



Unit 10: Tour Operations Management

CLASS 9 TOPICS

- Corporate Social Responsibility
- Sustainable Tourism



CORPORATE SOCIAL RESPONSIBILITY



CORPORATE SOCIAL RESPONSIBILITY

► What is Corporate Social Responsibility?

Corporate social responsibility (CSR) is a broad term used to describe a company's efforts to improve society in some way.

These efforts can range from donating money to nonprofits to implementing environmentally-friendly policies in the workplace.

CSR is important for companies, nonprofits, and employees alike.

Corporate social responsibility is not a mandated practice; instead, it is something extra that companies do to improve their local and global communities.



CORPORATE SOCIAL RESPONSIBILITY

► HOW CORPORATIONS BENEFIT FROM CORPORATE SOCIAL RESPONSIBILITY

1. Improves Public Image

Companies that demonstrate their commitment to various causes are perceived as more philanthropic than companies whose corporate social responsibility endeavors are nonexistent.

A corporation's public image is at the mercy of its social responsibility programs and how aware consumers are of these programs.

Remember, consumers feel good shopping at institutions that help the community. Corporations can improve their public image by supporting nonprofits through monetary donations, volunteerism, in-kind donations of products and services, and strong partnerships.

By publicizing their efforts and letting the general public know about their philanthropy, companies increase their chances of becoming favorable in the eyes of consumers.

Takeaway: Positive social responsibility improves a company's public image and relationship with consumers.



CORPORATE SOCIAL RESPONSIBILITY

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2. Increases Media Coverage

It doesn't matter how much your company is doing to save the environment if nobody knows about it. Make sure you're forming relationships with local media outlets, so they'll be more likely to cover the stories you offer them.

How much good a company can do in its local communities, or even beyond that, is corporate social responsibility. And the better the benefits, the better the media coverage.

On the other hand, if a corporation participates in production or activities that bring upon negative community impacts, the media will also pick this up. Unfortunately, bad news spreads quicker than good news.

Media visibility is only so useful in that it sheds a positive light on your organization.

Takeaway: Having a strong CSR program can increase the chances that your company gets news coverage.



CORPORATE SOCIAL RESPONSIBILITY

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3. Boosts Employee Engagement

Employees like working for a company that has a good public image and is constantly in the media for positive reasons. Happy employees almost always equal better output.

Nearly 60% of employees who are proud of their company's social responsibility are engaged at their jobs.

When companies show that they are dedicated to improving their communities through corporate giving programs, they are more likely to attract and retain valuable, hardworking, and engaged employees.

If a corporation is philanthropically minded, job-hunting individuals are more likely to apply and interview for available positions. Once hired, employees who are engaged will stay with a company longer, be more productive on a daily basis, and will be more creative than disengaged workers.

Takeaway: Corporate social responsibility helps attract and retain engaged and productive employees.



CORPORATE SOCIAL RESPONSIBILITY

► HOW CORPORATIONS BENEFIT FROM CORPORATE SOCIAL RESPONSIBILITY

4. Attracts & Retains Investors

Investors who are pouring money into companies want to know that their funds are being used properly.

Not only does this mean that corporations must have sound business plans and budgets, but it also means that they should have a strong sense of corporate social responsibility.

When companies donate money to nonprofit organizations and encourage their employees to volunteer their time, they demonstrate to investors that they don't just care about profits.

Instead, they show that they have an interest in the local and global community.

Investors are more likely to be attracted to and continue to support companies that demonstrate a commitment not only to employees and customers, but also to causes and organizations that impact the lives of others.

Takeaway: Investors care about corporate social responsibility and so should companies.



CORPORATE SOCIAL RESPONSIBILITY

► HOW EMPLOYEES BENEFIT FROM CORPORATE SOCIAL RESPONSIBILITY

1. Positive Workplace Environment

When corporations exhibit philanthropic behavior, they are more likely to provide employees with a positive workplace. Consequently, employees feel engaged and productive when they walk into work each day.

Instilling a strong culture of corporate social responsibility within every employee from the top down will help to create a positive and productive environment where employees can thrive.

Corporations that care about the lives of people outside the walls of their businesses are more likely to create a positive environment.

Takeaway: Business environments are more enjoyable when companies engage in corporate social responsibility.



CORPORATE SOCIAL RESPONSIBILITY

► HOW EMPLOYEES BENEFIT FROM CORPORATE SOCIAL RESPONSIBILITY

2. Increase in Creativity

Employees who know that their employer is committed to bettering the local and global communities feel a stronger connection to the company. Because of this close relationship that employees share with their company, workers feel more inclined to be productive and creative.

Employers have identified creativity as one of the most important leadership qualities that an employee can possess. Creative employees enjoy working for companies that they can believe in and stand behind.

By incorporating comprehensive philanthropic programs, companies can help employees become more productive and creative.

Takeaway: Companies that maximize their social responsibility potential foster innovative and creative employees.



CORPORATE SOCIAL RESPONSIBILITY

► HOW EMPLOYEES BENEFIT FROM CORPORATE SOCIAL RESPONSIBILITY

3. Encourages Professional & Personal Growth

When companies have a culture of corporate social responsibility, they can easily promote volunteerism to their employees and encourage them to donate to nonprofits.

When employees contribute their time and money to worthy causes, they develop professionally and personally.

By helping those in need and volunteering as teams, employees learn to work better together on important projects. Employees also experience a sense of pride when they know that they work for a company that cares about the community and encourages them to be passionate about worthy causes.

Takeaway: Employees can professionally and personally develop as a result of corporate social responsibility.



CORPORATE SOCIAL RESPONSIBILITY

► HOW EMPLOYEES BENEFIT FROM CORPORATE SOCIAL RESPONSIBILITY

4. Promotes Individual Philanthropy

When employees notice that the company, they work for is involved in charitable endeavors, they play follow the leader and begin to engage in their own philanthropic activities.

If a company encourages group volunteerism and matches donations to nonprofits with a matching gift program, an employee is more likely to take advantage of those programs and become more individually philanthropically minded.

Without the strong sense of CSR that a company should adopt, employees are less likely to branch out themselves and serve the community with monetary donations and volunteer efforts.

Takeaway: Employees become more philanthropically aware when they work for companies that are socially responsible.



CORPORATE SOCIAL RESPONSIBILITY

► 4 CORPORATE RESPONSIBILITY TYPES BUSINESSES CAN PRACTICE

Recognizing how important socially responsible efforts are to their customers, employees and stakeholders, many companies now focus on a few broad CSR categories:

- 1. Environmental efforts:** One primary focus of corporate social responsibility is the environment. Businesses, regardless of size, have large carbon footprints. Any steps they can take to reduce those footprints are considered good for both the company and society.
- 2. Philanthropy:** Businesses can practice social responsibility by donating money, products or services to social causes and nonprofits. Larger companies tend to have a lot of resources that can benefit charities and local community programs. It is best to consult with these organizations about their specific needs before donating.
- 3. Ethical labor practices:** By treating employees fairly and ethically, companies can demonstrate their social responsibility. This is especially true of businesses that operate in international locations with labor laws that differ from those in the United States.
- 4. Volunteering:** Attending volunteer events says a lot about a company's sincerity. By doing good deeds without expecting anything in return, companies can express their concern for specific issues and commitment to certain organizations.



SUSTAINABLE TOURISM



SUSTAINABLE TOURISM

► WHAT IS SUSTAINABLE TOURISM?

According to the World Tourism Organization, sustainable tourism is “Tourism that takes full account of its current and future economic, social and environmental impacts, addressing the needs of visitors, the industry, the environment, and host communities”.

Thus, sustainable tourism should:

- 1) Make optimal use of environmental resources that constitute a key element in tourism development, maintaining essential ecological processes and helping to conserve natural heritage and biodiversity.
- 2) Respect the socio-cultural authenticity of host communities, conserve their built and living cultural heritage and traditional values, and contribute to inter-cultural understanding and tolerance.
- 3) Ensure viable, long-term economic operations, providing socio-economic benefits to all stakeholders that are fairly distributed, including stable employment and income-earning opportunities and social services to host communities, and contributing to poverty alleviation.



SUSTAINABLE TOURISM

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.

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.

The twelve main goals for sustainable tourism laid out in 2005 by the World Tourism Organization and the United Nations Environment Program are as follows:

1. **Economic Viability:** To ensure the viability and competitiveness of tourism destinations and enterprises, so that they are able to continue to prosper and deliver benefits in the long term.
2. **Local Prosperity:** To maximize the contribution of tourism to the economic prosperity of the host destination, including the proportion of visitor spending that is retained locally.



SUSTAINABLE TOURISM

*The twelve main goals for sustainable tourism

- 3. Employment Quality:** To strengthen the number and quality of local jobs created and supported by tourism, including the level of pay, conditions of service and availability to all without discrimination by gender, race, disability or in other ways.
- 4. Social Equity:** To seek a widespread and fair distribution of economic and social benefits from tourism throughout the recipient community, including improving opportunities, income and services available to the poor.
- 5. Visitor Fulfillment:** To provide a safe, satisfying and fulfilling experience for visitors, available to all without discrimination by gender, race, disability or in other ways.
- 6. Local Control:** To engage and empower local communities in planning and decision making about the management and future development of tourism in their area, in consultation with other stakeholders.
- 7. Community Wellbeing:** To maintain and strengthen the quality of life in local communities, including social structures and access to resources, amenities and life support systems, avoiding any form of social degradation or exploitation
- 8. Cultural Richness:** To respect and enhance the historic heritage, authentic culture, traditions and distinctiveness of host communities
- 9. Physical Integrity:** To maintain and enhance the quality of landscapes, both urban and rural, and avoid the physical and visual degradation of the environment
- 10. Biological Diversity:** To support the conservation of natural areas, habitats and wildlife, and minimize damage to them
- 11. Resource Efficiency:** To minimize the use of scarce and non-renewable resources in the development and operation of tourism facilities and services
- 12. Environmental Purity:** To minimize the pollution of air, water and land and the generation of waste by tourism enterprises and visitors.



WHY IS SUSTAINABLE TOURISM IMPORTANT?

On one hand, tourism yields tremendous economic positive outcomes: it is one of the world's most significant sources of economic outcomes and employment. However, tourism is a very complex industry involving numerous stakeholders (sometimes with opposite interests) and requiring significant amount of resources. As such, tourism can have very opposite effects according to the way activities are managed. Managed well, tourism can play a positive role in the socio, cultural, economical, environmental and political development of the destination and as such represents a significant development opportunity for many countries and communities. On the contrary, unchecked tourism development can lead to very damageable impacts on natural resources, consumption patterns, pollution and social systems. The need for sustainable planning and management is imperative for the industry to survive as a whole.



TOURISM IMPACTS

- ENVIRONMENTAL
- SOCIO-CULTURAL
- ECONOMIC



TOURISM IMPACTS

► ENVIRONMENTAL IMPACTS

The quality of the environment, both natural and man-made, is essential to tourism. However, tourism's relationship with the environment is complex. It involves many activities that can have adverse environmental effects. Many of these impacts are linked with the construction of general infrastructure such as roads and airports, and of tourism facilities, including resorts, hotels, restaurants, shops, golf courses and marinas. The negative impacts of tourism development can gradually destroy the environmental resources on which it depends.

On the other hand, tourism has the potential to create beneficial effects on the environment by contributing to environmental protection and conservation. It is a way to raise awareness of environmental values and it can serve as a tool to finance protection of natural areas and increase their economic importance.

Tourism development can put enormous pressure on an area and lead to impacts such as soil erosion, increased pollution, discharges into the sea, natural habitat loss, increased pressure on endangered species and heightened vulnerability to forest fires. It often puts a strain on water resources, and it can force local populations to compete for the use of critical resources



TOURISM IMPACTS

► SOCIO-CULTURAL IMPACTS


The socio-cultural impacts of tourism described here are the effects on host communities of direct and indirect relations with tourists, and of interaction with the tourism industry. For a variety of reasons, host communities often are the weaker party in interactions with their guests and service providers, leveraging any influence they might have. These influences are not always apparent, as they are difficult to measure, depend on value judgments and are often indirect or hard to identify.

The impacts arise when tourism brings about changes in value systems and behavior and thereby threatens indigenous identity. Furthermore, changes often occur in community structure, family relationships, collective traditional life styles, ceremonies and morality. But tourism can also generate positive impacts as it can serve as a supportive force for peace, foster pride in cultural traditions and help avoid urban relocation by creating local jobs. As often happens when different cultures meet, socio-cultural impacts are ambiguous: the same objectively described impacts are seen as beneficial by some groups and are perceived as negative - or as having negative aspects - by other stakeholders.

► ECONOMIC IMPACTS

The tourism industry generates substantial economic benefits to both host countries and tourists' home countries. Especially in developing countries, one of the primary motivations for a region to promote itself as a tourism destination is the expected economic improvement.

As with other impacts, this massive economic development brings along both positive and negative consequences.



How can tour operators
contribute to sustainable
tourism?



How can tour operators contribute to sustainable tourism?

Often, the pressure to travel more sustainably is placed on travelers themselves, as they are the people directly interacting with the environment. However, it's easy for individuals to rationalize the relatively small impact that they are having in the larger scheme of things – and therefore place less importance on minimizing their environmental and social impact. Of course, if every tourist is going through this same thought process, the impact is significant.

The unique role that tour operators have in the travel sector gives them the opportunity to make sustainably conscious choices around where they send customers, what businesses they choose to use in the local area and the information they provide customers with before they go.



How can tour operators contribute to sustainable tourism?

An easy way to ensure that as a tour operator, you are doing your part is to ask yourselves these questions:

- **How can we reduce the environmental impact that our customers make on their journeys?**

This could involve providing them with conservation resources for the environment that they are visiting or promoting sustainable activities such as cycle tours or wildlife sanctuaries while they are there.

- **If you manage and conduct your own tours, consider the impact you may be having on the environment. Are there ways to reduce this impact?**

Encourage your customers to reduce their waste and take their rubbish with them, consider investing in an electric vehicle for tours, and reduce your own waste by using electronic check-in and management systems rather than print resources.

- **How can we protect the economy of the local communities our customers are visiting?**

This is as simple as using local guides and taxi services, eating at locally owned restaurants and staying in locally owned and staffed accommodation. Keeping the profit in the community will both ensure that the destination continues to exist, and the local community can prosper.

- **How can we maximize the social impact that our customers are having in local communities?**

This involves educating your customers about the culture of the place they are visiting and suggesting that they buy locally made products. If your business sells to a specific destination you could even look into supporting a local conservation project yourselves (like this one in Scotland) and encourage your customers to think about doing the same.



The Role of the Tour Operator In the Environmental Education of Consumers

First, the very act of operating an ecotourism business in the right way makes a difference. Done right, ecotourism provides local economies with a form of income that is sustainable in the long term. Through the equitable employment of guides, drivers, porters, cooks, lodges, hotels, and other local operators, tour operators provide an alternative to slash and burn agriculture, clear-cut logging and other environmentally harmful economic activities.

Flora and fauna brings tourists and the tourist dollar in turn provides jobs and opportunities for local people. Recognition that trees are more valuable standing than felled provides an incentive to local people to protect their natural environment. Further, local people benefit from the opportunity to earn a livelihood in an industry that, if managed properly, is indefinitely sustainable.



The Role of the Tour Operator In the Environmental Education of Consumers

Secondly, tour operators can make a commitment to promote and contribute to organizations dedicated to addressing environmental and social issues, whether at the local, state, or global level. There are many organizations that are truly making a difference addressing such issues as child poverty, conservation, or deforestation.

By helping to conserve biological diversity, protect threatened rainforest, or working to improve the quality of life of the people whose communities are visited, they help ensure the permanence of the people and places that are the focus of the tours.

Third, tour operators can educate the local people and operators with whom they work about environmental issues and why they should be concerned about them. Responsible business practice benefits not only the environment, but also the long-term viability of those who embrace it. They can teach their local partners about low-impact tourism, what it means, and why it is important. They can also show them how to establish relevant environmental and social standards of their own that are both realistic and effective in achieving desirable results.



The Role of the Tour Operator In the Environmental Education of Consumers

Lastly, and perhaps most importantly, tour operators can make a difference through the environmental and social education of consumers. This is an area that is sometimes overlooked as a tool of change.

One of the critical components of success in bringing about environmental change is increasing public awareness. By educating the public, you will ultimately instruct the legislators who act upon the beliefs of their constituents.

Without public awareness, there is no political will to effect change. Education has a ripple effect. The more people there are that demand sustainable business practices, the more companies there are that will change their corporate philosophies.

Environmental education for consumers will take many forms. It means that in addition to educating passengers about how to travel in a responsible, low-impact way, tour operators must also encourage and provide opportunities for discussion of a visited country's environmental and social issues. It means including more extensive, thought-provoking information on current issues with materials sent to passengers in advance of trips. And it means educating trip leaders about the broader issues so that they can act as a resource for further information.



TOUR OPERATORS PRACTICING CSR AND SUSTAINABLE TOURISM



TOUR OPERATORS PRACTICING CSR AND SUSTAINABLE TOURISM

Eagle Wing Tours – is Canada's first carbon neutral whale watching company and the first to donate 1% of their gross revenue to non-profits. The company supports a number of educational centres and research societies including: the Center for Whale Research, Pearson College / Race Rocks Ecological Reserve, Vancouver Aquarium Marine Science Centre, Saturna Island Marine Research & Education Society etc.

Lokafy - Lokafy, connects travellers with locals who have shared interests and are passionate about their home city. Locals, called, Lokafyers offer a personalized tour to travellers, providing an experience that is like having a friend show you around their home city. Lokafy started off in Toronto, Paris and New York and has quickly expanded with tours now available around the world. The company's mission is to help people understand the world better, by making travel about the people you meet and not just the places you see.

Viaggi di Turismo – offers guided tours by local people – but not any local person – those who arrived to the country as an immigrant. The tours have opened up new worlds in Italy's major cities of Rome, Milan, Turin and Genoa. Although the tours were primarily aimed at local people in order to foster an understanding of how migration has contributed to the enrichment of their communities, now tourists and schools participate.

World Primates Safaris - This operator gives a proportion of its profits back to help protect endangered primates. They also provide their clients with a details what to do list for responsible tourism as well as specific rules for visiting gorillas and other primates.

More here: <https://sustainabletourism.net/case-studies/companies-and-organizations/tour-operators/>



Q&A

1. What is Corporate Social Responsibility?
2. How can organizations/corporations benefit from CSR?
3. How can employees benefit from CSR?
4. What is sustainable tourism?
5. Why is sustainable tourism important?
6. What are some of the main goals of sustainable tourism?
7. What are some negative impacts of tourism on the:
 - (a) Environment
 - (b) Social Culture
 - (c) Economy
8. How can tour operators contribute to sustainable tourism?