Sustainable Cities And Communities: Integrating CSR With Tourism Industry

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Abstract

This research paper suggests the results of CSR activities in Indian tourism industry with respect to the 11th goal of Sustainable Development Goals i.e. "Sustainable Cities and Communities". As cities become attractive destinations, people run the risk of "over tourism" in urban centred which aggravates many of the challenges they are facing. Corporate social responsibility is an effective business policy in tourism industry where tourism organisations unify environmental and social concerns including the mission, strategies, functions, and interactivities with the participants. Sustainable cities and communities (SDG#11) was made with an aim to make cities safe and clean. This research study explores the problems faced by cities and communities because of over tourism. For collecting data's surveys and interviews was used. From the collected information this study concludes that cities are becoming polluted in all sense and necessary actions have to be taken as early as possible.

***Keywords:** Tourism, CSR, Sustainable cities and communities (SDG#11), Infrastructure.*

1 Introduction:

Tourism industry is one of the most beneficial industries as it creates growth and demand for many other industries. This industry generates revenues, more employment opportunities and in development rather than economic activities. In tourism industry CSR has an integral part as it has the duty to protect environment, ensure the welfare of local communities and also fair working conditions for employees. This concept is fully incorporated while framing responsible tourism policy.

Sustainable development goals (2015) are made by the UN General Assembly in order to achieve a viable future. It is a collection of 17 universal goals.

Sustainable cities and communities (SDG#11) have an aim to make cities safe and clean. It involves making green public spaces, public transport investments and develop urban planning and management. In 2018, about 4.2 billion people lived in cities and it is expected to reach 6.5 billion by 2050; which means more than half of the people.

Sustainable Cities and Communities (SDG#11) aimed on urban direct or indirect challenges which are connected to the tourism industry which includes basic services, sustainable transport facilities, cultural and natural heritage, and flexibility against disasters etc. In urban areas World's half of the population live. Cities have an important role in tourism industry as it has both problems and solutions for the welfare of our earth. For the achievement of SDG#11 tourism has positive effects which can contribute to the urban areas. There are lot many to make cities make much attractive. It includes festivals, sports events, museums; sights etc. 20% of international tourism are currently recorded as city tourism and its growth is fast. In 2016 based on information from Ministry of Tourism, tour operators are considered as the main contributors for the protection of our cities and communities. Tour operators can provide necessary information demonstrating corporate social responsibility performances and can make travel agencies also as responsible contributors. Several other tourism related studies have increasingly shown their attention to travel agency or tour operator as well as CSR-related issues; however, there are far fewer

studies that investigate the tour operation industry with respect to CSR practices. One of the biggest negative impact of tourism sector is the exhaustion of natural resources such as the water, air, soil etc. also it can cause pollution. In many ways cities have been fuelling tourism.

2 Impact of Sustainable tourism in Tourism Industry

Tourism is a practical choice for the development of economy. Unfortunately present tourism practices are unsustainable and it can affect the security of the environment which can include the tourism industry itself. There are many organisations especially MNC's involved in CSR policies. In tourism sector, the use of certification program and code of conduct is not general; if it is there means also it doesn't have international standards. Tour operators bring out CSR as a strategy in order to overcome all problems faced by the tourist spots.

Sustainable development seeks to participate the requirement for protecting and provides qualitative for the later in existing and multitude regions. In addition, sustainable development needs a broad, unified perspective that takes into account all the other industries and resources on which tourism depends.

CSR is interconnected with sustainable tourism; both have many similarities. Identify CSR and sustainable tourism, engage stakeholders and assess capacity to evaluate their impact. CSR imposes a duty of a company to be responsible to all its stakeholders in all its operations and activities with a view to achieving sustainable development not just in financial but also in environmental and social aspects. Sustainable tourism was viewed mainly from an economic point of view and was integrated with social and community dimensions recently. Responsible development is far more than just conservation of nature, but it also needs to address the quality of life of others who visit and even those who visit. Development of sustainable tourism is about making all tourism more compatible with a destination area's needs and resources. Tourist industry takes into consideration a structured and comprehensive approach that evens tourism growth with other operations, but tourist industry consists of multiple sectors and is highly decentralized, making it difficult to impact and track procedures through a private corporation or method. The commodity supply chain to end consumer is not always managed by only one entity or person and multiple parties also operate different elements. Hence, this has resulted in difficulties monitoring aspects of CSR.

An overview of CSR activities in tourism industry:

CSR in tourist industry is perhaps the guidance corporate policy by which tourism companies incorporates social and cultural-environmental issues in their mission, strategies and operations and in their interactions with their stakeholders. In a state of higher standards of living, in addition to their basic food , clothes, and living needs, people prefer to spend a lot of money on entertainment and travel. As firms form part of our greater community, meeting stakeholder needs is central to retailing social legitimacy and financial responsibility for the long term. There are various mechanisms and guidelines available for incorporating CSR into a business strategy depending on the particular characteristics of the organization and their understanding of their social obligations. Today, CSR is seen as a multi-stakeholder strategy in which stakeholders are not just beneficiaries but also collaborators for the development and implementation of CSR strategies. Environmental protection, equitable working conditions for employees and contributing to the entitlements of local communities are major topics in the strategies of the international tourism corporation.

Figure 1: Figure represent the pyramid of CSR (Caroll 1991, p.42)

In many countries, Tourist industry has been recognized as a key tool for economic development, political and cultural. The tourism sector is recognised as one of the world's largest producers of employment, and for many countries it is the principal national engine for economic recovery. As per the World tourism organization (2017), in 2016 travel and tourism generated INR 14.1 trillion, which then in terms of total size will be the 7th largest economy in the world, the total is equal to 9.6 per cent of country's GDP. In addition, in 2016 this sector funded 40.3 million workers, which ranks India 2nd in the world in terms of employment. In the 21st century, tourism became one of the fastest-growing economic sectors in India's economy. CSR plays an important role in all sectors including the tourism industry. Considerably, competition in the travel and tourism industry is becoming very powerful; therefore, maintaining existing customers is a key way for tour operators to accomplish a constant competitive advantage over other business owners. The souring agent sector appears to pursue complex approaches to enhance its brand image and retain loyal customers.

Today, small and medium-sized enterprises (SMEs) dominate the tourism industry including travel agencies and souring agent companies. Recently a growing interest has been shown in the role of travel agency and tour operation company in social , economic and environmental matters. According to Tourism Ministry (2016), tour operator and Travel Company can make a contribution to sustainable tourism development by showing performance in corporate social responsibility (CSR).

3 Literature review

Aupperle et al. when analysing the relationship between corporate social performance and profitability (1985) used a comprehensive, forced instrument of choice to restrict the political prejudices. This tool was given to corporate managers but unfortunately findings revealed no connection between the two. Findings from the study also showed that there was no difference in organizational performance among those engaged in social service.

Curiously, (2009) Baron et al . estimated a three-equation structural model focused on the notion of integrating company financial performance (CFP), corporate social performance (CSP), and societal expectations. In their research, it was reported that there was no significant association between CSP and CFP, as well as greater social pressure. The study also suggested that CSP increased social pressure and

reduced pressure from the CFPs. They blurred the degree of social pressure which indicates that private and not public policy triggered the relationships between CFP, CSP, and societal expectations. Thus they sponsored collaboration in the consumer sector with better CSP with better CFP, but this relationship was the opposite for the industrial industries.

Barnett and Salomon(2002) mentioned that a bad, neutral and positive relationship existed in past studies between corporate social performance and corporate financial performance. In mutual funds, those involved in socially responsible investment (SRI), they studied this relationship (relationship between CSP & CFP). Their findings showed that CSP and CFP had a curvilinear relation. They also theorized in relation to this that financial success is the result of the kind of social screens applied.

Barnea and Rubin, (2010) showed their apprehension about CSR funds arbitrarily doubled by a great amount of company managers. They asserted that the company's internal stakeholders, in particular managers and large block holders, could try to spend on CSR activities for their own global image enhancement, likely to have a "warm-glow" impact. The study shows that higher CSR score for businesses are significantly correlated with higher investment in CSR activities. Thus, the theory held correct that managers are investing more in CSR activities to construct their own global image.

Bassen and others. (2006) identified that issues relating to corporate responsibility had an improved interest in the financial community as a result of the expansion of the Departments of Higher Education and Science, the increased adoption of mutual funds allocated to sustainable growth, the dispersal of online references and the publication of corporate sustainability reports. Unfortunately their study found no significant relationship between CR and financial performance, while CR and financial performance were indirectly linked to firm risk. This research showed evidence that CR performance was closely tied to financial risk measurements.

Campbell, (2007) advocated corporate social responsibility theory encompassing various proposals setting out the circumstances under which companies were likely to respond in a socially responsible manner. This research has shown that various factors viz. Internal and external legislation, controlling the operations of companies by non-governmental and autonomous organisations, played a major role in deciding the relationship between financial results and social activities. At the very same time, conversation between companies and their stakeholders also played a role in deciding the relationship between corporate social responsibility and financial performance of corporations.

This work provided evidence that CR efficiency was closely tied to financial risk measurements. There was also backing for the assumption that there was likely to be regulation of CR issues. They also argued that pre-commitment to CR helped bring about unneeded high risk for businesses. They then evaluated the relationship between their financial performance and CSR expenditure using correlation and regression. The findings revealed a positive CSR-financial performance relation. The descriptive and analytical tests showed that a company's financial output depends on the corporate social spending.

Bird et al . (2007) scrutinized a large number of U.S. businesses to assess the correlation between CSR activities and corporate results for the 1991-2003 period. They found that budgetary resource accessibility was the leading driving factor that incited managers to spend on Csr activities. For long time series of data, this study used a Granger causality test 3 and an impulse-response function with variance decomposition to measure the sign, frequency, intensity and, especially, the order of the relationship between the variables. The research paper demonstrated a significant relationship between Free Cash Flow and CSR practices whereas performance tools and CSR practices were less significantly related.

Brammer & Pavelin (2006) designed a model of corporate market reputation through the use of data from big companies. This study found that many variables, including corporate social practices, financial

efficiency, determine prestige, degree of long-term institutional ownership, and type of business activity. In addition, the study found that reputational ramification of social success differs within different industries and across industries. The study findings showed the need to achieve a 'match' between the kinds of corporate social activities undertaken and the stakeholder climate of the companies. The study also found that different social procedures have different impacts on decision making of the interested parties.

Blazovich and Smith (2010) evaluated the relationship between responsible corporate governance and financial results (profitability, productivity, and capital costs). Furthermore, the research also investigated whether ethical corporate behaviour was correlated with a premium market value. To this end, the report used a list of "The 100 Best Corporate Citizens" as its legal businesses. They used univariate analysis, and the findings of their study concluded that the association between being a responsible company and valuing stock markets was statistically solid. Lastly, they argued with better financial results and less risk that responsible corporate citizenship would certainly favour companies.

Bouquet and Deutsch (2010) took a survey of 4,244 years of business to examine whether and how corporate social success (CSP) impacts the ability of a organization to achieve increased competitive revenues in international destinations. Their study indicate that if they were to recover the cost of their CSP spending and improve their potential to strive against foreign markets, multinational enterprises (MNEs) would need to be considerably devoted to social performance targets. MNEs engaged in mediating CSP rates reached lower levels of multi-nationality than companies operating at either anchor of the scale of social efficiency. In addition, their analysis proposed that CSP lessen a well-established international business literature correlation — the connection between R&D spending and the multi-nationality of a corporation.

Brammer et al. , (2009) explored a number of factors that determine the image of the firm. The sample of this study is composed of managers and market experts from big companies based in the UK. It has been noted, however, that women's board representation played a key role in deciding the brand position of the company while at the same time the effect of other attributes on the company's credibility cannot be overlooked. The impact of women members' presence varies across different sectors and stakeholder perspectives also determine if it will profit or damage the company's image. The pattern that came to the limelight revealed that women's presence on the board was being considered conveniently in just those sectors that deal with end consumers. The study argued that the nature of this impact showed a participation equality imperative that emphasizes the need to reflect the diversity of gender among customers.

4 Method and Data:

Investigation survey was conducted entirely in India. This research is tailored on comprehensive secondary research, unstructured telephone interviews with informants and the methodology of web-based surveys. Informant interviews are qualitative, in-depth interviews with individuals who know what happens in the community. Using percentage analysis, the study data and results were analysed.

5 Results and Discussions:

Numerous low-income developing countries face the problem of ecotourism development, developed tourism portfolios and the clarity and objectives of one's position. Thus, while the public-private partnership focuses on promoting the CSR agenda which has a more positive overall impact and promotes sustainable tourism in the region. More emphasis should be placed on aspects of the tourism industry that impact a larger quantity of brands and companies and contribute to an economically and socially low-income climate in order to promote sustainable growth of society in low-income countries. Projects have

to be automated as working requirements as well as other aspects of environmental needs are not evident to customers but still essential to the destination's long-term welfare. Currently there is low brand loyalty, as consumers always make their main judgement depend on price structure; CSR activities could conceivably lead to better customer loyalty and variance of different items. Given that there is actually so little customer support or knowledge among people , it is important to link information on all data so that social and environmental metrics can be offered to clients if they schedule according to their vacations. To insure a more efficient form of tourism is practiced, there is a necessity to integrate more stringent legislators with government. Stricter regulation in low-income and developing countries often tackles problems of corruption and incompetence, lack of government oversight and funding, as there are no tourism master plans or innovations integrated into sustainable tourism practices or practical incentives for companies to introduce them themselves. Just a few developing countries have implemented social or environmental criteria on foreign investors, who see only short-term economic objectives, rather than long-term, comprehensive, sustainable tourism development.

6 Findings and Discussions:

From the above analysis we can interpret or find that:

- A majority of the tour operators are not giving priority to the importance of sustainable environment.

- Most of the personalities are not aware of the side effects that will lead to harm for living beings.

- Many of them are failed to give their staff's knowledge, tips and training on how to be more environmentally friendly that will at the same moment also save employer money.

- According to the survey almost 60% of the respondents make attempts to reduce plastic packaging.

- One of the main problem that we are able to see from the analysis is that 80% of tour operators emphasis on profit rather than environment.

- Only by taking alternatives for the protection of our environment we will be able make our cities clean.

- Focusing on reducing pollution and poverty and focusing on resource use can easily overcome challenges faced by urban locations. The future we want includes cities that provide possibilities for all, and access to basic services, energy, housing, transportation, and more. Through reducing energy consumption and embracing green power schemes, cities can either dissipate energy or improve efficiency.

There are difficulties in many countries in setting exact goals, preparation and poor ministries. Concentrating on public-private collaborations to advance the CSR agenda would have a more positive overall impact and encourage the sector's sustainable tourism. In order to improve tourism economic growth in low-income countries, it is important to focus on segment of the tourism industry which can affect a larger amount of products and businesses, and from an environmental, social and economic point of view contribute to low-income countries. Industry must handle programs, because labour standards and other aspects of sustainability are not visible to the customer. Concept of CSR indicates that a business is more answerable to the people to different parties, enabling both companies to avoid risks and customers to support extra sustainable cities, thus needing a ripple effect. There is super low mark loyalty as

consumers make primarily price-based decisions; CSR initiatives could potentially lead to increased brand loyalty and product differentiation. Given that there is currently little customer support or knowledge, information systems need to be connected in order to provide the client with environmental and social requirements as they book their holidays. To order to ensure a more sustainable form of tourism is sought, there is a need for more rigorous legislation coupled with unified government. Tighter rules is also fraught with problems of corrupt practices, lack of accountability and absence of system of government in low-income and developing countries, as there are still no professional plans for tourism that integrate sustainable tourism practices or initiatives or opportunities for industry to implement them on their own. To date, few developing countries have had social and political introduced a technique.

The set of principles for its achievement:

• Being equitable

• Being a multi-stakeholder approach

• Being responsible (environmentally)

• Must provide full time employment with performance based pay

• Economic benefit

• Have quite a long-term perspective get a three-pronged approach (environmentally, socially and economically)

• Sustainable resource conservation and protection

• Preserve the health and quality of life as well as participation of the community or multitude population

• Host gratitude and visitor vocational training (concerning environmental and social issues)

• Government must act as a leader (leadership role)

7 Conclusion:

After the analysis the researchers find that the industry and the customers mostly consider the important factor i.e. the price. In that case, there came a need to re-consider the plan of action for including the sustainability. Secondly, for achieving more sustainable forms of tourism there is a need to make off from optional measures with regard to reporting. Suppliers and buyers are responsible for their actions to the environment. Third, lack of awareness and certification programs leads to the development of poor sustainable environment, in order to surmount the scenario, researchers find it necessary to broaden the concept of an internationally recognized label for the tourism sector. There are large numbers of established and internationally accepted strategy, which can be encouraged to expand their reach. Fourthly, CSR helps in a variety of issues facing the tourism industry with respect to encouraging sustainable tourist practices, but if they are to improve their own participation in CSR, industry must see government engagement and support. This industry needs government to step up to the challenge of ensuring more sustainable forms of tourism and reassuring investors and players in the tourism sector. To develop more, the government must support and encourage sustainable tourism management and development for the sector can help to overcome many of the adverse effects based on sustainable tourism development industry. It is clear from the interviews and the survey that rules alone are not strong enough to resolve the short-term profit motive of many operators, governments and destinations. A lot of quality

assurance systems seem to exist, with too many different requirements or insufficiently known things to be successful at this level.

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