Business ethics and sustainability

Conrad Lashley

Hospitality Studies, Academy of International Hospitality Research, Stenden Hotel Management School, Stenden University of Applied Sciences, Leeuwarden, The Netherlands
Email: conrad.lashley@stenden.com

Business ethics provides a potential analytical framework through which to evaluate management practice in general and sustainability in particular. Management actions can be examined to the extent that they are good or bad, or legal or illegal, suggesting a four-quadrant framework. Ultimately, management actions can be judged by the extent that strategic codes of practice lead to detailed actions and priorities in reality. There is a growing awareness of the negative environmental impact of hospitality and tourism, and the need for policies that at least minimise these negative impacts. There are several examples of industry bodies and individual companies that are aiming to manage their businesses in a more environmentally sensitive manner.

Keywords: business ethics, managing ethical practice, morality, sustainable hospitality

Introduction

Any discussion of sustainable business practice needs to be set within a framework of understanding of business ethics. Sustainability at the organisational level will be introduced for one or more reasons. It may be that organisation leaders have a deep commitment to sustainable business practice and this commitment is translated into the organisational mission, objectives, and goals. On the other hand, it may be that they recognise a market segment that is pro-sustainability and will seek out these hotels, or perhaps a growing concern amongst the general public for evidence of more sustainable business practice. Finally, it may be that legislation has been created that requires hotels and others to be more sustainable in their business practices.

So as to better understand the potential motives for sustainable management, this paper discusses a framework of moral and ethical positions. Employing this model, it is suggested that sustainable management practice is likely to be, at its most robust when it is concern with actions that are “good, but not legal requirements” and “corporate citizenship” (Fisher & Lovell, 2012). The paper briefly describes some industry associations and bodies promoting “green” and “sustainable” practice in hotel, restaurant and licensed trade practices.

Some key issues for business ethics

Fisher and Lovell (2012) provide a valuable grid devised from two continua. The first dimension relates to the distinction between ethics and morality. In many cases, writers use the terms interchangeably, but seeing these terms as meaning different things can enhance an understanding of sustainable practices. Current business codes are typically concerned with ensuring operators do no harm to clients, and are examples of morality. Ethics on the other hand, is more concerned with ensuring good behaviour. “Ethics is a term that can be thought of as developmental, whereas morality is judgemental” (Fisher & Lovell, 2012, p. 30). Morality usually involves lists of rules, codes of practice, and restrictions on actions that might harm others. Ethics are virtues of desirable values that help people to do good actions (Green Hotels Association, 2015). Variations along this continuum will be discussed later, but the key point made here is that business organisations can gain competitive advantage by being concerned with ethics.

The second dimension in the grid devised by Fisher and Lovell relates to dimensions covering “right and wrong” and legal and illegal actions. Right and wrong refer to moral or ethical actions, whilst legal and illegal actions relate to actions in relation to the relevant legal codes. They identify four positions on this continuum:

Actions that are good and legal, but not a legal obligation
Given the ideology of many corporations that defines their key duty as to increase shareholder value, many business managers may see this as unnecessary. Others might consider that they also have duties to other stakeholders that mean, for example that they should add better than expected staff facilities.

Actions that are bad, and illegal
High profile cases in the timeshare sector, for example, where purchasers have been given wrong information, or inflated figures relating to letting revenues and re-sale values, etc. These actions are wrong ethically because it is wrong to lie and they are illegal both under civil and criminal law.

Actions that are legal but bad
This category is the one most likely to involve business and management decisions, because they relate to these fundamental issues about obligations to shareholders
alone, or to a wider set of stakeholder interests: customers, employees, suppliers or communities. In some cases, being “economical with the truth”, although falling short of telling lies, either does in fact mislead the customer or cover up useful information. It might also include a decision to pay employees low wages, or to cut back on contributions to refurbishment budgets so as to generate added profit for shareholders in the short term.

**Actions that are good, but illegal**

This category includes actions that may be morally good but illegal. For example, during apartheid in South Africa, several US and British firms took the view that it was their global duty to adhere to a equal opportunities policy, and broke the South African law promoting black and coloured workers and providing equal employment rights. Clearly actions in this category lead to some difficult considerations, because organisations are not free to disobey laws or legal obligations, just because they don’t like them. In most countries they are free to lobby and campaign for legislation to be changed, and so decisions to disobey the law are unusual.

The point here is that although hospitality firms are legally bound to be lawful, they can adopt one of a number of positions in relation to their business practice. As members of one of the trade bodies, they also accept obligations to abide by the association’s codes, but do they exceed these legal obligations and codes in their business practice, or do they abide by the letter of the codes but otherwise adopt practices that break the spirit of them? To some extent, these questions can be better understood through the use of Fisher and Lovell’s second dimension relating to continuum relating to ethics and morality. Figure 1 is adapted from their grid (2012, p. 34).

The various positions identified by Fisher and Lovell are helpful because they show a number of different options for business operators. These options display varying degrees of commitment to doing good, or avoiding doing harm.

**Social development and caring**

Organisations committed to taking action that improves the social, economic, cultural or environmental conditions of a community or society are showing commitment to social development. Resorts located in an otherwise deprived country, or region who then contribute to say educational development, or to arts and recreational facilities for the community are examples of actions that are concerned with social development. Clearly, there are potential public relations benefits to such acts because the organisation is seen to be contributing something more than that needed to exploit a business opportunity. In some circumstances there can be considerable local opposition to resort development and flows of tourism to an area, so such acts are not necessarily totally altruistic. That said, the benefit to the community by having access to this added resource should not be underestimated, particularly as it may well benefit community members who are unlikely to gain from increased employment opportunities, or the increased economic activity generated by the resort.

**Social responsibility and supporting**

Exercising social responsibility involves actions of the firm in a way that minimises social impacts or damage to the environment. Often the actions of resort development firms can have devastating effect on communities and on the environments in which they are located. Behavior in a socially responsible manner involves taking actions that are sensitive to these impacts. For example, if there are plans to cut local supplies and source from cheaper alternatives outside of the community, the socially responsible action might be to phase in the change, or to assist local suppliers to find alternative markets. Similarly, if a resort needed to make large numbers of redundancies, the socially responsible action would involve support for redundant employees to find alternative jobs. Another act of social responsibility might involve careful consideration of the impact of the resort on the environment and to take actions to minimise negative impacts. Again, the motives are not necessarily completely altruistic, because there are public relations benefits flowing from these actions. However, the benefits are real enough and do provide some gain for those affected.

**Reciprocity and fair play**

Although some people view humanity as selfish and self-centred, others would argue that human history has more evidence of altruism and acting in the interests of a collective good. Hotels and resorts may, in principle, be competitors but they may cooperate for long-term benefit of the community of providers. Some organisations do not join, and others join and then resign, perhaps for selfish and self-interested reasons. Other examples of reciprocity might involve resort developers working closely with other tourism attractions in a destination to promote a common destination profile. Key to the success of the approach is that cheats who act in self interested ways are somehow punished, perhaps being expelled from the organisation, or fined.

**Fairness**

The distribution of resources between individuals, groups and different stakeholders concerns issues of fairness. “Resources can be money, respect or any possession a community can

<table>
<thead>
<tr>
<th>Ethics</th>
<th>Morality</th>
</tr>
</thead>
<tbody>
<tr>
<td>The good life</td>
<td>Justice</td>
</tr>
<tr>
<td>Doing good</td>
<td>Avoiding doing harm</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Corporate citizenship</th>
<th>Equity</th>
<th>Honesty</th>
<th>Avoiding doing harm</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social development and caring</td>
<td>Reciprocity and fair play</td>
<td>Fairness</td>
<td>Truthfulness</td>
</tr>
<tr>
<td>Social responsibility and supporting</td>
<td>Cheating and selfishness</td>
<td>Bullying and social irresponsibility</td>
<td>Harming and social disengagement</td>
</tr>
</tbody>
</table>

**Figure 1:** Mapping ethics and morality in business practice
allocate between its members” (Fisher & Lovell, 2012, p. 48). Given finite resources in the forms of money and other scarce resources, some fair system of distribution needs to be considered. Business operators may have to balance the resources allocated to meeting various stakeholder interests. Employment practices, for example, consider not just general levels of pay and employment conditions, but also how these are allocated amongst various employee groups. Typically, many hospitality employers provide the poorest pay and conditions to those employees who are in frontline positions, because they are frequently recruited from sections of the Labour market where labour is plentiful and cheap. Fairness would attempt to allocate rewards in different ways, so that those who benefit the business most would attract a higher share in the results of the enterprise.

**Lying**

Lying in principal is wrong, and undermines the basic common requirement of a business relationship, that is, honest dealing. What if every one did it? How would the individual feel if they were being lied to? Certainly lying under oath, or in defined legal contexts, carries with it a severe set of punishments, including fines and prison sentences. That said, the issues are not as clear as they first seem: being economical with the truth, putting a favourable spin on things, or bluffing in business negotiations are widely practiced in business situations. However, long-term relationships with both employees and customers require openness and trust, and lying even in these milder forms will undermine the relationship. At its most extreme, lying involves the intent to deceive others, and current codes of conduct for the hospitality sector proscribes deliberate intentions to deceive.

**Cheating**

There are legal consequences of not abiding by the terms of a contract that can make the contract invalid. An injured party, whether it is the business operator or the customer, can claim that the contract has been broken and can gain redress through the courts. Bending the rules, on the other hand, may be a way of expediting matters, or of avoiding a greater injustice. As Oscar Wilde said, “Rules are for the guidance of wise men and the abeyance of fools”. The important consideration in these milder forms of rule bending is who benefits? If the rule bending is for personal or organisational gain at the expense of another, then the action is likely to be judged wrong. The key thrust of industry codes is to address the image created by cheating and deceitful practice.

**Bullying**

Bullying involves relationships between those in different power positions in a relationship. Usually, it involves a misuse of power by the more powerful to abuse, humiliate or cajole the less powerful person. Clearly, there is no finite definition that fits all situations, because assertiveness is not necessarily aggressiveness, and definitions between individuals may vary. In these circumstances, Fisher and Lovell (2012, p. 60) suggest, “One answer to the problem of bullying is to allow the victim to define the exchange. This empowers the weak against the strong by accepting that if someone says they are being bullied then they are”. Obvious examples in work settings can involve a supervisor or manager harassing an employee with language and tone, and unfair treatment. Despite legislation outlawing many forms of prejudice, there is frequently a prejudicial dimension to this sort of treatment.

**Harming**

Harming involves actions against individuals, institutions, organisations, living creatures and the environment. Organisations may harm employees, customers, communities as well as the flora and fauna in which resorts are located. Discriminatory employment practices harm individual employees. Deceitful claims about the financial returns, or resale values of properties, may harm customers; insensitive planning and design activities may damage communities and the local environment. The use of poor quality building materials and the flouting of building regulations may cause physical harm if buildings collapse.

The above discussion has suggested that one way of understanding ethical business practice is through a continuum which suggests that business behaviour can be ethical and do good, or it can have negative effects and cause harm. The discussion has also suggested that individual companies might look towards a more proactive and deliberately ethical perspective. Ethical behaviour might then be defined as including the following virtues of hospitality business behaviour: social development; social responsibility; reciprocity; fairness; truthfulness; fair play; supporting; and caring. Ultimately, it may be altruistic, that is, undertaking actions that are deliberately taken for the benefit of others. Ethical behaviour forms a solid basis for altruistic business management and thus for the social or people dimension of sustainability. To cover also the environmental or planet dimension, and thus fully support sustainable business management, ethical thought should engage also with issues such as animal welfare and environmental protection (Cavagnaro, 2009). Engaging with the environmental dimension of sustainability is beyond the scope of this paper. In any case, altruistic business management would be concerned primarily with actions that do good and are primarily concerned with “leaving the world a better place than you found it”. It may be that these actions are informed by “humanism” as a moral code.

Humanism offers a way of thinking about the world that does not require the belief in god or the gods. The application of the “scientific gaze” is fundamental to humanism. Reason and objective reality can explain the questions human beings want to ask about the human condition. Rather than a specific doctrine, it is more a general stance or attitude that upholds human reason, ethics and justice. It is an optimistic attitude to life whose ultimate goal is human development: doing good, and leaving the world a better place for those who come after us. As a doctrine it acknowledges the worth of all humans and their ability to determine between good and bad, right and wrong, through the recognition of human qualities, especially rationality. Essentially, humanism recognises the value of all human beings and proposes that all human beings can address all the world’s problems and issues.

Texas Instruments (2015) provide one of a number of ethical checklists that commercial hospitality organisations, associations and individuals might use to evaluate their actions. Essentially the list is concerned with some general ethical principles that involve both a consideration of doing
to others, as you would have them do to you, and about public disclosure of actions. The list is valuable as a guide to individuals because some personnel may ignore both the industry and organisation’s codes of practice. This is a constant problem when individuals may be driven to maximise their income by pushing sales.

This brief discussion has attempted to suggest that the issues are complex, and that each of these virtues represents potentially a variety of positions. Some might attempt to just adhere to the codes and avoid the negative effects of punishment. Others might even see these codes as a barrier to free market business practice and attempt to get round them. Yet ethical business practice suggest that ethical behaviour is the cornerstone of building a business reputation that will secure it a competitive advantage which other organisations will find hard to replicate.

**Managing ethical business practice**

The forgoing has touched on some issues relating to the use of the codes of practice incorporated into the rules and regulations of business associations. In principle, these codes aim to protect consumers from unscrupulous business practice. They represent attempts by the industry body or organisation to self regulate, and to ward off government legislation. In addition the reputable firms, with brand images to protect, are limiting the opportunities of less scrupulous firms to gain unfair competitive advantage. The use of business practices which increase short-term profits to the detriment of long-term industry reputation are discouraged, and minimum trading standards act as a common platform from which all must operate. Whilst these concerns have specific relevance to the sector, there is a wider set of sustainability concerns that are causing many firms to explore more ethical ways doing business.

Moon and Bonny (2001) suggest that a number of changes within the world economy are causing many major business organisations to adopt more ethical practices. Specifically, they suggest that technological innovation, globalisation, the importance of intangible assets, competition for talent and the growing use of economic networks are leading to changes towards more ethical practice. In these circumstances, they advocate an approach to business management that depends on forging business relationships with key stakeholder groups. They say (2001, p. 17), “In the new economy the ability to forge relationships with diverse stakeholders, including employees, customers, suppliers, pressure groups and opinion setters is crucial. How they perceive a business and what they say about it has a direct impact on its reputation, success and, ultimately, its share price.”

Moon and Bonny advocate a model that they call “value dynamics” as a means of representing the nature of business comprising an assortment of tangible and intangible assets. Most organisations, in line with traditional business reporting techniques, tend to include only physical assets and financial resources in their balance sheets. The value dynamics model suggests that intangible assets are important aspects of total company value, and that these should be used to calculate worth. Figure 2 reproduces their model. Traditional indicators of company assets are listed on the left-hand side of the diagram whilst intangible assets measuring the value of the organisation’s business relationships are listed on the right.

Value dynamics provides a model that could be used to build a business case for stakeholder evaluation of hospitality organisations. It shows how stakeholders link with tangible and intangible assets, and shows that successful organisations are likely to be those that manage the relationships between assets most effectively. Clearly, shareholders and other equity stakeholders invest money expecting a level of return on their investment in the form of dividends and asset growth. Levels of customer satisfaction that result in improved reputation, willingness to repeat, and recommendations to other potential customers will in part enhance the value of the shareholder investment. Shareholder value will also improve if the relationship with employees results in increased satisfaction and reduced staff turnover. This latter cost can be quite considerable, though rarely accounted for in hospitality organisations. Improved retention of staff also improves the human capital that individuals accrue through increased knowledge of their jobs and customers. Improved links with suppliers can further add to business value as processes are more robust, and the reputation of the organisation is enhanced as a fair business partner, and a prompt payer for goods supplied. Though not included in the above figure, the value of good community relationships and environmental protection also adds to the value of the business, through an improved public relations profile.

This move towards more stakeholder accountability does not mean that sound economic principles are being abandoned. As Moon and Bonny (2001, p. 20) say, “Making money is being repositioned, not relegated”. They report that over 40% of business leaders believe that a company cannot succeed unless accountability goes wider than shareholders. Wider accountability involves a wider range of ethical dimensions that managers must manage because there are greater risks of ethical conflicts that can damage an organisation. This is particularly relevant for hospitality operators, as they know to their cost, reputation is a significant intangible asset and potential reputation damage is a key risk that the organisation faces. Reputation is best understood as the goodwill of all stakeholders, and the process of understanding stakeholder perspectives and views is fundamental to being able manage reputation in a way that minimises the risk of damage (Moon & Bonny, 2001).

**Key ingredients for successful ethical management**

As a protection against ethical misconduct and wrongdoing, many companies are establishing ethics programmes. Typically, these programmes consist of policies, processes and education and training courses that explain the company’s ethics. Often these programmes focus on workplace behaviour and operating procedures that tend towards the avoidance of potentially damaging practice through compliance with codes. As we have seen, many hospitality codes consist of this approach to managing ethical behaviour. A series of policies and processes identify desirable and undesirable actions. Increasingly, firms are looking to a more value-led approach through which to guide business behaviour. The idea is that individuals use their internalised set of values to shape actions and behaviour. Getting it right first time is more likely to produce ethical behaviour, and thereby avoid potential problems.
Whichever approach is taken, successful management of an organisation’s ethical behaviour requires monitoring, and there are some important elements to successful implementation and management of these behaviours.

A US study of nearly 3,000 firms (Moon & Bonny, 2001) suggested that there are some common requirements of ethics and compliance management. Fundamentally, employees need to believe that the organisation is seriously about ethics and values. Business leadership and status, as well as management actions and deeds must match the policy. The process needs to appear to be fair to employees; ethical behaviour should be rewarded; and there is open discussion about ethics and values. The more successful programmes were values driven, and this resulted in lower incidents of observed unethical behaviour, increased employee commitment and more confidence for employees to deliver bad news to management. The US survey also suggested that if an ethics programme was perceived to be exclusively concerned to protect senior executives, it was worse than having no programme at all.

A similar study of UK firms identified a number of potential problems in ethical policy management. The study found that in some cases codes of conduct were not handed to all employees, and risked creating the idea that ethics was not a concern for some employees, or worse still, reprimising the idea of an “us and them” culture. Employees were rarely consulted about the code of ethics, and as a consequence there was little sense of shared ownership. Few firms had codes that were made publicly available and thereby missed opportunities to gain public relations benefits and confirm organisational commitment. Not all companies conducted ethics training for employees and only six out of ten provided any sort of training to all employees. As might be expected, those who had received training were more aware of ethical issues. The content of training programmes tended to be restricted to the communication of standards and rules, and not to how these shape actual individual behaviour. The study also showed that in the UK “whistle-blowing” policies are frequently ineffective. The ability for employees to report wrongdoing by managers and fellow employees is fundamental and require that individuals feel confident that they can report these actions anonymously. Most importantly, it is essential that those making critical comments can do so without fear of retribution.

Evidence from these surveys provides some suggestions for the construction of an effective model based on the best practice from industry examples. These suggest seven key ingredients: values, codes, feedback responsibility, training, feedback, reward, and external assessment. These represent a framework for managing ethical policies in a consistent way that is likely to reduce wrongdoing and help firms meet legal requirements, adhere to the industry association’s codes, and protect the organisation’s reputation. The seven key ingredients follow three broad themes, namely the need to identify the values and mission of the organisation, to communicate these to internal and external stakeholders, and to build and maintain a decision-making culture that prioritises ethical actions.

Best practice suggests that the most effective way to promote ethical business practice is to embed it into the whole organisational culture and decision-making processes. Ethical business practice extends beyond the avoidance of wrongdoing and the protection of the organisation’s reputation. There are clear messages that incorporate an on-going dialogue with employees at all levels. Management decisions are permanently concerned to ensure business practice continues to have an ethical dimension. Education and training extends beyond induction programmes and potential disciplinary matters, but becomes a key process for ensuring that all organisation members understand how the organisation’s ethical commitments impact on them and the way they do their jobs. Implicitly, ethical organisation demands a more empowered and participatory style of management and a learning organisational culture.

**Promoting sustainable hospitality practice**

It is claimed that the tourism sector generates 5% of carbon emissions and that the hotel sector represents about 20% of this tourism impact. In other words the hotel sector generates 1% of all global worldwide emissions (http://www.sustainabilityinhospitality.com). Whilst these impacts are relatively small compared to transport energy consumption, mass production techniques and the use of fossil fuels, there is still sound argument for hotel operators to be more considered about the impacts of management practices on the environment.

Concerns surrounding social justice, economic stability and environmental protection have been high on the public agenda following substantial press coverage of environmental degradation and the polarisation of modern society. The hospitality industry along with governments and private organisations are currently launching many initiatives that help hoteliers, restaurateurs, etc. to become more sustainable by working in harmony with society at large. In sustainable development, businesses, public authorities and civil society are in partnership so as to reconcile the three fundamental constituents of development: economy, ecology and social equity. As a result of the rapid expansion of the hospitality sector, traditional and emerging destinations are facing increasing pressure on their natural, cultural and socio-economic environments. There is strong recognition that uncontrolled growth in hospitality industry development aimed at short-term benefits often results in negative impacts, harming the environment and societies, and destroying the environmental context of the destination. There is an array of benefits cited for the adoption of more sustainable business practices. Firstly, there is the case for avoiding doing harm. Hotels can have a negative impact on their environment. Tourists tend to use more energy per capita than local residents. According to Gössling and Peeters, (2007, p. 6), “the average energy consumption per bed per night in hotels might be in the order of 130 Megajoules. Hotels generally use more energy per visitor than local residents, as they have energy intense facilities, such as bars, restaurants, and pools, and have more spacious rooms”. Hotel guests also produce more waste than local residents. One estimate identified “that an average hotel produces in excess of one kilogram of waste per guest per day” (Bohdanowicz, 2005, p. 190). Approximately 30% of waste in hotels can be diverted through reuse and recycling. Hotel development also impacts upon water usage and is in competition with local farmers and local residents. Apart from the direct added
consumption by hotel guests, they indirectly consume added water through the provision of swimming pools, landscaped gardens and golf courses, for example. It has been estimated by Salen (1995) that 15 000 cubic meters of water would typically supply 100 rural farmers for three years and 100 urban families for two years, yet only supply 100 luxury hotel guests for less than two months (Holden, 2000).

The adoption of more corporate socially responsible practices has benefits to the organization, in addition to being "the right thing to do". Gaining competitive advantage by being a leader in the sector; increasing customer loyalty; improved employee retention; awards and recognition; assured regulatory compliance; reduced risk management; and increased brand value. Are all cited as benefits arising from sustainable practices in hospitality management (Green Hotels, 2015).

There are a number of organisations attempting to promote sustainability in the hospitality sector. The Green Hotel Association, for example, is a voluntary membership organisation that aims to promote green practice amongst members. In principle, the approach is chiefly concerned with customer service reduction. That is, reducing the number of towels and bedding changes by allowing customers to elect to use their towels more than once and the bedding not to be replaced on the daily basis. The organisation also promotes other activities related to water usage in the design of showers and toilet flushing systems as well as air conditioning and light sensitivity monitors that switch off when the room is not occupied. Whilst in principle about promoting one earth and saving resources, much of the message from the Green Hotel Association is about cost reduction. To quote: “Being green goes directly to your bottom line”. The chief activity of the Green Hotel Association is to promote sustainability amongst practising managers by providing a resource of ideas and suggestions that can ultimately reduce operating costs through the savings in energy usage, and reductions in wastage. There is no code of practice to which members have to adhere. Hence there is no auditing of organisation practice. Membership is voluntary and is best seen as a resource for those interested in promoting sustainability either at company, or at individual property level.

This Sustainable Restaurant Association is concerned with the impact of restaurant management practice, and how this can be made to be less damaging to the environment. They identify three broad themes covering 14 aspects. Society, environment and sourcing are the three themes. Under the society theme, the association cites the areas of community engagement, healthy eating, and responsible marketing as key. Under the environmental theme water saving, workplace resources, supply chain, waste management, and energy efficiency are all aspects where members are advised to share good practice that minimises environmental impacts. Sourcing covers environmentally positive farming, local and seasonal supplies, sustainable fish, ethical meat and dairy, and fair trade. Like the Green Hotel Association, the Sustainable Restaurant Association has a strongly commercial theme. It promotes sustainable practices as a market niche mechanism aimed at consumers who have concerns around these practices. Hence they advocate communicating their sustainable actions. The association also runs courses and programmes aimed at managers and entrepreneurs wishing to create this sustainable image.

Accor Hotels provides an example of a hospitality business that has a code of ethics based around “seven pillars”, or core themes, that lead to detailed management actions. This has resulted in an impressive array of actions. The health theme has resulted in actions where 97% of hotels use eco-labeled products; 97% of hotels promote balanced dishes; and 74% of hotels organise disease prevention training for employees. The nature theme has resulted in actions where there has been a 5.6% reduction in water usage between 2011 and 2014; 88% of hotels recycle; and 46% of hotels engage in the plant for the planet reforestation project. The carbon theme resulted in 4.5% reduction in energy consumption between 2011 and 2014; and 9% of hotels use renewable energy. The innovation theme has encouraged 40% of hotels to have at least three eco-design room components. The local theme encouraged 48% of hotels to commit to protecting children; 87% of hotels purchase and promote locally sourced products; and 93% of hotels ban endangered seafood species from restaurant menus. The employment theme has encouraged employment practice whereby 69% of hotel managers have been promoted from within; an equal opportunities policy whereby 27% of hotel managers are women; and 60% of the estate gather an employee opinion survey every two years. The dialogue theme has resulted in Accor Hotels being recognised in three internationally recognised socially responsible indices; 40% of non-budget hotel operating structures are ISO 14001 certified; and 80% of purchasing contracts are in compliance with the Procurement Charter 21. Whilst this is still work in progress, Accor hotels does provide interesting insights into what hotel companies can do to operate in a more sustainable manner.

Conclusions

The ethics of sustainability are best understood by comparing them against a model of ethical and moral business practice. The hospitality sector embraces an array of business practices that include the supply of accommodation, food and drink in different formats. These are subjects to varying degrees of regulation and ethical considerations. In most cases, legislation will create obligations covering the supply of hospitality service to guests. These may include safe working practices, hygienic food production, and restrictions on the sale of alcohol. All are examples of moral codes establishing legal boundaries. Ethical practices would consider sustainable practices that extend beyond these legislated obligations. Ethical sustainability would actively define and manage social development and caring for people and planet. It would extend beyond pious statements to be defined as a strategic obligation actively managed and monitored throughout the organisation.

Some of the industry trade bodies dedicated to sustainability and ethical business practice and sustainability provide suggestions and templates of possibility. The Accor Hotel group in particular is an interesting case study of a major organisation trading globally across different cultural settings with sustainable practices managed through the organisation.
References


