An Investigation of the CSR Involvement of Service Providers in the Mauritian Tourism Sector

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ABSTRACT

Purpose: The reputation of Mauritius as a luxury tourism destination is well-established. The benefits derived have been growing significantly over the years. The Mauritian hotel sector has also shown its commitment and dedication towards the local community through the implementation of numerous Corporate Social Responsibility projects. Alongside the hotel operations, however, there are a number of service providers that are also benefitting from the heavenly image of Mauritius and reaping substantial rewards as well. Their peripheral status does not mean that they are exempted from social and environmental responsibilities.

The primary aim of this paper, therefore, is to analyse the present CSR involvement of tour-operators and car-rental Companies, two groups of service providers operating at the periphery of the hotel sector, but very much part of the tourism industry.

Methodology: For the purpose of this work, the mixed method approach has been applied. A representative sample of tour-operators and car-rental companies has been worked out, and a research instrument, in the form of a structured interview schedule has been devised. Secondary sources, primarily in the form of company publications, have also been collected for analysis purposes.

Findings: What emerges out of this work is that these two groups of service providers are not taking their social and environmental responsibilities seriously. Only a low percentage of companies are involved in genuine CSR on the ground, or supporting local level initiatives. The majority of operators are presently focusing on profit-maximisation, rather than on the sustainable integration of CSR in their daily activities.

Managerial implications: Given the rising stakeholders expectations, therefore, there is a need for service providers to take their social responsibilities at a heart, and integrate it into their core business activities on a daily basis, rather than being involved in short-term sponsorships or donations only.

Originality: This work contributes to the literature as it provides a new insight into the contribution of the service sector to CSR in the context of an emerging African economy. Previous researches in the area focus mostly on the hotel sector in the developed world, and do not take into account the contribution, and the potential contribution of the service sector in the tourism industry.

Paper type: Research Paper

Keywords: CSR, Tourism, Mauritius, Tour-Operators, Car-Rental companies

1.0 INTRODUCTION
Le Meridien Hotel, Mauritius, 24-27 August 2010
Tourism is one of the leading and the fastest growing industry at global level. It drives the Mauritian economy as well. The established tourism industry has, over the recent decades, been contributing massively to the country’s economic development. However, what about social and environmental commitments? The Mauritian hotel sector, as one of the main component of the tourism industry, has been taking its environmental and social responsibilities seriously (Ragodoo, 2009) through established Corporate Social Responsibility (CSR) projects and foundations. However, alongside the hotels, there are a number of operators in the tourism service sector, also taking advantage of the heavenly Mauritian image, and deriving considerable benefits. Their activities, however, are often over-shadowed by the operations of the hotels. As such, they seem to be less visible and can easily go unnoticed. This paper aims at shedding some light on the present CSR practices of two service providers: tour-operators and car-rental companies. It analyses whether their CSR involvement matches their level of operations on the ground, as well as their social and environmental impact. It also assesses the need for these organisations to revisit their CSR involvement, in the light of rising expectations from stakeholders.

2.0 LITERATURE REVIEW

2.1 Emergence of CSR

The definition of CSR itself has evolved over time and is a contested concept (Moon, 2002b). It is viewed by the World Business Council for Sustainable Development (WBCSD) as “the commitment of business to contribute to sustainable economic development, working with employees, their families, the local community and society at large to improve their quality of life”(WBCSD, 2002). For the European Commission, CSR is ‘a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis” (European Commission, 2001).

Even if “no company tends to consider that other stakeholder objectives are as important as their financial objectives” (Crowther, 2002: 80), very few executives will publicly adhere to Friedman’s assertion that the business of business is only to do business. The image of an organisation is too precious to take the risk of being viewed as being heartless and greedy. Increasingly, internal and external stakeholders all expect business organisations to do more than making profit. Nowadays, “Society expects organisation to go beyond mere compliance with law...
and regulations. Business is expected to recognise and respect new or evolving ethical norms being institutionalised in society” (Carroll, 1999). Thus, CSR has become a buzz word in today’s global economy.

Tapscott and Williams (2002) put forward that for long it has been thought that only two basic strategies give a company its competitive advantage: selling goods or services at a lower cost, and making sure those products are of better quality compared to competitors. However, there has been the emergence of a third possibility: Consumers are showing that they are willing to support and to reward companies that prove they have a heart, and are not just profit-oriented corporate leaders. On the other hand, those who are perceived as bad citizens will be sanctioned.

2.2 The Tourism sector

Based on the World Tourism Organisation (WTO) estimates, there were 880 million visitor arrivals globally in 2009. This represents a 4% decrease over 2008 (922 million), and results primarily from the global economic recession and pandemic outbreaks. The global tourism receipts also stood at US$ 852 billion in 2009, down from US$ 942 billion in the previous year. (UNWTO, 2010). However, figures published for the first quarter of 2010 show that the sector is steadily gaining momentum again, and UNWTO forecasts international tourist arrivals to grow by 3% to 4% in 2010. The industry plays a key role in the overall global economy, generating 9.9 % of world GDP in 2008, and expected to grow at an annual rate of 4% over the next decade (World Tourism and Travel Council [WTTC], 2008). The contribution of the Travel & Tourism (T & T) Economy to total employment is expected to rise from 8.1%, 235,785,000 jobs or 1 in 12.3 jobs in 2010, to 9.2% of total employment, to 303,019,000 jobs, or 1 in every 10.9 jobs by 2020 (WTTC, 2010). The T & T sector contributed some $7,893 billion worth of worldwide economic activity in 2008, and this is forecasted to reach $14,838 billion by 2018 (WTTC, 2009). At global level, therefore, T & T is amongst the key industries and employers. It has been resilient in difficult times and has constantly been amongst the leading growth sectors (Tourism Industry Intelligence, 2008). The medium and long term prospects of the industry are also very promising: “looking beyond the current crisis, Travel & Tourism is forecast to resume its leading role in driving global growth, creating jobs and alleviating poverty” (WTTC 2009: 9). These positive long-term prospects in the industry are supported by the continued rapid expansion of emerging destinations along with the global increase in per capita income.
There are clear indications of a diversification of destinations in the recent decades. Developing regions have experienced an unprecedented rise in their tourist arrival figures. Still, Fuchs (2010) reports that the industrial countries still benefit most from tourism, Europe being the home of more than half of all international tourists – accounting for the bulk of the revenues they generate. The developing world has not been receiving a fair share of the wealth created by the development of the sector. However, within the tourism industry, it is generally agreed that there are increasing overall societal and environmental concerns, and that this will heighten the demand for more sustainable destinations and travel preferences. These, in turn, will exert more pressure for destination management policies and tour operator responsibility (Bramwell and Lane, 1993; Butler, 1993; Müller, 1994; Swarbrooke, 1999; Wall, 1997).

2.3 CSR in the tourism sector

Even if growing numbers of tourists visit developing countries and emerging markets, this does not always lead to improved standards of life in the places concerned. Rapid expansion and diversification of the tourism industry stimulates change in economic, environmental, cultural and social dimensions (Beeton, 2006). However, these can have positive and beneficial effects, or can be negative and detrimental. On the positive side tourism provides jobs, brings foreign exchange and provides income to support local development. It can also directly support local industry and encourage communities to place greater emphasis on environmental protection. However, one of the main problems is that the benefits of tourism often bypass the local population, and tourism related activities can contribute to the degradation of the environment. They can put pressure on scarce local resources such as land and water, pollute the environment and reduce biodiversity. Money may not reach the local economy, and the jobs available may be poorly paid and provide insecure employment. As such, to be viewed as environmentally responsible, Dubois and Ceron (2006) put forward that tourism companies must start implementing environmentally responsible policies that aid sustainable development.

It is therefore essential to assess whether members of the local communities benefit in some way of the operation of tourism activities in their regions, and whether these service providers are taking the necessary measures to remedy to the environmental and social impact of their
operations. The WTTC (2010) rightly emphasises the fact that “…fair and ethical tourism should become the standard, not only focusing on the ecological consequences of tourism, but first and foremost on its social, economic and cultural consequences”. The Tourism industry operates in a world which faces social, economic and ecological challenges, and in such a world does have the responsibility to act as an accountable global citizen” (Ecumenical Coalition On Tourism [ECOT], 2009). Unsustainable tourism practices can impact negatively on the health and well-being of the environment and community, as well as the development of the tourism industry itself. This has led to calls for the industry to exercise greater responsibility and “professionalism” (Sheldon, 1989). Even if critics argue that businesses must not deviate from their primary profit-making motive, corporate social responsibility (CSR) has emerged as a core requirement for any organisation willing to be part of the society in which it operates even if Mowforth and Munt (2003) assert that the tourism industry is late as compared to other industries in terms of the implementation of CSR practices.

2.4 Service providers and CSR

Many service providers are already undertaking CSR activities, such as giving money to charity, surveying suppliers on their sustainability practices, or providing information to their customers on local customs and how to protect the environment. However, these actions are often ad-hoc and may be limited to the manager or a few staff members in a company. To be successful, CSR actions need to be part of core business and integrated throughout the supply chain. This means a systematic application of business ethics to all operations.

In 2002, a network of tour operators from many different countries join together through a Tour Operators’ Initiative (TOI) set up through the United Nations and committed themselves to integrate sustainable development into their business practices, and to develop tools and approaches to support this effort. the TOI developed a set of indicators for measuring performance, covering the key social, economic and environmental issues facing tour operators. Following and extensive review of the literature in the area, Dodds and Kuehnel (2010) put forward that most studies examining elements of CSR in the tourism industry focus on hotels. There are only few studies on service providers and responsible tourism (Miller, 2001; Tapper, 2001; Curtin and Busby, 1999), but they are mainly UK focused and examine the destinations in
which they operate rather than the operators themselves and their participation in CSR practices (Dodds and Kuehnel, 2010).

2.5 The Mauritian context

The Mauritian economy has undergone a marked structural transformation over the past four decades. From a monocrop economy in the 1960’s, the country has established a robust manufacturing industry and is now moving towards service based economy. At present, the Mauritian economy is mainly driven by the tertiary sector which generates 68.8% per cent of GDP. Tourism has been an important engine of the country’s sustained economic growth.

In fact, The Mauritian tourism sector has been on a record-breaking track year after year, both in terms of tourist arrivals and of earnings. However, in 2009 the industry faced a 6.4% reduction in the number of arrivals caused by the adverse international economic context and pandemic outbreaks. Still, recent figures released by the Central Statistical Office for the first quarter of 2010 shows a 7.3% increase over the 2009 in terms of arrival and a 7.4% increase in terms of receipts. This denotes clearly the resilience and the good health of the sector, in spite of all the constraints that it has to face. Table 1 provides a snapshot of the Mauritian tourism sector.

<table>
<thead>
<tr>
<th>Table 1: The Tourism Sector in Mauritius</th>
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<tbody>
<tr>
<td><strong>Tourist arrivals</strong></td>
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<tr>
<td>No.</td>
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<tr>
<td><strong>Gross earnings</strong></td>
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<td></td>
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<tr>
<td><strong>Employment</strong></td>
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<td></td>
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<tr>
<td><strong>Number of hotels</strong></td>
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<td><strong>Number of rooms</strong></td>
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<tr>
<td><strong>Room occupancy rate</strong></td>
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From the official Ministry of Tourism and Leisure webpage (2010), the Governmental strategy with regards to the tourism sector is crystal-clear:

“The National Tourism Policy emphasizes low impact, high spending tourism. Selective, up-market, quality tourism is favoured, and although such tourism is not the only type, it constitutes the major segment of our tourists who stay in high class hotels.”

In parallel with the operation of these luxury hotels, a whole array of services has gradually evolved so as to offer the visitors a tourism product which is in line with the high expectations attributed to the Mauritius brand:

- Marinas, Spas, Golf courses, adventure and nature activities, shopping malls and restaurants have been set up
- Some 293 tour-operators in presently in activity (Tourism Authority, 2010), offering a whole range of excursions and activities.

- As at Dec 2009, apart from the 6921 taxis operating through the island, a fleet of 2588 rental-cars operated by 169 companies (NTA, 2010), was also available for hire.

- A constantly evolving list of water-sports activities, ranging from traditional motorized sports, big-game fishing and deep-sea diving, to more elaborated products such as under-sea walk and sub-marine tours are also available to visitors.

- A support sector has also been established, providing hotels with security and cleaning staff, as well as landscaping and gardening services

This work focuses on the CSR involvement of two of these service providers. The extent to which they are contributing towards the national effort to fight the social and environmental challenges being faced by the country will be evaluated. The methodology used for this purpose will be fully discussed in the following section.

3.0 METHODOLOGY

Le Meridien Hotel, Mauritius, 24-27 August 2010
This work contributes to the literature as it provides a new insight into the contribution of the service sector to CSR in the context of an African country, and of an emerging economy. Previous researches in the area focus mostly on the hotel sector in the developed world, and do not take into account the contribution, and the potential contribution of the service sector in the tourism industry. In order to collect information for analysis purposes a research instrument in the form of a questionnaire was devised, and a representative sample (25%) of the 293 tour operators listed at the tourism authority was selected through the stratified sampling technique. The same percentage was applied for the 169 car rental companies from the NTA records. As such, 74 tour-operators and 42 car rental companies were selected to participate in the study. Questions set pertained to the key issues and concerns of tour operators and car-rental companies, their awareness level about CSR issues, the forms and level of CSR involvement, CSR reporting, and their outlook on the future evolution of CSR in their sector of activity.

A mixed-methods approach has been applied for the purpose of this study (Puxty et al., 1987). This method helps to bridge the gap between quantitative and qualitative research (Onwuegbuzie and Leech, 2004a). Proponents of mixed-methods research adhere to the compatibility thesis, sharing the view that both quantitative and qualitative research can be used in a single research only. They also share the philosophy of pragmatism, putting forward that researchers should use the approach or mixture of approaches that works best in a real world situation (Johnson and Onwuegbuzie, 2004). The combination of methods also provide for complementary strengths and non-overlapping weaknesses (Brewer and Hunter, 1989).

The response received was very positive, as out of a total of 116 selected companies, 94 completed the questionnaire (58 tour operators out of 74 and 36 car rental companies out of 42. A satisfactory response rate of 80% was therefore achieved. Based on the analysis of information collected, measures to enhance the contribution of the service sector through socially responsible business linkages and initiatives are proposed.

Other means of communication such as Public relations, Websites, and advertising may be used to convey social information. Company publications and press/industry reports have also been used so as to take full advantage of the mixed-method approach.

Data collection was carried out during a three weeks period and all the necessary precautions were taken so as to ensure that collected information was as objective as possible. These were then processed and stored so as to be in suitable format for analysis purposes. Data were recorded.
into SPSS 18.0 software (Statistical Package for Social Sciences) to ensure the effectiveness of coding while doing the analysis.

4.0 FINDINGS AND DISCUSSIONS

4.1 Ownership structure

Even if the Mauritian authorities do not discriminate between large, medium-sized and small tour-operators and car-rental companies, it is clear that the market is dominated by a small number of operators. Out of the 293 tour operators, some 15 leading companies take the lion share in terms of transfers and excursion. It is also the case for the car-rental market, where, out of 169 operators, the 10 top companies have a fleet of 800 cars, which represents more than 30% of the total number of contract-car licenses issued by the National Transport Authority (NTA). What is also significant is that these leading Car rental companies generally have an international franchise, and/or belong to a well established organisation already operating either as tour-operator as well, or as car dealer (or both). They are therefore able to make the most out of their vertical or horizontal integration in the market.

In addition, the tour-operators and car-rental companies operating within a larger established structure are able to provide a higher level of service, and to sustain their activities in difficult times, in spite of the competition in the sector. They tend to more organised in terms of CSR policies too. This is not the case for smaller companies, having to remain focused on their economic responsibilities.

Not only can larger organisations be more involved: in fact, they can influence CSR participation within a particular sector. Dodds and Kuehnel (2010), basing themselves on the European experience, report that CSR practices are very often enforced by the largest tour-operators, and these impact on the way other operators across the supply-chain are to function. It also permeates down to small organisations.

In the Mauritian context, a first overview of the leading operators having implemented a CSR policy reveals that these are generally based on the mother-company’s commitment. As such, the implementation of such schemes will contribute positively towards CSR implementation in the
sector (in the case of local companies) and can also be innovative at national level (in the case of international companies/franchise).

4.2 Key issues and concerns

Tour-operators and car-rental companies were queried with regards to the present constraints that they are facing in their daily operations. What can be deduced out of response collected is that there are several issues which are of concern to them. The most recurrent factors highlighted are as follows: a hyper-competitive industry, all-inclusive packages from hotels, the seasonal pattern of their activity, weather/cyclones, fuel surcharges, and the high operational and maintenance costs. With regards to the main global issues affecting their business (political, economic, and environmental), the following factors were mentioned: the global recession, terrorism, pandemic outbreaks, volcano-ashes causing airport closures, and the competition from central reservation agencies through the internet.

From the responses obtained, it is clear that social and environmental issues cannot be considered as top-priorities for tour-operators and car-rental companies. They are much more pre-occupied with immediate threats, and about maintaining their profitability levels whilst remaining competitive. Being a good corporate citizen, and caring for other environmental issues such as climate change and are not key priorities on the agenda of these service providers. This is in line with studies carried out by Kasim (2006) and Henderson (2007) who both noted the “short-sighted goals” of operators in the sector, given that CSR involvement will inevitably lead to better visibility and competitiveness in the medium and long-run.

In fact, recent reports tend to confirm the belief that engaging in CSR has a positive impact on business performance. The Economist Intelligence Unit’s report (2008), based on a survey of 1254 business executives, found a strong correlation between growth rate and level of social/environmental concern amongst Global companies. Businesses that have achieved high share price growth over the past three years have been found to be more proactive on corporate sustainability issues than those that have seen their share price stagnate or decline. In addition, a study by IBM (2008), “attaining sustainable growth through CSR”, carried out amongst 250 business leaders, came to the conclusion that an organisation gradually progresses through a
“growth curve” in the implementation of CSR projects, ultimately opening new markets or creating innovative products as a result of CSR activity.

4.3 Awareness level of CSR

The fact that these operators do not devote much of their energy to social and environmental issues does not mean that they are not at all aware of these elements. Indeed, 100% of the respondents queried report having heard about the term CSR. In addition, the respondents were also able to provide at least a partial definition of what CSR is about. They were also aware of climate change, and the majority of the respondents had an idea of how this could affect their activities. Most of the respondents also reported that they were conscious of the impact of their operation at the environmental level, and to a lesser degree, at the social level. The above findings, therefore, are not in line with the views of Merwe and Wocke (2007) who, in a study of the south African hotels, identify some confusion over what the CSR concept meant, or a lack of awareness of CSR initiatives. This does not seem to be the case in the Mauritian context.

When queried about the triple bottom line of sustainability, responses obtained were not as obvious and clear-cut. In fact, only 34% of respondents reported to have heard of the triple bottom line and only 27 % were able to list the 3 elements of the triple-bottom line. Still, it is also interesting to note that, when queried about the role of businesses in society, there was a general consensus that it should not be limited to profit motives and working for the shareholders interests, but also involves environmental and social responsibilities. Operators also shared the view that it is important for companies to report of what they are doing in terms of CSR.

4.4 Level of Participation in CSR activities

Being aware of one’s social and environmental responsibility is one thing, but participating in the national effort, and implementing CSR activities on the ground, is another. Based on information collected, it is clear that the majority of tour-Operators and car rental Companies surveyed are not taking their environmental and social responsibilities seriously, although they are aware of the key role that they can play in terms of social and environmental involvement, and do have a positive pre-disposition for same. Following the July 2009 government regulation requesting all
profit-making companies to devote 2% of their profits to CSR projects, 60% of tour-operators queried, and 54% of car-rental companies, report that they consider this CSR levy as an additional tax only, and that they will be paying it directly to the state through the central CSR fund. 30% of tour-operators and 32% of car-rental companies reported that they will use it to support existing approved national programmes, mainly through sponsorship (80%) and in kind donations (20%). Only 10% of tour operators queried and 14% of car-rental companies report to have an established structure for CSR within their organisations and will use these funds through their involvement in CSR projects on the ground. Whereas this can be understood in the case of small and medium-sized companies, and those which have recently been set up, it is surprising to note that it is also the case for some large tour-operators which have been in operation for more than 20 years, and with more than 100 employees, do not have any established structure and policy with regards to CSR. **Table 2** below summarises the responses obtained with regards to the expected usage of the 2% CSR levy.

<table>
<thead>
<tr>
<th>Usage of CSR levy</th>
<th>Percentage (%)</th>
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<tbody>
<tr>
<td>Pay to the Central CSR fund</td>
<td>57%</td>
</tr>
<tr>
<td>Contribute to existing approved national programmes</td>
<td>31%</td>
</tr>
<tr>
<td>Funding own structure for CSR programme</td>
<td>12%</td>
</tr>
</tbody>
</table>

It is clear that there is only a minority of operators actually involved in CSR projects on the ground. In terms of project-implementation, from the 58 tour-operators studied, 15 CSR projects, from 8 companies, have been identified. With regards to CR, from the 38 respondents, 6 were involved in CSR, and were active in a total of 7 CSR projects. As such, in terms of percentage, it can be said that only 15% of respondents were involved in the implementation of CSR projects on the ground. With regards to the nature of programmes they are engaged in, the balance is very much tilted in favour of environmental projects, as shown in **Table 3** below.

**Table 3: CSR Projects undertaken by tour-operators and car-rental companies**
<table>
<thead>
<tr>
<th>Area of Intervention</th>
<th>No. of projects</th>
<th>Area of Intervention</th>
<th>No. of projects</th>
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<tbody>
<tr>
<td><strong>Environment:</strong></td>
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<td><strong>Environment:</strong></td>
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</tr>
<tr>
<td>Eco-Friendly Tours, Wildlife Protection,</td>
<td>8</td>
<td>Certified ecological commitment,</td>
<td>7</td>
</tr>
<tr>
<td>Environment Conservation, Dolphin Watching</td>
<td></td>
<td>Carbon reduction strategy,</td>
<td></td>
</tr>
<tr>
<td>guidelines, Reef conservation</td>
<td></td>
<td>environmental surcharge for carbon offset,</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>sustainable development programme</td>
<td></td>
</tr>
<tr>
<td>Education</td>
<td>2</td>
<td>Education</td>
<td>1</td>
</tr>
<tr>
<td>Restoration of historic building</td>
<td>1</td>
<td>Poverty alleviation</td>
<td>1</td>
</tr>
<tr>
<td>Employees</td>
<td>2</td>
<td>Local community</td>
<td>1</td>
</tr>
<tr>
<td>Orphanage</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Health and Safety</td>
<td>1</td>
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</table>

Indeed, some 60% of projects mentioned were linked to the protection and conservation of the environment, and the remaining 40% were linked to social projects, mainly at local community level through educational projects and the fight against poverty. As such, the level of intervention is far from being satisfactory, given that their operations do have a considerable impact at social and environmental level. It is essential to ensure that those companies to give due consideration to the environmental and social needs of the country.

4.5 CSR Reporting

Out of the 96 participants in the study, it is worrying to note that only 11 companies performed some form of CSR reporting. The tourism sector is very tedious and challenging. Very often, it requires long and odd hours of work. As such, very few companies would be willing to have an additional burden in the form of data-collection for CSR reporting. However, this would allow the companies themselves to compare their performance over the years, and with other companies in the sector. It can also be inspirational to those companies not involved in CSR.
In the Mauritian context, mandatory CSR has been imposed on companies without taking stock of what have actually been done in terms of CSR. The first phase in the implementation of and mandatory CSR policy need to be mandatory CSR reporting. This will provide the decision makers with a picture sector-wise, and will be helpful in the decision about implementing a CSR levy, and the sectors being targeted.

On the other side, in spite of the common perception that customers are increasingly demanding in terms of environmental sustainability and CSR, organisations queried reported that it is not necessarily the case in their context. For them, the vast majority of customers do not demand eco-friendly products specifically, and do not show much interest in the CSR initiatives undertaken by their company. They are mostly pre-occupied with the cost of services offered, and the level of service provided. Still, to establish links with international companies, it is clear that the probability for the stakeholders in these countries to ask for social/environmental accountability reports is very high.

The local tourism authorities (Tourism Authority and Mauritius Tourism Promotion Authority), on their part, are also taking their social and environmental responsibilities very seriously and have themselves implemented several environmental projects throughout the island. As such these bodies could take the lead and devise a CSR reporting schedule with key indicators so as to assess the efforts being made by the service providers. CSR reporting will also push companies to evaluate for themselves the efforts they are making for the common good. Sectoral rewards can also be awarded to those companies that have shown genuine commitment, and those having shown clear signs of progress. By doing so, these authorities will set the tone for other sectors to follow.

4.6 Future plans

There is an overall consensus amongst the respondents that CSR in Mauritius has, over the years, been gaining momentum, and that it will become even more important in the future. Even if they tend to minimise their impact on the natural environment, and are not presently adhering to the principles of CSR in any structured and systematic form, respondents are increasingly aware of the need to offset the negative environmental impact of their operations. They are also conscious that, even if it is not yet the case actually, the pressure from customers for responsible
environment behaviour will rapidly gain in importance. Indeed, in the developed world, there is a growing perception that consumers tend to support and to reward companies that prove they have a heart, and are not just profit oriented entities. As such, the leading companies put forward that they expect to be more involved in environmental and social projects in the near future. It is important, here to underline the key role that the state can play in encouraging businesses to be more involved in CSR projects on the ground rather than just contributing to the central CSR fund. For instance, if a 1.5% implementation or 2.5% contribution CSR rule is applied, it is likely that most companies will be willing to put in more effort in the implementation of CSR project, rather than having to pay to the state, and not getting any benefit in terms of image-building in return.

5.0 CONCLUSIONS AND RECOMMENDATIONS

5.1 Conclusions

From the above, it is clear that Tour-Operators, and Car-Rental Companies are not presently taking their social and environmental responsibilities at heart, with only 15% of companies surveyed involved in CSR projects on the ground. Still, these remain peripheral activities, rather than an integration of CSR in the core business activities. The main reasons put forward are the competitive market in which they operate, the global economic crisis, and the constraints that the sector has to face. Thus, the present state of affairs is described as not being conducive for CSR involvement. It is true that there is a minority of organisations that are involved on the ground, but these are mainly the larger companies which established structures, or global franchises. In fact, they constitute exception rather than the general rule. Local companies report to be facing numerous challenges and obstacles, even if they are very much aware that they will have to enhance their level of involvement in the future, given the pressure from stakeholders building up. The positive aspects of this study are that organisations surveyed are aware of the need to be involved in non-economic issues, and that CSR reporting will help them to improve their performance and to build a better image at societal level.

5.2 Recommendations

Le Meridien Hotel, Mauritius,  24-27 August 2010
Based on the findings and conclusions arrived at, it is of utmost importance for the responsible authorities to ensure that the service sector operating in the tourism industry take their responsibilities much more seriously. By promulgating regulations with regards to CSR reporting, and by encouraging CSR activities in one’s area of operations, and organising more NGOs-business sector meetings and collaboration, business organisations will feel that they are being accompanied and supported, and are more likely to be involved at grass-root level.

In fact, CSR could be implemented in the core business activities by numerous means. For instance, tour-operators and car-rental companies could take care of the transfer of poor people who are ill and require medical treatment/surgeries abroad. They can also work on sustainable excursions, limiting the group size on specific tours and excursions so as to protect the site/s.

There is also a need for the authorities to provide training to the Tour-Operator staff in key aspects such as environment protection, bio-diversity, and cultural sensitivity, so that the latter can, in turn, provide valuable advice on these issues to the visitors. Being at the heart of the travel and tourism industry, they are also in a strategic position to campaign against child prostitution, accompany those who are in prostitution and needing help to get out of this cycle, participate in AIDS awareness campaigns, as well as promote road-safety and fighting to reduce the death toll on the Mauritian roads.

As such, it can be said that the service sector in the tourism industry has the potential to contribute massively in social and environmental projects for the common good. What is presently lacking, however, is the motivation, clear indication and regulations for the sector.
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