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Being a Responsible Business

Perspectives from Carlson Rezidor Group

As part of our new series on sustainability leaders, and to learn about different models of sustainable businesses Judy Kepher-Gona, STTA Founder, interviewed Inge Huijbrechts, Vice President of Responsible Business of the Carlson Rezidor Group. The interview focused on the Group's sustainability philosophy, how the philosophy is integrated in operations of individual hotel units and the practices/ programs that define their sustainability agenda. In Kenya Radisson Blu in Upper Hill and Park Inn in Westlands are part of the Carlson Rezidor Group.

About the Group

The Carlson Rezidor group has seven hotel brands. Out of these, only four brands operate in Africa. These are Radisson Blu, Radisson Red, Park Inn and the luxury brand Quorvus. The first Quorvus hotel in East Africa will be opened in Uganda in 2017. The Group has identified East Africa, and Africa at large as a strategic growth area and will be opening more properties in the coming years.

Globally, the group has more than 1100 hotels under its portfolio

with 300 more in the pipeline. Africa has, 37 properties, which offer 16,000 beds. Radisson Blu is the dominant brand in Africa accounting for 30, out of the total 37 units. The other 7 units are the Park Inn brand, a brand that is steadily growing in numbers. The number of properties in Africa is expected to double in three years.

In East Africa, the group has four hotels namely Radisson Blu Nairobi, Radisson Blu Kigali, Park Inn Kenya and the yet to be opened Quorvus in Uganda. Radisson Blu

sees Africa as growth region and a large percentage of the planned 30 units will be in Africa.

Significant to note is that the Group does not own any of the hotels it operates. However, they influence design of properties they have identified for lease to ensure the design meets the Groups selected brand quality and work closely with the property owners to achieve the best guest experience and environmental performance of the buildings.

Motivation to be Sustainable

Origins and innovation summarise the Groups motivation. Carlson Rezidor Hotel Group was founded on a culture of a responsible business. This tradition and culture is associated with the Group's Scandinavian roots. Having emerged from the Scandinavian Airlines in the Nordic countries, a region known for its environmental conscious-

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>>>> For over 40 years, the Group continued with the tradition. Over the years the group has expanded the consciousness beyond the environment into a full responsible business approach and incorporated human rights, green operations, youth empowerment, water management, supply chain management, guest safety and green design among others. The Group is constantly looking for new ways to increase their positive impact. Their efforts have won them recognition for example recently with the 2017 UNWTO award for excellence and innovation..

Conceptualising Sustainability / Responsible business

Put simply, at Carlson Rezidor, being a responsible business means having sustainable operations and sustainable social engagement, which is beyond Corporate Social Responsibility. It is acknowledged that a clear conceptualisation of the concept of responsible business and engagement of everybody in the organisation, from management, to staff and clients is key to being a successful responsible business. Today different businesses translate the sustainability concept variously; some 'green washing', others trying to pass CSR as sustainability and many more using the term in publicity material without doing much towards being responsible. At Carlson Rezidor Group, being responsible means goes beyond the triple elements of sustainable tourism, which is, people/ community, environment, and economics. It is a total appreciation for sustainability, which means investing in and being ethical and transparent about people/ community engagements, environment, and economics in ways that create authentic experiences for guests, promote learning and fulfilment for employees, create innovation partnerships, challenge and be challenged by partners and influence the future of the industry. The Group perceives sustainability as a dynamic space that al-



Think People is concerned with human rights in the supply chain with a focus on women, eliminating forced and child labour. Additionally the Group focuses on providing meaningful employment and on people development e.g. providing employability skills to the youth, vulnerable women, and people with disabilities.

Think Community focuses on empowering the local communities through donations, volunteer programs or supporting access to social services.

Lastly, Think Planet is focused on reducing the Groups carbon, water and waste footprints.

Each brand handles/ implements a specific focus area of the Think People, Think Community, and Think Planets Pillars. For example, The Radisson Blu brand focuses on water by supporting community access to clean water and sanitation while the Park Inn brand focuses on empowering youth. Park Inn Cape town for example, has 30% of its employees that are deaf. Radisson Blu hotel Vendôme Cape Town also has a similar program with a growing number of deaf employees. Through this initiative, the group has won the Guardian Sustainability Award in 2015.

Outstanding Initiatives of Radisson Blu Kenya SOS Kenya

The cooperation with SOS Kenya started when the Group's CEO, Wolfgang Neumann, raised funds to sponsor one of the Nairobi

family homes for orphaned children. Since then, the Radisson Blu hotel has continued the support and developed other axes of co-operation with SOS.

Among other initiatives SOS youngsters are involved in re-purposing of soap waste for the hotel for use at the children's home and for sale. The hotel and its partner Sealed Air, have provided the SOS village with safe equipment that sanitises left over soap, adds value to it through introducing different scents, then it is packaged for market. The project has been successfully running for just a few months and has potential to be grown.

Radisson Blu Nairobi also mentors the youth from Children's village by regularly inviting them to the hotel or by stopping by to prepare and enjoy a meal together. In the near future, the Radisson Blu will start working with SOS' vocational They invite the centre to perform at Hotel events instead of hiring established artists. This is meant to develop talent among them.

Makueni Water project

This project provides water for life to one person for every 250 times that guests respond to the towel change policy in a Radisson Blu Hotel or Resort. Through a partnership with Just a Drop, a global not-for-profit organisation that works in the water sector to improve access for marginalised / rural communities, lifelong sustainable water access solutions are provided to this community from the hotels towel change policy. Arguably, the towel change policy is a water saving project as much as it is contributes to other environmental credits and economic benefits for the hotel. By the end of 2016, the Makueni Sand-dam water project had 200 projects, mainly focused on constructing sand dams, rock catchments and school water tanks. Specifically, the donations from Radisson Blu hotels have helped to provide water for life to 8300 people,

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Recycling

The hotel, in partnership with a local innovative waste recycle company Taka Taka Solutions, has managed to recycle 98% of its waste. So almost none of its waste ends up in a landfill. They took time to look for and work with a waste management company to achieve these remarkable results and continue tracking performance through 6-monthly reports.

Carbon Offset

Through its loyalty program Club Carlson, the Group calculates and offsets its carbon footprint for meetings and events. Every tonne of carbon generated by a meeting on site in one of the Carlson Rezidor hotels and booked by a member of Club Carlson, is offset through a combination of VCS carbon certificates and the planting of an additional tree in Kenya by ESCONET, a forest group based in Limuru. Between 2013 and 2017, Carlson Rezidor hotels worldwide supported planting of 39,000 trees.

Integrating Responsible Business Pillars in Operations

Radisson Blu believes in empowering employees and having clear systems that support monitoring and a structure that ensures delivery of targets while allowing for creativity. This is core to their integration of responsibility busi-

ness practice to its operations. The first engagement by employees is training. All employees go through the Living Responsible Business training irrespective of their position. This is to ensure that every employee has a role to play in implementing the group's responsibility strategy. In terms of structure, the Group has a Vice President who oversees the entire groups responsible business strategy by motivating the regions and units to be creative and engaged. At the regions, like East Africa, there are regional coordinators who work with a master trainer and a Responsible Business coordinator located in each hotel unit. The regional coordinators assist the VPs in monitoring targets and compiling the sustainability data and best practices from the individual hotel units. The master trainer at each unit coordinates the specific hotel responsibility practices, inducts all new staff through training, and is responsible for overall sustainability training in the unit. Both the Responsible Business coordinator and the hotel Responsible Business training are employees of the hotel with other roles e.g. the head chef, HR manager, front office supervisor, and only volunteer in the responsible business role.

To support individual hotels in realising their focal projects, the group works with targets. The

targets are documented in the Groups 5-year Responsible Business plans. The last responsible business plan ended in December 2016 and new targets have been set for 2020. All staff are engaged and encouraged to identify best practices along the focus areas for implementation by their units.

Documentation is an integral part of integration. Every individual hotel keeps record of its interventions in the responsibility chain, which are guided by the indicators in the plan and documented as best practices. This is then shared with the office of the Vice President, through the regional coordinators who share them across the units. This encourages cross learning. Without documenting and reporting cross learning would not be possible. In summary, every hotel is a living responsible business

Sustainability and City-based hotels

The perception that it is challenging for City-based hotels to embrace responsible business tradition is false and defeating. Definitely every business can embrace sustainability and operate as a responsible businesses and the city is not a limitation. Being a responsible business has nothing to do with location, it has to do with choice.



»»» **The Profitability Question**

Being a responsible business is profitable whichever way one looks at it. However, there is need to invest in right systems to be able to measure the impact. The Group has developed a triple bottom line accounting and reporting system that tracks the savings from the responsibility initiatives. They have also integrated the World Bank's Edge Tool, an IFC innovation that not tracks and calculates the return on investment from green investments and promotes green buildings in emerging markets. Using the IFC system also allows the Group's management to work with investors to design and build their hotels in green ways.

Between 2011-2016 the Group saved 5 million Euros in utility costs in their leased estate from managing energy. Further, the Group attracts corporate clients that relate to the responsible business approach. This is expanding /growing very fast and its good for business. The Group also attracts passionate employees who become ambassadors of our Responsible business agenda. This has a knock-on effect on customer experience and by extension the bottom-line.

Being responsible is always recognised. The group has been named one of the World's Most Ethical companies every year since 2010. Other awards have been won by the Think People projects that increase employability opportunities for youth and people with disabilities. This improves the brand value and has positive knock-on effects on the Groups bottom-line.

It is clear that, having a responsible business culture as a rallying point makes it easier and less expensive to be a responsible business, and gives a quicker return on investment.

Role of Partnerships

Partnerships are important in enhancing opportunities for responsible businesses. The Carl-



son Rezidor group has recently partnered with World Bank to use its approved tool for Green Buildings known as EDGE. All new hotel units will be analysed in EDGE and efforts will be made to retrofit existing ones. The Group embraces this tool because it is evident that building in green technology from the start is more cost efficient than retrofitting.

As part of this partnership with the IFC World Bank, Radisson Blu Nairobi will host a Green Building Summit in 2017 to promote Green Buildings in Africa

Measuring Success

Radisson Blu views success in terms of the commitment of their top management, the passion in their staff in creating guest experiences and supporting the responsible business targets, guest satisfaction, resilience of the brand, the approval by business partners and third party recognition they receive over and over again

Role Responsible Vice President, Responsible Business

To progress the agenda of a responsible business Carlson Rezidor, the mother company of Radisson Blu, has a Vice President Responsible Business who

oversees the programs by facilitating and creating the right mind-set for everyone- employees, clients, business partners, suppliers to respond.

How does the future look like for responsible businesses?

Hotels have no option but to go green. It is encouraging to know that significant efforts are being made by many global hotel groups towards this end. As a responsible business, Carlson Rezidor is spreading the message of sustainability by creating opportunities for networking and engaging other hotels businesses in Brussels and globally. Currently the Group's CEO chairs a sustainability forum of leading hotel groups as their way of influencing the industry.

Finally, Inge Huijbrechts believes that sustainability is a non-competitive space. Everyone can engage

(Additional reporting by Job Odhiambo-STTA)

