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# Green fatigue: How the sustainability agenda needs a make-over

by **Stephen Farrant** 

**It's time, says Stephen Farrant, head of the UK-based International Tourism Partnership, for the hospitality industry to re-think, reformulate and re-energize the message we send the world about our sustainability efforts. In the future, we must move away from our current "compliance mentality" and argue why more risk-taking and innovation are justified.**

Call it what you like: corporate responsibility, sustainability, the green economy or responsible business; has the overall movement reached a crossroads? Have claims of "green" and corporate responsibility reports become so commonplace as to leave you, whether as an industry professional or as a consumer, feeling somewhat underwhelmed? If so, you are probably not alone, even if, like me, you sign up to its fundamental importance for our shared futures. Is the prevailing risk management culture across all sectors stifling the very creativity and innovation needed to step outside of "business as usual" (which we all know won't meet the challenges of the future) and develop new business models? Rather than every organization having a risk management policy, do we need to start developing risk-taking policies? So where next for this agenda, both within hospitality and across the business community more generally?

## The CEOs have spoken

A recent report published by the UN Global Compact and Accenture, based on the views of over a thousand CEOs on sustainability, made tough reading for many. The report pointed to a growing belief that business was not currently structured in a way that was able to meet the immensity of the development challenges (from environmental sustainability to labor standards and human rights), and that greater government leadership was required. The CEOs also highlighted the need for increased collaboration and innovation in order to make faster progress on the responsible business agenda.

And yet the trend within many businesses over recent years has been to embed the sustainability and "corporate responsibility" agendas to such a degree that the focus has tended to shift from that of change agent towards internal compliance and risk management.

At its best, the green movement should be a relentless, innovative force for continual improvement. This becomes all the more important as the world struggles to reach new global agreements on climate change (to replace the Kyoto treaty) and also the so-called "post 2015" UN-led development goals.

As we look ahead to an increasingly resource-constrained world, the business case will become as much about business continuity as "license to operate" or simply the right thing to do. Critically, there is clear evidence that the market for more responsible products and services is a growing one. This is where language becomes so important; if "green," "responsible" and "sustainable" can be more clearly linked to well-established notions of quality, they would chime in with the prevailing consumer Zeitgeist and appeal more directly to the needs and aspirations of Generation Y. So the pitch needs to be made to both head and heart; no numbers without stories, and no stories without numbers, because the new generation of environmentally aware and ethically conscious consumers buy solutions to problems, not simply isolated statistics.



***Stephen Farrant** has led the International Tourism Partnership since early 2009. Stephen studied Modern Languages at Oxford University, before a career combining travel and tourism with sustainable development, including time at British Airways, VisitBritain and the RSA.*

*In late 2013, Steve led the successful transfer of ITP to become part of Business in the Community ([www.bitc.org.uk](http://www.bitc.org.uk)), which is part of the Prince of Wales' group of charities.*

### **What does this mean for hospitality?**

Hospitality certainly has a good story to tell on local economic development and job creation, crucial in a time of global youth unemployment. The sector has a great opportunity to help bridge the skills gap that is stopping more young people from entering the workforce. At a time when the global business community is struggling to find sustainable growth, job opportunities for young people and better resource utilization, it is worth noting that the travel and tourism industry is expected to grow an average of 4% annually over the next ten years, according to the World Travel and Tourism Council (WTTC), and that by 2022, the industry will account for 1 in every 10 jobs on the planet. A more responsible travel and tourism sector will mean a more sustainable world for the future.

### **But we can't focus exclusively on this**

To some extent the hotel industry has been “under the radar” in terms of some of the big issues of the day. Airlines have been in the front line on carbon, banks have been under the spotlight for bonuses and their social purpose, household names such as Amazon and Starbucks have taken the flak on taxation. But in the year ahead, the hotel sector needs to argue its case more coherently against any suggestions that it is in any way a discretionary activity. In a heavily resource and carbon-constrained world, would governments prioritize energy and food production over hotels and tourism? It is likely that increasing extreme weather events (witness, in recent months alone, bushfires in Australia, Hurricane Sandy

in North America, Typhoon Haiyan in the Philippines) will continue to influence consumer sentiment. In any case, regulation is coming. For example, from October 2013 the new UK Companies Act requires corporations to report not just on social impacts but also to outline the environmental impacts of a company's business, including disclosure on greenhouse gas emissions. Other jurisdictions are expected to follow.

So, as an industry, we need a more coherent narrative on resource utilization and energy efficiency, alongside the well-rehearsed arguments on employment.

### **So where will this take us next?**

The opportunity to drive real competitive advantage is there for us all to seize. And yet, within that competitive space, the whole industry has a collective interest in ensuring that “green” and “sustainable” become aspirational for customers, as well as drivers of continual improvement for business. Over time, that is likely to take the leaders in the industry to shift the focus from incremental reduction targets to describing “net positive impact,” from low-carbon to carbon-positive hotels, from water efficiency to water stewardship, from entry level jobs to career paths of choice, from community engagement to measurable social value.

Embedding the movement within “business as usual” compliance or risk management functions won't get us there; creativity, innovation, risk-taking – and anticipating the needs of tomorrow's marketplace – most certainly will.



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