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A new opportunity for Human Resources Management to create value: shaping a new business paradigm in the context of the Portuguese hotel industry

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1 Abstract

This work project addresses the role of Human Resources Management in shaping and fostering Corporate Social Responsibility and Sustainability practices, within the context of the Portuguese hotel industry. For this purpose, an exploratory analysis was conducted, performing in-depth interviews to 12 HR managers. This study unveils that few HR managers are engaging in structured and valuable initiatives. None of them is measuring impacts of HR initiatives, or shaping CSR and CS concepts. It concludes that HR can exceed CSR and CS current practices, by addressing Shared Value creation.

Keywords: Human Resources Management, Corporate Social Responsibility, Sustainability in Corporations, Shared Value

"If you ask me if I am satisfied, I am not. Because we are far away from the objective, right? We are conscious that we have to work more and better in this subject"

(Large international hotel chain, upper category)

2 Introduction

On December 6th 2012, the president of the World Travel and Tourism Council (WTTC) concluded: *"Few countries have a greater dependence on Travel and Tourism than Portugal. In 2012, our industry will sustain directly and indirectly almost 18% of all jobs and totally contribute to 15% of Portugal's GDP"*. The secretary-general of the United Nations World Travel Organization (UNWTO) added: *"In these challenging times, tourism can be part of the solution not only for the jobs and the growth the sector generates directly, but also due to the immense linkages tourism has with many other sectors of the economy to which it brings extra demand"*(UNWTO,2012). Undoubtedly, the tourism sector and the hotel industry in particular, have a large social and economic expression in Portugal. They are key for making a real difference in our society.

At a global level, it is also true that the hotel industry is responsible for numerous impacts on the natural environment. Among them are: waste generation; biodiversity loss, large amounts of consumption of water and energy (Grosbois, 2012). In order to address these issues, numerous standards, programs and initiatives were established (Tsai *et al*., 2012). UNWTO goes further by inviting hotel companies to help addressing the Millennium Development Goals until 2015. Due to peculiarities of the industry, people issues are also an important matter (Bohdanowicz *et al*., 2008, 2011). Hotel chains occupy many low-skilled-minimum-wage workers. In Portugal, this matter is more pressing than ever.

Today, it is true that the hotel industry may have a hard time picking on the priorities to address. They are global businesses with strong local influences. In theory, these issues are placed under a Corporate Social Responsibility (CSR) or Sustainability (CS) agenda. The Human Resources (HR) department, due to the nature of its own responsibilities, has influence over these agendas (Preuss *at al.*,2009). **This study addresses the HR sphere of influence, the current and potential roles of HR in shaping and fostering CSR and CS, in the context of the Portuguese hotel industry**. First of all, it is important to clarify the scope of CSR and CS, through the literature about the HR role.

3   Literature Review

3.1   *Corporate Social Responsibility (CSR); Sustainability in Corporations (CS)*

Although, many times, CSR and CS are used interchangeably (Bohdanowicz *et al*., 2011), in this study we consider them interrelated but different concepts. CSR is a multidimensional concept, and there is no universal agreement upon a CSR definition and theory (Bohdanowicz *et al.*, 2011). It has been defined has *"actions that appear to further some social good, beyond the interests of the firm and which is required by law"* (McWilliams & Siegel, 2001:117), while CS has a more recent definition that dates back from the sustainable development concept (Garavan & McGuire, 2010). In 1997, Elkington elaborates on this concept, by coining the "triple bottom line" (TBL): people, planet and profits. The TBL framework balances and integrates financial, social and environmental performance. It echoed among world corporate leaders and opened doors to the CS era (Visser, 2010).

3.2 *Shared Value (SV)*

The SV idea was presented by Porter and Kramer (2006, 2011). It calls businesses' attention to the overlooked opportunities of gaining competitive advantage, and thus making profits, by focusing on specific social issues, deeply connected with their core businesses. This is a new strategic approach to mainstream business: generating real value for the firm by generating real value for the society. The authors argue that SV is not CSR or even CS, which raised an academic debate. Elkington (2012) claims that SV proposers should be careful about the incrementalism of their proposal, since unlike CS and CSR, SV overlooks the required systemic change. Kramer (2012), replies that, to fulfill the systemic mandate, sound governments and empowered citizens are vital. SV is rooted in a company specific agenda that is easier to put into practice, notwithstanding being eventually less visionary, an advantageous limitation.

3.3 *The Human Resources (HR) Role and Impact in CSR and CS*

In 2008, Jabbour and Santos make a comprehensive review of the body of research concerning the HR role in CSR and CS. According to them, HR, through its policies, systems and practices, has been decisive in embedding CSR and/or CS across an organization (Haugh & Talwar, 2010), and in generating employees' active involvement and participation (Bohdanowicz *et al.*, 2011).

Literature also mentions that HR practice is *"awash with CSR-related tasks"* (Preuss *et al.,* 2009:954). CSR and CS present such a wide range of (often conflicting) variables, that it becomes a quest to address and develop the HR role (Fenwick & Bierema, 2008; Garavan & McGuire, 2010). Further research on practical implications is needed, say Jabbour and Santos (2008). Preuss *et al.* (2009), unveil that HR can address this issue by shaping the meanings and interpretations of these new concepts.

3.4 The purpose of this study

According to Boudreau and Ramstad, (2005, also mentioned by Jabbour & Santos, 2008), two main challenges face HR management: one is the attraction, retention and development of talent, and the other is constructing HR so that it connects to people, profits and planet, using a systemic and long-term approach. **The aim of this study is to address and reframe this second challenge by assessing what is the current HR role, and what it can become within the context of the Portuguese hotel industry**.

For this purpose, this study will anchor on Porter and Kramer's (2006, 2011) Shared Value framework. This approach matches the HR modern value proposition: generating real long-term value for the firm, by creating value for key stakeholders (employees, customers and communities) (Ulrich, 2008). As the text evolves with the results from the interviews, some research work will also be referred to, which is therefore not present in this section.

4   Methodology

To study the current and potential HR roles in the context of the Portuguese hotel industry, an exploratory analysis was conducted. A total of 20 hotel groups, presenting a capacity superior to 250 accommodations (rooms and/or villas), were approached in the Lisbon area. These groups were contacted by phone and email, targeting HR managers and, if applicable, CSR managers (quality, environment or sustainability managers). A total of 12 HR managers accepted to participate in the study. No CSR managers replied (for information on Sample Characteristics and Process see Appendix I, Table 1. and Table 2., respectively). The interviews were conducted using a semi-structured format, with a script covering 10 different topics (for the full interview script see Appendix II).

They were taped and fully transcribed. For the purpose of this study, only 4 topics were analyzed: 1.CSR and/or CS meanings; 2.Priorities and operational support; 3.HR role and practices; 4. Impact measurement of HR initiatives. Although these topics are interrelated, they will be presented separately, for clarity of analysis. Content analysis was performed using N-VIVO software. Each topic was coded, and different categories were identified and sub-divided into smaller classes. The purpose was to find similar and contrasting patterns. For confidentiality reasons, hotel groups were classified according to three different attributes: Size (large, medium, small), National Origin (international, national) and Category (upper, middle, low, all). For more information on this nomenclature; see Appendix I, Table 1. All quotations presented in this study use this classification.

5 Results

The interview results will be presented and discussed in three sections, the first one dealing with meanings, support and practices, the second one focusing on the roles of the HR managers and the third one on the impact measurement.

5.1 The HR manager point of view: Meanings, Support and Practices

Fenwick and Bierema (2008) concluded that HR managers expressed very different meanings for CSR, which can range from philanthropy to eco-efficiency. Although their study approached different industries, our results within the hotel industry are similar: HR managers revealed very different meanings across different hotels. In addition, sometimes, they clearly distinguished different "responsibilities".

Considering three attributes-i) meanings of CSR/CS to the HR manager, ii) what kind of operational support they have, and iii) which HR practices align with CSR and/or CS,

four different groups were identified. By meanings, we refer to what actually is being done, rather than to what HR managers feel is "right". Across the interviews, participants openly chose a label for their actions, either "sustainability" or "responsibility"; we will embrace them all. As operational support, we consider the CSR and/or CS agenda, and the budget. Whether the hotel has policies or strategic lines for CSR/CS is also taken into consideration. Finally, practices refer to the number and type of HR practices that relate to CSR and/or CS.

Due to the exploratory nature of this study, these groups do not constitute segments. Instead, they reflect the strongest traits that emerged in the interviews. Also, it may happen that participants identify with different groups in particular aspects. Moreover, they highlight the perception of HR managers, which does not necessarily translate all the CSR and CS actions carried out by a hotel group.

The business thinkers

"*Sustainability in this organization is a set of policies created with the objective of monitoring and supporting the business*" *(large, national, upper).*

The main trait of this group is business focus. This does not mean that environment and people are disregarded. On the contrary, they are taken as crucial aspects for long-term success: "*it really is a concern with the sustainability of the business, in all its dimensions*" *(large, national, upper).*These pillars are focused under a sustainability policy that considers local initiatives. The agenda and budget are not large, but reflect business priorities. For instance, they support community projects in areas where they operate, in order to boost the local economy. There is high articulation between HR and sustainability departments. This happens not only because they have common objectives regarding employees, but also because it is essential to acculturate them within the

sustainability process. It is to ensure business' "good health". Top HR practices are communication and training:

"Due to the crisis, we have several families with some problems. So, one of our training programs was on personal finance. It is a big concern, and we are always looking for ways to minimize the impact of the crisis on peoples' lives. Because this business depends on having happy people, or, at least, satisfied, available, and with a smile"(large, national, upper).

The sustainability advocates

"Things, as we have been implementing them inside this hotel, go much beyond that diminished thought of helping the little poor, and that is what responsibility means" (large, international, all).

This group, which includes international companies only, has two major concerns- caring for next generations and for the planet.

It is expressed as part of their cultural identity: *"a philosophy, a way of being inside this organization"(large, international, all).*They idealized a long-term vision for their business that embodies all aspects of sustainability. This vision is translated into overall strategic guidelines followed by performance objectives that cascade down to employees, in different geographical regions. This strategy is gradually transforming their operations. In general, they present a large, but well structured, agenda that covers all sustainability pillars, such as employee diversity, healthy food, protecting ecosystems and protecting children from abuse. Considerable investments, mostly in the environmental area, are being made.

"We have been making an infinite number of things for sustainability. So far it implied big investments, maybe much more than actual return"(large, international, all).

Additionally, they report being very discrete in their marketing efforts, when comparing to other groups. However, one has to acknowledge, they also look for the long-term reputation benefit. Articulation between HR and Sustainability departments is vital, and every HR practice is connected with sustainability. For instance, regarding communication, training and compensation

"We created a leader figure: the ambassador of the environment, who also has a number of responsibilities inside the hotel" (large, international, all).

Each hotel has a leader figure, and each one of these 'champions' receives an annual monetary compensation. This fact clearly demonstrates their interest and dedication towards the sustainability cause.

The good citizens

"I would resume this to a phrase: So that we can be, as a company, the equivalent of a good citizen." (small, international, upper).

Good citizens focus on employee and community dimensions and include both national and international hotels and chains. They reveal care for employees by mentioning a considerable amount of perks, labor conditions, and, sometimes, learning opportunities. It is important to remark that these practices are also found in the two groups mentioned above.

Regarding communities, the group invariably presents "show-off" initiatives, usually requiring employees' participation. Many times, these initiatives are thematic and performed outdoors:

"For instance: the tree day. We pick up a team, and we all go and plant some trees."(medium, international, upper).

One of the interviewees talked about the contagious effect of these practices, both to clients and employees, which was also mentioned by Bohdanowicz *et al.*(2008, 2011). Others admit the promotional intent:

"It is not the moral of doing good without advertising. Is the moral: "I do good, and I want everyone to know that I did this good" (large, national, upper).

But most of the interviewees are reluctant in pointing out the marketing benefits. They usually present a mix of moral and money feelings:

"Obviously, eventually everything results in money, and eventually all these environmental measures also result in money, but I personally believe, and I am very convinced, that this is not the base" (large, international, upper).

Regarding overall support and HR articulation with sustainability departments, there are differences depending on the hotel origin:

International good citizens present strategic lines, but deal with a full agenda:

"So we have, I mean, I don't now really know well where to begin because we have so many activities…"(large, international, upper).

Budgets for these activities are split across different departments. For instance, in the HR budget, costs of initiatives involving employees' and communities are included. Cross functional teams are created for ideas brainstorming and better articulation among departments. One example is the "Green Council", where the HR manager is the coordinator. Besides, references are made to a Public Relations member, usually in charge of organizing various events with social institutions (Fenwick & Bierema, 2008). National good citizens, on the other hand, have no agenda or budget:

> *"Sometimes I say yes, other times I say no…because the number of requests is terrible and getting bigger. At some point we have to define a value, right? But it was clearly said to me: No." (large, national, middle).*

Also, there is weak articulation between the HR and Sustainability departments. Each department is perceived as having a specific "responsibility", although they reportedly cooperate.

Overall, top HR practices are communication, recruitment and selection; and training. Most good citizens give examples of CSR practices related to recruitment and selection. For instance regarding the recruitment of young individuals in foster homes:

> *"The older ones were already here in internships. We give them the tools, so that, later, they can enter the labor market. We have concrete examples of persons who made an internship and today are our collaborators" (large, international, upper)*

The ones who obey the law

> *"The idea is: we have to collaborate once that initiative appears, and sometimes even anticipate legal imposition"(small, national, lower).*

This group may talk about eco-efficiency initiatives or legal requirements: recycling, energy saving, food safety certifications, reusing guests' linens. The reasons for not going beyond the law are varied: Some express disbelief of this being a good marketing strategy: *"Maybe, this is not the target" (large, national, all).* Others, express distrust and cost constraints:

> *"They invent these green things, but then you have to feed this machine, and someone has to pay for it" (small, national, lower).*

Sometimes, shareholders *"are too much focused on hardware"* and the current scenario simply makes it impossible:

"To have an idea, we are going through a financial restructuration that involved 750 persons leaving the house, which is really complex and profound" (medium, national, upper).

Understandably, there is no support at all. In these cases, HR practice is also peripheral to the business as expressed by the following sentence:

"There is no HR director but instead: one person to process the wages, one for recruiting and another for training" (large, national, all).

Most cases may raise doubts if people issues are part of their business considerations.

Summary

Overall, hotels with a business or holistic approach (Elkington, 1997), respectively **Business Thinkers** and **Sustainability Advocates**, seem to present a clearer and more systematized definition of the HR role. Moreover, they certainly mention the interrelatedness of their roles with CSR and CS themes.

Fenwick and Bierema (2008), argued that HR managers tend to focus on the employee dimension, namely employee learning and promotion, employee ownership of development, employee safety and respect. In hotels, HR managers' sphere of influence is larger, as long as they are not legally bounded. In case of international hotels, HR managers are called to address people, communities and environment. Garavan and McGuire (2010) stated that, among other variables, the industry and firm size must be taken into account. In the Portuguese context, it seems that the hotel size and general category may not be significant indicators of the HR contribution to CSR and CS. Within the legally bounded group, there are 4 and 5 star categories, of more than 1000 accommodations.

Additionally, in the Portuguese scenario, HR managers of international hotels do not seem to better contribute to CSR and CS. Most of them are included within the **Good Citizens'** category. The comment *"style triumphs over substance"* (Visser, 2010:78) applies to this category. Moreover, all international firms focus on global problems but seem to disregard the most pressing local issues. Throughout the interviews, some managers of international hotels revealed that they have autonomy in CSR and CS initiatives but, at the same time, they need to comply with several standard procedures, and possibly they have too many themes to address.

5.2   Current roles of HR managers: Being Passive or Active?

Fenwick and Bierema (2008) found that when HR managers were approached about their role in CSR, they revealed puzzlement and disconnection. In this study, this is also true when the degree of articulation between both departments is weak, as is the case of **Good Citizens**. Overall, the analysis revealed two top HR roles practionitiers are engaging in -*Communication* and *Training*.

    Communication

    "I confess that two years ago, we had a surprise: folks don't understand what our activity is! I mean, we have to do something, I have to spotlight it"(large, national, middle)

Communication is by far the most present HR role. In fact, literature largely acknowledges that internal communication is highly important for embedding sustainability and spreading information across organizations (Bohdanowicz *et al.*, 2008, 2011; Haugh & Talwar, 2010; Grosbois, 2012). Communication can have different meanings and be exerted top-down or bottom-up (Bohdanowicz *et al.*, 2011). Regarding CSR and CS initiatives, most hotels focus on top-down communication, and

the most used communication strategy is directly informing employees about the activities. Several means are used for direct communication, which can range from handbooks and magazines to use of social networks, such as blogs (Haugh & Talwar, 2010), and TV news:

"We *have a TV at the cafeteria. Me and other colleague work to provide news to collaborators. These kinds of initiatives are included in the information package"(large, international, upper).*

Another communication strategy is using group meetings to inform general managers about procedures or events. This information would be further passed to team managers and, eventually, to employees. The relative autonomy of hotel units in terms of people management was repeatedly mentioned, namely that team managers have HR ownership in managing their teams, usually being in charge of communicating and motivating towards CSR events.

Within the communication role, bottom-up communication is also reported. In rare occasions, HR managers work as **Sponsors** of staff CSR ideas, as expressed by this participant:

"The board eventually is present in decision making, and the HR is to collect allies for this situation. And let's say that has been our role (large, national,upper)

Training

Training, which can also be considered a *latu sensu* type of communication, is the second most frequent HR role. In this study, training is considered a teaching procedure (Haugh & Talwar, 2010) that involves introductory and on-going initiatives. The training themes are as varied as the dimensions of CSR and CS. Almost all participants mentioned introductory or on-going training on environment, safety and health. Many

hotels put high emphasis on the number of hours and large variety of training programs offered to employees. As someone pointed out:

"*Employees are constantly being subject to refreshments and actions in these areas*" *(small, international, upper).*

Some hotels referred the importance of building respect among employees (Fenwick & Bierema, 2008). They acknowledge that respect is crucial in the hotel industry:

"*When the workload is huge and everyone is high paced, the respect component can become very fragile, a thing almost to ignore*" *(large, national, middle).*

One hotel uses respect as a code of ethics and calls it the "golden rule".

Considering international firms, participants mention that some of these training programs are given by a board director:

"*It is mandatory, and he is the one who must do it, not someone else. He is the one who talks with all the workers*" *(large, international, upper)*"

Moreover, some participants mention e-learning or in-house schooling. In case of the training role, it is clear that the employee dimension (care for employee learning, development and promotion) gains force within the HR managers' agenda.

Other current roles

An important role that is practiced by a few HR managers is the role of **Nurturing.** It is well expressed by this participant:

"*My role, particularly in the area of HR, is to be able to create a sustainability culture, to feed it and keep it alive*"*(large, international all).*

It usually takes into account sustainability initiatives and goes beyond the standard training and communicating practices. It is about values' change and it implies facing employees' resistance (Bohdanowicz *et al*., 2008, 2011) and working towards it by

activating mechanisms such as rewards and recognition (both extrinsic and intrinsic). This can also be considered as a form of bottom-up communication, as employees' participation is incentivized through sustainability challenges, that usually involve a bonus for the best ideas. An example:

"We have a program, which is called "Innovate and Motivate" that is for workers to have ideas in the shower, and they receive a prize at the end" (large, national, middle).

In fact, many references were made to employee resistance. Occasionally, HR managers apply a more outdated method that consists of directly **Monitoring** employees' behavior:

"*I go through the hotels to be with people, and check if they are doing things accordingly, calling attention and so on" (medium, international, upper).*

Summary

This study indicates that HR managers are being compliant when addressing CSR and CS issues. Although some of them are interested, and working towards embedding sustainability across the organization, the general pattern is that they engage in top-down **Communication** and **Training,** rather than **Persuading** and **Changing.** We may argue that this is not the HR managers' job. But, if most of them report a sphere of influence that includes, at least, Employee Care and Communities, maybe they can work as a strategic "window" for businesses to address social issues. This implies a much more active HR role within a firm.

5.3 HR initiatives: the Importance of Measuring Impacts

Haugh and Talwar (2010) stress the importance of impact measures in order to embed CSR and CS across organizations. Among others, they refer to the Global Reporting Initiative (GRI), which adopts a TBL framework (Visser, 2010), and to standard procedures such as the ISO frameworks. Throughout the interviews, when asked about impact measures, no references were made to the GRI or other form of external reporting, but many references were made to the ISO processes. Certification for environment, quality, safety and health appears to be commonplace for hotels.

Considering the scope of this study, which is to analyze the kind of measures HR managers are using to evaluate the impact of their CSR and CS inspired initiatives, we must distinguish between what constitutes HR "traditional" practices in the employee dimension, and other HR practices that relate to CSR and CS. This study has no sufficient information on the kind of records (i.e employee absenteeism or turnover) HR managers use to track the impact of "traditional" HR practices such as improving labor conditions and employee learning.

Additionally, although many references were made to KPI's under the ISO principles or other standard procedures, it was unclear how these indicators relate to HR practice connecting to CSR and CS; and if they accurately assess the impact of HR initiatives (business or social impacts). Accordingly, no considerations will be exerted upon these topics.

Regarding other dimensions, the overall conclusion is that HR managers do not measure the social and business impacts of their specific CSR and CS initiatives.

What some of them do (although not many) is to collect some HR indicators that include or relate to CSR and CS initiatives. Two types of indicators were mentioned: Organizational Climate and specific quantified indicators.

Regarding organizational climate, the main objective is to understand how community initiatives, of philanthropic nature, build employees' organizational commitment and job satisfaction. Ultimately, some participants argue, this is beneficial for the business. Empirical research seems to support this claim by showing a positive relationship between external CSR and organizational commitment (Millington & Rayton, 2007) and, ultimately, linking it to service quality and firm performance (Bohdanowicz *et al.*, 2008, 2011). However, the work-related attitudes argument presents many drawbacks, since the number of variables capable of influencing organizational commitment and job satisfaction is large. Therefore, it is very difficult to isolate the contribution of specific CSR initiatives to organizational commitment and job satisfaction. Moreover, it is even more difficult to establish a direct link between CSR, quality of service and productivity. So, how can one prove that the CSR philanthropy-kind initiatives will positively influence employee commitment, satisfaction and, ultimately, productivity and money for the company? Also, it does not help if we think that some of these philanthropy-kind initiatives involve employees' volunteering, an extra-role (Bohdanowicz *et al.*, 2011) and extra "working" hours, which are not being paid. Maybe, some employees prefer to use this time to be with their families. The drawbacks equally extend to CS initiatives if we consider, for instance, the extra-role burden (Bohdanowicz *et al*., 2011) and, therefore, the natural resistance they might cause. One might argue that HR managers are unaware of the possible negative impacts that some of these initiatives might have in the business.

One participant said:

"This year we already count with 2500 training hours in the areas of safety, health and well-being"(large, international, upper).

Occasionally indicators relating to number and types of training hours, number of employees with disabilities or women in board positions were mentioned. These constitute direct indicators of CSR and CS. However, they do not explain the impacts for the business or the society, from a qualitative point of view.

Hotel HR managers need help in understanding how to efficiently measure the impacts of their CSR and CS practices both to the business and to the society.

6 Conclusion and Implications

In 2010, Visser claimed that there is no point in CSR unless it is about solving the real problems and reversing the negative trends. In 2012 it seems that CSR in the Portuguese hotel industry still is about promotional activities rather than structured and valuable programs. In general, HR managers are being passive rather than proactive when shaping CSR and CS, although some of them are actively fostering a sustainability culture (Elkington, 1997). None of them is accurately measuring the impacts of HR initiatives, for the business or for the society.

Meanwhile, a global debate around the concepts of Corporate Social Responsibility, Sustainability and Shared Value is taking place. The concept of SV, developed by Porter and Kramer (2006, 2011), is to create large scale social benefits and profits through innovation. The authors state that this is possible if companies focus on the interdependencies between their businesses and society. It implies reconfiguration of value chains, rethinking products and markets or creating local clusters in order to boost local economies. Compared to the CSR and CS concepts, SV is business focused

(indeed, it is not a duty towards the society; it is an option to make business) and therefore it has the potential for mainstream appeal; it is a practical philosophy, tailored to each company, and already experimented with success; it is about creating competitive advantage, therefore, adding real value to business and society. It does not, obviously, substitute the fact that companies should be ethical and sustainable (Porter & Kramer, 2006).

Borrowing from the Shared Value framework, and bearing in mind the principles of Creativity and Glocality, as defined by Visser (2010), I defend that HR managers have to be more **proactive** and **focused** in their approaches. They have to be business strategists, creative and glocal thinkers. In my perspective, this is the first step for HR to shape CSR and CS within a firm. The idea is to progress towards a Shared Value approach to the business. In the Portuguese hotel industry, it was visible that HR managers have a large responsibility over Employee Care and Community agendas. Therefore, if they have vision and motivation, they can be the first ones to pursue Shared Value practices. In the current situation, many problems can be tackled under this perspective, such as unemployment and employee depression, low compensation levels, developing synergies with universities and preservation of local culture and traditions. The Shared Value framework implies pursuing specific projects, according to firms' resources and capabilities, thinking creatively about them and measuring impacts, both for the business and for society. Measuring impacts, and translating them into monetary terms (whenever possible), is the best way to get buy-in, from the board, top and team managers'. Measuring Shared Value is still *"in its infancy"* (Porter *at al.*, 2011:5), but it doesn't need big budgets. It just needs focus, and a little bit of creativity. HR managers are already applying some Shared Value initiatives such as providing

entry level employees with training so that they can apply to better positions within the company. The next step is to find impact measures for these initiatives, so that positive impacts can be traced and expanded.

This subject goes beyond the HR department. It can be seen at an individual, firm, country and global level, and it obliges firms to deeply understand their products, value chains and communities, their interdependencies and synergies. In summary, the SV perspective is a "reality injection" for most companies, allowing them to pass from reputation practices to making a real and scalable difference.

7   Limitations

This study has some limitations. To start with, it just considers HR managers' points of view. These may not necessarily translate all the CSR and CS actions carried out by each hotel group. Moreover, the opinion of CSR (sustainability or quality) managers would have facilitated the collection of more accurate conclusions regarding sustainability. For instance, it might have been useful to understand how ISO certifications, and other standard procedures, relate to HR practice.

Additionally, the sample, although representative, is not uniform in terms of HR practice history. Some HR managers started their jobs very recently, which influences their roles in CSR and CS.

8   Future Research

One immediate suggestion is that employees must be taken into consideration in order to understand the role of HR in shaping and fostering CSR and CS. How do they feel about the current HR role? This argument extends for other stakeholders such as

suppliers and clients. Are they aware of HR practices in CSR and CS? Is this relevant for them?

SV, CSR and CS are different concepts overlapping and complementing each other. It will constitute a personal option of the investigator to choose which concept to address when approaching the role of HR. The debate regarding which of these concepts will take the most relevant role in businesses has just started. However, it is a happy coincidence that Visser (2010, 2012), a responsibility and sustainability advocate, refers to many of the pioneer companies in SV when exemplifying what he calls "CSR 2.0". Furthermore, Elkington (2012), a sustainability advocate, mentions that, if this concept is well tuned, SV might be the path towards Sustainability. Successful firms are embracing Shared Value as their new business strategy. Social entrepreneurship is gaining increasing weight. Evidence leads us to conclude that SV is a good candidate to be "the way of doing business" in the future.

Regarding the role of HR in SV, many suggestions can be made once this is such a recent concept. There are three questions which, I believe, need to be addressed, ie, how to measure the social and business impacts of HR initiatives, which skills and competences HR managers must have in order to engage in SV, and how can HR managers effectively address social problems in their areas of action.

At last, it will be interesting to understand the role of HR in fostering a culture of innovation and glocality.

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11 Appendix I – Sample Information

Table 1. Sample Characteristics

Origin	Distribution
National	7
International	5
Size [1]	
Large	7
Medium	3
Small	2
Category [2]	
Upper	7
Middle	2
Lower	1
All	2

1. Size
   refers to the number of accommodations (rooms/villas)

   Large: >1000
   Medium: 500-1000
   Small: 250- 500

2. Category
   refers to the number of stars

   Upper: 4 and 5*
   Middle: 4*
   Lower: 3*
   All: 3, 4 and 5* (stars vary across unities and brands)

Table 2. Information on Sample Process

Interview Status	International groups	National groups	TOTAL
Accepted	5	7	12
Denied	1	0	1
Showed theme incomprehension (denied)	0	2	2
Didn't reply	1	4	5
TOTAL	7	13	20

12 Appendix II- Interview Script

Q.1 CSR and CS concepts

What does CSR or CS mean to your company?

Is it strategic to your firm? How?

Which are the economic benefits?

Do CSR and CS initiatives foster innovation?

Q.2 CSR and CS priorities

Which are the priorities?

Does this translate into strategic lines, politics and periodic agendas?

Do you have codes or certifications?

Do you have a budget?

Q.3 HR role in CSR and CS

What is the relationship between HR and CSR/ CS departments?

Which HR projects or initiatives do you consider most relevant to foster CSR and CS?

How does the HR department motivate employees and implements these practices?

Q.4 HR practices {depending on previous answers more details can be obtained regarding HR practices}

HR department help in terms of:
o   Recruiting and Selection
o   Training (building skills and competences)
o   Internal and External Communication
o   Evaluation and Compensation

What is the role of leaders (executive committees, board of directors, line and team managers) in this new CSR and CS agenda?

Q.5 Embedding CSR and CS in the organizational culture

Which aspects do you consider most relevant for the creation of an organizational culture based on CSR and CS?

Q.6 Stakeholders

With whom does the HR department interact most?

Key stakeholders are invited to participate in internal processes? How?

Q.7 Impact measurement and follow up of HR initiatives

Are the impacts of HR initiatives registered and monitored?

Do they translate into indicators?

How is follow up made?

Do you incorporate the impacts of HR initiatives in public reports?

Q.8 HR's own expertise

The HR department is familiarized with CSR and CS practices?

HR managers have the skills and knowledge to apply CSR and CS?

Q.9 Results and challenges

Tell me about the most significant results from HR efforts in CSR and CS

In general, which are the 3 main challenges and which priority will they have in the future?

Q.10 Summing up

Which aspects do you consider more relevant for HR to shape CSR and CS?