

Management Accounting in European Finance for Smart Tourism and Sustainable Destinations: How Organizations Deficiency?

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Abstract

The research investigates the interplay of sustainable tourism, management, monitoring, destination life cycles and stakeholder involvement in Sardinia destinations. Management techniques are considered critical to the sustainable stewardship and competitiveness of tourism destinations, especially in an island context where tourism is business all year round and all seasons. The importance of tourism management and monitoring in destinations and organizations is particularly highlighted through an explanation of sustainable tourism indicator systems such as that created by the European Commission. Systems such as this will help position Europe as the leading sustainable tourism destination in the world both now and in the future. The research followed an inductive approach. According to general principles of the inductive methodology, knowledge is gathered from detailed observation of facts. This study permits to adopt multiple research methods, both qualitative and quantitative. The analysis is grounded in documents, direct observations and questionnaires. In the first phase, only qualitative methods were utilized. This classification is supported by the assessor answers: high to moderate tourism impacts respectively on destination A (North Sardinia) and B (South Sardinia) and a level of contact between tourists and the local population that can be classified as low in the Destination A and between low and moderate in Destination B. The effects of public

policies and tourism development cannot be measured only in economic terms, this paper provides a qualitative-quantitative analysis of the phenomenon and possible proxies.

Keywords: Management Accounting, Organization Settings, Smart Tourism, Sustainable Destinations, Tourism Indicator Systems and Tourism Management and Monitoring.

1. Introduction

Management accounting has a peculiar function with the broader accounting discipline. “Management accounting is concerned with the provision of information to people within the organizations to help them make better decisions and the improve the efficiency and effectiveness of existing operations” (Van der Stede 2015). The peculiarity of management accounting is that it is a science dealing with decision-making, whereas the remaining part of accounting is basically the science of reporting accounting information (Power 2009). The necessity to manage and control tourism and impacts at the local level (Hannan & Freeman 1977) has attracted attention to the basis of the tourism phenomenon: geographic areas defined by administrative boundaries that are perceived in the market through a specific image. Sustainability is regarded as a science (Kates 2001; Levin and Clark 2010; Kates 2011) based on multi-disciplinary approaches. Different disciplines: psychology, sociology, geography, and ecology, contribute to the growth of the field, which are comprised of various aspect included in the concepts of nature, human beings and organizations. The complexity of tourism phenomenon and sustainability topics enriches scientists’ investigation. Sustainability is certainly a multifaceted field of investigation. In literature, an important research has been conducted on destination management and, specifically for our purposes, there is a branch of this research called adaptive management (Larson et al., 2012; Plummer et al., 2009; McCook, 2010; Karatzoglou et al., 2010), which will be mentioned in the following pages, since it is considered related to sustainable tourism management.

The postmodern period of management accounting was encouraged by the development of information technology and the view of the organization as a complex set of interdependencies and relationships (Hopper & Bui 2016). Within a dynamic and competitive environment, in a business world of fast and cheap information flow, management accounting had to solve the problem involving the flexibility and competitiveness of production, while the academic discussion moved onto the question of how to implement management accounting systems in a such a complex and uncertain environment (Biancone, Secinaro, Brescia, Calandra 2020).

The research paradigm followed in the study can be considered interpretative; the destinations represent a composite reality in which it is possible to address observation, investigation and possibly develop and define concepts for future evolvement in the fields (Jones, T., Atkinson, H., Lorenz, A., & Harris, P. 2012).

Management accounting (Van der Stede 2011) is nowadays at a turning point, as pressures from outside call for increased disclosure of information, which “before was mainly relegated to internal decision making” (Power 2007). Moreover, when the crisis happened, due to constrained finance, firm faced the issue of rethinking their decisions, sometimes including their strategic decisions, and “had to set their budgets aside at worst, or revise them at best” (Palermo & Van der Stede 2011). Tourism destination are complex systems that evolve overtime. In the dynamic of tourism demand and supply evolution, destinations can either encounter prosperity or decline. Which type of development is appropriate for destinations? This is the general enquiry the study has considered in its initial formulation, based on the recognition of mass tourism as one of the global change syndromes (Gordon & Narayanan 1984). How can destinations became and remain sustainable over the course of their lifespan? This part of sustainable tourism is less developed in the tourism discourse as it appears less evident than protection of the environment (Clarke 1997; Swarbrooke 1999). Considering the UNWTO definition (2004, pag. 7) related to management, it is stated “Sustainable tourism development requires the informed participation of all relevant stakeholders, as well as strong political leadership to ensure wide participation and consensus building. Achieving sustainable tourism is a continuous process and it requires constant monitoring of impacts, introducing the necessary preventive and/or corrective measures whenever necessary”.

In this respect Figure 1 is restructured below to evidence management as a mean to reach the goal of sustainability in destinations. The managerial environment has a broader significance and embraces institutions, organizations, associations, and business (Swarbrooke 1999). Each of these entities usually plays an active role in the management of tourism activities within the environmental boundaries of a destination. Hence, sustainable tourism is a human-centred concept (Mitchell, 1997), in which social groups participate and contribute to the realization of sustainable attributes of destinations. Managing tourism also involves tourists, as the UNWTO definition (2004, pag. 7) points out “Sustainable tourism should also maintain a high level of tourist satisfaction and ensure a meaningful experience to the tourists, raising their awareness about sustainability issues and promoting sustainable tourism practices amongst them”.

International acknowledgement of the importance of the environment and its related issues and the relevance to tourism management are stated in the core message of the Brundtland report, “Our common future”. This document can be considered a main justification for declarations of political commitment to the environment. The key concept in this report is the compromise between present and future developments in order to preserve the primary resource of tourism: the destination. It is indicated that policy directions should aim to follow a sustainable path in development patterns.

Adequate management accounting systems (Galbraith 1973) may be useful for detecting issues at an early stage and informing the management about the feasibility of any financial or economic inconvenience before it develops into an important risk and captures the attention of key stakeholders.

Following the previous considerations, the research questions this study aims to answer are: a) Which kind of managerial tools allow destinations to preserve the current natural heritage to guarantee the conservation for future generations? b) Are these managerial tools effective for sustainable management of tourism in destinations as to ensure the future existence of destinations? The underlying hypotheses of this study are: first, the effective management of tourism impacts in destinations requires adequate indicator systems; second, the effectiveness of indicator systems rely on destination stakeholders’ commitment; and third, that sustainability, area life cycle, and governance are intrinsically related in destinations.

The main gap in the literature is the analysis of a particular case, but at the same time representative of an evolved civil society like that of the islands. This idea is true first of all for a certain degree of

independence from the central country system and then for the cultural openness to the limit of uniqueness that only an island can offer. The smart tourism destination in an island context is fundamental as regards aspects of work and the quality of life. Our choice falls in Sardinia where tourism is business all year round and all seasons.

To answer these research questions and provide support for the related hypothesis, the methodology adopted in the study is inductive; overall, qualitative methods provide the core foundation for this research, as it is explained in the followings paragraphs.

Figure 1. Outcomes of Corporate Social Responsibility



Source: Our Elaboration

2. Literature review

2.1 Institutional settings: Contingency theory and issues of financial pressure

The activity of internal auditors, and the processes and control systems they deal with, are not predictable ex ante and are depicted contingently, they cannot rely on a “one-size-fits-all” procedure, but need to be adjusted to the specific context of a specific firm at a specific time. That said, management accounting as a discipline is able to identify specific procedures, which can better match specifically defined situations in which the organization may be involved.

According to contingency theory (Fischer 1995), situational factors (or contingent or contextual factors) influence the design of the management accounting system, while organizational performance and effectiveness depend on the quality of fit of the management accounting system, when designed ad hoc, and the specific situational factors that activated it. These characteristics of the discipline make it difficult to undertake big numbers-based empirical studies, as each organization is unique and the potential situational factors are infinite and nested with each other, while the effectiveness of the fit between the management accounting system and the situational factors is often not easily measurable.

To simplify the application of management accounting to practical issues, theorists have variously tried to categorize the situational factors.

The external environment and its level of uncertainty are relevant situational factors, related to change in the environment, which occur unexpectedly, such as the financial crisis of 2008. When the conditions under which the firm operates are more stable, the external environment will be considered as more certain.

On the contrary, dynamic conditions are the premise for an uncertain external environment (Eckles, Hoyt & Miller 2014). It is documented that firms operating in a more stable and certain environment adopt a formula-based approach to the measurement of management accounting systems effectiveness, whereas firms operating in a dynamic and uncertain environment adopt a subjective approach to performance evaluation. In the current situation, a formula-based approach, which presupposes the meeting of targets, will easily fail if the uncertain dynamics of the environment make the targets inappropriate. Uncertainty (Chenhal & Morris 1985) is also correlated with the level of sophistication of the management accounting system, given that a certain external environment needs only internal, financial and historical information, whereas an uncertain external environment will require a more sophisticated management accounting systems, which can also gather information that is external, less financial and future-oriented, as well as generally requiring decentralization in the organizational (and decisional) structure.

The competitive strategy adopted by the firm is also a situational factor, which is able to shape the management accounting systems (Chapman 2006). A low-cost competitive strategy will require a formula-based approach, requiring significant attention paid to cost control mechanisms and frequent

and detailed quantitative reports on performance. On the other hand, a differentiation strategy will control costs less effectively and be mainly focused on non-financial measures of performance.

Destinations are the basis of tourism at local level; they are the primary resource of tourism business, and are the object of management strategies and policies aimed at adequately conserving it as a resource. This is the priority of sustainable tourism destinations, which, in a modern approach, cannot be implemented without being collectively addressed through stakeholders participation. It has also to be noted that an ideal equilibrium state is impossible to reach in composite systems as destinations, where complex system of resources, tools, management levels and stakeholders types are in place.

Sustainable destination can then appear in their holistic vision, as integrated, adaptive socio-ecological system. These are the elements that will be discussed:

- a. destination as an integrated systems;
- b. destination as a social system;
- c. destination as a socio-ecological system;
- d. destination as an adaptive system.

A sustainable tourism destination is an integrated system characterized by a high degree of complexity. The notion of system is relevant to appreciate the elements that make up the concept of sustainable destination, and their value within the composite system. A system is not simply the sum of its elements, but is notably distinguished by a specific combination of elements derived from interrelation and exchange. The destination is a unique and original entity in comparison to its single attributes, and has a value that exceeds the potential of the distinct elements of which it is composed. In the paper, the destination has been identified through the attributes of attractions, amenities, human resources, accessibility, image and price. In the context of this paper, those same attributes will be highlighted as part of a destination system, in which they can play a role in qualifying and defining the destination profile.

In pointing out the social system of a destination, the complexity of sustainable tourism destination systems appears evident. The destination is an entity with distinctive elements on the ground, such as beaches, buildings, roads, etc., comprised of people that are part of different social groups within the economic environment, families, enterprises, associations and public administrations. In tourism destinations this social clusters can be regrouped to represent the different parts of the society with interest in tourism. In this respect, the social groups are named, stakeholders, and though informed participation, the composition of their interests makes the social system sustainable (Sautter and Leisen 1999).

The destination is a mix of society and nature, in which the composition of different stakeholder approaches is the real challenge for destinations committed to sustainable behaviors. In this sense, the last character of destinations as sustainable systems is the necessary to adopt flexible and adaptive forms of management that are able to face the continuous evolvement of tourism interest groups and society, and ensure the adaption of the natural and physical environment to global and local changes. Specifically, the branch of tourism management know as adaptive management is defined in literature as, “the process of building resilience and coping with the uncertain inherent in complex systems through a continual process of experimenting, monitoring and social learning” (Miller and Twining-Ward, 2005, pag. 19). Environmental crises related to climate change are constantly increasing, creating grater impacts on communities and vulnerable people, such as indigenous and poor populations. Managing risks and developing mitigation and adaption planning approaches has been conceptualised and implemented worldwide (Page 2010). The need to reduce vulnerability of the environment to crises, which can also impact on tourism, will require stakeholder involvement and collaborative management based on multilevel policies and programmes.

Finally attention on technology will also determine the appropriateness of the management accounting system, as formula-based approaches and process costings are able to measure the performance of process and mass production, whereas job costing are more relevant to batch production technologies.

2.2 Stakeholder theory framework for tourism analysis

The stakeholder theory is also employed to explain stakeholder relationship in business belonging to different sectors, including the tourism sector. The theory can contribute to regulating relationship

between tourism actors at the destination level. In particular, the principles of the theory are considered more significant in the case of destinations involved in sustainable tourism development, due to the role stakeholders should play. Indeed, as described in previous paragraphs, international and European sustainable tourism organizations consider the involvement and the commitment of all stakeholders in planning and in the decision-making process at the destination level as a fundamental step in sustainable tourism development.

Many studies aim to identify stakeholder of tourism. Sautter and Leisen (1999), refer to workers, local enterprise, residents, tourists, public administrators, competitors, activists and international chains as the stakeholders involved in tourism planning at a destination level. Ryan (2002), considering potential stakeholders of an hypothetical tour operator in an hypothetical destination, identifies government, travel agencies, local administrators, accommodation enterprises, natural and urban environment, workers, brokerage houses and other special interest groups. Currie (2009) considers the Mitchel (1997) categories and identifies local indigenous enterprises as dormant stakeholders, fishing and sailing enterprises as discretionary stakeholders, the water managing authority as demanding stakeholders, governmental authorities as dominant stakeholders, tourism and accommodation enterprises as dependent stakeholders, environmentalists as dangerous stakeholders, and natural resources managing enterprises as definitive stakeholders. Byrd (2007) selects the current and potential community and tourists as the stakeholders principally involved in sustainable tourism development at the destination level.

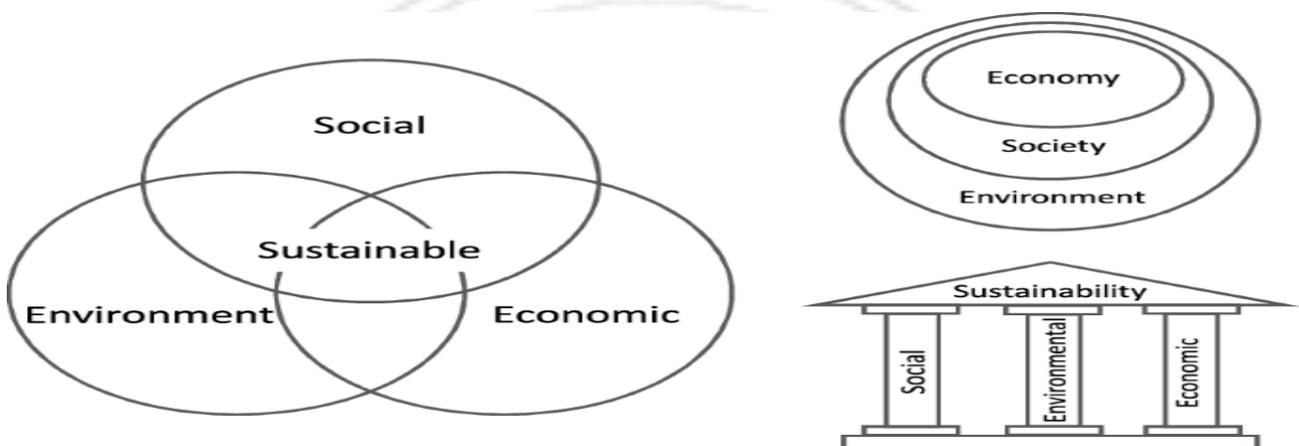
According to the traditional approach, the interests of the three stakeholder groups are incompatible. For example, actions aimed at the maximization of business profits could cause damage on the natural environment. Expectations of workers could be conflicting with business profit objectives. Environmental associations and local authorities could conflict in the management of natural resources.

However, according to a different perspective, stakeholders interests can be considered complementary. In destinations focused on tourism development, and especially sustainable tourism development, business cannot pursue economic goal that negate the efforts to safeguard the natural and cultural environment. This is because natural and cultural attractions represent the core of tourism products and the most interesting destination features for tourists.

Their degradation entails a loss of destination value, a tarnished image, and other indirect negative consequence on the tourism industry.

For these reasons, the involvement and commitment of all destination stakeholders in planning and developing strategies is recommended to define joint and balanced actions in sustainable tourism development (Figure 2).

Figure 2. Balanced Sustainable Tourism Development



Source: Our Elaboration.

The current variety of instruments used to protect and manage the environment and tourism is sophisticated and has been intensively developed in the last decades, following the environmental consciousness of stakeholder in destinations. Over time, relevant decision-makers, organization and institutions, academia and professionals have contributed to develop programs, policies and systems to improve the sustainability of tourism, economies and societies.

A first group of sustainable initiatives is related to land-use planning, such as zoning, quotas, and protected areas. These initiatives are specifically planned and coordinated within public tourism management.

A second collection of sustainable efforts is related to the acknowledgment of unique sites of interest, which are promoted by international institutions. A third set of sustainable programs is focused on enterprises, including environmental management systems and the like. These can be

developed through private associations, such as tour operators, or other organizations and institutions with interest in sustainable tourism development.

Public policies, plans and initiatives play a strategic role in the sustainability of tourism destinations. In fact, the public sector has the power to legislate and use fiscal instruments that can determine and characterize a destination either toward exploitation or conservation of the natural, economic, social and cultural environment. This is true in different parts of the world where the state of nature and humans have been altered by tourism development. The positive and negative impacts of tourism need to be balanced through public intervention in order to regulate tourism investment, processes, decision and activities that occur in geographic areas governed by public institutions.

Undoubtedly, public stakeholders have different priorities for the governance of territories. These priorities are influenced by linked elements, such as the quality and nature of resource, the way of life of the area, stakeholder commitment, etc. Additionally, debates over the compromise between economic growth and welfare and the consequences on the environment frequently engage policy makers.

Sustainability in the development of territories and population is aimed at reaching economic goals while preserving the value and identity of destinations for next generations. Sustainability is the perspective requires financial resources to fund sustainable initiatives that protect the integrity of destinations.

The more relevant and powerful public management capability is, the more limited land utilization options become. Development is a long-term process that first calls for land-use planning through legislation that can be supported by appropriate analyses conducted on the ground, carrying capacity and limits of acceptable change, and then regulation on specific sites, including zoning, the creation of protected areas, quotas and the like.

In regards to the funding mechanism for sustainability, several public initiatives can contribute to the economic support of sustainable tourism, eco-taxes, user fee and donations.

In a hierarchy of main public concerns, legislation on tourism is positioned, according to the vision of O'Riordan (1981), after a national commitment on security and economic growth, and immediately

after regional development and income distribution. The first national goal also encompasses community health and employment. In this context, the environment does not represent a priority but is seen as an instrument that supports the national goals. The second national goal is focused on a redistribution of wealth that guarantees equitable social opportunities. This is another instance where there is no specific interest in environmental protection but it is once again beneficial to national and regional policies.

The degree to which attention is given to the environment as a national and sub-national goal depends on the value that public stakeholders attribute to nature, considering internal and external forces that place pressure on the side of preservation rather than consumption.

Recently, there has been increasing attention given to sustainable issues and the need to implement regulation. Surprisingly, this consciousness has also been spreading into developing countries, which will have to pay costs that developed countries did not face during their stages of development in the past.

The sophistication of sustainability tools that advise public policies in land-use planning can be analyzed through studies on carrying capacity and limits of acceptable change.

3. Methodology

The research employed different methods. In the first phase of the study, literature and documents related to private and public instruments for the management of sustainable destinations were considered (Baxter & Jack (2008). Their principles, guidelines, procedures, purposes and indicator sets were examined in a qualitative and quantitative approach. The conditions for use, and their weak and strong points were also identified (Brasini 2010).

In this part of the paper an empirical investigation is employed to answer the research question and hypotheses, expressed as follows: a) Which kind of managerial tools allow destinations to preserve the current natural heritage to guarantee the conservation for future generations?; b) Are these managerial tools effective for sustainable management of tourism in destinations as to ensure the future existence of destinations? And hypotheses: first, the effective management of tourism impact in destinations requires adequate indicator systems; second, the effectiveness of indicator systems rely

on destination stakeholders' commitment; and third, that sustainability, area life cycle, and governance are intrinsically related in destinations (Castellani & Sala 2010).

Considerations have also been traced on the effectiveness of managerial and control tools in tourism sustainability on the comparison among indicator system with potential and value for tourism stakeholders (Corbetta 2003).

The empirical investigation adopts a multiple case study approach based on the analysis of two destinations that are participating in an international program. Each destination represent a single case study. The program covers a limited number of destinations. Questionnaires were addressed to destination assessor involved in the program, including all the destinations assessed for sustainability policies and practices (Coyne, I.T. 1997). Among these destinations, a purposed sampling, based on a subjective choice and not at random (Guarte and Barrios, 2006) was selected. The two destinations were chosen intentionally according to the following criteria:

a. the life cycle stage of the destination. To address the third hypothesis that sustainability, life cycle area, and governance are intrinsically related in destinations, all the stage of life, ascertained through the destination assessor answer, needed to be included in the destination sample for the analysis (Creswell 2013).

b. the significance of the destination for the aims of the research. To investigate the relationship between tourism management and monitoring, destination life cycle, stakeholder interest and involvement, and the level of sustainability in destinations, the sample of destinations, representative of the population in the international program (Battaglia 2011), is characterized as follows: geographical pertinence to the different world continents, inclusion of developed and developing destinations, variety of destination attributes, and relevance of tourism sector (Miller 2001).

The research followed an inductive approach. According to general principles of the inductive methodology, knowledge is gathered from detailed observation of facts. In the process of induction, observations are the starting point of the research, which lead to abstract generalizations as the outcome of the study (Baltaretu 2011). Compared to the deductive approach, the object of inductive research is not intended to test known theories but to build an abstraction.

In accordance with this approach, the research questions arose from a real experience: the involvement in international and European programs of tourism impact monitoring at the destination level (Thomas 2006). The direct participation in the programs brought her to reflect upon management and monitoring systems for sustainable tourism and their effectiveness in developing sustainability in tourism destinations (Buckley 2012). Based on these considerations, the research questions and the related hypotheses were established, specifically deriving from two sources related to a scientific interest in sustainable tourism themes, and an in-field experience on the subject.

The research area of the study (Bocken, Short, Rana & Evans 2014) has focused on sustainable tourism at a sub-national level; this subject explains the chosen unit of analysis destination. Research has been limited to the managerial aspect of sustainability through indicator systems (Baltaretu 2011), involving stakeholders and the related organizations in the tourism sectors. Observations on the local destination context, including the implemented sustainable tourism initiatives, the level of tourism development, the stakeholder’s management skills and approach, etc., have deeply contributed to the current study (Berke & Conroy 2000). This tries to investigate the possible relationships between tourism management and monitoring, progress in destination development, the stakeholder interest and involvement, and the level of sustainability in those territories. There is profound association among quality of life and quality of tourism destinations. After defining the purpose of the study, the research design was elaborated and methods were selected (Tab 1, 2, 3, 4 and 5).

Tab. 1 Template Descriptive Data Sampling

Interviews	20	Year	2014
Object of investigations	Sustainable Sardinia Tourism Associations, Smart Destination & Digitalization		
Data Sampling	Random 50% North Sardinia and 50% South Sardinia		

Source: Our Elaboration

Tab. 2 North Sardinia Elaborations

Destination	Questions	% Reponse	% Positive Relevance
A North Sardinia	Population	55	88
	Climate	65	77
	Attractions	44	33
	Amenities	32	67
	Accessibility	77	87
	Human Resource	88	99
	Price	99	89
	Image	58	56

Source: Our Elaboration.

Tab. 3 South Sardinia Elaborations

Destination	Questions	% Reponse	% Positive Relevance
B South Sardinia	Population	77	67
	Climate	88	88
	Attractions	56	99
	Amenities	34	66
	Accessibility	66	44
	Human Resource	77	33
	Price	89	45
	Image	67	43

Source: Our Elaboration

Positive Relavance = 100 Standard Value – X Management Rating Issues

Tab. 4 Management Class Issues

Management Issue	Class Value
Understanding	1-50
Validating	1-40
Forfaiting	1-10

Source: Our Elaboration

Tab. 5 Valuation Effect of Management Issue

Destination Issues	% Understanding	% Validating	% Forfating
A North Sardinia	44	33	9
B South Sardinia	34	23	7

Source: Our Elaboration

This study permits to adopt multiple research methods, both qualitative and quantitative. The analysis is grounded in documents, direct observations and questionnaires. The need to investigate different aspects of the phenomenon justifies the choice of mixed methodologies (Cook & Reichardt 1979).

The research was developed into two phases.

In the first phase, only qualitative methods were utilized. Public and private management and monitoring instruments were analyzed through a review of literature, with particular attention given to their effectiveness in supporting sustainable development in tourism destinations. International and European sustainable tourism management and monitoring indicator systems for destinations were considered. In the second phase, qualitative and quantitative methods were employed and a case study approach was utilized.

The application of a specific sustainable tourism management and monitoring system for destinations was observed in the context of different case studies. The choice of this specific sustainable system was primarily determined as direct experience, observing the implementation of the program in one of the destinations selected by the international organization. Secondly, this experience allowed to develop an indirect knowledge of the other destinations involved in the program (Adams 2020). The organization selected participants on the basis of their international significance in terms of natural, cultural and social environment of the destinations and of image in the tourism market, and also of recognition of the sustainable tourism efforts in that territories.

A case study approach entails an intensive and in depth analysis of a single case. A case can be a location, a person or an organization. In particular, case study research is utilized when a case is characterized by complexity and particular nature. When more than one case study is considered, a multiple-case study approach is employed (Adelman, 2017). The utilization of more than one case

allows one to compare the findings derived from the analysis of each case. This research focused on case studies on international destinations that are currently involved in a sustainable tourism program. The destinations selected were evaluated by an internationally accredited organization according to recognized international criteria and indicators of sustainable tourism development. Data related to the destinations was collected through virtual documents and a questionnaire. The collection of data through virtual documents is a qualitative method. In contrast, a self-completion questionnaire is a typical instrument of quantitative research.

Each case study was analyzed through the general information found in virtual documents and the specific information derived from the questionnaire responses. Findings related to each destinations were systematized and compared. The comparison allowed for the realization of the final considerations. Findings derived from the two phases of the analysis in conclusion of the study were analyzed. This conducted to conclusive reflections and permitted to answer to the research questions.

Finally, the two destinations for the aim in the study were chosen solely based on their stages of involvement, development and consolidation, totaling two case study destinations.

4. Results

The research employed different methods. In the first phase of the study, literature and documents related to private and public instruments for the management of sustainable destinations were considered. Their principles, guidelines, procedures, purposed and indicator sets were examined. The conditions for use, and their weak and strong points were also identified. From the joint assessment of all the four systems, some reflections were expressed.

In the second phase, the case studies were analyzed (Gomm, Hammersley & Foster 2000). Different kinds of information were collected.

A first group of information relating to general data and the features of destinations were obtained through virtual documents found on destination's website. In this research, the website considered were all update and appeared authentic and credible. The general data used to determine the case studies includes: size of the destination, morphology, population, climate and economy. This data is consistent with the composition of a destination profile.

Data about the selected destinations were summarized considering the principal attributes of a destination, as the first highlighted: attractions, amenities, accessibility, human factors, price, and image.

Another group of information relating to the stakeholder involvement and commitment to the management of the destination, the characteristics of sustainable development, and the area life cycle stage of each destination was collected through questionnaires, developed into different sections, addressed to international organization engaged in the sustainability assessment (Battaglia 2011).

The questionnaires were self-completed and then returned by e-mail. Utilizing self-completed questionnaires that are disseminated through e-mail is a method that is cheap, quick, and simple to use, and assures the consistency of investigation techniques throughout all the case studies considered (Kothari 2004).

In this study the questionnaire is used to gather and compare information about key aspects of tourism management in the selected destinations, which have been investing in sustainable initiatives. The set of questions addressed to respondents is designed to obtain the desired information.

In the construction of the questionnaires evaluations concerning wording, measuring scale of responses, sequence of questions and layout are conducted to favor useful and meaningful results, considering their nature of self-completed questionnaires as well.

The questionnaire begins with an explanation of the object and the goals of the research (Stake 1995). The first section, dedicated to the destination life cycle information, seeks to investigate some characteristics of tourism development level and tourism impacts on the destination.

In the second section, dedicated to stakeholder involvement and interest, the level of stakeholder participation and some relevant aspects of destination governance were explored, such as the capability of stakeholders to manage the destination as a system, and the existence of a tourism plan (Stake 2013).

In the third section, focused on the level of sustainability in destinations, some significant features of sustainable development in the destinations, some significant features of sustainable development in the destination were investigated, including those relating to planning, monitoring, the reporting

instruments adopted, and the regulations and policies implemented to protect cultural and natural heritage and to combat seasonality in the destination. Closed questions are exposed in the questionnaires using horizontal or vertical format.

To show, observe and analyze the questionnaire data for the current study every question is coded through numbers (Suri 2011). Each questionnaire is processed coding the answers and, then, a destination survey data is fulfilled.

The analysis of questionnaires was performed section by section, with a joint examination of destination responses for each question. In particular, the analysis of section one aimed to ascertain the stage of tourism development in the destinations. The analysis of section two intended to investigate the hypothesis that the effectiveness of indicator systems entails a significant commitment by destination stakeholders (Alexis 2017).

The analysis of section three investigated the hypothesis that adequate indicator systems are needed for the effective management of tourism in destinations.

Data analysis is conducted considering the aspects investigated and the results are shown through diagrams, measure of central tendency, and frequency table. To investigate the third hypothesis that sustainability, governance and area life cycle are connected characteristics in destinations, the quantitative and qualitative analysis developed aimed to explore the interrelation of the findings of the three sections. The data collected about destination background was utilized to frame, and if possible, explain responses.

This classification is supported by the assessor answers: moderate to low development of tourism; partial participation of local community with some facilities provided to visitors; a clear tourism season and emerging tourism markets; high to moderate tourism impacts respectively on destination A and B; and a level of contact between tourists and the local population that can be classified as low in the Destination A, and between low and moderate in Destination B.

With reference to the stakeholder approach, it can be observed that stakeholder self-interest in the destination is considered to a great extent. There are collaborative relationship between primary

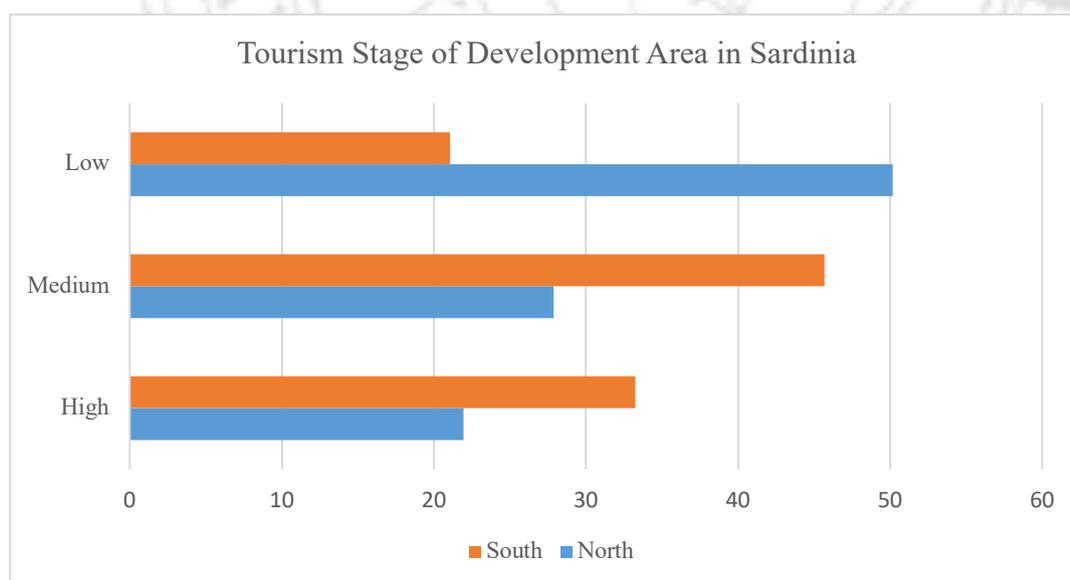
stakeholders, and many of the group of stakeholder are involved, but in destination B a higher level of collaboration is necessary, as reported in the assessor answer (DeNichilo 2020).

A governance board does exist, but considering the assessor answer, in destination B the organization was inactive at the time of the assessment and the destination itself intended to reinvigorate it . In both destination A and B, there are political efforts aiming to establish multi-year tourism plans and stakeholders responsibilities (DeNichilo 2020).

Regarding sustainability, both destinations have a solid legal and regulatory framework supporting the planning, implementation, and continuity of sustainable development practices. However destination B has not fully developed a program for enterprise awareness about changes in landscape (Andriotis 2018).

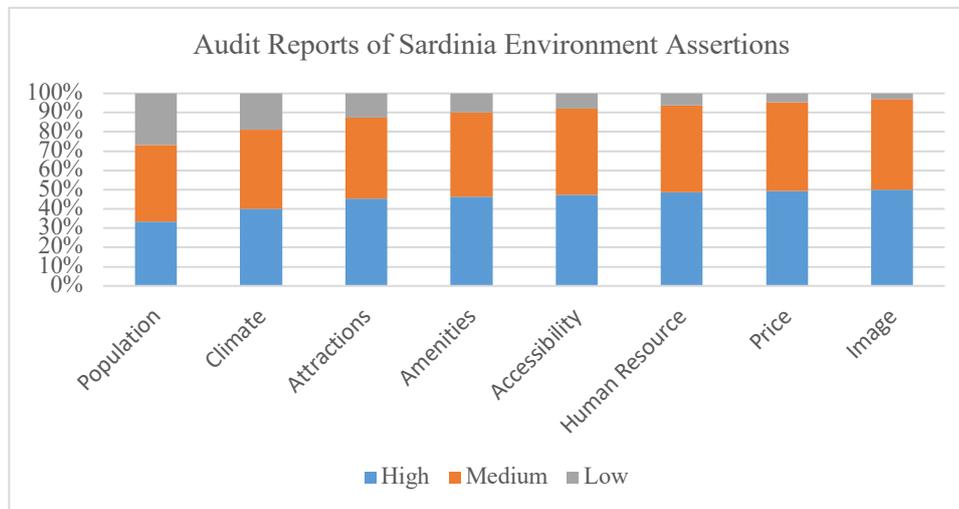
In addition, destination B lacks a multi-year sustainable tourism strategy, as will be discussed in detail. Furthermore, an improved system for monitoring tourism’s direct and indirect economic contributions is necessary. According to the assessor, destination promoting is appropriate, including promotion of destination products as well.

Graph 1. Tourism Stage of Development Area in Sardinia



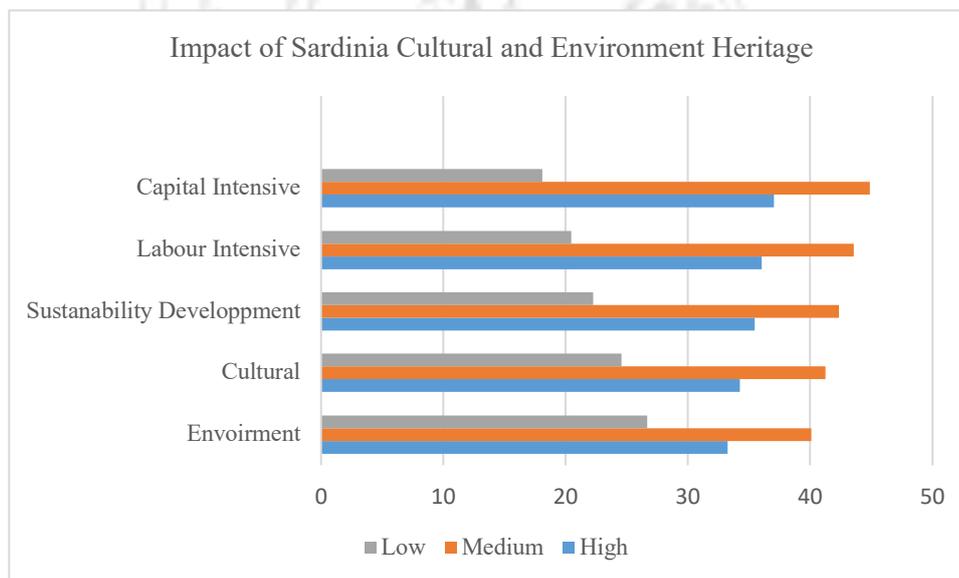
Source: Our Elaboration of Audit Reports

Graph 2. Audit Reports of Sardinia Environment Assertions



Source: Our Elaboration of Questionnaires

Graph 3. Impact of Sardinia Cultural and Environment Heritage



Source: Our Elaboration of Internal Focus

5. Conclusion and Discussion

Sustainability is the consciousness of the uniqueness of the attributes found in destinations worldwide. Sustainability also often reflect the quality of life present in destinations, existence and use of public transport and alternative transportation, cost of living, availability of services, education,

recreation parks, employment, security, access for all, governance, and healthcare facilities. Consequently the sustainability of tourism is now much broader than just environmental considerations. It is commonly considered to be comprised of the three pillars: the environment, the economy and the community. Sustainability and its basic assumption act as a philosophy that dictates the life phases of the destination. It is a way of being, culture that influences behaviors and a sum of ethical principles that inspire decision-makers.

When the risk of failure approaches the role of internal auditing, and control systems in general, it becomes more and more evident and serious (Birnberg 2000). New deals for management accounting, as academic discipline and as a professional tool, recently overcame the traditional vision of internal auditing activity, which today is also accountable to third parties. The traditional accounting discipline was settled with the aims of disclosing information on the organization, moving certainty and reliability about business contracts towards the business community. The postmodern view of management accounting discipline clarifies that the certainty of contracts in the business community is hardly believable. The best way to maintain environmental uncertainty is to smooth over the information and the requisites for the accounting of failure. Accordingly, discussions on the organizational performance should move from statements of what happened towards projections on what will happen, supporting the reliability of traditional management accounting systems with a forward-looking strategy of “as-if” planning, thus evolving risks into opportunities. When the financial performance of the organization deteriorates, some important decisions are urgently required. A sudden but effective action should change the trend and mitigate the financial pressure. Traditionally, responsibility for unsuccessful performance is attributed to the top management team by linking the roots of the crisis to unfortunate or inappropriate decisions made by executives, and to the willfully inefficient control exercised by non-executives. Appropriate designing a management accounting system and related activities may help to manage the financial pressure issues, although not every event is predictable and not every consequence of uncontrollable situational factors can be concretely mitigated.

The empirical side of this research is at evaluating the relationship between destination stakeholders commitments, sustainability, and life cycle phase through the employment of case studies. With regards to this purpose, the following section summarizes the critical points revealed in the analysis of the destination case studies. A first conclusion is related to the relationship between sustainability

and area life cycle phases (Modica 2008). The analysis emphasizes the lack of case studies involving destinations in the first and last stage of development. None of the destinations participating in the sustainable development monitoring program are experiencing the phase of exploration or stagnation. It is probable that issues of sustainability are perceived as priorities when the tourism product is already developed and can still be designed according to sustainability principles. Moreover, the empirical evidence highlighted that sustainability cannot be considered as being completely interrelated with area life cycle. Indeed, high levels of sustainability characterize all of the destination examined. The preservation of natural and cultural heritage and the improvement of social and economic welfare in destinations can be pursued and achieved at any stage of tourism development. The area life cycle significantly affects the aspects in which sustainability is reached. Destination amenities, accessibility and image are characterized differently at each stage of area life cycle. These attributes, in turn, have various impacts on sustainability at the destination level (Modica 2012). The destinations examined are not rich in infrastructure. In destination A, amenities are almost entirely absent. In destination B, services for tourist are not distributed equitably throughout the island; there are some areas with few hotels and other with a wide variety of accommodation services that can offer all levels of comfort. Both in the narrow and broad sense, accessibility level is high. In the destination at the involvement stage, sustainability is primarily based on respect for natural and cultural heritage. In general, the destinations image are recognized worldwide.

In analyzing the relationship between stakeholder commitment and level of sustainable tourism, and between stakeholders involvement and tourism destination development, different remarks can be highlighted. The active involvement of public and private destination stakeholders occurs in all the case studies, and stakeholder participation is considered a fundamental condition for sustainable tourism development (Modica 2015). The level of stakeholder commitment is not the same for all the phases of destination development. It seems to be more important in the initial stages of the development, and decreases with higher levels of the economic development. It is likely that young destination, where infrastructure and services are still insufficient, need more significant levels of involvement by private and public tourism actors to develop sustainable tourism.

As limitation and future research our study can conclude that the destination in the first stage attribute more relevance to environmental preservation and to local culture and customs conservation. The destinations in advanced stage of development are focused on customer care and economic and

social welfare of local community. In other words, the area life cycle stage does not affect the quantity but the quality of sustainability.

Finally organizational should equilibrate the instruments adopted to control uncontrollable situational factors and adequately combine objective and subjective instruments for management accounting. Excessive reliance on objective performance metrics leads to business as usual, while new opportunities are missed out on. While, in business life nowadays, there is no room for demonizing objective metrics and relying on a purely subjective approach to evaluations, which would likely be affected by hidden pitfalls and side effects, there is a general call to avoid myopic evaluations and look at performance dynamically, with a continuous approach to management accountants' role as risk mitigators, while considering risks and financial distress as facilitators for turnaround activity, which is positively centered on innovation.

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