CORPORATE SOCIAL RESPONSIBILITY (CSR) PRACTICE AND SUSTAINABLE TOURISM DEVELOPMENT: EMPIRICAL EVIDENCES FROM INDIAN TOURISM AND HOSPITALITY SECTOR

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ABSTRACT

Nowadays Corporate Social Responsibility (CSR) is being used as a 'buzz' word in corporate spheres. Tourism industry is no exception. It has been more than two decades that different stakeholders are often using sustainable development as one of their agenda. More to it, in tourism the concern has also been for poverty alleviation and making tourism a pro poor activity. During this period many researchers have comprehended the demand for CSR in tourism industry and have also suggested many options as mitigating strategies. The present study is an attempt in identifying the prevailing CSR practices in Indian tourism and hospitality industry. This study is aimed at finding out the extent to which the theoretical models of CSR can be applied to contemporary trends of CSR practices. With the help of empirical evidences this study has enlisted various such prevailing practices. The study reached on the conclusion that CSR practices in tourism industry needs to be more targeted. 'For whom' and 'why' are the two questions, which are needed to be explained while undergoing for CSR practices in Indian tourism and hospitality sector.

Key words: Corporate Social Responsibility, Sustainable Tourism Development, Pro poor tourism.

Introduction

CSR is defined as "the management of a company's positive impact on society and the environment through its operations, products or services and through its interaction with key stakeholders such as employees, customers, investors and suppliers" (Holcomb, Upchurch and Okumus, 2007). Due to increase in the standard of living standard, besides the basic needs, people started spending a lot on entertainment and travel .Therefore, the tourist industry is currently one of the leading sectors with the potential wealth. It has multiple effects due to the involvement of various industries. Whereas, tourism leaves both negative & positive footprints on the various factors like- society, environment , culture, and even the economy. As, Unplanned growth of tourism can deteriorate the environment. The environment contributes much towards tourism , so it should be protected . Moreover, tourism is totally dependent on local community as well as its natural heritage , so, tourism companies must contribute to the region they operate . It is also dependent on the goodwill of the community so it should work with the local people and must maintain good relations. Tourism can help to alleviate poverty. In the publication "Tourism and Poverty Alleviation: Recommendations for Action", the ST-EP (Sustainable Tourism Eliminating Poverty) programme has provided different measures by which tourism can help directly or indirectly to the poor. So, for tourism management, various countries, organizations, corporate houses etc are using regulatory policy instruments .In most of the cases, in order to respond to the external pressure, CSR standards and practices have been developed by the private sector too. So, the present paper is an attempt to shed some light on importance & implementation of the concept of corporate social responsibility in tourism, specifically sustainable development and to examine whether the countries, government or private investors are actually working towards the CSR and sustainable tourism or it is just the part books only.

Literature Review

Tourism is a science, art and business of attracting and transporting tourists, obliging them and courteously catering their needs(Menthose and Cupta ,1980). Tourism is a business that

provides places which can be occupied the people while on holiday.Earlier, tourism was seen as a source of relaxation and sight seeing. (Agba, Ikoh, Bassey & Ushie (2010). The world Tourism Organization (2009) simply defines tourists as people "traveling to and staying in places outside their usual environment for not more than one consecutive year, for leisure, business and other purposes".With the change in time, the concept of sustainable tourism came into limelight .As per Sharpley 2003, the concept of sustainable tourism is an appropriate approach to tourism development and it is universally acceptable. Whereas, as per Bramwell& Lane(1993), sustainable tourism has come up as a negative and a reactive concept. As tourism has many serious impacts on society, cultures as well as environment. Gradually, sustainable tourism is working as a resolution for providing positive changes. It has played an important role in finding out the way to secure the benefits (Bramwell & Lane, 2012).According to Liu (1994),sustainable tourism is defined as dynamic process of comparing the resources of tourism with the demand of potential tourists.

Sustainable Tourism (ST) & CSR

Sustainable development means the progress which is capable of fulfilling the present needs and side by side helps in enhancing the future opportunities. ST means organization and management of the resources related to tourism in response to the social needs in present as well as in future. Sustainable tourism,an additional criteria for sustainable development requires an integrated approach towards the industries and resources related to tourism. The criteria for sustainable tourism includes: Protection of sustainable resources, conducting a multi-stakeholder approach, environment responsible, Maintaining the well-being and participation of local population etc.

So, the fundamental indicators of sustainable tourism are:-

1. Protection of Site	The category of the site's protection after the index of the International Union for the Preservation of Nature (IUCN)
2. Pressure/ Foot fall	The number of tourists who visit the site (year/month with maximum influx)
3. Intensity of use	The intensity of use during peak periods (the number of people and per hectare)
4. Social impact	The report tourists/residents (during the peak period, but also during the rest of the period)
5. Development Control	The existence of a method of study of the environment or specific controls on the

	planning method of the area and the density of use
6. Waste management	Ratio of treated wastewater of the site (additional indicators may lead to structural limitations of other site infrastructure capacity, such as the water supply)
7. Planning process	The existence of a methodical plan for the tourist destination in question (with a component "tourism")
8. Fragile ecosystems	The number of rare species or endangered ones
9. Customer satisfaction	Visitor satisfaction (using a questionnaire)
10. Satisfaction of the local population	Satisfaction of the local population (using a questionnaire)
11. Contribution of tourism to local economy	How much tourism represents (%) in all the economic activity

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Moreover, the definition of CSR has many areas which resembles to sustainable tourism. Both, CSR &ST focus on the identification and the engagement of stakeholders and the measurement of their initiatives to determine their impact on others.

Stakeholders, includes shareholders, employees, customers, property owners, suppliers, business partners, local and global communities, authorities etc. which can have direct impact on a company .Different stakeholders are having different demands but overall, a company should take care of the community where it operates, environment and well being. It should include, assistance programs, supporting educational needs, ensuring community health and safety, etc. for the society and must respect different cultures & disadvantaged people. Moreover, there must be transparency as it is a key element of the CSR and it helps businesses to improve their performance.

Tourism & sustainability at Global level

In 1988, World Tourism Organization projected the principle of sustainable tourism, with sustainable tourism "envisaged as leading to management of all resources in such a way that economic, social and aesthetic needs can be fulfilled while maintaining cultural integrity, essential ecological processes, biological diversity and life support systems". The Brundtland report popularized the sustainability and sustainable development. It defined sustainable development as "development that meets the needs of the present without compromising the

ability of future generations to meet their own needs". The Brundtland report also highlighted the "essential needs of the world's poor, to which overriding priority should be given", and "the idea of limitations imposed by the state of technology and social organisation on the environment's ability to meet present and future needs". Moreover, according to the report of World Bank, has identified -mandating, facilitating, partnering and endorsing as the four principal which can explain the role of public sector in relation to CSR that are. Sustainable development was the main issue, since the Cape Town Declaration of 2002 pointed towards the need for (even more) responsible modes of production & consumption (Frey and George, 2010, Goodwin and Francis, 2003, Mowforth et al., 2008 and Spenceley, 2008).Moreover other declarations on tourism, such as the Manila Declaration, the Hague Declaration and the Tourism Bill of rights and tourist Code, the Charter for sustainable tourism approved during the World Conference on sustainable tourism, held in Lanzarote in 1995, has also highlighted the need to extend the tourism that meets both economic and environmental expectations, and also give respect and employment to the local population. Moeover,Global Code of Ethics for Tourism (GCET) includes set of principles for the tourism development. The 12th Meeting of the World Committee on Tourism Ethics, commended the UNWTO Private Sector Commitment to the Global Code of Ethics for Tourism initiative.The Chairman of the World Committee, Dawid De Villiers, explained that "the tourism sector can make a valuable contribution to peace and progress if all stakeholders commit themselves to the principles and values of the Global Code of Ethics for Tourism. The Code is our roadmap towards a better future".

Examples of Sustainable and Eco-Tourism worldwide

Area	Solution
Malham, Pennines, England	In 1977, a steering group was set to address the problems of Melham and footpaths were improved with massive tree plantation.
Maldive islands , Indian Ocean	To lower down the negative impacts of tourism, resorts were build on strict building codes which recycles the water and uses solar water heaters. Moreover, Tourists are not allowed to come &contact with locals . local products are promoted.
LEDC, KIGO Conservancy, Kenya	Wildlife sanctuary is formed and the accommodations were provided which was made of mud, timber and thatch.
Bay of Bangal green model for Eco-tourism	Welcomgroup Bay Island (WGBI) hotel in Port Blair adopts four-R's strategy, which includes Reduce, Reuse, Recycle and Rethink of procedures and policies for the hotel.
Greening Melbourne's hotels	It applies various entrepreneurial programs for city hotels to reduce the usage of energy, consumption of water and waste management. It helps in providing leadership, support, recognition and advice to hotels in the municipality.
Umphang, Thailand	It's a largest district in Thailand which is full of rugged mountains, dense forests and no road. The most popular eco –friendly activities over there are- water rafting, forest trekking, elephant ridingetc.

Costa Rica , Central America	It's an eco-tourism location. It has diverse flora and fauna (over 100 species of mammals, 2,500 plant species over 400 bird species and over 120 reptile and amphibian species). It established 400 full-time and 140 part-time jobs directly related to tourism. It rejuvenate locals arts and crafts.
Sagada, Philippines	It is small town atop Mountain Province in Northern Luzon, 275 km from Manila. With a vast array of natural wonders, from caves to rice terraces to waterfalls, this town is an adventure haven.
Marcantour National Park, France	In this area, Motor vehicles is banned for several years and only pedestrians are allowed. Tourists can access the area with nature guide and DRAC (Direction of culture).
Cornwall Area, Great Britain	It's a non-car transport area which promotes public transport or walking.
Cinque Terra, Italy	Cinque Terra is famous for the five villages that are accessible only by train or trail: Monterosso, Vernazza, Corniglia, Manarola and Riomaggore. Tourists exploring the region through public transport like- train and bus. The fee charged, helps in protecting the marine life. Moreover, accommodations are provided which energy savers techniques.
Tofino Cedar Corner Development	It is built from timber and prepared with the latest water-saving, energy efficient features.
Sunart Oakwoods	The woodlands provide various ecotourism activities like-cycling and it helps in providing local employment.
Grootbos Private Nature Reserve and lodge, South Africa	A luxury camp two hours north of Cape Town was instrumental in setting up the Walker Bay Fynbos Conservancy in 1999 and currently consists of 21 landowners, who manage approximately 12 000 hectares of fynbos. The Reserve has been running the longest running vegetation survey. The project is designed to develop nature-based sustainable livelihoods for people from the local community.
Crowne Plaza hotel in Copenhagen, Denmark	It is an eco –friendly hotel which encourages its guests to produce electricity on exercise bikes. It provides of scheme of free meal voucher to the guests with 15 minutes of cycling, which helps in generation of 10 watt-hours of electricity

(Source:Author)

CSR practices in Indian tourism and hospitality industry:

CSR is termed as ethical responsibility of the business towards the society in general.It is based on the triple bottom line approach i.e contribution of the business towards-people, planet and profits.So, companies must consider the betterment of society in addition to their own interest.Moreover, in order to achieve long term shareholders value, CSR must contribute towards corporate sustainability.This can be done by exploiting the market potential for sustainable product & services and side by side reducing the associated cost & risk involved in it Holcomb, Upchurch and Okumus (2007).The tourism and hospitality industry has given its

footprints both in terms of economic upliftment and consumption of natural resources like food, water, and energy.CSR has many similar elements to sustainability. As CSR is related with the accountability of the company towards its stakeholders with aim of achieving sustainable development in economic, social and environmental dimensions. These days, both tourism and hospitality industry has often been at the forefront of implementing practices geared to minimize the negative impacts of its business on the environment. It includes various practices like-reduction of food waste in restaurants; recycle of water, usage of solar heaters, usage of eco-friendly locations etc. These practices are not limited to environment alone but it has extended to social issues like- community development, encouraging diversity amongst its workforce, and progressive employment practices. Various hotels like - Marriott International, Hyatt, Hilton have been included in the list of Fortune's Best Companies to Work .So, following are the few case studies showing the CSR practices in Indian Tourism & Hospitality Industry:-

1) Marriott's Hotels:- Since 2007, Marriott's uses energy efficient techniques to conserve energy and water and implement various conservation techniques like- chiller diagnostic tool to save electricity. Moreover, it also educates employees and guests to preserve natural resources. Moreover, reports of 2015 shows that as compared to 2007, energy intensity is decreased by 9.4%. Water intensity is decreased by 9.0% and GHG emissions is decreased by 10.0%. The company also contributes in empowering women by encouraging diversity in leadership.

2) Nainital, Uttrakhand:- Movement called the "MISSION BUTTERFLY" was launched for the upliftment of local community. It includes the integrated solid waste management program (ISWM). It includes the management and recycling of solid wastes with the process of collection, segregation and management of waste. Moreover, polythene is banned in the area and a proper check is applied on tourists before entering the town.

3) The Orchid, Mumbai:- The Orchid is a recipient of 80 international and national awards. Moreover, the construction materials used at The Orchid have a high proportion of recycled content which includes - fly ash, fertilizer waste, cotton stalks etc.In order to segregate the waste, four separate colour coded bins are used for dry, wet, recyclable and other. This segregation system is used in guestrooms too. Moreover, food waste is

decomposed though vermiculture. Through the vermiculture system it has generated 3, 60,000 Kilograms of vermicompost from approx 40,00,000 kilograms of food waste. Moreover, The hotel uses CFL which is energy efficient light and the hotel has solar panels on its roof which helps in generating electricity. It also treats and recycle the waste water and installed Sewage Treatment Plant at the roof of the hotel. They use the recycled water for the irrigation purposes.

4) ITC Hotels:- In 1988, ITC hotels prominently started working towards environment and become a green hotel chain . From the last 11 years, ITC Hotels has been water and carbon positive. Even ITC Hotel chain has reduced its consumption of energy by 41% of its total requirements to renewable energy. Moreover, the organization has done afforestation on 1,42,000 hectare of the land.. The chain has 11 LEED platinum rated properties in India. Out of total 11 properties, 5 of hotels are operated on wind energy.So, it is having the largest self owned wind farms (29.5 MW) for captive consumption . These are- ITC Gardenia & ITC Windsor, Bengaluru, Rajputana, Jaipur, ITC Maratha, Mumbai and the all new integrated Luxury Hotel Complex in Chennai - ITC Grand Chola. Moreover, in these hotels, 60% of room stationery and consumables are locally sourced and are made by recycled content. The building of ITC Sonar, Kolkata is made by Low VOC (Volatile Organic Compounds) paints and certified wood. In the whole world, ITC Maurya, New Delhi is registered with United Nations Framework Convention on Climate Change (UNFCCC) for improvement in energy demand in building sector as Clean Development Mechanism (CDM) project under the Kyoto protocol.

5) Kerala and the Alleppey backwaters- As per the law; the boats in this area is allowed only with the water tank in it.Moreover, boats like-Goodearth houseboat are encouraged which helps in creating employment for the local people and does not un on engines.

Apart from these, there are many more examples of tourism and hospitality industry which are adding towards the sustainability.

Conclusion:-

"In today's world, entrepreneurs, managers, employees, administrators, regulators and, perhaps most of all, consumers have been urged to take greater action themselves and reduce their reliance on others to deliver positive behavioural changes on their behalves. On the supply-side, corporate social responsibility (CSR) has been advocated as a compelling organisational response in a neo-liberal world" (Harvey, 2005). Essentially, CSR is an approach where, in addition to profitability and other shareholder concerns, the ethical, social and environmental issues must be taken care. Recent advocacy of greater responsibility in tourism consumption and production has reinvigorated debate about the nature of governance and management within the sector moving forward and recent developments in mainstream CSR research offer great scope to widen and deepen understanding of CSR in travel, tourism and hospitality. Therefore, great contribution by public and private sector has been seen .Starting from cape town declaration till date , government is paying much more attention to this hot and sizzling topic and making people aware about CSR.

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