



When Institutional Readiness Outpaces Operational Capacity: A Governance Paradox in an Indonesian Tourism Village

Titi Darmi¹, Iqbal Miftakhul Mujtahid²

¹Public Administration Program, Muhammadiyah Universitas Bengkulu, Kota Bengkulu, 39119, Indonesia.

²Public Administration Program, Universitas Terbuka, Tangerang, 15437, Indonesia.

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CORRESPONDENCE

Name: Titi Darmi
Email: titudarmi@umb.ac.id

ABSTRACT

Indonesian studies of community-based tourism commonly treat the presence of village institutions (BUMDes, Pokdarwis, plans, budget lines) as evidence that a village government can govern tourism; whether these arrangements translate into the capacity to deliver tourism services, especially in recognised villages, has rarely been examined. Drawing on institutional and policy capacity scholarship, this study distinguishes institutional readiness (the existence and formal functioning of mandated structures, plans and budgets) from operational capacity (the skills, services and infrastructure needed to receive and manage visitors), and asks why a recognised village still struggles to operate tourism. A qualitative single-case study of Lubuk Resam Village, Bengkulu, used interviews with nine informants (five village officials, four judges of the 2022 provincial tourism village competition), observation and document analysis, organised around seven standard indicators and analysed thematically. Institutional arrangements, natural endowments and social cohesion were appraised as strong, while trained human resources, public transport, emergency access and visitor information were weak or absent. Three mechanisms explain this gap: a mandate-and-funding logic rewarding the adoption of institutional forms, the location of key capacity inputs outside village authority, and a thin base of tourism skills. Strong institutions support tourism governance, but they do not guarantee effective tourism services. Tourism village recognition may value institutional readiness more than operational capacity.

INTRODUCTION

Rural tourism is a favoured instrument of rural development policy because it promises to convert natural and cultural endowments into local income under local control (Gao & Wu, 2017). In Indonesia it was institutionalised through the tourism village (*desa wisata*) programme after Law 6/2014 transferred planning authority and substantial Village Fund transfers to more than 74,000 village governments (Antlov et al., 2016), which were encouraged to establish Village-Owned Enterprises (BUMDes), tourism awareness groups (Pokdarwis) and tourism programmes within their medium-term development plans (RPJMDes). Villages across the archipelago now possess the formal apparatus of tourism governance; whether it can do the work tourism governance requires is far less clear.

Three literatures bear on this question and do not point the same way. Community-based tourism (CBT) research agrees on the conditions for success (participation, leadership, skills, partnerships, supportive institutions) but disagrees on their sequencing: Tosun (2000) sees participation in developing countries blocked by operational, structural and cultural limits, Blackstock (2005) argues that formal participation arrangements deliver less than they promise, and Dolezal and Novelli (2022) show Indonesian community-based arrangements steered by external partners and elites (see also Dodds et al., 2018; Zielinski et al., 2020). Tourism governance research shows destinations steered through multi-level networks whose effectiveness depends on trust, resources and authority (Bramwell, 2011; Nunkoo, 2017), and rural China cases show outcomes depending on which actor controls operational assets (Gao & Wu, 2017; Su et al., 2022). The Indonesian literature documents BUMDes, Pokdarwis and participation in individual villages (Arintoko et

al., 2020) and the capacity constraints of village apparatus in managing Village Funds (Darmi & Mujtahid, 2021; Darmi et al., 2023; Lewis, 2015).

Together these strands leave three questions open. The Indonesian literature tends to treat the presence of structures as evidence of capacity, whereas the CBT and governance strands insist that structures matter only insofar as they generate skills, services and coordination; the relationship between having structures and being able to use them has not been studied directly at village level. Officially recognised yet operationally immature villages are rarely examined, although there the difference between formal and functional capacity is most visible. And “institutional capacity” is used loosely, so it is unclear what a strong institution should deliver.

This study defines institutional capacity from a public administration perspective: the ability of a governing system of organisations, rules, human resources and inter-organisational relationships to anticipate needs, make decisions, mobilise resources and implement programmes over time (Grindle & Hilderbrand, 1995; Honadle, 1981). This is broader than organisational capacity (a single organisation’s resources and management) and administrative capacity (bureaucratic execution of assigned tasks) (Christensen & Gazley, 2008), and overlaps with governance capacity, the ability of interdependent actors to act jointly across boundaries (Emerson et al., 2012). Following Wu et al. (2015), who distinguish operational from analytical and political competences, the study separates institutional readiness (the existence and formal functioning of mandated organisations, plans and budgets) from operational capacity (skilled people, services and infrastructure to receive, guide, accommodate and move visitors).

The analysis uses seven indicators specified in the Standard Operating Procedure (SOP) for Tourism Village Assessment issued by the Head of the Bengkulu Provincial Tourism Office through Decree No. 21 of 2021: institutional arrangements, human resources, natural and physical environment, socio-cultural conditions, amenities and infrastructure, accessibility, and community attitudes and way of life. These indicators were used to assess the village in the 2022 provincial tourism village competition. Based on the institutional capacity framework, the seven indicators are grouped into three dimensions: institutional readiness (Indicator 1); operational capacity (Indicators 2, 5, and 6); and the natural, socio-cultural, and community foundations that support both dimensions (Indicators 3, 4, and 7). This classification allows institutional readiness and operational capacity to be examined separately using the same assessment instrument (Table 1).

Lubuk Resam Village, Seluma Regency, Bengkulu, satisfies the formal criteria of institutional success: substantial natural endowments and third place among ten nominees in the 2022 provincial tourism village competition. The research question is: why does a village recognised for institutional readiness still lack the operational capacity to govern tourism, and what does this reveal about the relationship between formal institutions and governance capacity in community-based tourism? The contributions are theoretical (the readiness/capacity distinction and its mechanisms of divergence), empirical (the first detailed account of a post-recognition Indonesian tourism village analysing the seven indicators relationally) and policy-related (evidence that recognition and funding instruments can reward institutional forms while leaving operational deficits unaddressed).

To explain this gap between institutional readiness and operational capacity, the study draws on capacity research, which warns against equating capacity with formal structures. Honadle (1981) defined capacity as abilities that can exist independently of one another; Grindle and Hilderbrand (1995) found that human resource weaknesses and failures in the task network surrounding a function, in village tourism spanning village government, BUMDes, Pokdarwis, district agencies and provincial tourism bodies, explained performance better than organisational structure; and capacity studies rely on input and structural measures, leaving the conversion of structures into performance under-examined (Christensen & Gazley, 2008). Wu et al. (2015) make that conversion explicit by distinguishing operational competences, which depend heavily on individual skills and physical means.

Institutional theory explains why structures and performance diverge: organisations adopt structures that mirror institutionalised expectations to secure legitimacy and resources, decoupled from daily work (Meyer & Rowan, 1977). In development administration this appears as isomorphic mimicry, forms of capable states adopted without their functions, and the capability trap, in which recognition of forms weakens the incentive to build functions (Andrews et al., 2013; Pritchett et al., 2013). Village governments required to have particular structures, able to fund them from earmarked transfers and evaluated by competitions on their basis face exactly these pressures.

The CBT literature supplies the content of operational capacity: people who can guide, host, interpret and produce for visitors, means to reach and move around the destination, and organisations coordinating both (Dodds et al., 2018). Tosun (2000) classified the barriers as operational, structural (including

untrained human resources) and cultural, and Moscardo (2008) identified community capacity building, not asset provision, as the binding constraint in rural destinations. Social cohesion and trust are assets tourism draws on but do not by themselves produce managerial competence (Nunkoo, 2017). Governance scholarship adds the vertical dimension: decentralisation can shift responsibilities without the resources or authority to discharge them (“centralised decentralisation”, Kimbu & Ngoasong, 2013); Village Fund transfers have outpaced village administrative capacity (Lewis, 2015); and joint action requires procedural arrangements, leadership, knowledge and resources together (Emerson et al., 2012).

Table 1 and Figure 1 combine these strands. Institutional readiness (Tier 1) is the mandated formal architecture; operational capacity (Tier 2) the human, service and infrastructural means of delivery; endowments and social foundations (Tier 3) the assets both draw on. Outcomes depend on all three tiers, not additively: readiness without operational capacity yields institutions that plan and budget for tourism but cannot deliver it. Three expectations guide interpretation: mandated, fundable and recognition-rewarded Tier 1 structures should be appraised more favourably than Tier 2 capacities; the gap should be widest for inputs outside village authority; and strong Tier 3 endowments should enable recognition even where Tier 2 is weak, since assessment instruments weight attractiveness and hospitality.

Table 1. Mapping the seven indicators to the tiers of institutional capacity

Tier	Indicator(s)	Diagnostic question
1. Institutional readiness	Institutional arrangements (BUMDes, Pokdarwis, RPJMDes integration, budget)	Do mandated structures, plans and budgets exist and function formally?
2. Operational capacity	Human resources; amenities and infrastructure; accessibility	Can the village guide, host, inform and move visitors in practice?
3. Endowments and social foundations	Natural and physical environment; socio-cultural conditions; community attitudes	What assets and social capital can the other tiers draw on?
Outcome	Tourism governance capacity	Can the village attract, receive and manage visitors and distribute benefits?

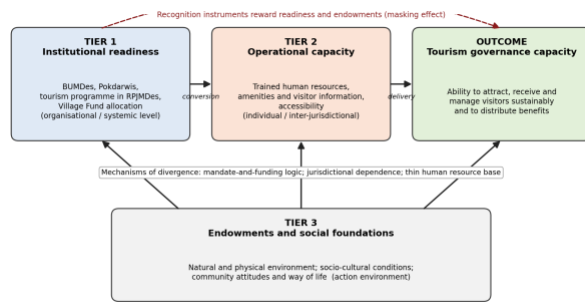


Figure 1. Conceptual framework. Arrows indicate dependence; the dashed arrow is the masking effect of endowments and formal readiness on recognition.

METHOD

The study used a qualitative single-case design, with the case selected for its information value rather than typicality (Flyvbjerg, 2006). Lubuk Resam is an information-rich case because it satisfied the formal criteria for tourism village recognition and possesses natural and social endowments that the programme seeks to mobilise. The village is located in Seluma Regency, Bengkulu Province, 21 km from the regency capital and 58 km from Bengkulu City, the provincial capital. It has 1,231 residents, whose main livelihoods are farming, particularly coffee, rice, oil palm, and rubber production. Seluma's Tourism Development Master Plan, established through Regional Regulation No. 4 of 2017, prioritises nature-based tourism.

Nine informants were selected purposively for direct involvement in developing or evaluating the tourism village: five village officials responsible for planning, budgeting and supervision of BUMDes and Pokdarwis (internal perspective) and four judges of the 2022 provincial competition, who had assessed the village on the seven indicators and could compare it with other nominees (external perspective). Table 2 profiles the informants; codes VO1-VO5 and CJ1-CJ4 attribute quotations. The composition deliberately privileges actors with institutional responsibility, since the research question concerns the readiness-capacity relationship as seen by those who design and evaluate the arrangements; the exclusion of entrepreneurs, homestay operators, ordinary Pokdarwis members and visitors is a limitation acknowledged in the Conclusion.

Table 2. Profile of informants.

Co de	Grou p	Position or role	S e x	Ag e	Ye ars in rol e	Date	Duratio n (min)
VO 1	Villag e gover nment	Village Head	M	50	7 yea rs	26 July 2023	60 minutes
VO 2	Villag e gover nment	Village Secretary	M	42	7 yea rs	26 July 2023	50 minutes
VO 3	Villag e gover nment	Head of Developm ent Affairs – tourism developm ent planning and budgetin	M	40	7 yea rs	26 July 2023	45 minutes

Co de	Grou p	Position or role	S e x	Ag e	Ye ars in rol e	Date	Duratio n (min)
VO 4	Villag e gover nment	BUMDes Director	M	35	3 yea rs	26 July 2023	60 minutes
VO 5	Villag e gover nment	Pokdarwi s Chair	M	36	3 yea rs	26 July 2023	60 minutes
CJ 6	Comp etition judges	Academic	M	60	2 yea rs	30 July 2023	45 minutes
CJ7	Comp etition judges	Ministry of Tourism represent ative	F	41	2 yea rs	29 July 2023	60 minutes
CJ 8	Comp etition judges	Forestry and Environm ental Agency represent ativ	F	38	1 yea rs	29 July 2023	45 minutes
CJ 9	Comp etition judges	Tourism Village Associati on represent ative	F	56	1 yea rs	30 July 2023	45 minutes

Data came from semi-structured interviews, field observation, and document analysis conducted in two stages: field observation during the provincial tourism village competition on 6 November 2022 and follow-up interviews in Lubuk Resam Village on 26 July 2023. The interview protocol had four items per indicator (28 items), based on the seven indicators and 28 sub-items in the provincial competition assessment form. The form served as a reference for developing the interview questions, rather than as the research instrument. Each item was explored through open-ended questions concerning the condition, supporting evidence, missing elements, and reasons. The questions structured the conversation and made differences in informants' accounts visible; the responses were not treated as measurements, and the analysis focused on the explanations and evidence provided. Interviews were conducted in Indonesian, face to face, with nine informants, and lasted approximately 45–60 minutes. Observation focused on verifiable conditions related to the seven indicators, including roads, signage, sanitation, and tourism attractions. Documents, including the RPJMDes, village budget, BUMDes regulation, Pokdarwis decree, and relevant competition documentation, were used to verify and triangulate information obtained from the interviews.

Data analysis followed the interactive model of Miles et al. (2014) and two coding cycles proposed by Saldaña (2016). First-cycle descriptive and in vivo coding was anchored to the 28 assessment items, capturing informants' characterisations and explanations. Second-cycle pattern coding grouped codes across informants and data sources into broader categories, including "structures dependent on individuals" and "capacity inputs outside village authority." The seven assessment indicators were treated as a priori categories, while the three-tier structure emerged from the second coding cycle. Data were organised in indicator-by-informant and cross-indicator matrices, and

interpretations were iteratively checked against interview, documentary, and observational evidence.

Credibility was strengthened through source and method triangulation and peer debriefing. Accounts from village-level actors and external assessors were compared, while differences were retained and examined rather than averaged. Interview accounts were checked against documents and field observations. Peer debriefing was conducted by telephone with tourism village assessors from the Ministry of Tourism and the Ministry of Environment and Forestry to discuss emerging findings and interpretations. Informants were informed of the study purpose and voluntary participation and provided oral consent. They were identified by role codes only.

RESULTS AND DISCUSSION

Lubuk Resam's tourism assets are predominantly natural, including a karst landscape, caves, hot springs, rivers suitable for rafting, bird habitats, and Rafflesia. The village also has formal arrangements for tourism development through village planning, institutional structures, and budget allocation. The findings are organised into three analytical tiers derived from the seven assessment indicators: institutional readiness, operational capacity, and endowments and social foundations. Table 3 summarises the characterisations and explanations obtained from the nine informants across the 28 assessment items, while the following sections interpret the patterns and supporting evidence.

Tabel 4. Summary of Findings across the 28 Assessment Items

Tier	Assessment indicators	Main pattern across 28 items
1. Institutional readiness	Institutional arrangements	Relatively strong: BUMDes, tourism planning in RPJMDes, and Village Fund allocation were consistently characterised positively. Pokdarwis effectiveness was more qualified because its continuity depended on individual initiative.
2. Operational capacity	Human resources	Weak to moderate: tourism-specific skills and experienced local guides were limited; women's groups and productive groups provided potential but were not fully connected to tourism services.
	Amenities and infrastructure	Moderate: basic household-based facilities were available, while facilities requiring broader investment remained limited.
	Accessibility	Weakest: internal access was relatively functional, but external connectivity and transport-related support remained limited.

Tier	Assessment indicators	Main pattern across 28 items
3. Endowments and social foundations	Natural and physical environment	Strong: natural attractions and environmental conditions provided substantial tourism potential.
	Socio-cultural conditions	Strong: local culture, culinary resources, and community cooperation provided a strong social foundation.
	Community attitudes and way of life	Strong: hospitality, cooperation, and positive attitudes toward tourism supported visitor acceptance.

The formal architecture of tourism governance was relatively well established and was viewed positively by village-level actors and external assessors. It included a BUMDes with a clear organisational structure, a Pokdarwis formally established through the Head of the Seluma Regency Tourism Office Decree No. 800/08/SK/DPPO/III/2022, and a tourism development programme incorporated into the RPJMDes with an annual village budget allocation. Document review confirmed these arrangements. No informant characterised the institutional items as poor, although Pokdarwis effectiveness was qualified by its dependence on individual initiative.

However, the evidence distinguishes institutional existence from sustained institutional functioning. BUMDes, tourism planning, and budget allocation were consistently viewed positively, whereas Pokdarwis effectiveness was more qualified. As VO3 explained, "Pokdarwis is functioning, but it is still operating at a basic level. The main problem is the continuity of its programmes." VO4 similarly noted that "Pokdarwis remains active because of particular individuals who have a strong commitment."

These accounts indicate that the formal structure existed, but its continuity depended heavily on individual commitment rather than established organisational routines. The same distinction appeared in budgeting. For the 2023 fiscal year, Lubuk Resam received Rp321,371,989 in Village Fund Allocation (ADD) from the district budget and approximately Rp600 million in Village Funds from the central government, with 30% allocated to tourism development.

The tourism allocation was realised through the construction of a hot-spring bathing pool, indicating that formal budget allocation had been converted into physical tourism infrastructure. However, the investment had not yet been accompanied by sufficient operational capacity to support a broader range of sustained tourism services.

Human resources yield the sharpest finding: all nine informants stated that the village has no local guides and no one with professional tourism experience, the only unanimously negative item, and named it the principal constraint on receiving visitors: "In our village, especially among Pokdarwis members, none hold certified guiding credentials. For regular tourism we rely on existing skills, so certain attractions are fine. But when visitors want white-water rafting, we simply don't dare offer that service without certified guides, we must turn them away or redirect them elsewhere. That's our biggest barrier." The

remaining items are graded: women's groups are active but organisationally inconsistent; productive activity in crafts and food is unanimously moderate, small-scale and unconnected to a tourism market; willingness to participate is uneven. The village holds latent human resources but lacks the competences (guiding, interpretation, hospitality management, product development) that convert them into services, an individual-level deficit (Wu et al., 2015) and structural limit (Tosun, 2000): BUMDes and Pokdarwis, however well constituted, have no trained personnel through whom to deliver tourism.

Amenities reveal a clear distinction between household-level provision and infrastructure requiring public investment. Homestay readiness, water supply, and sanitation were positively assessed by all informants and supported by field observation, indicating that households can provide basic facilities for visitors. In contrast, public infrastructure remains a major constraint. The road connecting Lubuk Resam to the regency centre is in poor condition, and reaching the village requires specialised transportation. This contrast shows that household efforts can provide basic visitor facilities, but they cannot compensate for weaknesses in public infrastructure and external connectivity.

Accessibility is the weakest indicator, with an instructive pattern. Internal routes between tourism attractions are relatively functional, but access to Lubuk Resam from the regency centre remains a major constraint. The road condition is poor, and serving visitors requires the Pokdarwis to rent four-wheel-drive vehicles. As CO1-CO5 explained, "To serve visitors, Pokdarwis has to rent four-wheel-drive vehicles, and this cannot be done every day. It is mainly arranged during public holidays." This dependence on special transportation limits the village's ability to receive visitors on a regular basis. The constraint therefore extends beyond the village's direct authority: Pokdarwis can arrange transport when demand is high, but it cannot independently provide reliable external connectivity. Operational capacity is thus bounded by jurisdiction and infrastructure.

The village possesses diverse natural and cultural assets that provide a strong foundation for tourism. Its main natural attractions include hot springs and a hot-spring bathing pool, natural caves, a river suitable for rafting, sulphur and alum stones, waterfalls, rock-climbing sites, and Rafflesia flowers. Cultural assets include zikir Sarapan Anam, Ringgit Bersambung, traditional dances, and Berejung. Informants consistently described these assets positively, while field observation confirmed their presence and tourism potential. Community cooperation, tolerance, and hospitality further strengthen the social foundation for tourism. However, the availability of these assets does not automatically translate into operational tourism capacity. Some attractions remain underdeveloped or insufficiently supported by guiding, information, access, and visitor facilities. The key issue is therefore not the availability of tourism resources, but the capacity to convert these resources into organised and sustained tourism experiences.

Two qualifications connect this tier to operational deficits. Youth participation remains limited because many Pokdarwis members, including its chair, do not reside permanently in the village, while some young residents are studying in Bengkulu City. As one village official explained, "Many young people are still studying in Bengkulu City, and several Pokdarwis members do not live permanently in the village" (VO1,2). Access to key attractions is also constrained by land ownership. The Village Head noted, "Landowners require compensation for land needed

to build access roads, while the village does not yet have the budget" (VO1,3,4,5). Consequently, some attractions can only be reached on foot. These conditions show that strong tourism resources and social cohesion do not automatically create operational capacity; sustained human engagement, land access, and financial resources are also required.

Cross-indicator synthesis: the shape of the gap. The seven indicators form one configuration, not a checklist (Table 4). Strengths cluster in Tiers 1 and 3, weaknesses in Tier 2; the weaknesses are of two kinds, those within village authority but requiring absent skills (guides, products, signage) and those outside it (public transport, alternative routes); and several compound one another, so improving any single one is unlikely to raise operational capacity. Lubuk Resam has the institutions of a tourism village and the assets of a destination, but not the operating capacity of either.

Table 4. Relationships between indicators in the cross-indicator analysis

Strong element (tier)	Compounding weak element (tier)	Governance implication
BUMDes and Pokdarwis established (1)	No trained tourism personnel (2)	Form without operational function
Pokdarwis active (1)	Individual-dependent continuity (1); limited youth participation (3)	Readiness fragile; no succession pipeline
Budget allocated (1)	Realisation and coordination difficulties (1); signage and road deficits (2)	Planning exceeds implementation capacity
Internal routes good (2)	No public transport; no alternative routes (2)	Capacity bounded by jurisdiction
Homestays and sanitation ready (2)	No signage; no guides (2)	Visitors accommodated, not received or guided
Natural assets and cohesion strong (3)	Open space under-used (3); small productive groups (2); land-use disagreements (3)	Endowments mask the deficit; social capital unchannelled

Why institutional readiness exceeds operational capacity

The question is why the weaknesses cluster in operational capacity while the institutional tier is strong. The data support three mechanisms. The first is a mandate-and-funding logic rewarding the adoption of institutional forms: every element characterised most favourably (BUMDes, Pokdarwis, RPJMDes programme, allocation) is one the regulatory framework requires or funds and the competition assesses. This is the adoption of institutionalised structures to secure legitimacy and resources (Meyer & Rowan, 1977): isomorphic mimicry, forms acquired before, and sometimes instead of, functions (Andrews et al., 2013). The internal evidence lies in the qualifications: Pokdarwis, the only institutional element requiring continuous activity rather than a document, was the only one characterised as moderate and described as individual-dependent, while the highest-rated item, the budget, carried acknowledged realisation

and coordination problems. Where readiness required only adoption it was complete; where it required routinised operation it was partial. This is decoupling, and the capability-trap literature warns that once such structures earn recognition, the incentive to close the gap weakens because the organisation already looks like a tourism village (Andrews et al., 2013).

The second mechanism is jurisdictional. The most serious deficits, public transport, alternative routes, largely road quality, are the responsibility of district or provincial agencies and transport operators; internal routes within village authority were good. Capacity failures sit in the task network more often than in the organisation (Grindle & Hilderbrand, 1995), joint action requires arrangements, leadership, knowledge and resources across the actors involved (Emerson et al., 2012), and no inter-governmental arrangement for tourism access was evident. The pattern matches centralised decentralisation (Kimbu & Ngoasong, 2013): responsibility devolved to the village, the levers determining whether visitors can arrive not. Lewis (2015) showed village transfers outrunning villages' capacity to use them; this case shows the complement: even a village using its funds as intended cannot purchase the connectivity tourism requires.

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The third mechanism is the thin and ageing human resource base: no guides, small-scale productive groups, limited youth engagement. The individual-level competences on which operational capacity depends have not been built and the population from which they would be built is not engaged, Tosun's (2000) structural limit and Moscardo's (2008) capacity-building constraint. The case adds that the deficit persists although Regulation 7/2021 makes training of tourism village actors an eligible Village Fund priority: training produces a function, not a form, and functions are neither required by regulation nor assessed by the competition as structures are. A fourth element explains why the gap goes unnoticed: the masking effect of endowments. Natural beauty, cohesion and hospitality are what the competition rewards most visibly, so a village with these endowments and the required forms scores well even if it cannot guide, inform or transport a visitor. Recognition certified readiness and endowment, not operational capacity, and may have reduced the pressure to build it.

Confirming, extending and departing from previous research

The findings confirm the CBT literature on skills, transport and coordination as conditions for success (Dodds et al., 2018; Zielinski et al., 2020) and on homestays as the element communities most readily supply themselves (Pasanchay &

Schott, 2021). They extend it in two respects: most CBT studies examine settings where institutions are weak and treat institutional strengthening as the remedy, whereas here the limits persist after institutions are established and recognised, so readiness is necessary but not sufficient; and Tosun's limits, usually barriers to community participation, operate here as barriers to institutional performance, constraining what BUMDes and Pokdarwis can do however participatory they are.

The findings depart from much Indonesian research, which reads the existence of BUMDes, Pokdarwis and planning integration as institutional capacity and locates remaining problems in participation (Arintoko et al., 2020): here participation and cohesion were among the strongest elements, and the deficit lay in converting institutions and cohesion into operating capability. They differ from rural China cases where village collectives or enterprises supplied operational assets and personnel (Gao & Wu, 2017; Su et al., 2022): Indonesian villages hold strong planning and funding authority, but no comparable actor supplies operational capacity. They support Dolezal and Novelli's (2022) call to scrutinise who actually holds capacity in community-based arrangements and Blackstock's (2005) warning about formal participation structures, adding a public administration explanation: the structures are real, but they are readiness structures, and the capacity to operate them was never built because neither regulation nor recognition required it. They also qualify social capital arguments: cohesion enabled hospitality and consensus, but did not substitute for skills or for links to the agencies and markets on which operational capacity depends (Nunkoo, 2017).

Implications and transferability

Three implications follow. Institutional capacity in community-based tourism should be measured in layers: a village can score highly on structural measures while lacking operational capacity, and the two respond to different interventions (Christensen & Gazley, 2008); the readiness/capacity distinction operationalises the policy capacity framework (Wu et al., 2015) at village level. Recognition and funding instruments are part of the causal story: instruments that assess and fund forms produce forms, while instruments assessing functions (certified guides, transport arrangements, budget realised on visitor-oriented investment) would create different incentives (Andrews et al., 2013). And village tourism governance is inter-jurisdictional by necessity, needing the vertical dimension collaborative governance supplies (Emerson et al., 2012) and that Bramwell (2011) urged for the state's role. Because these mechanisms are structural features of the programme, the pattern should recur in villages combining strong endowments, compliance and dependence on higher levels for connectivity, and be weaker near transport corridors or where a partner supplies trained personnel: propositions for comparative research.

CONCLUSION

Empirically, Lubuk Resam has established what the programme requires (a functioning BUMDes, an active Pokdarwis, a tourism programme in its plan, an annual Village Fund allocation) and possesses abundant natural endowments, strong cohesion and household-level readiness to accommodate visitors; yet it has no trained tourism personnel, no public transport, no alternative access routes and inadequate signage. Strengths cluster in readiness and endowments, weaknesses in operational capacity, and the weaknesses compound one another.

Theoretically, the study shows that formal institutional strength does not by itself produce operational governance

capacity in community-based tourism. It proposes readiness and operational capacity as separable components of institutional capacity, identifies three mechanisms of divergence (a mandate-and-funding logic rewarding forms, the jurisdictional location of key inputs, a thin human resource base) and shows that recognition instruments can certify readiness while masking operational deficits.

For policy: village governments should convert allocations into functions (guide training and certification, market-linked support for productive groups, visitor information, youth engagement, all eligible Village Fund uses); district and provincial governments must supply the inter-governmental arrangements for transport and access that devolution alone cannot; and competition designers should weight operational indicators (certified personnel, visitor management, budget realisation) more heavily than the existence of institutions.

The limitations follow from the design. This is a single qualitative case intended to explain a mechanism, not to estimate prevalence. The informants were village officials and competition judges; entrepreneurs, homestay operators, ordinary Pokdarwis members, young residents and visitors were captured only indirectly, and a study including them might weigh the institutional tier less favourably. The five-level descriptors carry the competition's assumptions, and fieldwork observed one point in time shortly after recognition. Future research should compare recognised and unrecognised villages, and villages with and without external transport access or enterprise partners; follow recognised villages longitudinally to see whether recognition slows or accelerates investment in operational capacity; include community and visitor perspectives; and analyse competition instruments and Village Fund regulations to show how the incentives identified here are constructed and might be redesigned.

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CRedit authorship contribution statement

Titi Darmi: Conceptualization, Methodology, Investigation, Formal analysis, Writing – original draft, Supervision. Iqbal Miftakhul Muhtajid: Data curation, Validation, Writing – review & editing.

Conflict of Interest

The authors declare that they have no known competing financial interests or personal relationships that could have appeared to influence the work reported in this article.

Ethical Statement

The authors confirm that the research was conducted in accordance with applicable ethical principles for research involving human participants. Informed consent was obtained from participants prior to their involvement in the study, and their confidentiality was respected throughout the research process.

Data Availability

The data that support the findings of this study are available from the corresponding author upon reasonable request

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