorecard Linking Performance Measures



Source. Kaplan and Norton (1992, p. 72)



Table 1
SGLG Assessment Criteria for Tourism, Heritage Development, Culture, and Arts

<p>9.1 Tourism Development Any two of the following:</p> <ol style="list-style-type: none"> Municipal tourism office or officer Tourist information and assistance center or desks Tracking system of tourism data 	<p>9.2 Cultural Heritage Promotion and Conservation Any three of the following:</p> <ol style="list-style-type: none"> Municipal council for the promotion of culture and the arts At least 75% utilization rate of the CY 2021 budget appropriated for the conservation and preservation of cultural property Cultural property inventory Documented and published narrative of history and culture
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Note. Adapted from DILG (2022).

The DILG-BLGS added a list of factors to be considered in assessing LGUs based on the criteria. The first is applicability, because not all LGUs consider tourism significant in the region, the SGLG evaluators do not assess an LGU in this governance area. In addition, the readiness of the LGU was assessed. If the LGU lacks the qualities necessary to comply with a certain governance area, they will be excluded from the assessment.

The head of the unit further said that technical working groups oversee the ongoing development of the criteria. They meet with key national government entities such as the Department of Tourism (DOT) and the National Commission on Culture and the Arts (NCCA) on a regular basis to solicit input on the creation of criteria. This statement has been confirmed by the DOT through Department Order No. 2022-139 designating the representatives of the said agency to the Technical Working Group of the SGLG. The Department has already submitted a list of 2022 SGLG criteria proposals for consideration.

The results of the focus group discussion (FGD) with tourism officers from the Cordillera Administrative Region revealed a variety of opinions regarding the present SGLG criteria. Table 2 provides an overview of the group’s most frequent remarks. The participants’ opinions are based on their perceptions of the criteria and their personal experiences. According to some, budget utilization must be a criterion in tourism, just as it is in culture.

On culture, they would also like to see a separate cultural office. Further, most of the participants said that, granted that having a tourism officer is one of the minimum requirements for tourism, the tourism office should hire personnel holding permanent position. Likewise, the participants believe that, since having a cultural officer holding permanent position is explicitly mentioned as a requirement, local governments need to provide permanent positions for cultural officers. Others suggested that the SGLG should also require a tourism code and a tourism development plan to demonstrate the LGU’s commitment to the local tourism industry. Others commented that tourism and culture should be treated as two distinct criteria rather than bundled as one (Table 2).

Table 2
Results of the FGD with Selected Tourism Officers in the Cordillera Administrative Region (CAR)

Criterion	Suggestions
Tourism	<ul style="list-style-type: none"> Add budget-related criteria Require a tourism officer with a permanent position Require a tourism code and tourism development plan
Culture	<ul style="list-style-type: none"> Establish a separate unit focused on culture Require a permanent staff for cultural affairs
Others	<ul style="list-style-type: none"> Criteria must separate tourism and culture areas

When asked for an immediate comment upon viewing the criteria, the associate director of a tourism research center stated that the criteria are plausible but insufficient for measuring local good governance. He said:

With the minimum requirements, I think number one, it is reasonable. Number two, while it is reasonable, it might not be a sufficient criteria or requirement for a province/city/municipality to require for the Seal of Local Governance, because governance is more than the presence of the tourism office or tourism officer, tourism information, tracking system, and so on... Because if we are looking at good local governance it has to possess certain qualifications such as the outcomes of having good governance in a certain jurisdiction... What performance indicators are we looking at so that we can vouch, we can confidently say that a municipality or a jurisdiction indeed implemented good governance. (J. P. Rivera, personal communication, 2 January 2023)



The associate director noted that these may be indicative because they are direct evidence that governance is in action. While he recognized that these were insufficient, he acknowledged that they were essential for good local governance.

Through the lens of the balanced scorecard, the existing performance measurements in tourism and cultural governance are lacking in several areas. From an internal business perspective, none of the indicators would represent an improvement in the operations and delivery of services, except for the presence of a tourist officer, a desk, a tracking system, and a council, which are all assumed to exist. From a financial perspective, only the cultural criteria provide a measure of budget utilization rate. Also, there are no signs that convey the customer’s perspective. Lastly, no indicators for innovation or learning perspectives were found. In terms of simplicity, the indications are in fact, simple. However, it lacks the comprehensiveness necessary to assess the level of performance.

Customized Measurement of Tourism and Cultural Governance

Through a review of the relevant literature and using the balanced scorecard as a framework, this study suggests performance indicators for tourism and cultural governance (Tables 3 and 4).

Table 3
Suggested Indicators for Tourism Governance

Dimensions	Indicators
Internal business perspective	<ul style="list-style-type: none"> Effectiveness rate in marketing and promotion Submission of tourism statistical reports
Financial perspective	<ul style="list-style-type: none"> Utilization rate of budget appropriated to tourism services
Customer perspective	<ul style="list-style-type: none"> Customer satisfaction rate Participation rate of residents
Innovation and learning perspective	<ul style="list-style-type: none"> Targets attained in the local tourism plan Continuous learning for tourism officers

Local tourism offices carry out basic services such as tourism planning, regulations, promotion, tourist assistance, and statistics. A measurement of the success of marketing and promotion may

indicate that the local tourism office is effectively promoting their destination from a strategic viewpoint. The reporting of tourism statistics may demonstrate that they are tracking tourist movement in their area. In terms of finance, the utilization rate is a good indicator of how the allocated budget for tourism support was utilized. A customer satisfaction rate can also indicate how effectively tourism offices implement regulations, assist tourists, and enable locals to participate in the tourism industry. For innovation and learning purposes, the objectives of a tourism plan must all be measured. LGUs can also be evaluated based on programs for tourism officers’ continual learning which is aimed at improving their task performance.

Table 4
Suggested Indicators for Cultural Governance

Dimensions	Indicators
Internal business perspective	<ul style="list-style-type: none"> Submission of inventory of cultural assets Maintenance of cultural heritage
Financial perspective	<ul style="list-style-type: none"> Utilization rate of budget appropriated to cultural conservation
Customer perspective	<ul style="list-style-type: none"> Satisfaction rate Participation of residents
Innovation and learning perspective	<ul style="list-style-type: none"> Cultural education and awareness Continuous learning for culture officers

Some of the most fundamental functions of local cultural offices are the inventory and maintenance of cultural assets, the promotion of cultural preservation efforts, and raising awareness about culture and the arts. Measuring the success of the local culture office in preserving archaeological sites may be indicative of their good management. Providing an inventory demonstrates their commitment to protecting cultural properties. From a financial perspective, the utilization rate is a good indicator of how the allotted budget was used to support cultural services. How well cultural offices enforce rules and how locals can access services can both be used to gauge customer satisfaction. There needs to be a focus on training and information dissemination to foster innovation and learning. LGUs can also be evaluated based on the extent to which they support ongoing



training programs for cultural officers to better enable them to carry out their responsibilities. While the recommended indications are based on a framework, it is not simple to customize an index. This requires a thorough evaluation of indicators. Developing a balanced scorecard is a difficult and time-consuming undertaking that necessitates continual assessment because the measures are interdependent with the strategy (Papalexandris et al., 2004). There are still numerous procedures to complete when constructing an index. Before granting the go signal for this performance measurement, consultation, consensus, and agreements are necessary.

Conclusion

Literature defines tourism and cultural governance extensively. Concepts must be precisely defined to include their stakeholder-driven and value-driven features. As a foundation for index creation, it is also necessary to identify and define a framework. Local tourism and cultural governance can be evaluated effectively by examining several operational, financial, developmental, and customer satisfaction aspects.

The current approach to measuring performance, the SGLG is reasonable yet insufficient. The existing criteria were not created from scratch. These were chosen because of their legal foundation. Using the balanced scorecard as a lens, the criteria are still lacking. The current indicators may not be exhaustive, but they are best described as “essentials” or “prerequisites” for good governance. The SGLG is still in the process of development but is already off to a promising start.

Appropriate performance measurement techniques must be based on a framework. A customized index can thoroughly analyze the performance of local tourism and cultural governance, but it has other implications, including stakeholder consultation, standardization, and data-gathering capacities. It can be expanded further with the assistance of academic scholars in tourism and culture research, authorities, the community, and industry.

Recommendations

Numerous studies on index creation have emphasized the relevance of indicator weighting. The analytic hierarchy process (AHP) is the most used method. Saaty (1980) created this qualitative and quantitative multi-criteria decision-making process. It is commonly employed in evaluation index systems to determine the relative weight of criteria. In constructing an index for tourism and cultural governance, several factors may be assigned different weights based on their relative value and importance.

This study seeks to propose tourism and culture-related criteria for the Seal of Good Local Governance. According to the DILG-BLGS, they frequently receive requests for assistance with SGLG-related research studies but seldom with tourism and culture-specific requests (C. A. Vega, personal communication, 21 December 2022). This will assist DILG in not only refining the assessment process but also ultimately measuring good governance in these distinct areas of interest.

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