Rural Tourism and Enterprise

Management, Marketing and Sustainability





COMPLIMENTARY TEACHING MATERIALS

CHAPTER 3

Sustainability, Ethics and Social Responsibility:
A Developed Economies Perspective

LEARNING OBJECTIVES

By the end of this chapter you will be able to:

- 1. Define the terms 'sustainability', 'social responsibility, 'corporate social responsibility' and 'ethics'
- 2. Describe how businesses can report on their ethical and sustainability agendas
- 3. Explain the influence of multiple agency policies on tourism development in rural locations
- 4. Identify ways in which rural tourism businesses can enhance perceptions of their social responsibility agenda

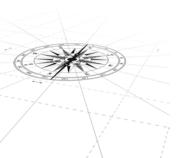
1 INTRODUCTION

This session will examine the theories and concepts underpinning sustainability, social responsibility and ethics for organizations in rural areas; it also begins to theorize that government agendas combined with consumer interest and buying behaviour have meant that social responsibility and ethics are merging in both strategic and operational discourse.

It begins by looking at key definitions and moves to discuss sustainable rural tourism strategic and operational planning initiatives

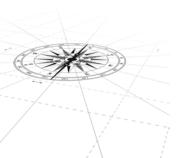
2 SUSTAINABILITY

- Sustainable and sustainability are common phrases which can be linked to fiscal, environmental, human resources, ecology, agriculture and many other disciplines
- It is claimed there are over 300 different definitions and adaptions of the terms across a range of associated subjects (<u>Johnston et al., 2007</u>)
- Sustainability can be defined as ability or capacity of something to be maintained or to sustain itself indefinitely
- Sustainability is about taking what we need to live now, without jeopardizing the potential for people in the future to meet their needs
- On a global stage the United Nations determined that to be successful any sustainable development needs to link strategically to economic and ecological policies



3 RURAL TOURISM AND SUSTAINABILITY

- If a rural tourism development is to be sustainable it should be capable of 'lasting forever'
- It will need to consider all aspects of the economic, environmental and societal elements impacting upon its operation and management.
- This brings with it questions about how an individual business will operate holistically, not just environmentally; its ethical stance and its social responsibility to its community.

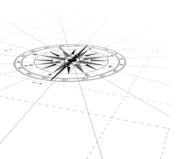


4 ETHICS

- Ethics is a moral philosophy which defines right and wrong conduct in the eyes of an individual, business, society or community
- Ethics defines the best way for people to live, or the right action to be taken in specific circumstances
- Business ethics can be defined as the application of a moral code of conduct to the strategic and operational management of the organization
- Business ethics are defined as part of the company's strategic intent toward its stakeholders
- Business ethics and therefore business morality result from societal standards in the context of the political and cultural environment in which the organization is operating
- They are illustrated through the vision, mission or activities of the enterprise.
- Given many rural tourism organizations are small, individually owned and operated, it would seem logical that the moral code of conduct, the ethics, of the company would be driven by an intrinsic notion of what is right and wrong but often the ethical stance of a business will be determined through the lens of their sector, industry or individual directors

5 SOCIAL RESPONSIBILITY

- Social Responsibility is the responsibility of every individual for their actions as they affect wider society
- Determined by cultural and societal expectations the extent of social responsibility and actions associated with it are morally binding
- It is a societal norm in developed countries that by adopting a socially responsible approach everyone will act in such a way that the people immediately around them are benefitted
- For example, an individual would not necessarily join a protest group but that where possible their every-day lives will consider the social outcomes of actions taken



6 PERSONAL SOCIAL RESPONSIBILITY

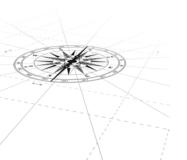
- Striving to have a constructive impact on other people
- Striving to have a constructive impact on the environment
- Individuals hope their actions create 'pay forward'
- Increase personal social responsibility in managers will impact on the enterprise for whom they work

7 CORPORATE SOCIAL RESPONSIBILITY (CSR)

- CSR is defined as 'a company's commitment to minimizing or eliminating any harmful effects and maximizing its long-run beneficial impact on society' (Mohr et al., 2001)
- It is grounded in broad assumptions about business, society and government amongst developed economies
- Corporate Social Responsibility (CSR) can be focused on the ability and aptitude for large businesses to care about the impact they have on the communities in which they operate whether in an economic, social or environmental capacity
- It has become a valued business—society relationship
- There is an expectation of social responsibility that it becomes more than a requirement to comply with a country's law and legislation and takes responsibility for all its actions, legal and non-legal
- National, regional and local governments, particularly but not exclusively in Europe, are considering increasing, and certainly monitoring, the role of business in corporate social responsibility initiatives
- Many have provided cohesive policies and frameworks in which business may choose to operate

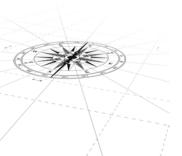
8 ACTIVITY

- Consider Case Study 3: Explore Worldwide Ltd
 - Define the CSR initiatives illustrated by Explore



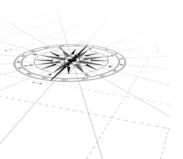
9 RURAL TOURISM DEVELOPMENT

- Key objective = sustainability
- Multi faceted and multi agency approach
- Must maximize benefits to local communities
- Must have longevity
- Planning at international, national, local and regional levels



10 INTERNATIONAL PLANNING CONTEXTS

- Driven globally by U.N.
- Regionally by partnerships e.g. EU or ASEAN
- Recognized nationally as strategic guidance
- Helps to define national policy
- Creates funding opportunities and partnerships
- Provides technical guidance
- Strengthens national policy priorities

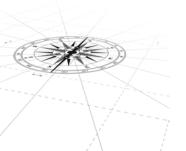


11 PARTNERSHIPS

- Partnerships are vital in developing and promoting sustainable rural tourism
- One example is 'The Black Sea Sustainable Rural Tourism Program' which aims to establish a unified regional system and is a partnership between World Wildlife Fund-Turkey, the Union for the Promotion of Green Tourism in Ukraine, the Küre Mountain Ecotourism Society in Turkey and Sustainable Rural Development International in the UK

 What other examples of partnerships can you find in relation to the development of sustainable rural tourism?

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13 SUMMARY

- Sustainability, ethics and social responsibility are becoming conceptually entwined for individuals and in government planning policies.
- Business activity in developed economies is influenced by a growing social responsibility agenda amongst managers and communities.
- Publicizing Social responsibility activity to consumers has become important in creating reputation and competition advantage.
- Challenges exist in developing sustainable economies in rural areas which do not damage
 the very locations and landscapes that visitors expect; government planning policies go a
 long way to protect these.
- The overall purpose of national planning system is to contribute towards better lives for all residents.
- It is increasingly acknowledged that sustainable, inclusive and creative planning is the key to a better future through positive growth in economic, environmental and social terms.
- Planning within rural locations is vital and recognizes the fundamental importance of preservation and protection of the natural world;
 - Its complexity in drawing upon the international, national, regional and local priorities for sustainability is a huge challenge and will continue to draw upon the ethical and social responsibility norms of individual communities and society as a whole.

FURTHER READING

Blancas, F., Lozano-Oyola, M., González, M., Guerrero, F. M. and Caballero, R. (2011) 'How to use sustainability indicators for tourism planning: The case of rural tourism in Andalusia (Spain)', *Science of the Total Environment*, 412, 28-45.

Wiscombe, C. A. (2012) 'Corporate Social Responsibility', in Robinson, P. (ed.) *Tourism: The Key Concepts*. Abingdon, Oxon: Routledge.

