

# A Study on Intensity of Relations between the Tourism Promotion Organizations and the Casino Industry

(관광촉진기관과 카지노 산업간의 관계성 강도에 관한 연구)

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## I. INTRODUCTION

An interorganizational relationship occurs when two or more organizations collaborate to achieve individual or collective goals of each organization represented in the relationship. Generally, the objective of organizations involved in an interorganizational relations (IOR) is to exchange resources in a collaboration process. This organizational resource exchange is quantified as voluntary activity between two organizations that has consequences for their respective goals or objectives (Levine & White, 1965). Furthermore, other

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Instructor, researchers posit that an IOR is determined by goal attainments that are \* unachievable by each organization independently (Mulford, 1984; Rogers & Whetten, 1982). Combined resource exchange and resource dependence theories form a conceptual definition of an interorganizational relationship.

Hunt (1990) indicated that tourism is a major economic development method and a contributor of economic diversification for communities throughout the U.S. Therefore, advance economic development in a community, various tourism development organizations in the community (e.g. Chambers of Commerce, convention and visitors bureaus, and economic development organizations) should collaborate and form interorganizational relationships with businesses within the tourism industry.

Within the tourism industry, riverboat gaming has become important to the growth in social, economic, and environmental development aspects of a community. There are significant relationships between tourism and the riverboat casino industry. The tourism sector is one of the greatest beneficiaries of riverboat casino gaming (Johnson, 1994). Concurrently, Pearce (1992) mentioned that tourism can be particularly beneficial to the gaming host communities development. Such tourism impact can be easily observed in riverboat casino destination areas. Lee (1994) mentioned that existing community tourism helps casino gaming, and in turn, brings more visitors to state tourism sites.

Although the association between community development and the gaming industry is evident, there is relatively little knowledge on the extent of formal and informal ties between tourism organizations and riverboat gaming organizations. Ideally, riverboat gaming as a tourist activity should be informally integrated into the general plan of a community. Likewise, gaming communities should have formal relationships with casino operators to acquire resources and revenue and to maintain certain rights and privileges of the community population. By understanding the extent of these ties, it would be feasible to determine methods for the strengthening of interorganizational relations between organizations in the tourism industry and riverboat casino's. Hence, logically the success of tourism development is in relation to the strength of the interorganizational relations between the tourism promotion organizations and the riverboat casinos in a community.

## 1. Statement of Purpose

The purpose of this study was to analyze the intensity of interorganizational relations (IOR) between the tourism promotion organizations and the riverboat casino industry. The first objective of the study was to determine if there was a significant difference in IOR between tourism promotion organizations and riverboat casinos. The second objective of the study was to determine if there were significant differences in IOR among tourism promotion organizations.

## 2. Significance of Study

There are four conditions which indicate a need for the study of IOR between tourism promotion organizations and the riverboat gaming industry. First, practitioners in the tourism industry are presently interested in the topic of interorganizational relations. A second condition that facilitates the need for research on IORs is the need to determine those equitable exchanges of resources between organizations that will contribute to the accomplishment of exceed each organizations official goals which are designed to guide an organization toward success. A third condition which warrants the study of IOR is the need to determine those factors that develop a unified tourism promotion effort between tourism promotion organizations and riverboat casinos.

Finally, the results of this study may be used to identify the strengths of existing IOR's between tourism promotion organizations and riverboat casinos. The results would be a considerable resource for interested organizations which have a stake in riverboat casino gaming. Information may further be used to develop tourism planning and management strategies.

## 3. Hypotheses

The following null hypotheses were proposed to measure the differences in interorganizational relations between riverboat casinos and tourism promotion organizations.

1. There would be no significant difference between the level of IOR of

tourism promotion organizations and riverboat casinos.

2. There would be no significant difference in IOR scores among tourism promotion organizations.

## II. REVIEW OF RELATED LITERATURE

The following literature review discusses previous findings on related topics to demonstrate the importance of this study.

### 1. Relationships between Organizations

Van de Ven & Walker (1984) commented that interorganizational relationships (IOR) occur when two or more organizations transact services and resources of any kind (e.g. money, materials, client or customer referrals, and technical staff services). Generally, an organization acts like an entrepreneur who gathers the resources and forges the ad hoc relationships necessary to achieve its own goals (Cook, 1977; Hondale & Cooper, 1989; Van De Ven & Walker, 1984). There are a number of theories that explain why organizations are motivated to form an IOR.

Most of these theories on interorganizational relationships come from the fields of sociology and management. Three of the major theories on IOR include the following: autonomy theory, resource dependency theory, and resource exchange theory. Autonomy theory argues that organizations strive to maintain their autonomy by forming relations with other organizations (Levine & White, 1965; Clark & Wilson, 1961). Most organizations do not prefer to become involved in an IOR unless they are compelled to do so. However, organizations do become involved in an IOR as a means to develop and maintain its primary goal of autonomy (Mulford, 1984).

Resource dependency theory holds that organizations form an IOR to obtain resources or the specialization necessary to fulfill the obligations that they cannot accomplish independently (Mulford, 1984). In an environment of scarce resources, organizations cannot meet all the obligations of their stakeholders. By forming an IOR, an organization can reduce or transfer its responsibilities. Thus, organizations form IORs because they are dependent on other

organizations to accomplish their goals.

Resource exchange theory asserts that organizations are motivated to exchange resources with other organizations to maximize their gains and minimize their losses (Van De Ven & Ferry, 1980). Specialization and scarcity are the two reasons for establishing exchange relations (Cook, 1977; Levine & White, 1965). The authors emphasized scarcity as the most important determinant of exchange and the limit on resources would result in an organization to specialize. Therefore, organizations could be more dependent from other organizations through this specialization method.

## 2. Impacts of Tourism and Regional Development

Tourism is a basic tool for regional economic development (Hunt, 1990). In fact, for many communities, tourism is a necessity. Tourism is the means by which these communities survive economically. In most communities, though, local governments are only beginning to understand how tourism can be used to increase the economic development within their jurisdiction.

As the awareness of tourism as an economic development tool has increased, governments (e.g. federal, state, and local) have become more interested in establishing joint tourism promotion organizations with the private sector. These tourism promotion organizations have the explicit goal of promoting area activities to develop the community.

Tourism development has a great deal of appeal for many communities because of the anticipated economic benefits, such as increased income and employment (Pearce, 1992; Echtner & Ritchie, 1993; Fesenmaier & Vogt, 1993; Reid, & Anderek, 1991; Reilly, 1990). Most economic strategies in tourism have been geared to developing the greatest return from the tourism product (McIntosh & Goeldner, 1990). Fleming and Toepper (1990a,b) noted that communities with more recent attention to tourism in development led many local communities to intensify their tourism development efforts. Moreover, these authors conclude local residents also see the socio-cultural benefits in tourism development.

Tourism promotion organizations need to understand the benefit of cooperating with other tourism organizations. Interorganizational cooperation is

aimed at solving significant development problems, such as organization structure adjustment, environmental restoration, or invariable needs (Pearce, 1992). Other researchers (Mclean, 1993; Blank, 1989; Martins, 1986) noted that complex social and economic problems require joint interorganizational planning and programming as the requisite resources, expertise, and motivations are contained within autonomous organizations and vested interest groups. Clearly, tourism organizations must strive to cooperate with other organizations.

Since tourism is a catalyst in economic development, tourism promotion organizations need to work closely with other tourism organizations and with tourism businesses in the industry. As such, the factors that influence these interorganizational relations will ultimately determine the level of economic development for an area. Moreover, tourism promotion organizations need to develop IOR strategies to produce a community tourism product which will be an amalgam of the destination's resources and facilities (Pearce, 1992).

### 3. The Impact of Casinos on Tourism Industry

McIntosh and Goelder (1990) pointed out that gambling, or the casino industry, has become a major force in the tourism industry. Gambling is being promoted in states as a means of attracting tourists and creating economic development (Rose, 1994; Schlosberg, 1988; Solomon, 1992). Given the current growth in gaming, it is safe to predict that gaming will continue to play a role in tourism and economic development for the forthcoming future (Fost, 1990, 1993; McIntosh & Goelder, 1990; Central State Gaming, 1994a,b,c,d,e, & 1995). Presently, there are 22 states that have legal casino gaming. There are a few examples of the impact gambling has on the tourism industry. For example, in the state of Nevada, gambling made tourism the number one industry in the state (Fost, 1993). More recently, gambling revitalized the tourism industry in Atlantic City. When gaming became legal in Atlantic City, hotels, restaurants, and other service businesses had to remodel and expand facilities. Many new facilities and services were built to satisfy the increased demand of gamblers and tourists (Casino Journal, 1994; Murphy, 1994; Schlosberg, 1988).

The direct impact of casino gambling on a community is clear, as it has

created jobs, stimulated new development, enhanced tourism, and provided a revenue source for government. This revenue is gained from those who play, without changing the character of the host community (Costello & Milne, 1989; Dornbusch & Kawczynska, 1992; Johnson, 1994; Plume, 1990; Post, 1993).

Riverboat gambling has also had a significant impact on the tourism industry. According to a report of Lee (1994), aggregate gross gaming revenue increased by 14.2% from 1992 to 1993, reaching \$34.7 billion and is expected to grow steadily in coming years. From 1992 to 1993, revenue for riverboat casinos more than tripled. Riverboat gambling is currently operating in five states, and more states are considering legalization of casino gaming (Ottenheimer, 1994a).

Johnson (1994) noted that riverboat casinos can also have an impact on a community. Riverboat casinos can have a substantial affect on direct employment growth, on increases in the tax base, and on indirect economic indicators. Furthermore, Johnson (1994) commented that the riverboat gaming industry cannot operate by itself within a community, but should be integrated with other tourism and development organizations within a community to develop a broader economic development strategy.

#### 4. Introduction of Casino Industry and Consideration

In many areas casino entertainment industry has been justified on the basis of economic development. Licenses of casino operation were granted the state to capture non-resident spending, and were granted with hope that the introduction of casino business would help create a tourism industry. However, there has been a lot of considerations to run casino business within communities in the public sector.

Other way, we have to figure out the relationships between of tourism and casino industry. local business owners and regional developers seek to maximize the positive tourism impact of a nearby casino gaming operation. In the absence of an existing tourism infrastructure, it is not easy. Tourism infrastructure refers to the kinds of elements that are typically found in a tourism destination. This include accommodation, transportation, events and

attractions, outdoor recreation and parks, business and conference, travel services, retail trade, and hospitality. This is not to say that all tourism destinations would have all these elements, but any given destination has varying combinations and concentrations of these basic elements. It does not matter that casino entertainment industry may be added as a category in its own right or include it within attractions.

According to Burros report (1996), the addition of casino gaming to a tourism destination can have some positive impacts. It can widen the market appeal and age appeal of an casino gaming hosted area. It can expand the business trade area. Especially in emerging markets where casino gaming is in under supply, visitor will come from relatively distant points. It can serve to extend the length of visitor stays. Tourism development is constantly focusing on how to exist stays, making a pass through stop and day-long stop, making a day-long stop into an overnight stop, and making a one-day trip into a weekend long trip. If gaming host community give visitor more to do, they likely to stay longer, and spend more money. Disney World is the true master of this technique and strategy. It can be expand the duration of a peak season or create visitor flows in off-seasons. In a tourism destination that is highly seasonal the addition of casino gaming can boost off season visitation. For instance, based upon the Atlantic City case, the desire to enhance region economic development through using casino gaming business has added a new attraction to a faded tourist area and bring back the crowds that no longer favor a given destination. Moreover, casino gaming seen as a way to remain competitive with other destinations. Furthermore, from a planning perspective especially the addition of casino gaming may be seen as a way to more fully utilize an existing tourism infrastructure and maximize the positive impact that casino gaming can have. From a planning and investment perspective it is far easier to add casino gaming to an existing tourism area to either increase or diversify its market draw than it is to create a tourism destination out of a casino gaming attraction alone.

None casino gaming development that community residents undertake can also augment the tourist draw of an area. Several casinos have planned museums, interpretive centers, and heritage centers. It is speculated that once the second generation of building takes places at casino host communities, it could include more entertainment and cultural offerings. For planners who have

expectations or concerned about the impacts of casino gaming, they should learn as much as they can about casino entertainment business.

### III. METHODOLOGY

This chapter presents the methods utilized in gathering information for this study and for analyzing that data.

#### 1. The Subjects

In selecting a sample for this study, the following criteria were incorporated. First, subjects were chosen based on their leadership position within tourism promotion organizations and riverboat casinos. These subjects were regarded as the boundary spanners of the tourism promotion organizations and the riverboat casinos because they are the most knowledgeable people in their organization respective to their organization's relationships with other organizations.

Secondly, subjects from tourism promotion organizations included the Chief Executive Officers (CEOs) of Chambers of Commerce, convention and visitors bureaus, and economic development organizations. All tourism promotion organization's were located within a thirty mile centroid of legalized riverboat locations. The centroids of tourism promotion organizations were determined by consulting a current map (Map of Highway Mileage, 1993) for Iowa, Illinois, Mississippi, Louisiana, and Missouri. One hundred and fifty-four CEOs of tourism promotion organizations in five states were surveyed.

Finally, subjects from riverboat casinos were selected based on their level of authority within their organization which resulted in IOR interaction. These boundary spanners included marketing directors, general managers, or vice presidents of riverboat casinos. According to the Casino Journal (1994), sixty-four casinos are operating within Iowa, Illinois, Mississippi, Louisiana, and Missouri. Overall, subjects of fifty-eight riverboat casinos were surveyed.

## 2. Research Procedures

Several procedures for the collection of data were followed in order to analyze the results of study. A pilot study was conducted to determine the validity of the survey questionnaire. Selected experts were requested to examine the questionnaire items to determine their representativeness and applicability to the research questions they intended to measure.

Data was collected using a structured formal questionnaire. This questionnaire was a modified version of an instrument that was tested earlier by Van De Ven and Walker (1984). The structure of the questions utilized by this study were in the standard likert-scale and rank order format (Van De Ven & Ferry, 1980). Basically, the questionnaire asked the subjects to respond to the listed and open-ended questions on the topic of interorganizational relations. Two weeks after the initial mailing, a follow-up letter was mailed to all non-respondents.

## 3. Research Instrument

The research instrument used in this study was comprised of two types of questions, listed and open-ended questions, to measure both dependent and independent variables. The dependent variable, interorganizational relations (IOR), is herein defined as the relationship that occurs when two or more organizations collaborate to achieve the individual or the collective goals of each participant. Several indicators chosen for this study which determine the strength of the relationship between IOR participants include resource dependence, organizational and personal awareness, frequency of communication, domain consensus, resource flow, formalized interorganizational agreements, formalized joint interorganizational committees, subject's perceived effectiveness of IOR, and the quality of interorganizational communications.

## 4. Dependent Variable Indicators

The nine indicators of the dependent variable IOR have been defined in the literature review. The first indicator of IOR chosen for this study was the

frequency that communications between organizations occurs. Communication was defined as the relative frequency during the most recent six month period that subjects communicated through written reports, letters, telephone calls, face-to-face discussions, and group or committee meetings (Van De Ven & Ferry, 1980).

The second indicator, quality of communication, is defined as the clarity and ease of sending and receiving messages between two organizations (Van De Ven & Ferry, 1980). In this study, the clarity and ease of communications between tourism promotion organizations and riverboat casinos was measured.

The third indicator, formalized interorganizational agreements, was also determined by Van De Ven (1976) to be an IOR indicator. Formalized interorganizational agreements are characterized by "the degree to which the role behavior and activities of the organizations are clearly prescribed and codified" (Van De Ven & Ferry, 1980). An interorganizational agreement exists once any form of expression has been made between organizations regarding the terms of their relationship.

The fourth indicator of IOR as determined by Van De Ven & Walker (1984), is the number of formalized committees within the IOR. Specifically, formalized committees are those standing committees which follow standardized procedures and the degree to which the committee decisions are considered as binding on the intra-organizational level.

The fifth IOR indicator, perceived effectiveness, is defined as the extent to which the involved stakeholders perceive one another as capable of executing and sustaining a commitment to the relationship (Van De Ven & Ferry, 1980). Perceived effectiveness plays an important role in IOR.

The sixth IOR indicator, resource dependence is defined as "the extent to which an organization needs external resources for a specified period of time to attain its self-interest goals" (Van De Ven, 1976; Van De Ven & Ferry, 1980). The emergence of IOR is the rational response to the lack of organizational resources which would allow the attainment of self-interest goals.

The seventh indicator of IOR was organizational and personal awareness. Awareness is defined as the degree to which organizational boundary spanners are familiar with the services and goals of other organizations and the degree to which personal acquaintances among boundary spanners in the IOR occurs

(Mulford, 1984). The eighth indicator of IOR, domain consensus, is defined as "the degree of agreement or disagreement among organizations in an IOR on the needs and problems of the community service system or service delivery system to obtain managerial goals in general" (Van De Ven & Ferry, 1980). The more successful each organization is in establishing awareness and consensus on the part of other organizations on joint and self-interest objectives, the greater the potential for an IOR to emerge (Van De Ven, 1976; Van De Ven & Ferry, 1980).

The final IOR indicator, resource flow, is defined in terms of the tangible and intangible resources that are exchanged between organizations in an IOR. Tangible resources include money, client or customer referrals, and also specific joint problem-solving or planning activities among organizations. Intangible resource flows include consultation or technical assistance, public visibility, and goodwill (Van De Ven & Walker, 1984).

## 5. Data Analysis

Several statistical methods were used to determine the significant differences and relationships among the variables. These included: mean response by individuals, mean responses by dependent variable and independent variables, and mean responses by type of organization, i.e., tourism promotion organizations and riverboat casinos.

More specifically, t-test, analysis of variance (ANOVA), and descriptive statistic analysis were performed to test the hypotheses and explain the results. After the ANOVA was calculated a Scheffe' post hoc procedure was conducted to determine which of the groups, and/or variables, were responsible for the overall significant mean difference (Steven's, 1992).

The statistical analysis program, SPSS for Windows, was utilized to compute all statistical tests of significance. The analysis was computed on a personal IBM compatible computer.

## IV. RESULTS

### 1. Analysis of the Data

This chapter presents the findings of the study and the results of the data analysis using descriptive and statistical analysis techniques. Data was collected and analyzed according to the research procedures presented in Chapter Three.

#### (1) Response Rates

The survey instrument was mailed to 212 tourism organizations in five states with legalized riverboat casino gaming. The composition of this sample was as follows: 104 Chambers of Commerce, 16 convention and visitors bureaus, 34 economic development bureaus, and 58 riverboat casinos. A total of 85 organizations returned an answered survey (valid data return rate). This total represented a 40.00 percent response rate.

The highest response rate was attributed to convention and visitors bureaus (CVB's). In addition, responses were received from 32 Chambers of Commerce and Economic development organizations (EDO's) returned 14 instrument. Riverboat casinos returned 24 questionnaires which represented 41.4 percent of that population.

#### (2) Testing Hypotheses

The decision of whether to accept or reject each hypothesis was based on the level of significance of the F ratio in the case of the one-way ANOVA and the T statistic in the case of the independent two-tail t-test. Each hypothesis was either accepted or rejected based upon a  $P < .05$  level of significance.

##### 1) Hypothesis One

It was hypothesized there would be no significant difference between the level of IOR between tourism promotion organizations and riverboat casinos. Group one included tourism promotion organizations and group two included riverboat casinos.

Independent t-test procedures was calculated to determine if a significant

difference existed in the IOR scores between the tourism promotion organizations (N=61) and riverboat casinos (N=24). The independent t-test procedure found there were significant differences at the 0.05 level for the IOR factors: resource dependence, organization or personal awareness, frequency of communications, and resource flow from tourism promotion organizations to riverboat casinos as well as the composite IOR score. Therefore, hypothesis one was rejected.

The composite results of the independent t-test procedure are presented in Table 1. Significant differences in the IOR between tourism promotions and riverboat casinos are indicated with an asterisk. Table 2 summarizes the descriptive data in terms of the means and standard deviations for the each groups.

**Table 1. SUMMARY OF T-TEST RESULTS FOR HYPOTHESIS ONE**

<b>Variables</b>	<b>T-Value</b>	<b>df</b>	<b>Sig. of T</b>
1. Resource Dependence	-4.15	58.52	0.001*
2. Awareness	-3.60	74.86	0.001*
3. Consensus	-0.77	57.58	0.447
4. Frequency of Communications	-3.82	67.14	0.000*
5. Resource Flow A	-1.90	62.44	0.063
6. Resource Flow B	-3.53	42.08	0.002*
7. Agreement	-0.20	56.66	0.844
8. Committee	-1.44	43.63	0.157
9. Effectiveness	0.23	61.55	0.816
10. Quality of Communications	1.12	53.76	0.267
<b>Overall IOR</b>	<b>-3.89</b>	<b>76.31</b>	<b>0.000*</b>

\* Significant, P<.05

5. Resource Flow A: From Tourism Promotion Organizations to Casinos

6. Resource Flow B: From Casinos to Tourism Promotion Organizations

**Table 2. SUMMARY OF THE DESCRIPTIVE ANALYSIS FOR HYPOTHESIS ONE**

Variables	# of Cases	Mean	SD
IOR 1			
IOR 2			
Resource Dependence*	61	2.50	1.556
	23	3.73	1.054
Awareness*	56	2.89	1.449
	23	3.76	0.699
Frequency of Communications*	59	2.53	1.345
	24	3.46	0.838
Resource Flows B*	61	2.01	1.038
(From Casinos to TPOs)	24	2.85	1.040
<b>Overall IOR*</b>	61	2.30	0.984
	24	2.93	0.514

\* Significant,  $P < .05$

5. Resource Flow A: From Tourism Promotion Organizations to Casinos

6. Resource Flow B: From Casinos to Tourism Promotion Organizations

## 2) Hypothesis Two

It was hypothesized there would be no significant difference in IOR scores among tourism promotion organizations. Three tourism promotion organization groups were identified to determine if significant differences existed in their IOR scores. Group one (n=32) included Chamber's of Commerce, group two (n=15) included convention and visitors bureaus, and group three (n=14) included economic development organizations.

The analysis of variance procedure found there were significant differences at the 0.05 level in the composite IOR score and IOR factors: resource dependence, organization or personal awareness, frequency of communications, resource flows, and formalization of interorganizational committee. Therefore, hypothesis two was rejected. The results of the analysis of variance procedure are presented in Table 3. Significant differences in the IOR scores among tourism promotion organizations are indicated with an asterisk. Also, Table 4 summarizes the descriptive data in terms of the means and standard deviations for the each group.

Because more than two tourism promotion organizations were compared, Scheffe's post hoc test was conducted to exam all the possible differences

between means. Scheffe's post hoc test revealed that composite IOR scores of convention and visitors bureaus group was greater than other tourism promotion organization groups. Furthermore, the IOR score for Chamber's of Commerce was greater than the economic development organizations.

**Table 3. SUMMARY OF ANOVA RESULTS FOR HYPOTHESIS TWO**

IOR Factors	df	SS	MS	F	P
	<b>Between Groups</b>				
	<b>Within Groups</b>				
1.Resource Dependence	2	46.17	23.08	13.51	0.0000*
	58	99.07	1.70		
2.Awareness	2	37.52	18.76	12.76	0.0000*
	53	77.89	1.46		
3.Consensus	2	0.80	0.40	0.45	0.6353
	46	40.28	0.87		
Frequency of Communications	2	40.83	20.41	17.84	0.0000*
	56	64.08	1.14		
5. Resource Flow A.	2	10.07	5.03	5.02	0.0097*
	58	58.14	1.00		
6. Resource Flow B	2	16.02	8.01	9.54	0.0003*
	58	48.67	0.83		
7. Agreement	2	0.17	0.08	0.19	0.8266
	57	26.23	0.46		
8. Committee	2	19.29	9.64	11.55	0.0001*
	55	45.91	0.83		
9. Effectiveness	2	7.74	3.87	2.63	0.0855
	37	54.46	1.47		
10. Quality of Communications	2	0.60	0.30	0.44	0.6448
	32	21.85	0.68		
<b>Overall IOR</b>	<b>2</b>	<b>18.56</b>	<b>9.28</b>	<b>13.60</b>	<b>0.0000*</b>
	<b>58</b>	<b>39.57</b>	<b>0.68</b>		

\* Significant, P<.05

5. Resource Flow A: From Tourism Promotion Organizations to Casinos

6. Resource Flow B: From Casinos to Tourism Promotion Organizations

**Table 4. SUMMARY OF THE DESCRIPTIVE ANALYSIS FOR  
HYPOTHESIS TWO**

<b>Variables</b>	<b>Chamber</b>	<b>Convention &amp; Economic</b>	<b>Economic</b>
<b>(# / Mean / SD)</b>	<b>of Commerce</b>	<b>Visitors Bureaus</b>	<b>Develop.Org</b>
Resource Dependence	32/2.15/1.4	15/4.00/1.4	14/1.71/1.26
Awareness	29/2.45/1.3	15/4.24/0.8	12/2.27/1.19
Frequency of Communications	31/2.03/1.2	15/3.95/0.7	13/2.07/0.93
Resource Flow A	32/1.84/1.0	15/2.68/1.0	14/1.60/0.79
Resource Flow B	32/1.82/0.9	15/2.89/0.8	14/1.52/0.83
Committee	30/1.21/0.6	15/2.50/1.5	13/1.11/0.29
<b>Overall IOR</b>	<b>32/2.04/0.9</b>	<b>15/3.25/0.5</b>	<b>14/1.85/0.75</b>

\* Significant, P<.05

## V. DISCUSSION

This chapter presents a brief summary of the study: the hypotheses examined, conclusions reached, the discussion, implications, and recommendations for further study.

### 1. Conclusion

First, There were significant differences between the level of IOR between tourism promotion organizations and riverboat casinos. Riverboat casinos' interorganizational relationships to tourism promotion organizations were greater than that of tourism promotion organizations riverboat casinos.

Second, There were significant differences in IOR among tourism promotion organizations. Convention and visitors bureaus exhibited greater interorganizational relationships to riverboat casinos than other tourism promotion organization groups. Chambers of the Commerce exhibited greater IOR than that of economic development organizations.

## 2. Discussion, Implications, and Recommendations

This section will focus on general discussion of the results, implications for the leisure and tourism industry profession, and recommendations for future casino developers and regional economic planners based on the research findings.

### (1) General Discussion of the Results

The statistical results of this study discovered significant findings worthy of discussion. First, it was not a surprise to find that convention and visitors bureaus have the highest IOR scores among tourism promotion organizations. The evidence suggests that riverboat casinos collaborated most effectively and frequently with convention and visitors bureaus compared to other tourism promotion organizations such as Chambers of Commerce and economic development organizations. This may occur because convention and visitors bureaus are a city's liaison between potential visitors and the tourism businesses that host them when they arrive. Obviously, convention and visitors bureaus act as promotional organizations for the city and tourism businesses. This result is supported by McIntosh & Goeldner (1990) and Mill & Morrison (1985).

Second, the overall IOR level of riverboat casinos was greater than that of tourism promotion organizations. These findings may not be explained simply by riverboat casinos' greater desire for IOR's within a thirty mile radius of the riverboat casino locations. For example, this finding is reversed when only including tourism promotion organizations within a five mile or ten mile radius of the riverboat location. Therefore, riverboat casinos' desire for IOR's is predicted upon how close the tourism promotion organizations is to the riverboat casino. Based on resource dependency theory it appears that a tourism promotion organization's need for riverboat casinos' resources is greater than riverboat casinos' need for IOR with tourism promotion organizations. Moreover, IORs between tourism promotion organizations and riverboat casinos are usually initiated by the tourism promotion organizations because of the monetary resources possessed by riverboat casinos. Clearly, successful interorganizational relations have to be accompanied and maintained through a more mutual exchange.

## (2) Implications for the Profession

Since this study was exploratory, it was hard to find previous work in this area. However, there are several implications for tourism development based on this study. This study provided findings to IOR theory within the tourism industry based on exchange theory.

According to resource dependence theory, organizations are pushed into interdependencies because of their need for resources. Furthermore, Van De Ven and Ferry (1980) emphasized that resource dependence indicates the extent to which organizations rely on each other's resources to attain their goals. This study determined that tourism promotion organizations' need for riverboat casino' resources (eg. manpower, money, services, and resources) was stronger than riverboat casinos' need for tourism promotion organizations. Finally, resource flow through exchanges of resources enhanced the level of IOR between tourism promotion organizations and riverboat casinos.

In addition to the theoretical contributions, several practical implications exist. The following implications effect the tourism promotion. Ultimately, a greater exchange of resources between organizations involved in an IOR is one of the essential components of attaining individual organizational goals and interorganizational relations. It is important that local governments retain riverboat casinos in their communities or neighbor communities. Appropriate resource exchange strategies will reinforce and facilitate IOR between tourism and riverboat gaming. This will facilitate the development of tourist destinations which are more likely to attract and retain riverboat casino's when competitive locations are developed.

Because riverboat casinos are businesses, the casinos can relocate if other communities prove to offer a more profitable environment. Greater resource exchange with tourism promotion organizations should result in stronger IOR's. This will result in more collaboration and development of tourism destinations.

In conclusion the result of the study are an important contribution to IOR theory. Maintaining positive relationships between community tourism development and riverboat casinos in order to improve resource exchanges will enhance the attainment of individual organizational goals. Also, CEO's or each organization's boundary spanners should be encouraged to work with each other. They need to know more about each others' organizational goals and improve the quality and amount of organizational communications. They should

be given the opportunity to develop common and organizationally specific goals regarding the IOR transition process. This may improve mutual respect and trust.

### (3) Further Discussion of Impacts of Casino Industry

One of the major reason for the growth of casino gambling is the fact that state and local governments facing economic shortfalls are desperate for revenue and economic enhancement. when concerned people raise the important questions about the introduction of casino gaming from Hearing which provide instant promises of instant economic revenue, state and local government officials too often accept hosting casino business as the best solution to balancing their regional economic growth without raising taxes.

However there are some other aspect of casino industry and regional development. The following considerations will cover the reasons why casino industry cannot cure the pains of all the local or regional economies. For many local officials, the legalization of casino business becomes an economic survival issue rather than a question of developing sound public policy. First of all, as casino industry gains a place to stand on the community, it innervates the notion of work ethic. Casino entertainment industry may weakens community's ability to teach children the basics such as the values of hard work, patience human achievement and personal responsibility. These negative casino impacts may result to be loose of the discipline of self support through a job or a long commitment to ongoing education.

The same problem which can be eroded from freed discipline of personal and social responsibility is the family dysfunctions, drug abuse, criminal behavior and abortion. Nobody can tolerate the get rich symbolism of casino gambling that may lead to unhealthy living and destructive behavior. The casino gambling industry does not choose to confront these moral questions. It would like for the casino gambling issue to be seen as an economic or entertainment choice. But even in the economic realm, the arguments for expanding casino gambling are weak at best.

Casino entertainment industry related employment may be lessen when compared to other forms of employment such as manufacturing. Based on a few studis (Maginnis, 1995; Zimka, 1996), casino industry does not produce value-added products or reinvestment in the local market economy. Other business in the region often loose as consumer spending for all sorts of goods

and services shifts to spending at casinos or casino related activities. Long-term growth and prosperity for casino host communities is most often earned the old-fashioned way such as through hard work, dedication, commitment to common purpose.

If put the best minds to work on ways to finance the needs of cities and communities, it should maintain continue to ensure a higher standard of living and better quality of life for all community residents. As continue valuable work with the regional development organizations or casino related organizations on this important issue, all regional and government organizations have to provide their efforts to raise education and awareness about casino entertainment industry among neighborhoods and communities.

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