
Understanding the Sustainable Development of Tourism

7

Triple Bottom Line Reporting of Tourism Organisations to Support Sustainable Development

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Triple Bottom Line Reporting of Tourism Organisations to Support Sustainable Development

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Rationale

The purpose of this module is to provide the student with a detailed understanding of the principles and practices of the triple bottom line (TBL) approach to evaluating performance in the context of tourism and hospitality operations. This approach encompasses consideration of the financial, environmental and social outcomes of the enterprise and its stakeholders. The module identifies the key benefits of TBL performance such as efficiencies and improved stakeholder relationships. It also identifies the roles of internal stakeholders, government and industry associations. The module highlights the necessary changes in organisational attitudes and behaviour needed to underpin the implementation of the TBL approach. Through an understanding of the challenges of integrating TBL into company strategic planning processes, students will be able to identify effective outcomes and performance measurements for TBL reporting. Issues in this course include the transparency and accountability required to demonstrate corporate social responsibility to stakeholders and government. Students will be able to identify the key facilitators and inhibitors of TBL performance and will understand the measures and reporting requirements. After completing the subject the student will understand the importance of the TBL perspective in promoting sustainability in tourism operations.

Learning objectives

The learning objectives of the subject are to enable the student to:

- ◆ Define and understand the principles and practice of TBL
- ◆ Understand the benefits of a TBL approach to hospitality and tourism management
- ◆ Develop the attitudes and behaviour essential for a TBL commitment
- ◆ Understand how to overcome the challenges of integrating TBL into firm decision making
- ◆ Understand how to implement TBL collection and reporting
- ◆ Analyse the role of government in supporting TBL

- ◆ Analyse the role of industry and professional codes of conduct in supporting TBL; and
- ◆ Implement planning and management strategies to improve performance based on TBL evaluation and to promote sustainable tourism.

The principles and practice of TBL

The tourism industry shares with local residents, governments and community the obligation to protect and maintain the natural and cultural heritage resources of our planet, both to sustain economies and to be passed on unimpaired to future generations. The most comprehensive approach to achieving sustainable operations (i.e. to integrate economic, environmental and social thinking into core business activities) is the triple bottom line (TBL) approach. TBL is a planning and reporting mechanism and decision-making framework used to achieve sustainable development in both private and public sector organisations – an internal management tool as well as an external reporting framework.

Increasingly, organisations around the world are recognising the value of demonstrating transparency and accountability beyond the traditional domain of financial performance. This trend has come about through increased public expectations for organisations to take responsibility for their non-financial impacts, including impacts on the community and the environment. In response, business, government, academics and non-government organisations (NGOs) have begun developing frameworks addressing these concerns. The need for business change brought on by the looming environmental imperative and calls for greater social involvement by enterprises has seen the development of conceptual frameworks for the conduct of business and in particular the notion of the TBL. Change to business institutions brings with it a range of terms that reflect the transformation that is taking place, such as TBL, sustainable development and sustainability.

TBL is primarily about an entity adopting performance standards not only in regard to its economic activities but also to its social and environmental activities (Elkington, 1998). Simple explanations of the terms belie the deep philosophical change required of business and the expanded role, responsibility and accountability that change will embody. The dilemma facing businesses that wish to adopt the new philosophy is one of identifying, in the first instance, the accountable areas in the environmental and social 'bottom lines' and then indicators of performance.

The tourism industry operates throughout the world: in developing and developed economies; in countries with cultural diverse backgrounds; with entities from large multinational companies to very small owner-operated businesses; and in remote locations as well as cities and towns. This diversity, not reflected in other commercial sectors, presents tourism entities with an opportunity to provide leadership in the conduct of business and particularly in the adoption of the new philosophy that reflects not only the ideals of the societies in which they operate but also the international community. Part of the leadership role is the active engagement and reporting by the tourism sector of TBL performance.

where hardworking, but poor, hill-tribe people live in traditional houses of earthen walls and thatched roofs. The storm destroyed homes, their seasonal crop, and the popular and fascinating open-air market. A few BikeHike guides immediately brought two tons of rice, eight bags of second-hand clothes, and 100 children's sweaters to the community, but people are still desperate for more food and clothes.

Since BikeHike Adventures Inc. was founded in 1994, it has worked to support sustainable tourism practices. Here are some of the specifics:

- ◆ BikeHike Adventures has a maximum of 12 travellers per trip. On average it is more likely to be 6 to 8 people.
- ◆ We respect local cultures by operating sensitive adventures that view local communities as our partners.
- ◆ We strive to reduce our environmental footprint by working with socially responsible suppliers who care about the impact of their operations.
- ◆ We contribute to the conservation of the natural, welfare and cultural heritage of the areas we visit. For example, we financially supported typhoon victims in Vietnam, the Manjari Sankurathri Memorial Foundation in India and the Bicycles Crossing Borders programme in Cuba, as well as a project to educate street kids in Nicaragua. We donated school supplies to a remote village in Patachanca, Peru.
- ◆ In our Granville Island, Vancouver, British Columbia headquarters, we employ best environmental practices in our daily work by supporting the ongoing efforts of the recycling industry, using recycled paper products, and we all bike or walk to work every morning.
- ◆ We actively communicate our values to our travellers and the local operators, educating them in sustainable tourism practices.
- ◆ BikeHike is actually fairly unique in the tourism world as we are a multi-sport tour operator. This means that as much as possible our trips are 'self-propelled adventures', so there is minimal time spent in carbon dioxide-emitting vehicles (cars, buses, planes). The ways in which our travellers explore and experience a destination is very important to us. By being self-propelled we reduce our emissions of gases that contribute to climate change and to us that is a good thing! Anything we can do to reduce our footprint on the earth is good business and makes good sense!
- ◆ BikeHike is a proud member of Sustainable Travel International and the International Ecotourism Society.

Source: BikeHike Adventures, www.bikehike.com

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