The Role of Tourism and the Importance of the Stakeholder Approach in Creating Team Building Programs

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Abstract

Team building is a process that aims at improving the performance of a group of people working together to achieve a common goal. Team buildings are an indispensable part of corporate activities of main tourism stakeholders including hospitality service providers, event organizers, transport companies, and many others. To assess the current state of tailor-made team building in Serbia an in-depth interview encompassed hotel managers, consultant agencies directors, head of the travel agencies, event organizer and other. The sample size was 10 respondents. All of the respondents are in some way connected and in line with team building work or decision making. The research was conducted during August and September of 2015. The study found some interesting results that most of the market share of the corporate events are under the hotels, followed by consultant agencies and only 1% is within travel agencies. Seasonality is also noticed, spring and autumn are most frequent with team buildings. Group mostly consists out of 30 to 60 participants and the duration is 2 to 3 days. Beside entertaining part of the event, most of the activities are aimed at employee development. Research also found some barriers from the lack of budget, to the heterogenic group, to many details in the team building request and other. Further research could give some interesting recommendations and suggestions on how to improve and exploit this tourism and event market

Keywords: Team building, tourism stakeholders, corporate events, Serbia

Introduction

Nowdays, more and more companies invest in their employees, influence their development and are committed to team spirit creation, developing sense of belonging to the company, and increase in company loyalty. One way to achive mentioned is the organization of team building.

The implementation of the team building program itself involves a large number of stakeholders, and the tourist offer is one of the main ones. The quality of the program and the degree of realization of the set goals depend on the quality of the stakeholder approach and the
variety of tourist offer. Team building can be described as dedicated gathering of team members with aim to understand the importance and potential of teamwork through a specific exercise program, business simulations and fun activities, which can improve their results as a team. Further, Team building has been identified as an important method of improving the psychological climate in which teams operate, as well as overall team functioning (Beauchamp et al., 2017). Each team building has its own goals and program.

Some of the main aims of team building lie in enhancement of team communication, team motivation, getting to know your colleagues better, improving teamwork - results, personal knowledge of employees - behaving in certain business situations (purposeful simulations), improving inter-cooperation, creating and strengthening the identity of the “group” and strengthening the corporate culture, connecting employees with company / company values, solving conflicts and similar.

Main aim of the paper is to analyze the impact of tourism on the organization of the team building program, as well as the importance of the stakeholder approach. Also, paper will try to analyze the participants of the team building program as a separate segment of tourist demand, to identify the limitations in organizing the team building program, as well as the degree of influence of tourist offer on the selection of the team building program itself. The research also examined the need for a complex stakeholder approach when organizing team building, as well as the inter-conditionality and connection of tourism offer, stakeholder approach and implementation of team building programs.

**Literature review**

**Stakeholders and their role in event tourism**

A stakeholder approach to solving (managing) challenges and problems works best when organized groups struggle with a variety of issues, concerns and problems.

The first theoretical explanation of the term stakeholder was given by Freeman (1984), and better elaborated by Freeman et al. (2007; 2010) with the thesis: “Is it a social actor: a person, group of people or partner or organization?” A stakeholder is someone who is simultaneously affected by the company or may have an impact on the company (Weiss, 2009). It can be argued that it includes people who are at risk of being influenced by the company and those who are able to influence the company even though they have not yet started to act (Boutilier, 2012).

Stamenkovic (2014) in his doctoral dissertation concludes that the stakeholder is in fact an interested party (phenomenon, person, group, thing, institution, weather, etc.) who wants to interact and wants to cooperate. It is someone who sees their interest either with an interest or concern about something, especially in business. Someone who wants to be concerned, or concerned about something that results from interaction with each other no matter what the result (expected or unexpected, positive or negative).

There are different types of stakeholders, or it can be said that they are at different levels:

1. Primary stakeholders: they are ultimately affected, influenced, either positively or negatively by some actions (activities) of the organization;
2. Secondary actors: are “intermediaries”, persons or organizations that are indirectly affected by the actions of the organization;
3. Key actors (who may also belong to the first two groups): have a significant impact on organization or have high significance within the organization;
Weiss (2009) argues that focus/focal stakeholders must first be sought. The primary stakeholders of a company are owners, managers, employees, salespeople, suppliers and customers, as well as members of the board of directors and shareholders.

Secondary stakeholders are other stakeholders, such as: consumers, customers, users, media, lobbyists, government, competitors, the public and society at large.

Each company has internal and external stakeholders, from those who are very important and have special treatment, to those who are also important but their attitude and relationship is not crucial for the institution. After defining clear programmatic and substantive goals, it is necessary to carry out a stakeholder analysis in order to identify key agents that can implement or support an idea, initiative, better to say a project in practice.

The process of conceiving and staging a team building involves a raft of stakeholders. It is impossible to determine with certainty the minimum or maximum number of stakeholders involved in the conceiving and staging a team building for several reasons, most important being the creativity and originality of the team building content. Depending on the purpose of the team building, the content of the team building is created and, accordingly, stakeholders are assembled.

The most common stakeholder in the process are:
- Hospitality Facilities (hotels, resorts, restaurants);
- Transporting companies;
- Expert, consulting, providing agencies;
- Agencies dedicated to supporting various events;
- Sports associations and similar entities;

Defining team building

Recent definition of team building was provided by Ekimova and Kokurin in their study: Team building is a process that aims to improve the performance of a group of people working together to achieve a common goal (Ekimova, Kokurin, 2015).

The very concept of team building emerged during the 1920s, when a survey of employee motivation in Chicago called Hawthorne Studies was conducted. The end result of the study was the formation of an effectively operational team working at the factory, where the research was conducted. The main factors that contributed to the development of this team are: freedom to create working conditions, lack of pressure, constant feedback and satisfaction that arose from individual performance.

The very term and concept of the “team” did not emerge until 1971 (Hare, 1993), when it came from the “team method of learning” which became the focus in educational reports. The more general term “team” emerged during 1988 with reference to studies in clinical practice, business, sports and military activities. The text related to team building at that time indicated the characteristics of an effective team and suggested goals for the team building (Baron, Kerr, 2003; Cannon-Bowers, Salas, 1998; Parker, 2008; Pentland, 2012; Woolley et al., 2010).

The term “team” can be defined as “a small number of people with complementary skills who are committed to a common purpose, goal performance, and approach/concept for which they consider themselves mutually responsible” (Katzenbach, Smith, 1999). Most studies indicate that over 80% of organizations, especially those with over 100 employees, use different types of teamwork and that team building is one of the most effective group development methods / practices in the organization (Cannon-Bowers, Salas, 1998; Cannon Bowers, Bowers, 2010; Mullen et al., 1998; Katzenbach, Smith, 1999; Baron, Kerr, 2003; Parker, 2008; Pentland,
Klein (2009) explored four specific components of the team building (goal setting, interpersonal relationships, problem solving, and role clarification) and their impact on cognitive processes, process effectiveness, and performance outcomes.

Tourist offer impact on drafting a team-building itinerary

Creation, preparation and realization of team building is a complex process that brings together different stakeholders, providers of different services. Each team building is a unique product, specially created and designed in accordance with the requirements of the team building contractor and the goals set.

In addition to the basic content of the team building, it is equally important to choose the location of realization of the same. Team building does not necessarily have to be outsourced, but experience shows that it is advisable. Team building brings together participants who are in business relationships, that is, working together. In order to achieve a better working atmosphere for the duration of team building, they are most often "moved from the mundane and familiar work environment" to an environment less familiar to them, an environment that does not associate with the work environment. For this reason, team building is in most cases carried out outside the workplace and involves moving to another environment, to another location. When choosing a team-building venue, the many elements of offering a potential venue, the team-building venue, are considered.

The elements of the tourist offer that are considered when selecting a location for team building are as follows:

1. **Location for Team Building**
   Accessible by road (bus, car), adequately marked. In order to provide a transport service, contracting authorities hire transport companies if the company does not have its own fleet (official cars).

2. **Hospitality Facilities (hotels, resorts, restaurants)**
   The duration of team building is usually two to three days and includes one to two nights. Several elements are considered when selecting a hospitality facility:
   - The hospitality facility needs to have sufficient capacity according to the size of the group. Considering that the group is made up of business people, an accommodation unit is proposed for each participant and of the same standard. Occasionally, participants are accommodated in double or multi-bed rooms if the contracting team agrees. An important factor are the conference rooms: sufficient number, with adequate equipment, lighting and surface. In addition to the team building work, joint dinners or lunches are recommended in order to achieve an informal atmosphere among participants. Team building, among other things, enhances communication among team members, and informal socializing is one way of realizing this. Preference is given to catering establishments which in their immediate vicinity have local restaurants, adequate capacity, good quality services.

3. **Sports and entertainment facilities**
   The advantage of each location is reflected in the existence of adequate spaces for the realization of sports and entertainment facilities, near or within the restaurant. First of all, we think of sports grounds (indoor and outdoor), but also public areas such as parks, accessible
and safe spaces covered with forests, proximity to rivers and lakes, natural monuments (caves) that are safe and adequate for the implementation of sports and entertainment activities. The selection of the space for the said activity shall be made in consultation with the providers of sports and entertainment programs or engaged providers. Each activity must be safe, so consultation and consent from professionals in the field is required.

4. Cultural heritage sites

The proximity and existence of cultural and historical monuments enriches the program and content of the team building. There are situations when certain team-building activities are created in accordance with existing cultural and historical monuments. For example: a "treasurehunt" activity requires participants to find out information about the cultural and historical heritage itself, in order to take the correct answer to the next location. This puts the team building activity into an original, uncommon environment and creates a new experience for participants. Numerous team building activities in order to carry out, in addition to the involvement of stakeholders such as specialized consulting agencies, sports associations and clubs, event agencies, are necessary conditions for the realization of the same.

Minimum requirements for team building activities are: adequate spaces and locations, hiring additional staff - professionals in their field of work, attractive natural environment, safe conditions, stakeholder approach.

Considering all of the above, it can be concluded how much the tourist offer of a particular place with its surroundings influences the content of the team building. The contracting team considers all the above elements when selecting a location. On the other hand, there are instances where content is created by the team building. Knowing the market, contracting team developers first decide on the location (because they are familiar with the tourist offer and capacities), and accordingly create content team building.

Methodology

In order to collect additional data relevant to this research, a field research was conducted in the form of an interview, followed by analysis of the data. The survey took into account the majority of stakeholders, who in their core business deal with the completeness or partly the organization and realization of team building. Interviewing was a classic paper-pen. Respondents completed printed surveys in person or with the assistance of researchers during August and September 2015. All respondents were informed in detail of the purpose of the research as well as the identity of the researcher. Respondents voluntarily participated in the survey and were informed that the survey was anonymous and that the data would be used strictly and for research purposes only.

Ten individuals were interviewed whose positions were directly involved in the decision-making process related to the actual team building process. The sample includes positions such as: hotel sales manager, event agency director, human resources consultants, travel agency owner, educational event organizing coordinator, general manager of the sports and recreational association, meeting and congress sector manager.
Results and discussion

Based on the interview conducted, conclusions can be drawn about the general elements, as well as the specifics that emerge during the process of creating and implementing team building. As mentioned in the beginning, the interview was conducted with ten representatives of different stakeholders who participate in these activities with their activity.

The first question examined the participation of the building team in the overall turnover of the various tourism entities. The survey showed that their share in the total turnover is not negligible. The largest share of the bidding team in the total turnover is recorded by the hotel companies with between 30-60 questionnaires for submission of offers per month, while on average it is realized 150 per year. Also, a significant part of the team building’s participation in the total turnover is recorded by professional consulting agencies. It is interesting to note the low percentage of team building participation (only 1%) with travel agencies. Travel agencies that could be responsible for creating a team building offer and covering all stakeholders, have a very low level of representation of the team building. Travel agencies, when creating their travel arrangements, gather a large number of stakeholders, which is very similar to the organization of the team building.

The analysis of the answers confirmed the basic elements and characteristics of the team building. All stakeholders note the seasonality in the realization of team building (autumn and spring as the most sought after months). Average group size of participants between 30-60 people. The duration of the team building is 2-3 days. In addition to entertainment, in recent years there has been an increase in awareness among the contracting team of the team about the benefits of realization of the team building, so the content is an increasing focus on employee development, as confirmed by consulting agencies.

It is important to note that most stakeholders note that clients are looking for a unique event, an unforgettable experience. This confirmed the specificities that the team building brings with it: use of multiple halls, stay fully filled with facilities, proximity to cultural and historical monuments and natural values, creation of several program options (“indoor” and “outdoor” activities), engaging more stakeholders and similarly.

The most common barriers / problems in the creation and implementation of team building come from the heterogeneity of the group of participants, the large number of details regarding the requirements that must be well communicated, and the willingness to “plan B” for unexpected moments, i.e. creating additional activities. The problem of group heterogeneity requires the creation of content and activities that will suit the group as a whole. Or as one HR consultant put it: “Essential problems generally arise from differing expectations of mostly extremely heterogeneous groups, whose participants have almost opposite activities that they prefer.” The lack of a budget is another often mentioned barrier. A unique experience, the inclusion of different stakeholders increases the cost of team building, and there is often a big gap between what you want and what content a company can afford.

Similar answers were obtained when presenting the opinion of stakeholders on the need for additional attention to the organization of team building? Everyone agrees that extra attention is needed, because of all its elements and the specificity that the team building brings with it. Each contracting team builds a unique event, a new experience for its employees that every stakeholder needs to approach with special care to ultimately have a satisfied client.

During the interview, the technical part is mentioned several times, that is, adjusting the interior, hall and equipment for the realization of activities, which other types of events do not
require. It also emphasizes the necessary communication with the client, the willingness to make changes and changes that require first and foremost a lot of time in preparation.

Research has also shown that there are differences in the understanding of the stakeholder and the stakeholder approach. It is positive that today many are familiar with the notion of a stakeholder and the importance of a stakeholder approach. On the negative, and at the same time, it is interesting that those who are most expected to understand the importance of the stakeholder approach are the least aware of it, and these are travel agencies.

Some hotel establishments recognize the stakeholders in the team-building contractors, but there are those who gather the stakeholders to retain participants and provide as much of the requested services as possible. In other words, some of them provide additional services outside the hotel to maintain customer satisfaction and raise the overall impression to a higher level. One of the responses of the hotel sales manager confirms the following: “In today’s time of rapid and frequent changes in the market, clients are becoming more demanding. In order to follow the trends in the hotel industry, you need to step outside the facility where you work, because in order to organize a good team-building itinerary you need is to listen to the needs and create the original program. The hotel, however good the content is, unfortunately cannot do it alone. Stakeholders, carefully selected partners in the implementation of one team building program jump in. “This reasoning indicates that the catering industry has developed a new approach to contracting team building and made a difference with other types of events. Awareness of a unique product has been raised which has its own specificities and as such, special care and approach is needed. An understanding of the stakeholder approach is explained simply by an HR consultant: “The team building event involves many actors from different sides. It is important to create the need for a common goal and involve stakeholders who have their expertise to organize the high-level team building in the most efficient way. “ It has been confirmed that it is precisely the providing agencies that create content for the team building, understand and use the staging approach.

When it comes to promotional activities, for all stakeholders, marketing tools are minimized: internet promotions and “by-the-word-of-mouth” promotion.

Improving the process of creating and implementing team building lies primarily in raising awareness of the importance of team building, not only with the service providers but also with the client. Adequate communication with employees about the importance of team building, designed activities would be realized with greater positive effect. Providers of various services are aware of the increasing presence of team building, the impact on their revenues, but they must also be aware of the specifics that the team has. This will minimize the problems and shortcomings that arise and more time will be devoted to creating a unique program and experience.

**Conclusion**

Based on the data presented in the paper, it can be concluded that team building in most cases is realized outside the place of work (residence). It requires movement, which fulfills one of the preconditions for creating a tourist trip. In terms of motives, the realization of team building can be classified as business travel, because the participants of team building are employed by companies, that organize team building. From the point of view of the participants, the team building does not indicate a tourist trip (it is not their leisure time, because it is realized in most cases during working days; they don’t pay for the team building, as sole organization and
realization of the team building is at the company expense). It can be expected that team building is a form of motivational journey for employees. The research confirmed the many benefits of team building, both for team building participants, for the company, and for everyone involved in the process of providing a specific service, product related content and team building program.

The process of creation and realization of the team building brings together many stakeholders. They all aim to sell their services and products in order to make a profit and increase traffic. However, by raising awareness of the importance of team building, confirmed by the positive impact on profit-making and turnover of engaged stakeholders, all participants became aware of the specifics to which they need to adapt. A stakeholder approach in creating team building programs is necessary in order to create the content itself. Team building content is a creative and original product and in order to be realized it brings together many participants. In this regard, it is always necessary to look at the bigger picture in the process of creating mentioned product.

From the aspect of tourism, the benefits of team building implementation are numerous. Not only that the main service providers are involved, but many others can find their place in making a profit (local products and craftsmen, restaurants, bands, actors, athletes, and many others). The uniqueness of the team building is based precisely on its heterogeneity of services. The hotels that mostly provide the necessary services to the team building participants are aware of the differences between the team building and other events. The groups of participants are smaller, and in fact the team building lasts shorter, but during their stay all facilities of the hotel are included (full board, renting more halls, coffee breaks, dinners, additional facilities, etc.). Research showed that there is a progress in the hotel offer of Serbia regarding creating content for the stay of participants of the team building. Hotels are aware that they cannot create a unique experience on their own, so they also appear in the role of procuring additional services and engaging different stakeholders.

Research further shows that there is a need for raising awareness and information dissemination regarding the importance and benefits of team building for all its participants. One of the suggestions for improving the process of team building realization is to create specialized agencies that will be the focal point between the team building contractors on the one hand, and the gathering of all stakeholders on the other. Taking into account the description of the activities of travel agencies, it could be assumed that they are the ones that could take on this role. Unfortunately, in reality it is just the opposite as the least interest in the implementation of team building has just been recorded within travel agencies. However, with adequate information, training and awareness channels, the situation might change. In the process of information and communication, the role of leaders can be taken by tourism organizations. For holders of tourism offers, different stakeholders, team building is a unique product at the macro level where each participant in providing a specific service at the micro level influences the creation of a unique product. The implementation of team building for all service providers accomplishes one of their primary goals - to realize profits and increase traffic.
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