

BMIH5006

**Sustainable Hospitality & Tourism Management
LEVEL 5**

Assessment Component 1 – Essay

Student Name: AURA IOANA PANTIRU

Student ID: 2123786

" I confirm that I have not used any AI tools in the research and creation of this assignment. I confirm that I have not presented any AI generated materials as my own work. I confirm I have copies of my drafts, notes, and other resources I used, which I may be asked to provide in evidence."

Corporate social responsibilities or CSR can be considered as duties that mainly encompass economic as well as legal as well as ethical and philanthropic expectations from the society towards any organization at a particular point of time (Carroll, 2016). In regards to the hospitality industry it can be said that CSR can play a very vital role in regards to hotels not only being responsible for providing exceptional service but also helping guests to minimize their impact upon the environment as well as support local communities. One of the major driving forces for corporate social responsibilities for CSR being considered as very important by the hospitality sector has been the recent need of being sustainable and following sustainable pathway towards growth (Rhou and Singal, 2020). The following essay as a result will critically examine the sustainability of all the CSR initiatives that are considered by the Savoy Hotel in London which is one of the most prominent luxury hospitality providing institutions in the city known for its commitment towards maintaining an environmental and social balance. The essay will explore techniques through which the hotel is able to integrate CSR into its operations and it will also analyse some impacts that this particular flow of initiatives has been able to create upon major stakeholders and the hotel itself.

Corporate social responsibilities that are specific to hospitality service providing organizations can have great influence in regards to these businesses being able to manage their environmental impact as well as welfare of human resources and the engagement that is able to create with communities and their growth prospects (Rhou and Singal, 2020). In tourism and hospitality specifically, corporate social responsibilities have become very important due to the perception of main stakeholders such as the travellers and the service users changing drastically. 83% of travellers currently believe that sustainable travel is very important across the world and hence it must be said that leading organizations providing hospitality services must also adhere to such perceptions due to a significant portion of customers in hospitality providing organizations coming from tourism related motivations primarily (López, 2024). However, it must also be taken into consideration that sustainable travel and sustainable hospitality services are not just being demanded by leisure travellers but also corporate stakeholders as a survey conducted in the year 2022 shows that close to 40% of corporate travel managers are of the belief that partnering with hotel services that have sustainable measures in place is very important (Statista Research Department, 2024). However, it must be taken into consideration that depending upon the scalability of the operations the impact that can be created by hospitality businesses in regards to their CSR policies and activities positively

influencing the environment as well as local communities and other stakeholders such as human resources will be different (Kaur et al., 2022).

The Savoy which is one of the most prominent and well-known hotels in the city of London situated near Strand at the City of Westminster, London. This particular hotel opened in the year 1889 and is currently managed by Fairmount Hotels and Resorts (The Savoy, 2024). Apart from its excellent rooms and suites the location is also known for five of its top-class restaurants and three bars that are also well known and enjoyed by locals and tourists from all around the world (The Savoy, 2024). Apart from being excellent at food and beverage as well as other hospitality services this particular hotel has also been very efficient in recent years in regards to efficient policy making and execution of its corporate social responsibility related initiatives (The Savoy, 2024). It must be mentioned that recently in the year 2024 the hotel won Five Green Keys Rating from Green Key Global Eco-Rating Program. The hotel is very popular among online hospitality service users as well as it won Agoda Green Gift Gold Circle Award in the year 2022 (The Savoy, 2024).

As a service providing organization The Savoy is very focused upon having a good corporate structure and governance process that allows it to track and measure its sustainability standards that in return helps it to adhere to its corporate social responsibilities. “FuturePlus” is considered as a sustainability management and reporting platform that is considered within the internal environment of this hotel and allows the management for measuring as well as creating evidence in regards to their sustainability related impact and objectives (The Savoy, 2024). The business also was recently able to completely turn away from using single usage plastic and in regards to energy consumption it can be said that 100 percent of the energy supply of the location is bought from operators who provide renewable energy source options and 100 percent of the gas supply in the hotel is also carbon offset with Certified Emissions Reductions (The Savoy, 2024). The restaurants and the bars can be considered as major platforms for this particular hospitality service providing location to create positive impacts through their corporate social responsibility execution (The Savoy, 2024). A very extensive waste recycling as well as reuse initiative helps the organization in diverting waste from public areas in London as well as the in-house guest rooms and elsewhere within the hotel and away from landfills which helps the hotel in achieving a recycling record of more than 98% (The Savoy, 2024). In order to have somewhat positive impact on the local communities the chefs across the restaurants and the bars also are known for selecting the freshest and the best seasonal

produce from local suppliers who deliver food and other raw materials in a sustainable manner that includes organic options as well as Fairtrade related considerations (The Savoy, 2024).

While it can be seen that The Savoy has been very efficient in regards to making decisions and executing them to have a greater and positive impact through execution of its corporate social responsibilities, a theoretical perspective towards such operations can help in locating the merit in such operations. The Circular Economy Theory can be considered as a regenerative system that is able to help in having a focus upon minimizing waste and being able to maximize the utilization of resources that are available through creation of a continuous cycle of reuse as well as recycling and consumption that is responsible (Geissdoerfer et al., 2017). This theoretical perspective can be very essential for execution of corporate social responsibilities as it can directly support sustainable development goals through fostering a process of environmental stewardship as well as promotion of economic and social benefits (Schroeder et al., 2019). The principles according to this theoretical perspective have been very effectively integrated into the activities that has been considered by the hotel as mentioned previously.

As an example, it can be said that processes such as elimination of using single use plastics as well as implementing a robust waste recycling program the hotel is able to exemplify a Circular Economy that has emphasis upon waste reduction as well as efficiency of utilizing of resources. It must also be taken into consideration that the commitment of the destination in regards to using renewable energy as well as carbon offset gas is aligned with the focus of the circular economy theory upon transitioning to sustainable energy sources (Korhonen et al., 2018). The restaurant and the bar kitchens at the hotel being able to source their food and beverage later raw materials from local suppliers can also be considered as a process that helps the local economy to boost and it also helps in reducing environmental impact through a prolonged and complex supply chain and hence contributing positively to its Circular Economy Model.

Fairmount Hotels and Resorts is the company that is responsible for management of operations within the hotel and this organization also has a major role to play in regards to the corporate social responsibility related policies and execution (Fairmont, 2024). Technological advancements in this regard had a major role to play due to the organization being able to adhere by a system that helps it to recycle food waste into a renewable energy and biofertilizer that is nutrient rich through a combination of anaerobic digestion and CHP processes

(Fairmont, 2024). The hotel is also able to ensure that all of the organic waste from the hotel is reused in a positive way and it is estimated that the equivalent energy generated is able to provide the ideal amount of power needed to light close to 20% of the guest rooms (Fairmont, 2024). These techniques followed throughout all departments at the hotel is able to help in achieving somewhat economic benefits in regards to reusage of resources and full utilization of them as well.

In regards to its social responsibilities the organization is also very active in regards to treatment of the human resources that create value for all stakeholders. The Savoy Hotel Limited Is banished by Fairmount Hotels and Resorts which is part of Accor that is a multinational hospitality business known for managing world class hotels. Due to this, Accor's Ethics & CSR Charter Provides a very clear framework to the commitment of the hotel in regards to being a responsible corporate citizen that has commitment towards adhering to human rights as well as prevention of modern human trafficking and slavery (Fairmont, 2024). In regards to legal compliance the program that is operated across the hotel and the general network of hotels under Accor has a network of compliance officer who work under the authority of the Chief Compliance Officer or the CCO who then reports directly to the Group Chief Legal Officer as well as the Chairman and the Chief Executive Officer of Accor Group (Fairmont, 2024).

The Savoy Hotel Limited also highlights in its official website how the workplace designed on values in regards to maintaining diversity while all stakeholders embrace diverse backgrounds as well as experiences and characters (The Savoy, 2024a). In regards to the hiring policy the communication from the management focuses upon possible human resources having the correct attitude as well as values and personality and is able to demonstrate features of being flexible for accommodating the need of the guests (The Savoy, 2024a). Therefore race, gender as well as background does not have any role to play in regards to employment or treatment bias at the workplace (The Savoy, 2024a). Partnership with local suppliers aside the organization also communicates on how its partnership with London Heritage Quarter which is a local business and a community district group has helped it to scale its corporate social responsibilities and in this case a number of charities are also supported by the business (The Savoy, 2024).

CSR Pyramid Theory from Archie Carroll can be considered as a framework that will be helpful for understanding the different responsibilities a business can have towards the

society and the environment (Ehie, 2016). This particular theory helps in dividing responsibilities across four different groups that are followed or should be followed in a chronological manner. Starting from the beginning, such responsibilities are Economic Responsibilities, followed by Legal Responsibilities, and then Ethical and Philanthropic Responsibilities (Carroll, 2016).

The economic responsibilities from The Savoy can be reflected through its commitment towards sustainable solutions in the form of reducing carbon emissions as well as energy consumption by 30% that ensures long term profitability. Legal responsibilities in this context are executed through adherence to Accor's Ethics & CSR Charter That is able to ensure the hotel meeting global and local laws. For adherence with ethical responsibilities the hotel is able to promote inclusivity and diversity in its hiring practices and fair treatment of employees. Last but not least it must also be considered that philanthropic responsibilities are executed through partnering with local businesses such as charities like the London Heritage Quarter.

In conclusion it can be said that the Savoy Hotel is able to demonstrate a very strong commitment towards corporate social responsibilities. The alignment of all the CSR related operations from the hotel with the theoretical perspectives of the CSR Pyramid helps in addressing economic as well as legal and then ethical and philanthropy responsibilities. The hotel is also very much focused upon inclusivity as well as local partnerships and sustainability and a holistic approach to CSR. Initiatives in the form of carbon reduction as well as waste recycling as well as community engagement create a positive impact upon the environment as well as the society through upholding ethical and legal standards. The comprehensive CSR related strategic focus not only enhances the reputation of the hotel but also helps it to position itself as a responsible leader within the hospitality industry itself.

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