



MBA Sustainability Leadership: Management Practices

Assessment One

A Case for Social Sustainability – In a Social Distancing World

Abstract

The British Virgin Islands Tourist Board, which is the marketing arm of the second pillar of the BVI economy is expected to represent and be all that the industry stakeholders need it to be. In this present state of global pandemonium, the BVITB is also expected to put some perspective on the current trajectory changing situation and offer guidance in the direction the industry ought to go. This would require that the organization is up to date with present global realities and is working from a strategic plan that takes the present COVID-19 dilemma and anticipated future reality into consideration. Such a plan needs to be a social sustainability strategy; as it will be the framework for operating in a social distancing world.

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The Story of Why the BVI Tourist Board Must Change Gears

Although it is an organization occupying an office with staff strategically placed locally and internationally, the BVI Tourist Board is rarely treated as an entity. It is far more. It is the embodiment of tourism in the British Virgin Islands (BVI); therefore stakeholders often tie the mandate of the organization with the general industry.

It is unrealistic as well as unbelievable; almost as absurd as hearing that a doctor is being seen as everything medical; but unfortunately, that is the case --- the BVI Tourist Board; which the marketing arm of the second pillar of the BVI economy is expected to represent and be all that the industry stakeholders need it to be.

Uncannily various Directors and Board members of the organization over the years have risen to this unrealistic expectation and have made the best of it. However, these are difficult times for the industry and making this mandate work requires insight and answers. Which is why this document is being presented before this Strategic Session commences.

Against the backdrop of this COVID-19 pandemic, and the current critical state of the industry this document calls for a complete U-turn by adopting a social sustainability plan or amending the current sustainability strategy to include this necessary area.

Such a plan is necessary because it considers the well-being of the various stakeholders as this organization brainstorms new ways to maintain viability.

Therefore, this document is being presented as a case for this organization to adopt a plan of Social Sustainability.

Critique of the Current Sustainability Plan

A critical examination of the sustainability strategy of the British Virgin Islands' Tourist Board (BVITB) yielded positive results. It revealed a sustainability plan that has been implemented and effectively embraced by the various stakeholders of the organization.

With this current plan the BVI Tourist Board has not only been able to outline its strategic direction, but also increase operational function. There has been improvement in the value chain performance; and as was mentioned previously -- stakeholder buy-in.

A Closer Look At the Current Sustainability Strategy

The British Virgin Islands is made up of 60 islands and cays with a population of - 28,280, as of the last census that was released in 2012. Tourism touches the lives of every member of the Territory either directly or indirectly; and the BVITB has the mammoth task of managing this essential industry.

The BVI Tourist Board promotes the Territory using the slogan “Nature’s Little Secret,” which is a fitting homage to the natural beauty of the BVI and a declaration of how the Territory’s tourism is fused to its environment.

The interdependence of the tourism industry on the Territory’s environment have not been lost on either the Tourist Board or the residents; and it is in fact the backdrop of many efforts.

For instance, two of the four causes of unsustainability deals with “accumulation of substances created by society” and ‘the physical inhibiting of nature’s ability to run cycles.’ The Board takes the rules so serious that they formed part of the organization’s strategic plans and were seen tangibly in exercises that were launched over the last two years.

For instance, as a means of ensuring there is no inhibiting of the islands’ natural ability to offer shade and prevent soil erosion the Tourist Board embarked on a campaign in 2017 to replenish the plants, and mangroves that were destroyed by the category five hurricanes that year. (Seeds of Love, n.d.) The project attracted a lot of attention and resulted in close to four thousand trees being planted.

Not only has the project garnered local support but regional as well; as the government of the Caribbean country of St Vincent and the Grenadines donated 3000 fruit trees to the Territory to be planted.

On the international front the project was well publicized in publications such as the Washington Post and saw Professional traveler and Emmy Award winner Samantha Brown of PBS visiting the Territory to assist in planting trees.

In fact, the BVITB’s plan and focus on environmental sustainability earned it the regional nod in the form of “The Green Caribbean Awards 2019.”

New Realities Require New Sustainability Plan

Even though the current sustainability plan of the British Virgin Islands Tourist Board is effective, it is recommended that it is altered; because it mainly focuses on environmental sustainability; and in light of recent Territorial experiences it is believed that Social Sustainability should form part of the plan for such a crucial organization.

Social Sustainability – The What and Why

The United Nations Global Compact, which is a voluntary initiative geared towards implementing the universal sustainability principles and supporting the United Nations’ goals said that social sustainability is “about identifying and managing business impacts, both positive and negative, on people.”

Thanks to the previously mentioned sustainability plan it is safe to say that with the aid of the BVI Tourist Board the British Virgin Islands has been a good steward of this geographical space it occupies. However, disasters such as the 2017 hurricanes and the COVID-19 pandemic means that the Board should move away from what seems like a one-track approach to sustainability by appending social sustainability to its green focus.

One of the best explanations of what social sustainability entails was mentioned by the Canadian City of Maple Ridge (Maple Ridge, n.d.). This definition stated that social sustainability “addresses the ways in which members of a community live their lives and interact with each other. It intertwines the maintenance of basic human needs along with the exercising of political, economic, and social freedoms.”

While in the past the social aspect of sustainability was never considered, in a COVID-19 world it is a reality and necessary to incorporate into plans.

Why the Current Pandemic Makes the Case for a Social Sustainability Plan

Life is precious and a tourism organization such as BVITB deals with people and therefore any plan going forward should take into consideration the health of the tourists that are visiting, the staff doing the greeting, and the residents/business owners offering service. In other words – the social aspect of tourism.

In order to provide appropriate insight into the need for the Board to adopt a social sustainability plan the PESTEL Analysis was used to examine the current state of the Territory’s tourism sector as a means to show that going forward would require a new approach.

The PESTEL Analysis is an acronym for the examination of Political, Economic, Social, Technological, Environmental and Legal factors. It is a business management tool that is applied in the process of evaluating “the external environment of a business by breaking down the opportunities and threats into Political, Economic, Social, Technological, Environmental, and Legal factors.” (Corporate Finance Institute®, n.d.).

However, for the sake of this argument for a change in sustainability focus only a part of the PESTEL Analysis will be presented -- the political, social and economic factors exposed.

Political and Social Factors on BVI Tourism and the Tourist Board

The British Virgin Islands Tourist Board is a statutory body of the Government of the Virgin Islands which means it is a semi-autonomous organization that is still subject to government oversight; and affected greatly by political actions.

On 19th November, 2019 Andrew Fahie the Premier and Minister of Finance of the British Virgin Islands presented the 2020 budget estimates to the people of the Territory in the usual pomp and ceremony. The speech frankly laid out where the Territory was economically and made great forecast for the year to come.

Since the BVI has two main economic pillars -Tourism and Financial Services a great deal of emphasis was placed on the second pillar of Tourism because the first Financial Services was facing unparallel international attacks and it is believed that shoring the industry that has served well for decades was the way to go.

At that time, the Premier optimistically spoke of 2020 and said that tourism will finally begin to stand again. Unfortunately, while the BVI Premier was speaking he had no idea that a mystery virus was reported in China that very week (17 November, 2019) that would undermine all that was being proposed.

Fast forward to 2020 and the tourism industry was the first casualty of the Territory's battle against this dreadful pandemic commonly referred as the Coronavirus. The grim reality commenced on 26 February, 2020 when the Government took the decision to block the cruise ship M/V Costa Favolosa from docking at its ports because the vessel had travelled to destinations that were found to have COVID-19 cases (VI Consortium, 2020).

This action was followed by an order by the Cabinet of the Territory that from 14 March no cruise ships were to make calls on the Territory. This order was expected to last for 30 days but various COVID-19 developments resulted in an extension that was still place at the point this document was prepared.

The further blow to the industry came on 22 March when Government as a precautionary measure closed the Territory's air and sea port and have also kept them close even as this document is being prepare.

This situation plunged the BVI Tourist Board in the midst of the situation as it was tasked with not only doing damage control, but in a Territory where there are no foreign embassies and consular services – the Tourist Board staff had to wear the hat of advisors for all of the tourist that were anxiously trying to leave before the closure.

Thankfully arrangement were made and the guests were able to leave. However, two days after the borders were closed Government ordered that all residents be placed on a 24-hour curfew that has remained in place. This essentially called for residents to remain in their homes until a time announced; and resulted in the crippling of the tourism sector as no visitor can enter and no resident can work.

Economic Factor

When the dust from COVID-19 is finally settled it would be the task of the BVI Tourist Board to quickly piece the damaged parts together and hit the ground running to help to replenish revenues that are currently being hemorrhaged because of this global tourism crisis.

The necessary ban on cruise ship visits would undoubtedly affect the territory's 2020 revenues as calls from ships contributes to the economy greatly. For instance (Business Research and Economic Advisors, 2018) revealed that "cruise lines that arrived in the Territory during the 2017/18 cruise year reportedly generated a total of \$12.5 million (\$US) in cruise tourism revenue in the British Virgin Islands."

To get a better in sight of how horrible the blow to the Tourism Sector would be it should be noted that the economic pinch that started in 2017, began to clear up in 2019 and was expected to be erased in 2020. However, from February 2020 the decision that would have crippling effects on the industry commenced and close to midyear there is no end in sight.

What is worst is that as of 1 June, 2020; although still in the midst of this COVID-19 nightmare the British Virgin Islands and the rest of the Caribbean will enter into a new hurricane season that will last until November. Considering the damages caused in 2017 hurricane season this reality is frightening for those already bemoaning the current economic realities.

For the BVI Tourist Board the case is clear --- if the tourism businesses fold, the British Virgin Islands Tourism industry will collapse; and no industry means there is no need for a Tourist Board.

Value Creation in a Post COVID-19 World

The fear of importation of virus was at the heart of the Government's decision to turn away ships and close the borders. However, as the economic factors outlined above suggest--- the returning of visitors to the Territory is necessary for the viability of the Territory's economy and small businesses.

Especially since a study that was conducted by Harvard researchers and published in the Science Magazine has stated that Social Distancing will be practiced into 2022. (Stephen M. Kissler¹, 2020). This means that the survival of the Territory's tourism sector and by extension the BVI Tourist Board is incumbent on the introduction of social sustainability measures. These measures will be geared towards maintaining the safety of the residents of the Territory, the staff of the organization and the visitors to the Territory. Therefore, the challenge now will be to offer tourism that is steeped in the new trend of social distancing.

For any other destination that would be a very confusing thought. However, for the BVI it is an opportunity to re-examine the business approach and transform tourism services into delivery and automated models.

The slogan 'Natures Little Secret' has always been popular with tourist because it represents an experience that appeals to the fantasy of being on an uninhabited island. This feeling of being alone in private paradise is aided by the fact that tourists are able to visit beaches like Trunk Bay and other small beaches in the Territory and be the only one there or even one among ten on miles white sand.

More specifically is the fact that many of the visitors travel to enjoy the sea as the Territory is also marketed as the "Sailing Capital of the Caribbean." Which means that now is the time to appeal to these persons as well who just want to be alone with nature.

By tweaking our tourism model to ensure that businesses profit and jobs are saved through the selling of social distancing in paradise – the BVITB will be able to meet its mandate.

This new approach however is dependent on the creation of a social sustainability focused plan which will inform a new strategic plan that will balance the health and safety of all stakeholders with the economic viability of the tourism industry.

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