

Sustainable Hospitality and Tourism Management (BMIH5006)

ESSAY on CSR Policy of IHG

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The IHG Hotel London is a luxury and centrally located hotel in London. This luxury hotel has elegant accommodations with modern amenities, delicious food, and great event and meeting spaces (IHG, 2023). Its proximity to popular London attractions, commercial districts, and cultural sites makes it ideal for business and leisure travellers seeking a comfortable and sophisticated stay in the UK's capital (IHG, 2023). In this essay, CSR policy of IHG is discussed. London Hotels' CSR includes sustainability, community participation, and ethics. IHG's responsible hospitality is based on its CSR policy. IHG champions sustainability by reducing its environmental impact, supporting local communities, and promoting ethical business practices (Batabyal, 2018). This policy shows hospitality professionals that success can be attained while benefiting society and the environment. IHG's CSR efforts boost its brand and inspire industry reform.

For many reasons, IHG (InterContinental Hotels Group) has made sustainability a basic part of its operations and corporate culture (Vânia Gonçalves Costa and Costa, 2022). Consumer demand for eco-friendly and socially responsible products is a major driver. In an age of environmental awareness, many travellers choose eco-friendly hotels. IHG acknowledges this trend and targets environmentally conscious consumers (Cooper, 2020). IHG can attract and maintain discerning customers by incorporating energy-efficient technologies, waste reduction, and responsible sourcing. IHG can profit from the growing eco-conscious traveller market with this customer-centric approach, creating loyalty and repeat business. Cost savings also drive IHG's environmental efforts (Esken, Franco-García and Fisscher, 2021). Sustainable techniques limit resource usage, lowering costs over time. IHG reduces its environmental effects and operational costs by investing in energy-efficient technologies. Sustainable resource management—including water conservation and trash reduction—also cuts overhead costs. Sustainability is a responsible and financially smart choice that boosts the company's bottom line and long-term profitability.

Compliance with laws and regulations drives IHG's sustainability efforts. Environmental and social standards are strict in many countries, including the UK. IHG must follow local, national, and international laws worldwide (Inkson and Minnaert, 2018). Failing to do so can lead to legal issues, expensive fines, and reputational damage. Sustainable practices help IHG comply with changing legal frameworks, reducing risks and ensuring its legality. IHG's environmental commitment is also driven by its brand image and reputation. IHG understands the importance of ethics and responsibility in a profession where trust and reputation are everything. Sustainability projects demonstrate IHG's commitment to lowering its environmental impact and improving local communities. This promotes consumer, partner, and stakeholder trust, helping IHG maintain a favourable brand image. IHG's CSR focus meets today's socially conscious consumer expectations, making it more appealing and competitive in the hospitality market (WTO, 2022).

Competitive advantage is another reason IHG should embrace sustainability. IHG stands out in a competitive industry by promoting responsible business (Gimenez, Sierra and Rodon, 2020). Sustainability attracts customers and investors who value ethical and sustainable businesses. IHG's long-term expansion plan relies on this competitive advantage to establish a market niche and industry standards. IHG prioritizes sustainability for long-term viability. Environmental and social issues are transforming the world, and firms that do not adapt risk becoming outdated. Sustainable practices including resource conservation, impact reduction, and ethical business practices help IHG succeed in the long run (Haski-Leventhal, 2018). By lowering its environmental impact and helping society, IHG positions itself as a long-term hospitality player. IHG's sustainability efforts are also driven by stakeholder expectations. The organization understands that shareholder, customer, employee, and community pleasure is crucial to its success (Valeri, 2022). Positive relationships and a peaceful and mutually beneficial business ecosystem need to meet these expectations, especially regarding sustainability and corporate responsibility.

The circular economy changes resource management in the hotel business. It reduces waste, conserves resources, and extends the lifespan of industrial materials and products. Instead of a linear "take, make, dispose" approach, the circular economy encourages recycling, repurposing, reusing, and refurbishing resources while providing excellent client service (Valeri, 2022). The ultimate goal is to reduce the industry's environmental footprint, resource consumption, and waste (Inkson and Minnaert, 2018). IHG's CSR policy is based on circular economy ideas and sustainable business practices. IHG's CSR program supports the circular economy by reducing waste. From food and beverage containers to linens and guest amenities, hotels generate a lot of garbage. A comprehensive waste reduction strategy of IHG aims to divert 100% of its garbage from landfills (Schwartz and Carroll, 2021). This technique includes recycling, composting, and

appropriate disposal. IHG reduces waste and environmental effects by doing so. This follows the circular economy philosophy of reducing waste and extending material life to maximize resource usage and minimize environmental impact.

Responsible sourcing and eliminating single-use plastics are also important to the circular economy in hospitality. IHG locations no longer utilize plastic straws or water bottles, a major step forward (Management Association, Information Resources, 2018). These measures show IHG's dedication to resource conservation and waste reduction (Batabyal, 2018). Their CSR approach supports the circular economy's resource conservation and environmental protection by procuring responsibly and reducing single-use plastics. IHG's circular economy strategy includes energy-efficient technologies and sustainable building (Wickham, Donnelly and French, 2021). IHG optimizes building efficiency and longevity through sustainable design and retrofitting. Their energy footprint and finite resource consumption diminish with this technique. IHG's high water and carbon emission targets demonstrate its dedication to the circular economy's resource conservation and sustainability (Cooper, 2020). IHG's CSR policy supports the circular economy through community engagement. IHG benefits its communities by working with local businesses, hiring locals, and supporting local activities. This boosts their social duty and emphasizes the circular economy's focus on community engagement, social well-being, and sustainable development.

IHG's CSR policy is rooted in circular economy principles. Their commitment to waste reduction, ethical sourcing, single-use plastic reduction, sustainable building practices, and community engagement supports the circular economy's aims of waste reduction, resource conservation, and environmental and social impact reduction (Haski-Leventhal, 2018). IHG's sustainability and responsible business practises demonstrate how connecting CSR with circular economy ideas can benefit the environment and create positive change and innovation in the hospitality industry (Legrand, Sloan and Chen, 2017).

The Triple Bottom Line (TBL) measures an organization's performance and success using economic, social, and environmental factors (Gimenez, Sierra and Rodon, 2020). This paradigm includes more factors than the single bottom line, which just considers economic profit. Economic Aspect: The TBL encourages firms to function financially while considering their influence on shareholders, employees, and suppliers' financial health (Edgell, 2020). IHG's CSR policy emphasizes responsible business and financial stability to support the economic pillar. Responsible sourcing and procurement help suppliers' economies and ensure ethical connections (Esken, Franco-García and Fisscher, 2021). IHG's investments in energy-efficient technologies and waste reduction save money and help the environment, linking economic growth and environmental responsibility.

The TBL's social dimension examines an organization's impact on employees and outsiders. IHG's CSR policy emphasizes labour and human

rights, community engagement, and diversity and inclusion (EIC Center, 2023). For instance, IHG's fair compensation, training, and friendly workplace benefit its employees socially (Carroll, 2021). The corporation supports education and disaster aid in local areas through numerous activities. These projects demonstrate IHG's social responsibility (Korstanje, George and Alexandru Nedelea, 2020). The TBL's environmental pillar assesses an organization's influence on the world and natural resources. As seen by its environmental goals and efforts, IHG's CSR strategy prioritizes this (Carroll, 2021). The corporation has lofty carbon, water, and waste reduction goals. IHG reduces its environmental impact through energy-efficient technologies, waste minimization, and ethical sourcing (Inkson and Minnaert, 2018). Eliminating single-use plastics and promoting sustainable building techniques coincide with the circular economy, demonstrating IHG's environmental sustainability.

Sustainability pillars incorporate social, economic, and environmental factors, harmonizing with TBL. Many call these the "3Ps" of sustainability: People, Planet, and Profit (Haski-Leventhal, 2018). The "People" pillar of IHG's CSR strategy prioritizes employee welfare, safety, and growth. Its diversity and inclusion policies create a positive workplace. IHG promotes employee well-being and progress through fair salaries and extensive training, benefiting individuals (UNWTO, 2023). The "Planet" pillar represents IHG's commitment to environmental sustainability. The company's environmental goals, renewable energy use, and ethical sourcing reduce resource use, waste, and carbon emissions. Planet and ecosystem health depend on these efforts (Jauhari, Apple Academic Press and Press, 2021). IHG's "Profit" pillar emphasizes financial sustainability and success through good business practices that boost the economy. IHG ensures financial stability and advances sustainability through reducing operational costs through energy efficiency, waste reduction, and responsible sourcing. IHG's CSR strategy addresses economic, social, and environmental issues and promotes responsible and sustainable operations (Jauhari, Apple Academic Press and Press, 2021). IHG shows how the TBL and sustainability pillars would lead to financial success and significant social and environmental consequences by implementing them into its fundamental business strategy.

Carroll's Pyramid of Corporate Social Responsibility, frequently portrayed as a pyramid, divides a company's responsibilities into four categories: economic, legal, ethical, and charitable. IHG, a worldwide hospitality corporation, links each level of this pyramid with its CSR strategy (Carroll, 2021). At the base of the pyramid is economic responsibility, IHG's main goal of make money for its shareholders by providing high-quality lodging and services. IHG strictly follows safety and labour legislation in all its operations (Carroll, 2021). Moving up the pyramid, IHG's commitment to integrity, fairness, responsible sourcing, and environmental sustainability shows its ethical side. IHG supports local communities through disaster assistance, charitable donations, and community engagement at the philanthropic level.

All four Carroll's Pyramid levels are covered by IHG's CSR. IHG strengthens its reputation as a responsible and socially conscious leader in the global hospitality industry by meeting its economic and legal obligations and striving for ethical and philanthropic excellence.

IHG's CSR policy encourages sustainability, although it has pros and cons. Sustainability activities like decreasing water and energy use and obtaining sustainable products are strengths. The company's focus on community engagement and employee well-being is impressive. IHG's workplace diversity and inclusion activities demonstrate modern social responsibility (Edgell, 2020). Potential flaws are apparent. Although IHG shows sustainability commitment, the lack of precise objectives would make it difficult to evaluate the long-term results of their efforts. In addition to increasing openness, setting quantifiable goals would provide stakeholders with a point of reference against which to judge the company's CSR efforts. Supply chain sustainability is an important factor in the hotel sector and should be disclosed openly in the CSR policy. If IHG were to provide transparent details regarding the sustainable practices already present in its supplier chain, it would strengthen its dedication to the cause. The policy could specify quantitative goals and performance indicators to track progress. Measurements of CSR policy effectiveness are vital. In the hospitality industry, supply chain sustainability is important, but the policy is not transparent. It might expand its social initiatives to include supply chain fair labour and responsible sourcing (EIC Center, 2023). IHG's CSR policy is committed to sustainability, but it would be improved by setting clearer targets, transparent reporting, and a wider focus on social issues. The organization should use a more holistic and accountable CSR approach to make a sustainable impact.

IHG's CSR policy emphasises environmental responsibility, community engagement, and ethical business practices. The company's Triple Bottom Line and sustainability pillars support corporate social responsibility. The policy should be improved by identifying quantifiable targets, increasing supply chain transparency, and expanding social efforts. IHG should adopt a more comprehensive and accountable CSR strategy to meet its sustainability targets and stay competitive. IHG can improve its brand reputation, encourage positive change in the hospitality sector, and contribute more to environmental and social well-being by doing so.

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