

BMIH5006 - Sustainable Hospitality and Tourism Management

Report: Destination Management

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INTRODUCTION

Sustainability tourism can be defined as the tourism which takes full account of the present and future social, environmental and economic impacts, also addressing the requirement of visitors, the environment, hosting communities and the industry (Guo, Jiang, and Li, 2019). The report will underline different aspect of growth of tourism while also being green. The report will provide answers to various questions, like who is responsible maintaining sustainability in tourism and hospitality whether consumers or businesses. Further recommendations will also be provided on sustainability can be maintained in the organisation while maintaining profits in the industry.

MAIN BODY

Relevancy

As stated by Milton Friedman in the 50's "The social responsibility of an organisation is to increase profits". This statement can be said as relevant as it is primary responsibility of the business to earn profits and recover the cost invested in the organisation. While maintaining profits it is also important to maintaining sustainability through the operation of the organisations (Higgins-Desbiolles, 2020). The only way, in which the company is able to make profits, if in the long term organisations in tourism industry grow then they will make value for the society as well. This statement is relevant but it is important for tourism businesses for being environment friendly, as these have direct impact on the environment. Hence now the trend that consumers are being more concerned with sustainability and maintaining environment, the organisations can align their operations with sustainability which will help the organisation in increasing the profits in the organisation, as more customers will be attracted towards the organisation. This can be elaborated through one of the approach that is **Triple bottom line theory**; this is conventional business approach that suggest that success metrics need to include the contributions of organisation towards well-being socially, economic health and environmental health. These are divided in three categories as three P's that are People, planet and prosperity (EdgellSr, 2019). These elements are interconnected and also provide foundation to sustainability and profits through the operations of operations. People will include the stakeholders of the organisations, Planet will include the relationship in the organisations and the environment and ecological system, Prosperity includes all the economic indicators which have influence on the organisations as well as on the

stakeholders in the organisation (Ngoc, Tien, and Trang, 2021). This theory suggests that the organisation primary responsibility is to increase the profits of the organisation but it is also important to manage sustainable operation for maintaining environmental sustainability. For example- Premiere Inn is focused on providing sustainability to its customers by ensuring that its operation are aligned with environment, this have helped the organisation in increasing its practice and attracting more customers towards the organisation.

Importance of finance

Financial department hold wide importance for bringing awareness the issues related to sustainability, by allowing fort the researching and development of the alternative sources of the energy and following sustainable and fair practices for the business (Scott, 2021). Finance comes first comes for the organisation as the organisation are formed for creating profits. It is important to manage the finances of the company and ensure that proper allocation of financial resources is done in the organisation as to ensure that the organisation generates profits. While finance holding the top most priority in the organisation of tourism industry sustainability is the part of it which is to be managed in the organisation (Xu, Nash, and Whitmarsh, 2020). In tourism industry the people have direct contact with the environment, organisation in tourism industry are required to ensure sustainability by also keeping in mind the regulations and policies which it takes in mind. The finance department of the organisation works on financing all the functions of business it should also work on financing the concept of sustainability in the organisation. The tourism organisation should contribute some of its part towards sustainability while making the investment decisions in the organisation (Fennell, 2021). This process of financing can be called as sustainable finance, which is process of taking environmental, social and all the governance considerations in the account. If these will be taken in mind the businesses will be able to generate more profit while being green.

Responsibility towards environment

Environment responsibility is ethical responsibility of the business to keeping mind the environment while providing doing their operations (Zhang, Chen, and Hu, 2019). It is the major responsibility of the business to align the operation of the business for protecting the environment of the organisation. The organisation in the tourism industry are required to ensure that they use natural resources, reduce the use of pollution creating materials and also reduce any use of such

things that can cause harm to the environment. The business in the tourism industry are required to work on reducing the carbon emissions through its operation. But it is not just the responsibility of the business to reduce the environmental and also make the use of more natural resources as to ensure that they are able to reduce environment harm (Cheung, and Li, 2019). Not just the businesses buy it is also the major responsibility of the consumers to reduce the harming the environment. Now-a-days the consumers are concerned with environment and prefer sustainable methods and also preferred the organisation that manages environment sustainability. Still there are many individual or the consumers of tourism industry that are not concerned with environment and their action are also not aligned with no harm to the environment. Many of the tourists that travel to different places, through garbage on the destinations, pollute natural resources and overall environment by their action (Sharpley, 2020). These have direct impact on the sustainability of the environment and impact badly on the environment that is needed to be reduced. It is the responsibility of the business but it is also the responsibility of the consumers to adapt environmental sustainability in their action and also focus on reducing it. The consumers can adopt values of environment by reducing the impact of environment, such they should throw garbage in the destination, also should not make inefficient use of natural resources and polluting them for their own satisfaction. The tourism industry involves various types of organisation that provide different services; these services have direct impact on the environment. The organisation in the tourism industry should focus on aligning its operations to the sustainability, by making strict policies regarding protection of environment. The organisation in tourism industry needs to adapt to strict policies that should be implemented on service receivers in the industry, the tourist. Strict actions should be taken against violation of these policies and may harm to the environment. For example- Hilton hotel focuses in analysing the responsibility of the business towards being sustainable and also have adapted technology related to waste management and other for managing operations of the organisation. The organisations have also incorporated the policies for making sure that the consumers of hotel follow the rules of sustainability and does not harm the environment through their actions.

Future recommendations

Further recommendation that the organisations in tourism industry implement for being sustainable as well as profitable at the same time are presented below-

Sustainability principles of sustainable tourism are the different aspects of environment, economic, and socio cultural that are needed to be established by the organisation in the tourism industry. The organisation in the tourism industry should make minimum or required use of the environmental resources which constitute a major element in sustainable tourism development. If the organisations will focus on maintaining ecological processes and also assisting in conserving the natural biodiversity and resources then they will be able to develop and turn the organisation sustainable tourism. The organisations in the tourism industry should also focus on aligning its operations to being more environmental friendly. Such as the organisation in the industry should focus on the waste management in the organisations and the waste being generated from the organisation. It is important to reduce the waste that is being generated from the organisation whether it is hospitality organisation, tourism agency or an Airport. Every organization can have waste generation in the organisation that is needed to be reduced and or the organisation should involve such technology that helps in managing waste in the organisation. The organisation in the tourism industry those are more concerned with providing services such as travel packages, tourist guides that guides the individuals regarding the destination. This organisation s can encourage concept of eco tourism in the industry. The organisations in the industry are required to focus conserving the natural areas and the environments; these are done when travellers use the sustainable transport travelling in the places and also look for conserving the environment, and also enhancing the well-being of a local individual. Improvement in this section will help the organisation reducing the harmful impact on the environment on the tourism. The organisation can also focus on designing the policies that are aligned with conserving the environment and so that service receiver will also be concerned with saving the environment and will look forward to reducing the environmental impact through their actions. These are the learning taken from the ***Doxey's Irridex Model*** which suggest that attitude of local people towards tourist and tourism whether optimistic or pessimist, should be received by the local people as indifference, enthusiasm, hostility and annoyance. Many of the consumers are now concerned with environment will get attracted towards the organisation that are focused on reducing the impact of environment. These will help the organisation in attracting more consumers and increasing their sales in the organisation and also boosting their revenues. This is also going to help the organisation in managing their profits and also maintaining sustainability in the organisation.

Can hospitality industry can ever be truly green?

The hospitality industry can be sustainable by adapting to sustainable operations in the organisation. But there are some areas that are still left for being covered by the organisation. There are various areas that cannot be covered by the organisation and also by adopting sustainable values to the operations. Such values and regulation cannot control the people that take services in the organisation, the organisation cannot stop using the natural resources fully; the organisations are also dependent on technology for increasing the profits of the organisation and keeping the customers satisfied in the organisation. Use of technology is necessary that might have impact on the environment. Still if it is not possible for going fully green but the companies in the tourist industry can focus on adapting to sustainability which will be a step towards reduction of impact on the environment. The organisations should focus on reducing the impact by adapting technology for reducing waste in the organisation and the organisation should adapt the policies of reducing the impact on the environment.

Financial resilience is the key to sustainability or not

Financial resilience can be described as having a financial plan for managing the overall operation of the organization within the budget and investing it correctly. The organisation in tourism can focus on considering sustainability as a crucial aspect, and investing in the organisation for reducing it. The organisation should invest their financial resources towards adapting sustainability in the organisation. This will help in attracting more customers towards the organisation and will also help in attracting more profit in the organisation. Environmental aspect is the most crucial aspect of the organisation which should be considered, and considering it in financial planning, can result in financial resilience in the organisation.

CONCLUSION

The overall report helped in analysing the different aspects of destination management and sustainable tourism in the organisation. The organisations are required to focus on sustainability. The report underlined how the organisation can maintain sustainability while being profitable. Different theories and models were used for linking the overall process, and also were used to describe how this can be done. Industry examples were also used for analysing the overall impact of sustainable operations on the organisation. Further in the end recommendations on how

organisations can imperative were provided and how financial resilience can be key for sustainability in the organisation was also analysed in the report.

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