

Community Based Tourism Programmes: Entrepreneurial Capabilities and Performance in Arusha, Tanzania

Dr. Daud N. Mollel¹, Gladness L. Kotoroi²

¹School of Business, Mzumbe University

²Directorate Library and Technical Services, Mzumbe University

Abstract: *This paper aimed to investigate on entrepreneurial capabilities and performance for community based tourism programmes (CBTPs) and their supply chain businesses for communities located at close proximity to protected areas in Arusha, Tanzania. Specifically, the objective was to relate entrepreneurial skills with CBTP's performance. Cross sectional survey design using both qualitative and quantitative paradigms. Cultural practitioners were the study population and the sampling procedures included a multi-stage, probability, purposive and snow ball. Information was gathered from a sample of 210 respondents from primary and secondary data using dependency and interdependency multivariate analytical techniques. While independent variables were a set of entrepreneurial skills, dependent variables were sales and employment trends in the past three years. The existing correlation between skills and performance were examined using; correlation analysis, multiple regressions and factor analysis. It was hypothesized that, H₀1: Entrepreneurial skills of the owners of CBTPs at close proximity to protected areas are not positively related to their performance. The study revealed that there were no clear entrepreneurial capabilities and the essence of CBTPs' performance as a process of entrepreneurship is debatable since entrepreneurial skills and performance were not positively related. At p = 0.01, organizing skills (beta = 0.197; t = 2.047) and managing skills (beta = 0.227; t = 2.785) were found to be significant predictors of performance. CBTPs thus need to be supported in terms of; start-up and incubation, education and training through mass awareness creation ability to compete with formal operators.*

Keywords: Entrepreneurial Capabilities, Community Based Tourism and Performance

1. Introduction

Tourism is the fastest growing sector and its contribution to the national coffers has been rising and became a model of economic reform process and a panacea of economic malaise in Tanzania. According to the report of 'Hali ya uchumi wa taifa kwa mwaka 2001' as cited in URT (2002d), tourism has been one of the main sources of diversification of economic activities by channeling investments directly to local communities where poverty is concentrated. Community based tourism (CBT) has thus developed rapidly in recent years with bright prospects based on the levels of growth in tourism. Despite tourism potentials as a local community poverty alleviation tool, its success is highly dependent on the need to heap on onslaught on poverty using the weapon of tourism (Akunaay, Nelson & Singleton, 2003). Community based tourism programmes (CBTPs) are however faced by numerous obstacles emanating from weak available capabilities and local institutions (URT, 2009).

In addition, community based tourism programmes (CBTPs) are found to have clear ingredients of an enterprise with local roots based on traditions which must be distinct enough for the tourists to admire with an open contact to various levels of governments mostly notable around the protected areas (Thomas & Rourke, 2000). The onus of responsibilities and operations fall under village communities with low levels of education, little exposure and unmatched capabilities but have distinct abilities behind their natural heritage to offer unique experiences to develop unique products and services that are rare. Community based tourism programmes (CBTPs) provide alternative services

that are not directly found within the resort, contribute to the economy through multiplier effects and prevent economic leakage (Fennel, 2001). Their wide definitions however, are found in tautologies in nature, fail to address the complexity around the concept and often exist only for specific tours as a result it is difficult to access their published data (Ron, 2007).

On the other hand, there exist a link between skills and entrepreneurial performance (Kojo & Takyiima, 2004). As argued by (Lerner & Haber, 2000), "Any tourism programme that fails to generate the required capabilities and respond effectively with the needs and wants of their key stakeholders will jeopardize its own existence." The CBTPs are however independently owned and rely on the owners' quality and attitudes (Linberg, 2001).

Likewise, entrepreneurial skills play a significant influence on the capacity to utilize opportunities, facilitate knowledge sharing among members and reflect employability and the ability to innovate in order to grow. Similarly, individual skills and competences define the capacity to make use of an activity as a job and to adapt to changes (Gupta & Kanka, 2000). Local people however, depend on indigenous knowledge which is predominantly tacit, often undocumented, inaccessible and not yet mobilized into development of a local enterprise (Charnley, 2005).

2. Assumptions

The term "CBT" is assumed to be synonymous with new forms of tourism that have manifested themselves using

many names as it focuses on the welfare of local communities at the destination. It was assumed that entrepreneurial capabilities of the owners of the CBTPs in terms of skills and local resources are instrumental factors for performance. That is, the higher the skill/resource set the higher the performance in terms of employment and sales.

2.1 Community based tourism programmes (CBTPs):

While the term community refers to individuals with some kind of collective responsibilities and abilities to make decisions through representative bodies, local community is a group of people living in a clearly defined area (village), and administered by a democratically elected corporate body capable of entering into legal contracts (village council). Community based tourism (CBT) is thus a tourism activities that involve local people in their land, cultural and natural assets and attractions. Furthermore, community based tourism programmes (CBTPs) are tourism enterprises that serve as an alternative choice to traditional park safaris, often tailored to incorporate popular attractions, involve local communities based on their culture and natural attractions and contribute to local livelihood' arrays.

2.2 Entrepreneurial performance: *A global perspective*

The term 'Performance' is a multi - dimensional and fairly imprecise construct which lacks a universally accepted definition with multifaceted measurements that tend to differ depending on the surrounding circumstances and a variety of factors (Amstrong & Baron, 2009). While some scholars focus on performance based on individual actions as something left behind and that exists from the desired purpose, other researchers argue that performance can be determined in terms of programme set - up, survival, stability, profitability, financial health and growth. As affirmed by (Mbwambo, 2005), the term carries the same meaning as productivity, efficiency, success, growth and how well the venture is doing. A more comprehensive view of performance embraces behaviour and results which emanate from the performer and transform abstraction into action as the outcome and product of the mental and physical effort applied to the activity (Boyd, 1990).

According to Dollinger (1999), entrepreneurial performance is related to flexibility in production, a wide range of clients and a special knowledge of products or services. It is the ability of the programme to survive and operate successfully, being supported by an enabling environment and suitable government policies with conducive regulatory framework. Thus, both inputs (behaviour) and outputs (results) should be taken into consideration. Entrepreneurial performance is therefore regarded as embracing behaviour, abilities, the way in which teams and individual gets the work done and is closely interlinked to programmes' survival and growth.

From organizational behavioral perspective, the factors influence entrepreneurial performance include; personal factors which are essentially the individual characteristics e.g. skills, competence, motivation commitment, risk taking propensity, desire for autonomy, need for achievement and goal orientation. Similarly; leadership factors e.g

management support, work discretion, the level of encouragement, guidance and support from owners as team leaders. Furthermore, team factors such as colleague support by team members, the system of work and facilities provided by the programme and time availability. Nevertheless, situational factors, availability of internal resources, external environmental pressures and rewards (Amstrong & Baron, 2009). Thus any performance assessment should not only consider what individuals have done, but also the circumstances in which they have to perform (Kulindwa, Sosovele & Mashindano, 2001).

While traditional approaches to performance assessment attribute variations in performance to personal factors, they could be caused in part by situational factors (Holt, 2004). Other researchers include training, linking owners to information and access to the market. Training enables programmes' operators to be innovative, competent and consequently successful in running their activities. Entrepreneurial performance should thus be determined by focusing on specific capabilities, human skills, experience, unique resources and external contexts which respond to specific needs. It is important that entrepreneurial traits are the same regardless of the kind of a service provider. Whether a service is cultural tourism offered by a local person, the principles remains the same and that acquisition of entrepreneurial capabilities is inevitable local communities as service providers.

2.3 Entrepreneurial capabilities and skills

While capabilities refers to the know-how and abilities that enable individuals or programmes to perform, intrinsic skills inherent to members of community based tourism programmes in terms of; ability to take advantage arising from opportunities, creativity and innovation, commitment, enthusiasm, product development, managing, organizing, operations and budgeting. A capable tourism programme consistently achieves superior performance, innovate product lines more rapidly, delivers superior value to its clients, it is difficult to be imitated by rivals, and develops and sustains a few but vital capabilities (Johnson & Scholes, 2005).

The fact that CBTPs as small initiatives cannot become cost leaders, but can produce unique products and processes that are rare and can develop flexible and standard products by collaborating with other development stakeholders (Luvanga & Shitundu, 2003). Superior performance therefore comes from the ability to match internal abilities with key success factors by developing hard - to - imitate capabilities. As it is found from diverse perspectives, it is imperative that a clear awareness on entrepreneurial influence need to be considered as a strong factor that can shape direction and future performance of the CBTPs.

2.4 Entrepreneurship perspective

According to Saravathy (2001), the dynamic process of creating incremental wealth by individuals or teams, who assume risks in terms of equity, time or career commitment of providing value for some products or services, is referred to as entrepreneurship. The product created may not be new

or unique, but value must somehow be infused by securing and allocating the necessary skills and resources. As argued by Gibbs (2006), entrepreneurship reflects the way of thinking, reasoning, and actions that result in the creation, enhancement, realization, and renewal of value for an individual, group or a certain community. This process lies in the creation and recognition of opportunities, followed by the will and capability to seize those opportunities. An entrepreneur is thus an individual who undertakes to organize, manage, and assume the risks of a programme (Olomi, 2001).

Other scholars see entrepreneurship as the ability to build up venture teams to complement a person's own skills and talents. From this perspective, not all CBTPs constitute entrepreneurship traits, since not all of their owners display them. This is supported by Gupta and Kanka (2000) who perceived entrepreneurship in terms of values, attitudes and behaviour that enables one to appreciate self-employment and personal business activity as a career. The behaviours associated with entrepreneurship that are needed for performance achievement include initiative, calculated risk taking, growth, having a strong drive and determination, networking and opportunism (Bennet, 2000).

Gurteen (1998) stated that, the high entrepreneurial performance is the product of clear thinking that enables team members to realize their potential and strive to achieve superior outcomes towards a common goal within their teams. A high performing team thus makes good use of abilities, skills and resources to achieve the objectives. Studies from Lindi (1999) and Sindiga (1999) show that the performance of small scale tourism enterprises in developing countries is generally affected by factors such as poor communication, poor conception, poor product formulation and regulatory framework constraints.

2.5 Entrepreneurial capabilities and local communities

Schumpeter (1934) sees an entrepreneur as a developer who recognizes and seizes opportunities, converts those opportunities into marketable ideas, adds value through skills and effort, assumes risks and realizes the rewards. An entrepreneur recognizes and exploits beneficial opportunities by moving an idea through the minds of potential clients. According to Lerner and Haber, (2000), entrepreneurial capabilities develop and maintain the fit between the changing opportunities and objectives for superior performance. Factors such as location, support activities and intensity affect performance. People with greater efficacy are more likely to exploit opportunities when expected demand is high and the expected margins are high. This is motivated by other factors for example when a product life cycle is young, the intensity of competition in a particular opportunity space is neither too low nor too high, the cost of capital is low, and population learning from others is available.

The utility model of human decision making by Dransfield, Hudson and Danes, (2006) indicates that individuals will select the course of action which promises, in prospect the greatest utility (psychic satisfaction). Since some of the elements of a course of action may involve disutility

(dissatisfaction), such irksome elements will offset to some degree the utility derived from more pleasurable elements of that course of action. Often individual differences in weighing the cost of exploiting opportunities, in perceptions, optimism and self efficacy greatly influence performance. Entrepreneurial capabilities thus develop and maintain the fit between the changing opportunities and the objectives for superior performance.

The decision whether to become an entrepreneur is a utility maximizing career choice made by individuals. People choose to be self employed if the total utility they expect to derive via income, independence, risk bearing, work effort and perquisites is greater than from their best employment option. In the context of career choice, an individual expects to gain utility from income (derived from goods and services) and either utility or disutility from work effort, risk bearing and working conditions. The main attitudes which differentiate an entrepreneur from an ordinary employee are attitudes towards hard working, decision making autonomy and financial risk. However, entrepreneurs cannot be categorized under a common profile and it is difficult to include all types of entrepreneurial behaviour in a single definition.

The dynamic organizations of the future should be trying alternative ways of doing things by ways of entrepreneuring within their organization (Hornsby, Naffzinger, Kuratko & Montagno, 1993). A thorough analysis of entrepreneurship constructs and its dimensions, intrapreneurship is perceived as a course of action in which a group of individuals within the existing programme create a new organization or instigates renewal or innovation. Modern organizations are thus forced into seeking avenues for developing in-house entrepreneurs within organizational structures. Intrapreneurship is a new process that can facilitate the efforts to be innovative and cope with the realities encountered in the market. Though CBTPs are profitable and potential segments in tourism, the focus on sustaining incomes and maintaining a balance between economic and social values through acknowledgement of local communities as active participants yields optimum results (Sheivens, 2003).

Although the product price with cultural dimensions determines sales and ultimately the success or failure of the CBTP, the key success factor is to blend imagination and creative thinking with a systematic and logical process. To be profitable, yet sustainable, a programme's activity needs to represent a triumph of processes and structured ways that are culturally appropriate so that local communities can be able to exploit its arising opportunities (Merge, 2007).

The centrality of local communities' participation in tourism programmes cannot be overlooked, since they make important decisions concerning operations (Lerner & Haber, 2000). Their skills become critical assets on which the activity's performance success depends. Implicitly, when the skill set is strong, the programme's performance will be high and the propensity to apply the variety of skills for entrepreneurial performance had been recognized. Education is also a sensitive indicator of knowledge and respect for

nature, concern, appreciation and increased levels of understanding of tourism arts.

The development of new ways to create value for products and services is driven by the ability of members to build on one another's ideas and capabilities (Sheivens, 2003). Although entrepreneurship literature recognizes the influence of entrepreneurial skills as a critical factor on performance, skills acquisition is not always possible; the opportunity to practice the acquired skills and receive the associated rewards is not always available. The owners of CBTPs however do not necessarily require highly specialized skills and higher levels of formal education but the necessary abilities to lead the visitors on tours, to demonstrate their lifestyles and satisfy the needs and wants of their visitors without social disruption.

2.6 Entrepreneurial skills and performance correlation

In order to test the entrepreneurial skills and performance relationship, correlation analysis, multiple regression and factor analysis with varimax rotation were carried out. The adopted skills set "principal components" are similar to those developed by Srivastava (1982) in developing approaches for determining entrepreneurs in terms of a set of 10 items i.e. ability to take advantage from the opportunity, innovation, commitment, enthusiasm, product development, managing, operations, planning, organizing and budgeting skills. Correlation analysis was executed to study the joint variation and strength of association among variables. The correlation coefficients equation was similar to that of Tabachnik & Fidel (2001) and expressed as;

$$r_{xy} = (\sum xy) / [(\sum x^2 \sum y^2)]^{1/2}$$

Where: r_{xy} = Pearsons' correlation coefficients,

$x = \sum (X_i - X)$ and $y = \sum (Y_i - Y)$, X and Y being the mean values of x and y variables/factors respectively.

The p-value is the probability when the null hypothesis is true, that is the absolute value of the t- statistic would equal or exceed the observed value of t- value. The fact that correlations are useful since they can indicate a predictive relationship that can be employed in practice by seeking to discover if a co-variation between two variables exists or not, does not prove which is endogenous or exogenous variable.

To estimate the value of any one of the two correlated variables corresponding to a given value of the other variables, multiple regression was executed so as to examine relationships among all variables (skills) for each of the variable (skills factor) using the standard statistical package (SPSS-Regression). The adopted model of regression is similar to that of Maxwell (2000) and the equation was in the form of;

$$Y_t = a + \beta_1 X_1 + \beta_2 X_2 + \dots + \beta_i X_i + \epsilon$$

Where: Y_t = Is a dependent variable at time t ,
 X_1, X_2, \dots, X_i = Independent variables (predictors)

- a = Intercept parameter in multiple regression
- β_i = Regression coefficient (*standardized*)
- ϵ = Error associated with the observations.

The following formula was used to test the null hypothesis that in the population there is no linear relationship between dependent variables and prediction based on the set of k-independent variables/factors from N-cases:

$$F = \frac{R^2_{y.12..k}/k}{(1 - R^2_{y.12..k})}, df = k, N - k - 1.$$

In addition, F is a standardized form of t-value which provides evidence whether the null hypothesis is false and the attributes are in fact correlated. R^2 explain the proportion of dependent variance that can be explained by the two predictors. As Berger (2003) put it, R provides a measure of how well a dependent variable can be predicted by scores of independent set of factors. The assumptions are that cases are sampled randomly and independently from the population, and that the deviations dependent values are normally distributed with equal variance for all predicted values. The p-value is the probability when the null hypothesis is true. The results from correlation analysis and multiple regressions were captured, summarized and presented in Table 1.

Table 1: Correlation analysis and Multiple Regression (*Skills & performance*)

Skills (Items/Factors)	FT (r_{xy})	PT (r_{xy})	S (r_{xy})	Beta (β)	t	Sign.
Ability to take opportunity advantage	-0.008	0.003	0.056	-0.053	-0.62	0.121
Creativity and innovation	-0.104	0.102	0.108	-0.09	-1.02	0.456
Commitment	-0.022	0.121	0.073	-0.06	-0.65	0.333
Enthusiasm	0.021	0.064	0.047	0.011	-0.12	0.257
Product development	-0.096	0.025	0.073	0.023	0.233	0.354
Managing	0.166*	0.241	0.246	0.227	2.785	0.031
Operations	0.155	0.162	0.018	-0.16	1.692	0.359
Planning	-0.102	0.104	0.107	-0.08	-0.81	0.056
Organizing	0.165*	0.158	0.197	0.197	2.047	0.042
Budgeting	-0.051	0.146	0.105	-0.07	-0.66	0.155

Key:
 $R^2 = 0.122$, $F = 1.807$, $p = 0.052$. $p > 0.05$.
 FT = Full-time,
 PT = Part-time
 S = Sales
 t = Statistical computation (t- table)
 * Correlation is significant at 0.01

The correlation coefficients (r_{xy}) for managing skills for example, $FT r_{xy} = 0.166$, $PT r_{xy} = 0.246$, $S r_{xy} = 0.246$, $\beta = 0.227$ & $t = 2.785$ and organizing skills $FT r_{xy} = 0.165$, $PT r_{xy} = 0.166$, $S r_{xy} = 0.158$, $S r_{xy} = 0.197$, $\beta = 0.197$ and $t = 2.07$ at $p < 0.05$ implying that they were the most important predictors. In essence, the owners of community based tourism programmes were likely to have higher sales by using both formal i.e. full time (FT) and informal (PT) employees.

Similarly Cronbach's alpha was used to test reliability, since it is the most common measure of internal consistency commonly used when there exist multiple Likert questions

in a survey/questionnaire that form a scale and one wish to determine if the scale is reliable (Zindbarg *et al.*, 2005). The equation for reliability analysis of the composite was in the form of;

$$\alpha_{\text{Standardized}} = \frac{(K\bar{r})}{(l + (K - 1))\bar{r}}$$

Where: $\alpha_{\text{Standardized}}$ = Standardized cronbach's alpha, K = is the number of components and \bar{r} is the mean of none-redundant coefficients $[K(K-1)/2]$ i.e. the mean of an upper triangular or lower triangular matrix.

The reliability test indicates the cronbach alpha = 0.72 (*acceptable*) and the predictors accounted for 12.2% of the variance. As stated by Stevens (2002), many researchers who use a rule of thumb require a reliability of 0.7 or higher. In order to summarize a number of variables into a smaller number of factors and create communalities and factors that are characterized by large loadings on relatively few variables; principal component factor analysis with varimax rotation was undertaken. The results are captured, summarized and presented in Table 2.

Table 2: Factor analysis with varimax rotation (skills & performance)

<i>Factor analysis with varimax rotation</i>			
<i>Principal component</i>	<i>Factors</i>		
Skills:	1	2	3
Organizing	0.823		
Planning	0.807		
Budgeting	0.694		
Commitment	0.513		
Operations		0.803	
Product development		0.787	
Innovation/Creativity		0.779	
Ability to take opportunity advantage		0.733	
Managing			0.674
Enthusiasm			0.348

As seen in Table 2, Factors (1) was loaded by organizing skills, planning, budgeting and commitment, factor (2) loaded on operations, product innovation, creativity and ability to take advantage of opportunities and factor (3) loaded on managing and enthusiasm. The loadings in the factor matrix were found to range from 0.35 to 0.83, meaning that although the loadings are higher but the whole composite favored the null hypothesis.

3. Managing and organizing

The examination of the predictors as per Table 2, showed that management skills (beta = 0.227; t = 2.785) and organizing (beta = 0.197; t = 2.047) at $p < 0.05$ were found to be the most important predictors. In other words, the way CBTPs' owners manage their cultural activities (managing skills) and the process involved in organizing their teams and assigning responsibilities (organizing skills) were found to be significant predictors. The fact that entrepreneurial management is the overall force within the programme that ensures the members to know what they are doing and what results are expected. It is the glue that holds the programme together into a manageable activity and provide due attention on products, services and markets.

On the other hand, an organization is the collection of duties assigned to various individuals who work together to achieve the goals of the programme and often including a hierarchy of authority that extends from senior management to the lowest level in order to encourage efficiency and promote specialization of labour. Coordination at the different levels within the organizational hierarchy is aided by having job descriptions that define the responsibilities of each job in order to avoid duplication of activities. From the results in table 5, the correlations coefficients for managing and organizing skills were positive, implying that the owners of CBTPs who rated themselves as having strong management and organizing skills were likely to have more employees/members in terms of full-time (formal employment) and part-time and likely to have more sales.

4. Innovation and planning

From Table 2, the computed beta = -0.086 and t = -1.023 at $p > 0.05$ implying insignificant correlation. On the other hand, the correlation coefficients were negative implying that respondents, who considered themselves as strong regarding innovation, were likely to have fewer full and part time members and less sales emanating from lack of creativity. This finding contradicts with entrepreneurial perspectives where creativity is the development of new ways to create value for the clients as driven by the ability of community based tourism members to build on one another's ideas and capabilities, creativity and innovation provides local communities as entrepreneurs to help them find the new ways of doing things. Furthermore, creativity is a specific tool of entrepreneurs and a key element for entrepreneurial performance. Although some researchers describe innovation as chaotic and unplanned within strategic plans, other insists it as a systematic discipline that need to be nurtured. While radical innovation take experimentation and determined vision which are not necessarily managed within the programme, incremental innovation is the systematic evolution of a product, service or a programme into newer or larger market segments.

It was further found that planning (beta = - 0.078 and t = - 0.813 at $p > 0.05$), and the correlation coefficients for both employment and sales were negative implying that planning and performance are not positively related. The fact that plan provides a direction and a meaning to daily activities and ultimately determines and examines a programme's values, its current status and the wider environment (both internal and external), it relate those factors to the desired state in the long run. With rapid demographic changes (both economic and social), proper planning becomes a tool for adapting to changes and creating the programme's future within the context of a change. CBTP's planning provides the strategy for all other decisions and activities, beginning by converting the overall objectives of the programme into strategies for accomplishing the activities. Taking into consideration the nature of the owners and activities of the CBTPs, it is not surprising that the direction of the findings of the analysis is not favorable. Since local communities are generally characterized by low levels of formal education and less exposure, they need to be supported in terms of training in entrepreneurship including planning for them to perform successfully.

5. Commitment and Enthusiasm

While the commitment ($\beta = -0.055$ and $t = -0.654$ at $p > 0.05$), the correlation coefficients were negative for both employment and sales. The fact that commitment is one of the most important components of entrepreneurial skills for successful performance, it is unlikely that the analysis found it in the opposite direction. In other words, most of the members of CBTPs were not fully committed to their activities. The fact that CBTPs membership contract stems from personal commitment to an entirely different sets of beliefs where individuals see their relationship with the programme as one in which their commitments create value in exchange for an opportunity to develop their capabilities.

Capability is utilized when people give commitment to the mission and life of the programme and have power to do something within their capabilities. As argued by (Hubert, 2006), commitment is based on the assumption that *'I am my own person, my well being depends on the capabilities I acquire through self initiative'*. It is evident that most of them are not treating their programmes as primary but secondary activities to complement agriculture and livestock. As stated by Nsana, Ituga and Mollel (2007), non-commitment is the price of obsolete managing practices, not lack of talent or desires.

The results pertaining to commitment contradict with those found at Mpumalanga province in South Africa by Visser (2002) who gave a list of inborn traits that make an entrepreneur to be committed that includes a desire to achieve (the push to conquer problems and give birth to a successful programme), hard working, desire to work voluntarily for themselves, nurturing quality (willing to take charge of, and watch over a programme until it can stand alone successfully), acceptance of responsibilities (morally, mentally, legally and accountability for their programmes), reward orientation (desire to achieve something that they can be proud of), orientation to profit, excellence and organization.

According to Srivastava (1982), commitment is mostly freely given when the members of a programme play part in defining the purpose and plans as it carries with it a de facto approval of and support for the management. Total commitment is geared toward result oriented, single minded, drive and pleasure towards achievement through hardworking in an entrepreneurial profile. Known that flexibility in work time arrangements can have indirect benefits e.g. enhanced commitment and ultimately higher productivity and performance.

Regarding enthusiasm, Table 6 indicate ($\beta = 0.011$ and $t = -0.121$ at $p > 0.05$) and the correlation coefficients were positive for both full and part time employment and sales implying that they are positively correlated. Enthusiasm refers to intense, enjoyment, interest, or approval of such feelings. While enthusiasm is a principal component of entrepreneurial process, it is more than just a good idea, but a combination of ideas, involving perseverance and dedication to remain with it until it is implemented and works. The key to entrepreneurial success is to blend innovation (imagination and creative thinking) with a

systematic and logical process through enthusiasm. Although t was found to have a negative value, majority of the respondents were found to enjoy their carrier.

6. Budgeting and Product Development

From the composite above, budgeting was found that ($\beta = 0.071$ and $t = 0.656$ at $p > 0.05$) and the correlation coefficients were negative for both employment and sales, implying that the budgeting skills of the owners of CBTPs and entrepreneurial performance are not positively related. A budget is essentially a record of planned expenses that is prepared on an annual basis and a financial plan of the expenditure needed to accomplish the projected objectives. It is a process of assigning costs to various components of the plan. The fact that budgeting is a critical part of the planning process because funding is needed to implement the plan to ensure that the programme's resources are allocated in the most efficient way over the period of the plan, it is unfortunately that most of the CBTPs owners are not capable in terms of budgeting skills.

Likewise, the composite in Table 6 indicate that the product development was shown as $\beta = 0.023$, and $t = 0.233$ at $p > 0.05$. On the other hand, the correlation coefficients as provided were negative, implying that product development skills of the CBTPs' owners are not positively related to their entrepreneurial performance in terms of the number of full and part time employment and sales. Product development is closely related to innovation which is a specific tool of entrepreneurs and may imply a new product or service pertaining to programmes members, but does not mean developing new services but also about doing existing ones in a new ways. As stated by Holt (2004), the product itself may or may not be new or unique, but value must somehow be infused by securing and allocating the necessary skills and resources.

7. Operations and ability to exploit opportunities

Operational skills were found to be $\beta = -0.164$, and $t = 1.692$ at $p > 0.05$. Similarly, correlation coefficients were positive for both employment (full and part-time members) and sales, implying that operations skills and CBTPs entrepreneurial performance were positively related. Theoretically, operations involve formal and informal activities aimed at creating value through product or services, market and process innovation. Although operations may take place at different levels of the programme, the unified objective of value creation must be geared towards improving the programmes performance.

On the other hand, the ability to take advantage from opportunities showed that $\beta = -0.053$, and $t = -0.623$ at $p > 0.005$, and the correlation coefficients were negative, implying that CBTPs' members are not capable to take advantage of arising opportunities from the environment. These findings are similar to those of previous researchers who argued that local communities in general are characterized by low level of education with unmatched capabilities needed in tourism.

The null hypothesis (H_0) which stated that 'entrepreneurial skills of the owners of community based tourism programmes at close proximity to protected areas are not positively related to their performance was supported (H_0 - Accepted)' albeit the relationship was not in the expected direction. The average composite favors the null hypothesis, though organizing and managing skills were significant predictors. These results are supported by Gupta and Kanka (2000), who argued that the propensity of the entrepreneur to employ and apply a variety of entrepreneurial skills has been recognized, since skills contribute to superior performance and ultimately competitive advantage, the lack of which will continue leading to poor performance. It is important however to keep in mind that, entrepreneurial management in this study is mainly concerned with internal capabilities and not concerned with matching abilities to the international environment in which the programmes must compete.

Ideally, entrepreneurship is based upon the same principles and that the rules are the same, and the things that work and those that don't are the same regardless of the kind of an entrepreneur. In the same way, the kinds of innovation which are specific tools of entrepreneurship and where to look for them makes no difference whether the programme offer cultural products or provided by a local person. Due to the nature of respondents in this study, it is not surprising that there is a negative correlation regarding full time members who were viewed in behavioral terms as individuals driven to seek challenges and new accomplishments.

8. Scope

The fact that community based tourism encompasses a wider perspective with diverse inter-sectoral linkages including cultural, human, environment and government factors; the study donates information to curb unemployment problems for local communities living near protected areas which are the major tourist destinations and work as a poverty reduction strategy among local communities. It will help policy makers to make informed decisions regarding the direction, formulation, implementation of tourism development policies and contribute to existing knowledge.

References

- [1] Akunaay, M. (2009, September 14). Cultural tourism promotion now comes with new strategies. *The Guardian*, p. 4.
- [2] Akunaay, M., Nelson, F., & Singleton, E. (2003). Community based tourism in Tanzania: Potentials and perils in practice. A paper presented in the 2nd Peace Through Tourism Conference. Dar es Salaam, Tanzania.
- [3] Armstrong, M., & Baron, A. (2009). *Performance management: A strategic and integrated approach to achieve success* (6th ed.) Mumbai: JAICO Publishing House.
- [4] Bennett, J.A. (2000). *Managing tourism services: A South African perspective* (2nd ed.) Pretoria: Van Schaik Publishers.
- [5] Berg, B.L. (2004). *Qualitative research methods for social sciences* (5th ed.) London: Person Education Inc.
- [6] Berger, D.E. (2003). Introduction to multiple regressions. Claremont Graduate University. Available from <http://wise.cgu.edu>. Retrieved on 30th Oct., 2010.
- [7] Bianetics, L.L.C. (2007). Building enterprise capabilities: *The missing link between strategy and performance*. Available from <http://www.bianetics/enterprisecapabilities.htm>. Retrieved on 19th Feb., 2008.
- [8] Bishwanath, G. (2000). *Tourism and travel management* (2nd Revised ed.) New Delhi: Vikas Publishing PVT Ltd.
- [9] Charnley, S. (2005). From Nature Tourism to Ecotourism: *The Case of Ngorongoro Conservation Area*. Retrieved from <http://www.findarticles.com>. Accessed on 17th April, 2008.
- [10] Clarke, A. (2006). The cultural tourism dynamics. Prntice Hall .Inc. Available at alatresearch@hotmail.com. Accessed on 20th May, 2009.
- [11] Cohen, J., Cohen, P., West, S. G., & Aiken, L. S. (2003). *Applied multiple regression/correlation analysis for the behavioral sciences, 3rd Ed.* Mahwah, NJ: Lawrence Erlbaum Associates.
- [12] Cooper, D.R., & Schindler, P.S. (2003). *Business research methods*. New York: McGraw Hill Companies Inc.
- [13] Cronbach, Lee J., and Richard J. Shavelson. (2004). My Current Thoughts on Coefficient Alpha and Successor Procedures. *Educational and Psychological Measurement* 64, no. 3 (June 1): 391-418. doi:10.1177/0013164404266386.
- [14] Dollinger, M.J. (1999). *Entrepreneurship strategies and resources*. Upper Saddle River: NJ Prentice Hall.
- [15] Donald, E. H. (2002). *Protected areas ecotourism cluster approach to biodiversity conservation and economic growth in Bulgaria*. New York: George Washington University.
- [16] Fennell, D. A. (2001). A context analysis of ecotourism definition: *Current issues in Tourism* 4 (5), 404 – 421.
- [17] Gibbs, A. (2006). *Towards the entrepreneurial university*. UK: National Council for Graduate Entrepreneurship.
- [18] Godwin, H., & Santili, R. (2009). Community based tourism: A success? *Gtz, Responsible Tourism: ICRT Occasional Paper* 11.
- [19] Gupta, C.B., & Kanka, S.S. (2000). *Entrepreneurship and small business management* (4th ed.). New Delhi: Sultan Chand & Sons.
- [20] Hazarika, P. (2010). *Business statistics: As per UGC model curriculum for B. Com & B.B.A students of all Indian universities* (3rd Rev, Ed.). New Delhi: S. Chand & Company Ltd.
- [21] Holt, T.D.M. (2004). *Entrepreneurship: New venture creation*. New Delhi: Prentice Hall.
- [22] Hornsby, J.S., Naffzinger, D.W., Kuratko, D.F., & Montagno, R.V. (1993). An interactive model of the corporate entrepreneurship process: *Entrepreneurship theory and practice (spring 1993)*:31.
- [23] Ignjic, S. (2001). Cultural tourism in the wet tropics world heritage area: A strategic overview for rainforest in Burma. *Occasional papers*.

- [24] Johnson, G., & Scholes, K. (2005). *Exploring corporate strategy*: 8th Edition. Harlow: Prentice Hall.
- [25] Kojo, S., & Takyiima, M. (2004). *Strategic capabilities of Ghanaian female business owners and the performance of their ventures*. University of Ghana.
- [26] Kothari, C.K. (2008). *Research methodology: Methods and techniques* (2nd Rev. ed) New Delhi: New Age International Publishers.
- [27] Kotler, P. (2002). *Marketing management* (11th ed.). New Delhi: Prentice Hall Inc.
- [28] Kulindwa, K., Sosovele, H., & Mashindano, O. (2001). *Tourism growth for sustainable development in Tanzania*. Dar es Salaam: Dar es salaam University Press Ltd.
- [29] Lerner, M., & Haber, S. (2000). Performance factors of small tourism venture: The Interface of tourism, entrepreneurship and the environment. *Journal of Business Venturing*, 16 (18).
- [30] Lindberg, K. (2001). *Economic Impacts*. D.B. Weaver (Ed.) The encyclopedia of ecotourism pp. (363- 377) Oxon : CABL.
- [31] Luvanga, N., & Shitundu, J. (2003). *The role of tourism in poverty alleviation*: Dar es Salaam: Mkuki na Nyota Publishers.
- [32] Mbwambo, A.H. (2005). *Performance from enhancing inside: Firms level institutions in small apparel firm performance in Tanzania*. Morogoro: Mzumbe University.
- [33] Merge, M. (2007). Defining Ecotourism. Retrieved from <http://www.untamedpath.com>. Accessed on 7th March, 2008.
- [34] MI. (2000). *Community based tourism for conservation and development*. A resource kit. The Mountain Institute.
- [35] Michael, H., Morris, P., Lewis, D., and Sexton, L. (1994). Reconceptualizing Entrepreneurship: An Input – Output Perspective. *SAM Advanced Management Journal* 59 (1) winter (1994): 21- 31.
- [36] Naabia, G. O. (2006). *Sustainability for conservation? Ecotourism Tanzania*. Unpublished BA (Envir. & Public Policy) Thesis. Cambridge Massachusetts: Harvard University.
- [37] Nelson, F. (2004, March 19). The evolution and impacts of community based ecotourism in northern Tanzania. *Kakakuona, Issue No. 131*.
- [38] Olomi, D. (2001). *Entrepreneurial motivation in a developing country context: Antecedents and consequences of growth seeking behavior among small and micro enterprises in Tanzania*. Unpublished PhD Dissertation, University of Dar es salaam.
- [39] Reid, B.G. (1999). *Ecotourism development in Eastern and Southern Africa*. Harare: Wearer Press.
- [40] Ron, M. (2007). *Tourism definitions*. Available from <http://www.planeta.com/ecotravel/tour/definitions.html>. Accessed on 20th March, 2008.
- [41] Russel K. B. (2007). Ecotourism: The search for an operational definition. *Journal of Sustainable Tourism* 5 (2), 125.
- [42] Rutten, M.M.E.M. (2004). *Partnership in community based ecotourism projects: Experiences from the Masai region, Kenya*. Vol.1 ASC Working Paper 57/2004.
- [43] Santili, R. (2008). *Community based tourism: An assessment for factors for success*. University of Greenwich.
- [44] Saravathy, J.A. (2001). *What makes entrepreneurs entrepreneurial?* Working paper, University of Washington. Retrieved from <http://www.effectuation.org/ftp/eectua.pdf>.
- [45] Sheivens, R. (2003). Ecotourism and empowerment of local communities: *Tourism Management Research policies and practice* 20 (2), 246.
- [46] SNV Netherland Development Organisation. (2001). *Community based tourism in Botswana: The SNV experience in three community based tourism projects*, SNV: 16. Available at, www.snvworld.org/irj/go/km/docs20in%Botswana.pdf. Accessed on 17th January, 2010.
- [47] Srivastava, S.B. (1982). *A practice guide to industrial entrepreneurs* (1st ed.). New Delhi: Sultan Chand & Sons.
- [48] Tabachnick, B. G., & Fidell, L. S. (2001). *Using multivariate statistics* (4th ed.). Needham Heights, MA: Allyn & Bacon.
- [49] Thomas, D.P., and Rourke, T.A. (2000). *Nature Based Tourism Enterprises: Guidelines for success*. Clemson University. Available from <http://www.strom.clemson.edu/publication/potts/nbt2000.pdf>. Accessed on 4th March, 2008.
- [50] URT. (2009). *Tanzania Tourism Sector Survey: The 2009 International visitors exit Survey Report*: Dar es Salaam: Government Printers.
- [51] URT. (2002d). *Hali ya uchumi wa taifa katika mwaka 2001*: Tume ya Mipango Tanzania. Dar es Salaam: Government Printers.
- [52] Visser, D. (2002). *Constraints facing tourism entrepreneurs in South Africa: A study in Gauteng and Mpumalanga province*. Unpublished Ph.D Thesis University of Pretoria, South Africa.
- [53] Watkin J., Wanjiru M., Neel, I., & Anne, L. (2002). *Ecotourism in East Africa: The Responsible Business Opportunity*. Available from <http://www.ecotourismkenya.com>. Accessed on 15th Feb 2008.
- [54] WTO. (2002). *Enhancing the economic benefits of tourism for local communities*. Dar es Salaam: WTO.
- [55] Zinbarg, R., Yovel, I., Revelle, W. & McDonald, R. (2006). Estimating generalizability to a universe of indicators that all have an attribute in common: A comparison of estimators for . *Applied Psychological Measurement*, 30, 121 – 144.
- [56] Zinbarg, R., Revelle, W., Yovel, I. & Li, W. (2005). Cronbach's , Revelle's , and McDonald's : Their relations with each other and two alternative conceptualizations of reliability. *Psychometrika*, 70, 123-133.

Author Profile

Daud N. Mollel (PhD) is currently a Lecturer at the Department of Marketing and Entrepreneurship, School of Business, Mzumbe University. He graduated his PhD at the School of Tourism and Hospitality of Kenyatta University, Nairobi – KENYA). He is MBA – Corporate Management degree holder and ADDBA - Marketing from Institute of Development Management, MZUMBE.

Gladness Kotoroi is an Academic Staff at the Department of Reader Services, Directorate of Library and Technical Services of Mzumbe University and a PhD Candidate at the Department of Library and Information Science, School of Education of Kenyatta University.

