

Slide 1: Hello and thank you for coming.....

Slide 2:

I'd like to put into context what we are doing for MPI, why you should be here and why we are pleased that you are.

MPI has commissioned Leeds Metropolitan University to undertake a three year study into the importance and value of CSR in the hospitality and meetings industry. Our presentation will give you a first look at some of our initial findings from our review of CSR at a policy level.

these findings establish the playing field for hospitality businesses and meeting planners to understand where you fit and how you can benefit within the world of CSR.

I will be going through these areas as a result of a global study CSR – (State the bullets).

ON REGULATION

Regulation is one key driver of CSR BUT we are aware that you as meetings and hospitality businesses are concerned about it. This presentation will tell you what we think will happen on regulation in the very near future.

[Carry on with the bullet points]

Slide 3:

I'd really like to start my session with a question....so help me if you will...hands up those of you who have a CSR policy within your organisation?

I won't ask what stops you? But what I usually hear when working with meetings and hospitality, event and tourism companies is:

- CSR is irrelevant for my client
- it takes too much time – I've got a meeting to run
- I'm trying to save my bottom line so don't tell me there's a triple one!

The most common reason above all of that *"I don't really understand what it is...!"*

Slide 4:

This picture is how you might see CSR. A jungle of words...

The reason why many businesses don't implement the principles of CSR is due to a lack of clarity and knowledge about what CSR actually is.

CSR policy makers believe this lack of clarity will **dilute the relevance** of CSR and turn it **into a simple PR or tick box exercise**.

Industry leaders believe that being socially responsible towards those around you has relevance to *everyone*, at all levels of business **and** in **all businesses**

These industry leaders, your clients, from **finance to pharmaceuticals, technology to manufacturing** are demonstrating their responsibility to society and the natural environment. These industry leaders also take responsibility for the behaviour of their business partners, for example those within their supply chain....**and you are part of their supply chain.**

Slide 5:

NOW the reason why I haven't started with a definition is because there are many components still in debate ... and **BECAUSE** the practice and meaning of CSR is **SO diverse** and dependent upon regions of the world.

Findings from our global review identified over 300 guides and definitions...so it isn't surprising that you are confused and that businesses like you and your clients are questioning the relevance and opportunity that CSR can bring.

Today we will help clarify what CSR is about.

These are the key components that we have discovered are the most common within CSR definitions.

Environmental – is about the management of our natural resources. In the meetings and hospitality industry that means considering how you control your stock levels, your use of paper, your consumption of water and how you manage waste. For example, our handout for this session has been replaced with an online video you will be able to access through MPI's website

Social – Social might surprise you because it might be something that you are doing already. This is about how you, as a business, can contribute to society . In the meetings and hospitality industry that means looking at the working conditions you provide, your levels of staff turnover, your investment in training and your recruitment practices.

Let's move on to economic. In these volatile financial times this CSR component is critical and it is challenging.

You must present yourself as secure and stable for the sake of yourselves and our economies. In the meetings and hospitality industry that means controlling the level of debt you take on, increasing your cash flow and closely planning your expenditure.

These three areas you are probably familiar with as the 'triple bottom line' – people, planet and profit.

But our review has revealed 3 more components

Discretionary – industry leaders go beyond the requirements of law and beyond the grand CSR public relations statements.

Industry leaders, your clients , believe it is no longer enough for us to say “ I am responsible just because I exist by achieving the bottom line...or even by achieving the triple bottom line”...

So we are seeing discretionary CSR integrated into business strategy more and more.

So you might want to look at this if costs have been a reason why you haven't implemented CSR because these big players are seeing benefits from integrating CSR into how they grow their businesses. They are also demanding the same from their supply chain.

Transparency – unions and government agencies are calling for businesses to be transparent in their practices. Businesses want to control what they reveal. As meeting and hospitality companies this means you need to communicate to your clients and suppliers **explicitly** about your business practices, your use of local suppliers, your training initiatives and your partnerships.

Because **if you** do not take charge of transparency, **others will**. Whether investors, government agencies or consumers. What is clear is that they are watching you.

Stakeholders – for you, this means considering the venues, the destinations, the communities, the delegates and licensing authorities as part of your business. Stakeholders can give you a good starting point for CSR. .

Slide 6: Now we have revealed the common components of CSR from over 300 codes, the next question is where to start? Our review identifies three steps that can help you to develop CSR within your business

- Talk to stakeholders
- Create partnerships
- Agree how you will measure your results

Essentially this is appreciating what is going on around you. Being aware of what is going on around you can help you to **position your business values** and show the **value of your business to the community**.

So back to you....**Do you know what is going on around you?**

If you do...write it down...discuss it with those next to you. (2mins and).

The question may have confused you – around me here? Around me at home? From my research on Las Vegas – where **I am** right now– I notice a number of stakeholders and priorities for CSR.

The cost of water in Las Vegas may increase by 200% by 2021 as piping water from UTAH is considered. Think about the increased costs to you. You can make small changes to your **triple bottom line** if you stop wasting water - switch to smaller, reusable glassware that has been recycled.

Las Vegas city council are concerned about the health of the local population. They have now introduced walk ways to promote walking. So a business like yours could encourage delegates to walk to the venue by promoting this scheme in your marketing literature.

Las Vegas sends over 9,000 tonnes of waste to the trash every single day. That's equivalent to 9,000 ford focuses or 96 Boeing 737s. To improve this situation you can introduce waste management systems to reduce your own food costs, cut down on storage, and cut down on charges to waste and landfill.

Whatever you do, you must tailor your initiatives to your values, your resources and your contexts.

Slide 7: *'One size fits all'* is not the approach to effective CSR.

For example providing responsible gambling venues has become one of the key issues within our host destination. Harrah's Entertainment has implemented 'Operation Bet Smart' and "Project 21" to promote and train employees about responsible gaming.

Intercontinental Hotel group, sponsors of this study, offer an employee community awards programme which encourages employees to understand and respect the community they operate in.

Our hosts, Venetian and Palazzo Resort has been awarded silver for their leadership in energy and environmental design, improving their carbon emissions, management of natural resource and the design of our internal environment

Strategies like these help these businesses against the competition, winning them tenders, improving relations with their suppliers and making them attractive Employers.

CSR practice also means you can develop true, long term supply chain partnerships. These partnerships will help your business – enhancing the reliability and quality of the events and services you deliver.

So whatever **you think** about CSR, this review shows that CSR will be a requirement of industry.

But how this requirement develops is up to industry leaders....and it is up to you.

Slide 8: Which bring us to the prospect of regulation.

Can you imagine the impact that **imposed CSR regulation** could have on our industry? I'll try to paint a picture...strict practices, quarterly monitoring of performance, supply chain constrictions, and the compulsory employment of CSR auditors.

To avoid this, our review suggests that future CSR standards for our industry **MUST** be designed by industry leaders. This will ensure that the standards are **relevant** and appropriate to **the size and scale of the business** environments within which you operate.

Our study concludes that if businesses continue to achieve **Minimum standards** the need for third party accreditation will be reduced and that this will reduce the possibility of imposed regulation. We are speaking to industry leaders right now to see if this belief is shared globally.

Slide 9: **Right now** there is an increased trend **led by industry** towards the adoption of third party accreditation through a process of standardised reporting, **with schemes such as** Accountability for sustainability, Integrated and social reporting ISO 26000.

Our review notes two key shapers of CSR accreditation that we consider ones to use and ones to watch in the near future:

GRI: The global reporting initiative develops industry adapted guidelines. The guidelines define essential reporting principles at different levels of business and between different core indicators such as economy, environment, working conditions, human rights, and society. GRI is currently developing sustainability reporting guidelines for the event organizers sector.... is due out at the end of this year.

Integrated Reporting (IR): Now IR recognize that there are several bodies responsible for creating standards for financial reporting, as well as guidelines for environmental, social and governance reporting. However, there is no single body with the authority to bring together the different elements required for Integrated Reporting. The role of integrated reporting is to create a framework which will enable companies to bring more coherence and focus to corporate reporting. IR are currently inviting companies to take part in a pilot study.

Slide 10:

Where you position your business is up to you but if you feel that CSR is important then it must reflect your resources and your fit with the surrounding community.

There are aspects of business that can be enhanced by the adoption of CSR –It can help business performance...

CSR can help you reduce incidents and liabilities in the workforce, workplace and within the supply chain. It can save you money as you conserve materials, consume less energy, and reduce your waste; all cost control basics.

CSR can support the business case. This is more outward facing. For example, the adoption of CSR will improve corporate culture; encourage third party assurance and present due diligence. It will enhance your public image, investor confidence and reduce ethical risk.

Slide 11: Size matters because this shapes how you and your larger and smaller clients engage with CSR. What value does CSR bring to your business? For larger companies this ranges from....read the lists....for smaller companies this is.....

This report finds that a set of drivers, rather than one single driver, motivates the adoption of CSR in business. **But Reputation continues to be key.**

Industry leaders, **your clients**, your consumers are making a value judgment that a good organisation is now synonymous with one that engages in CSR initiatives.

Slide 12: I don't have a crystal ball but what I do know is that changes to CSR are coming.

At the moment the components of CSR are influenced by the practices of western businesses. To avoid becoming an imperialistic CSR, these components will change as emerging markets such as Add here increasingly dominate world economies.

CSR policy makers will have to recognise the deep rooted social and business differences if CSR is to continue to influence the global industry, in other words CSR will have to be responsive.

If it fails to become responsive, CSR will be seen as imposing irrelevant business standards and offering no value to these diverse businesses **AND...**without change CSR could weaken and become lost in translation.

Slide 13: Given the varied adoption and practice of CSR within your businesses and globally, a CSR definition, or prescriptive checklist is not appropriate. A checklist narrows understanding, narrows initiatives and narrows opportunities. This study prescribes a continuum as a useful tool for you to use to capture where you fit

Most companies only meet their 'must' and 'should' responsibilities due to government regulations or consumer expectations.

Must responsibilities are meeting your legal requirements such as working directives and public health and safety laws **but** also meeting your consumer needs such as the detailed planning and logistics of your client's event. Neglecting these would endanger immediate survival of your business.

Should responsibilities – are meeting the expectations of society but these responsibilities are not found in law. That means you demonstrate responsibility for employee welfare, offer benefits to the workforce and make ethical business decisions. Neglecting these responsibilities may cause a boycott of your products/services and disinvestment in your business.

Within these two stages, (must/should), you can successfully manage your risk and reputation through CSR activities.

However the industry leaders are moving beyond the must and should, because it is in this new space, that they see advantage...

Can responsibilities – go beyond the expectation of society, these are responsibilities not pushed by the law or pushed by the markets. There are no penalties when you don't meet these responsibilities. Here you show that you take ownership of your complete supply chain, you invest in partnerships that support local and national interests, and you review your entire management processes.

Industry leaders within and outside the meetings and hospitality sector are demonstrating that moving to can responsibilities **can** provide sustained competitive advantage in a global market.

This is a major shift for industry from “**I exist therefore I am responsible**” to a position of “**I am responsible therefore I exist**”.

Slide 14: But what are the real values to your business? CSR makes business sense, if you simply look at the three pillars of CSR...

- Credibility – relates to reporting processes you use, the specific indicators you use and the way in which you feedback to your clients. Credibility is a key competitive advantage. Your clients and consumers need to believe in you as well as your events
- Trustworthiness – related to your vision setting and achievement of goals without ethical risk. Clients need to know they can trust you and your practices. They will do everything to protect their own reputations.

- Reliability – relates to the integration of strategy, employees and stakeholders in designing operating practices for the long term. This means more reliable services and higher quality delivery of your meetings and services.

These pillars represent the new notion of responsible competitiveness

Slide 15:

As we near the end of the presentation our review has also uncovered an opportunity specifically for The Meetings and Hospitality industry - a unique proposition in CSR

You are experts in the detail, you have to be to succeed in the meetings and hospitality sector – and small things, small changes can make the difference. because you know this – you can bring CSR to life within your events. You can demonstrate a CSR experience for your clients and for your own businesses. Through events, CSR becomes more than just words upon a webpage, more than a PR story. Events bring things to life and provide an opportunity for attendees and **delegates to feel part of something. Events can appeal to both professional and personal ethical values.** Today we coin a new phrase 'experiential CSR'.

You can do it for your own organisations or for your clients by making sure your events raise awareness of local issues, promote the use of sustainable products, use new technologies or simply allow you all to report on what you do. The big picture emerges from the small details.

I'd like to demonstrate this now. Under your chairs you will find a little something from what is around us at Leeds Metropolitan University. A local company in Yorkshire that takes pride in its traditional values....respecting their staff, finding reliable and quality materials and maintaining a high profile in their community.

But they also have a global view. They contribute to the Rain Forest Alliance. They have been around for decades. As an act of our own small attempt at experiential CSR we are bringing this local company to your attention, promoting our own regional economy, but also helping you right now get a good cup of tea in Las Vegas. But please drink responsibly.

Slide 16: This presentation is just the start. **Trends within CSR and insights** into the industry still need to be explored. We are starting the next stage of our journey right now.

Soon we will **reveal where industry pioneers sit**, how they **view the present and future of CSR** and we will be asking you in the meetings and hospitality industry. We hope you will share your views, your values and your practises so we can help share them across MPI's vast network of members.

My call to action is to get you and others involved. Come and see me or Jackie over the next two days at the MPI booth but please **C S R**

I'm happy to answer any questions that you may have....

Thank you for your time and attention...