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Corporate Social Responsibility and its importance from the general to the hospitality sectors: A Literature Review

Corporate Social Responsibility (CSR) policy operates as the self-regulatory system in which a company observes and makes sure it is active in terms of compliance with national norms, ethical standards and the spirit of the law. Williams, Sheridan, and McLean (2019) point out that CSR is a corporate method which is aimed at leading to sustainable development by providing environmental, social and economic benefits for every stakeholder involved. With certain models, a company's implementation of CSR goes beyond compliance, and involves actions which seems to add some social betterment, beyond the benefits of the company and that which is needed by regulation. The motive is to upsurge long-run profits through shareholder trust by taking accountability for business activities, high ethical morals to decrease legal and business risk, and ensure positive public relations. According to Huda et al. (2018), CSR tactics motivate the business to have a fruitful influence on the stakeholders and environment including communities, investors, employees, and consumers.

Thoughtful hospitality includes sharing and recognizing guest expectations of social responsibility and the rising demand for eco-friendly products and services. Sustainable hotel design is fundamental in enhancing the guest experience. The concept of sustainability has been growing across all industries since the 1970s due to industrialization (Hsieh, 2012). Many hotel companies today are implementing simple and cost-effective green practices such as recycling, reusing linen, and reducing waste. Hotel managers and operators are not the only ones concerned about environmental issues. Over the years, hotel guests have also become increasingly aware of these issues and hotels' green practices (Yi et al., 2018).

CSR has become one of the standard business practices of our time. Although it is not a legal requirement, it is seen as a good practice for a company to take into account social and environmental issues. In the following literature review, the importance of CSR is first detailed in general then argued for in the case of the hospitality industry.

Definition and importance in general

Corporate Social Responsibility is a management strategy whereby companies voluntarily take into consideration the environmental and social aspects as well as consequences of their activity (Flammer, 2015). The key notion of CSR is responsible and ethical conduct towards every stakeholder whereas respecting the society at the same time. Originally, the concept of CSR was specifically interesting for large companies, especially international ones. Presently, CSR has become attractive not only to management theorists and corporations but to medium and small-sized companies as well. The strategy enables them to work in an efficient and stable manner and opens up new competition areas. Schönborn et al. (2019) affirm that organizations that are involved in an active CSR effort take stock of the means they operate in the community to address social and cultural issues, with the motive of gaining both in the process. Not merely can CSR models increase revenue and business, they encourage progress and change throughout the world that often includes helping individuals with few or no resources from the view of Trivellas et al. (2019). Although social responsibility is not a legal obligation, it is observed as a good practice for the business to consider environmental and social issues, because ethical practices are being increasingly recognized as important for the company's success. Furthermore, CSR is beyond merely donating money or printing double-sided to save trees; it entails operating ethically and transparently and contributing to the welfare and health of the community (Hawn – Ioannou, 2016). More significantly, this manner of operating need to be embedded in the organization, instead of being a mere afterthought (Ameer – Othman, 2017).

Park et al. (2019) claim that CSR is seen as different from philanthropy. If properly employed, it should turn out to be ingrained in the culture and values of a corporation, and positively influence the manner the firm does business. CSR should become inherent in the objectives and goals of a firm, and also hold a solid place in advertising and marketing. Organizations that ignore CSR run a risk to their brand and their bottom line (Aljarah et al., 2018). Having a bad reputation environmentally and socially can generate serious negative impacts on the general profitability as well as the success of a corporation since current consumers need to spend their money on services and products that they have confidence in, and engage with businesses that follow ethical practices, which meet their principles.

CSR also includes ideas that a business should balance profit making with the activities that benefit society. Establishment of business should positively impact the society where it operates. According to Kolk (2016), CSR motivates the investors to invest within the company while the consumers purchase goods and services thus shifting the responsibility to profits and benefits to the company. Businesses need to develop ethics that guarantee the success of the corporate with the assist of social responsibility (Kolk, 2016). Therefore, for the effectiveness of social responsibility, the business should operate voluntarily with the pressure from the outside forces such as the government. The business that develops as a result of social responsibility is concerned with the ethics that should boost the company's morale and that of the employees.

According to Kolk (2016), many factors outlines the developing interest in CSR. The first aspect is the new expectations and concerns of industry change, public authorities, and customers. The second aspect is the rising social standards influence on the investment choices of institutions as well as individuals, as consumers or investors. The last issue is the increasing concern regarding environmental degradation. These are significant concerns given the notion that environmental conservation has turned out to be growing importance for everybody in society today (Williams et al., 2019). As mentioned above, CSR involves actions that give back to society, or make sure fairness in the operation of the business of activities.

CSR can help improve the corporation's public image. This is important, as customers may assess public business image when choosing whether to buy from the firm. Social responsibilities focus on issues like being environmentally friendly, acting responsibly towards the customers, employees and the suppliers (Crane – Matten, 2016). They are the responsibilities that the business undertakes because it is felt that doing so is doing the right thing. They assist in generating a positive image concerning the firm thereby contributing to its prosperity. CSR to clients is a crucial aspect of ethical responsibilities. Customers are the individuals that consume the products that the business sells (Lee et al., 2019; Varga – Kemény, 2016). Therefore, they are the purpose as to why the business is existing. Offering various initiatives like fair prices, sponsorship, scholarships, quality products and even after sales services are portion of the ethical responsibilities (Friedman, 2007). Also, staff members volunteering just one hour every week at a charity demonstrates that the organization is a brand dedicated to helping others. Such acts make the customers and citizens feel appreciated and happy about the business. Consumers then are inclined to go the extra mile to refer the same business to their friends and relatives. Such cases can contribute to boosting sales and in turn, to generating higher revenues and thereby to improving the organization's profitability.

Another significance of CSR is that it may lead to greater employee engagement. According to Melton et al. (2017), staff enjoys working more for an organization that has a better public image than for one that does not. The principal focus of CSR is to engage workers is by providing labor practices that are fair to every workforce of the business. Such initiatives include compensating them based on the amount of task as well as the proficient skills that they possess, giving insurance, appreciation, bonuses, awards among others. Either, good salaries and welfare will motivate the employees to work efficiently, hence improving their productivity (Williams et al., 2019). This means that employees that perform a similar duty or task should be paid and treated equally. Also, the living wages and the minimum wage initiatives should be implemented entirely and appropriately to ensure that the employees can meet their primary needs comfortably (Melton et al., 2017). These raise the trust the staffs have for the organization and enhance a favorable attitude towards work.

Hence, the employee's productivity increases, and they sustain attractive and morals communication skills while handling clients (Varga – Novák, 2017). This will translate into increased profits as the workers will always be dedicated to working and hence increasing the unit output per time. Additionally, by displaying that the business is committed to things such as human rights, it becomes much more likely to retain and attract the top candidates.

Besides cost saving, CSR can offer the company a competitive advantage (Korschun et al., 2014). In such a case, this business will secure a vast market share and increased customer retention. In turn, as a result of increased sales, the company will make more profit. For instance, a company may decide to design its process of manufacturing so that it includes the recycling of waste or by materials. The recycled products may then be sold to society at a lower price. This is an additional source of profit that is as a result of implementing sound economic responsibility. Also, it is crucial to argue that recycling these products reduces the production cost (Saeidi et al., 2015). If the value of production is low, then directly that translates to increased profits. The company may choose either of the following options in such a case: one is that it may maintain the price of its products, and the other is that it may reduce prices to increase its sales. In both cases, the outcome is the maximization of profits.

CSR was also shown to increase customer engagement and motivation. Pérez and Rodríguez del Bosque (2015) claim that if a company is using sustainable systems, it should shout from the rooftops. This is through availing fund that may be utilized to engage in events such as offering donations, environmental conservation, and community-grounded projects. Panda (2014) mentions that workforces are a business's most treasured asset. This is the premise of a corporation's responsibility for this crucial shareholder group concerning CSR compliance. It implies treating staff with respect as well as providing fair working conditions. It also means promoting a non-discriminatory workplace and creating fair hiring practices. This improves morale within the workplace and encourages teamwork. Showing such efforts to local media outlets will give it certain coverage hence making customers follow this and engage with the organization's brand and operations. Perry et al. (2015) argue that engagement of companies in such initiatives creates a good public image, and clients and investors like to associate themselves with such a corporation. This builds trust and excellent customer rapport. Subsequently, the business is subject to a high customer retention level and attract more new clients. Thus, the profit margin of the business rises.

Consequently, there are activities that a business engages in through CSR with the aim of investing in society. They go beyond what the owners of the business or the company believe is right. They are done with the sole intention of benefitting society. They include donation services, engaging in environmental maintenance programs, taking part in charity events, and donation of time to participate in other community events (Rao – Tilt, 2016). Such events reinforce the relationship between the corporation and the community together with the employees. They are investments that capture the loyalty of the clients and employees of the corporate. For instance, engaging in the funding of educational

services assures the business that there will always be a continuous supply of skilled labor. It also leads to attracting new customers as many shall be proud to be associated with the business (Williams et al., 2019). Consequently, such a business will widen its profit margin in the upcoming as it will have formed a large consumer base and employees with a positive attitude towards work.

A CSR policy advances company value as well as profitability. Implementing energy proficiency and waste recycling diminishes working costs hence benefits the community. CSR also company transparency as well as its accountability with the media together with investment analysts, local communities and investors (Saeidi et al., 2015). As a result, CSR increases its reputation amongst stakeholders comprising communal funds that incorporate CSR into their stock choice. The result is the moral circle in which the firm's stock value increases and its accomplishment to investment capital are made easier.

Practicing CSR is a way business meeting the legal responsibilities of creating an enabling operating environment and development of infrastructure in the community. Ward (2018) argues that an organization that fulfills its legal responsibilities maintains a smooth flow of operations. This is because it is not subject to being held accountable by the government or the necessary authorities. It evades heavy fines that might be imposed as a result of failing to pay taxes or engaging in unlawful acts. Such kind of penalties may cost the business a lot to the extent that it may even be terminated. Therefore, taking care of these responsibilities equates to making profits since the business will not be vulnerable to such inconveniences.

Similarly, *customers, labor, and raw materials* are the primary inputs that constitute the existence of a business. The accessibility of these three inputs should be less costly and easy (Halkos – Skouloudis, 2017). That means the transport and security costs that are involved in availing raw materials into the company should not be too high. Poor roads and insecurity complicate this idea. It is through the payment of taxes that the government accumulates revenues to improve the infrastructure. Hence Singh and Sandhu (2016) reveal that an organization paying taxes is supporting the growth of infrastructure and hence leading to lower transportation costs. Also, critical inputs like electricity and water are also availed. These reduce the operating costs of the business besides offering infrastructural development in the community. Again, when the business is accessible, its products are available to a large number of customers and hence increasing the sales volume.

Companies that focus on CSR classically have an easier involvement while dealing with government regulators as well as politicians. In contrast, organizations that display reckless neglect for CSR tend to get themselves fending off various probes and inquiries, frequently brought on at the persistence of public service institutions (Wu et al., 2015). The more positive the public insight is that a company takes CSR seriously, the less probable it is that activists will launch public campaigns, or demand government investigations against it. Another reason why businesses should have visible CSR campaigns is because of the occurrence and importance of social media (Panyi – Varga,

2017). Companies that want to secure their brand recognize that social media is a vital portion of public insight (Varga – Panyi, 2018; Werhane et al., 2017). If an organization practice social responsibility in the mode of raising funds or setting up worker giving initiatives, utilizing social mass media to inspire these activities assists to form a good branding atmosphere and it is a great means to engage with the firm's audience on a detailed rate that goes beyond the services or products (Berke et al., 2011; Cihan et al., 2017).

Role in the service sector

Several services are major inputs to most or all other business. Infrastructure services like transportation, telecommunications, and energy; financial services that offer access to finance for investment and facilitate transactions; education and health services that contribute to well-trained, healthy employees; and accountancy and legal services which are a portion of the organizational framework needed to underpin the strong market economy. Jo, Kim, and Park (2015) argue that these service sectors are, therefore, a crucial portion of the investment climate, as well can possess a much broader effect on general company performance in addition to the rate of investment, and hence productivity and growth in the economy through the engagement of CSR. Hawn and Ioannou (2016) assert that the service sector makes a significant and direct contribution to job creation and GDP and offers vital inputs for the entire economy.

One of the importance of promoting CSR in the service sector is the favorable environment it builds for the employees. When management and employees feel they are working for an organization that possesses true integrity, they will possibly be highly engaged as well as enthusiastic in their jobs (Bhardwaj, 2016). This can generate a sense of cooperation and community which brings everybody together and then results in happier, and more productive staffs in the service sector (Chaker et al., 2019). Reverte et al. (2016) also add that engaging in CSR helps service sector corporations to attract and retain competent and quality workforce. Employees in the service sector frequently seek jobs from employers that demonstrate ethical behavior as well as possess values, which align with their own. Offering prospective employees the chance to be engaged in a corporation's socially responsible practices might have the impact of teaching new knowledge to workers that may be implemented in the place of work (Jo et al., 2015). By participating in events outside of their normal work tasks, staffs could contribute to work as well as causes that they may feel zealous about or learn something generally new which can assist enrich their perspectives. By backing these activities, companies encourage support and growth for employees.

Conversely, public relations are also a powerful tool for building a service sector's image and shaping consumer perception (Polereczki et al., 2012). According to Williams et al. (2019), organizations in the service sector that actively encourage their CSR activities frequently take actions to publicize these efforts via social media. Social responsibility initiatives could be considered as a potent branding strategy for service sector

representatives in order to gain publicity (Varga – Lehőcz, 2013). For instance, Schönborn et al. (2019) maintain that a service sector corporation that utilizes sustainable materials in their services, donates financial capitals to environmental causes, and enables workforces to take paid moment off for volunteering at eco-friendly charities will be displaying a real obligation to the community, which goes beyond any single CSR initiative. Likewise, Hawn and Ioannou (2016) reveal that supporting local organizations and investing in the community by service sector can differentiate a business brand from the rest. Accountable business activities can enhance public perception of the service sector brand that can increase its consumer base and general sales. It can similarly gather interest from investors who only invest in socially-responsible firms.

A strong CSR framework is important to preserving and creating trust between the clients and the company. It can reinforce ties, foster stable working as well as build alliances relationships with both new and present clients (Park et al., 2019). One means in which the service sector can attain this is by offering pro-bono or similar services where the organization can collaborate with non-profit organizations to back up their public value results, where resources or funds may be limited. In turn, this assists delivered public value results that might not have been delivered otherwise.

Functions of CSR support the service sector in ensuring long-term, sustainable financial health. Managers that receive annual or quarterly performance-based incentives – a usual practice among companies – frequently focus mainly on a corporation's short-term financial outcomes. While this is a significant component ensuring profitability, it does not necessarily imply that profits are sustainable in long-run. For example, according to Ward (2018), reinvesting profits into the universities and local community by a service sector company generates a thriving local economy that makes it simpler to get talented contractors and employees. Focusing on sourcing materials and inventory in an environmentally-friendly, sustainable means ensures that the service sector would not run out of resources in the upcoming for developing products.

Involving CSR by the service sector assists in society development. By making boreholes in dry regions, providing scholarships, building schools or offering sustainable inventions for food availability in dry regions may make the nation attain their sustainability missions. It may even make citizens more loyal. According to Rao and Tilt (2016), there is nothing as vital as having loyal employees and customers; those who are willing to go the extra mile to see the company succeed. Service sector companies contributing to society shows that they care about their communities, which attempt makes employees feel more satisfied and customers more engaged to their efforts (Halkos & Skouloudis, 2017). Citizens want to be linked with brands, which do something in favor of the community irrespective of how little, for the environment, community or country. With loyal citizens who are glad concerning the company's efforts, the organization can be sure of improved revenue generation.

CSR in the services sector can help generate opportunities for nations to increase their services outputs in sectors in which they possess a relative advantage, hence creating foreign exchange and generating jobs. This might be particularly significant for those countries which are comparatively remote from the international goods markets because of being landlocked or having poor transport infrastructure (Supanti et al., 2015). CSR also helps the service sector offer a well-organized communication and transport service, sufficient banking facilities together with the expansion of medical and educational services in the backward areas of the nation. Hence it assists in wiping out the challenges of regional disparities and imbalances within the country. This helps to develop suitable markets for both industrial and agricultural goods; semi-finished goods, finished goods, and raw materials (Varga – Pintér, 2012).

Importance in the tourism sector

In the tourism industry as in other corporate sectors, the idea of CSR has developed as a key component of corporations' strategies. To work effectively in the future, De Grosbois (2016) states that it is crucial for tourism organizations to realize and implement CSR strategies continuously. Contributions to the welfare of local society, fair working conditions, and environmental protection for workforces are key matters in the tactics of international tourism businesses. Tour operators thus have a crucial influence on office operations on the supply chain comprising accommodation, land transport and aviation, energy consumption, waste and water management (Fatma et al., 2016). The tour operators' scale concerning CSR plays a key role in persuading a large number of customers to implement more responsible activities and to assist local, and hotels suppliers raise social, environmental, safety, and health standards. Advertising campaigns including socially responsible activities at regional and national levels assist in clarifying the important social and economic benefits of such events to specific tourism businesses and upsurge the competitiveness of the sector on the transnational market. Horng et al. (2018) hold that CSR has shown to be the best means to build relationships with the clients in the tourism industry. If a CSR plan is integrated with the tourism industry's business model, it entices positive publicity, wins the loyalty and trust of the clients, improves the sales, builds a lasting relationship with the communities and guests, and thus, improves financial success.

CSR in the tourism sector is viewed as a vehicle for poverty reduction and economic development, unlocking chances for native economic diversification in marginalized and poor rural regions that lack other substantial development opportunities. Kim et al. (2018) note that the growing discussion on the pitfalls and potential of the tourism industry has led to the search for better tactics to environmentally delicate tourism. In the tourism industry, CSR strategy practices and development are important in the project planning comprising customer service points (reception and reservation offices), marketing, communications, programs for (guest) mobility, food and beverage, house-keeping, disposable systems, water and energy supply, construction, architecture, and site selection

outside facilities. The major areas of tourism businesses engagement are responsible for waste management and water and energy conservation, all resulting in substantial cost reductions. Also, the spheres of actions where CSR is important under hospitality organizations, according to Tuan (2018), includes the contribution it brings to the nature and biodiversity conservation, contribution to society development (consisting of offering safe and fair working conditions and employing local individuals, providing training programs to enhance the local labor force as well as buying services and goods from local suppliers. This implies engaging in a teamwork with local providers, backing up social projects to improve society's well-being and social problems within the place of work (for instance, equal and fair treatment and fair wages particularly for indigenous people and women, sexual harassment, and child labor). The practice of CSR in the tourism sector provides a competitive advantage since tourists currently pay attention to the businesses motivation to get involved in social responsibility and merely uses the firm's services whose social engagement matches the business's objectives and expresses its missions and is not just utilized as a marketing strategy (Lee et al., 2019).

Exercising CSR in tourism helps individuals of the community to promote their norms and culture hence providing the opportunity to the nation to make a good image and be exposed around the world. A country having a tourism industry that is reached with cultural environment comprising human relations, religion, and art can attract many tourists to their area; tourists who might introduce new styles or ways to the places (Rahmawati et al., 2019). The prosperity that can be gained from CSR under the tourism sector is not just monetary but as well in the form of natural resources preservation. For example, social initiatives will raise the number of tourists, thus making the tourism businesses in the region to become famous amongst tourists both international and domestic. CSR programs promote the hotel, bakeries, shops, lodges, and museums in the region. This creates a main source of income to thence improving the economic status of people involved in the tourism industry.

It is worth mentioning that the economic input of the tourism industry as a result of its involvement in CSR lies in the purchasing power created from revenues via tourist expenditures (Rhou et al., 2016). For instance, transnational visitors spend much resources in the host nations visited during their travel. This leads to greater growth in the wide range of economic activity that, according to the analysis by Feng and Tseng (2019), offers a key contribution to foreign exchange incomes of many developing as well as even industrialized countries for the betterment of societies. Through CSR it also provides individuals with local employment, infrastructural facilities, educational opportunities, and basic amenities to enhance their well-being. It is vital in the economic advancement of nations, that Rahmawati et al. (2018) interpret as the invisible export which triggers off both economic and social change. The tourism sector acts as the catalyst for the development of trade and rises in self-employment prospects such as creating cybercafés, kiosks, and restaurant that can enhance livelihood faster than other formal employment.

In the current period of globalization, the CSR activity undertaken by the tourism sector to the host society promotes mutual appreciation, likings, respect, learning, family bonding, awareness, understanding, and tolerance. It is similarly recognized that people of the host state or country through CSR initiatives get enhanced with information concerning the outside world, might as well enjoy amenities like healthcare institutions, libraries, schools, and internet facilities offered by tourism industry (Rhou et al., 2016). On the other hand, in tourism, CSR is considered as a desirable and basic human activity that can boost the investment in culture and arts, as well as the formation of a new global economic order which assists help to eradicate the broadening economic gap between progress and development, mainly in emerging nations.

When the tourism industry develops new infrastructure and enhances the present infrastructure, they tend to attract more visitors besides exposing the areas of their operation. Moreover, the provision of infrastructure might serve or offer the basis to inspiration for greater economic modification (Gao, 2019). Money used by tourist assists to enhance the health of each business in that region. There are several backward tourism areas which have received international recognition due to CSR in the tourism sector (Rhou et al., 2016). For instance, a few years ago Khajuraho (Madhya Pradesh, India) was regarded as an unknown and remote small village, however, nowadays, it is a globally famous tourist area of interest and likewise creates employment to several local individuals in handicraft shops, travel agencies, restaurants, and hotels. Feng and Tseng (2019) mention that without tourism CSR development, Khajuraho might have remained a remote and unknown village. This has increased the profit to the tourism industry due to enhanced accessible facilities like water supplies, roads, airport, besides other public utilities that ease the movement of tourists.

Incorporating CSR in tourism assists in maintaining international understanding and Peace. According to Melissen et al. (2018), the best means of getting to understand another nation is to go there and find suspicions, barriers, the prejudices that occur – doing this can contribute to breaking down the rigid, narrow boundaries which keep individuals away from each other. This naturally tends to foster a favorable move towards improved global understanding. By promoting friendship between different nations in the world through CSR, tourism industry increases its revenue.

Role and importance in hotels

There are several reasons why it is inevitable for hotel businesses to practice CSR and be conscious concerning the interest of the crucial shareholders. To continue being competitive, hotels understand that they need to consider social responsibility, thus meeting the prospects of the communities, business partners, customers, employees, and investors (Ghaderi et al., 2019). The hospitality sector, given its great footprint both with regards to employment and natural resources consumption such as energy, water, and food, has frequently been at the front of employing practices geared towards lessening the adverse effects of its operation upon society. These consist of attempts to improve

fuel effectiveness in commercial airline, decrease in food waste in hotels as well as energy in addition water saving in restaurants (Williams et al., 2019). Not restricted to environmental concerns, the hospitality industry as well holds other social aspects, and major hotel businesses have employed CSR initiatives associated with community development, progressive employment practices, and motivating diversity amongst its staff.

Whereas initiatives are discretionary and voluntary, the profits of "doing good" overshadow the costs even when the organization is not seeking for a financial return on its actions. The characteristics and nature of the hospitality industries and particularly the hotel field render social initiatives relevant to many desirable results (Palacios-Florencio et al., 2018). For instance, a hotel's engagement in CSR initiatives can enhance its brand awareness as well as loyalty for consumers. Services being intangible and assessed grounded on quality perception, instead of tangible commodity attribute, the goodwill generated by social responsibility incorporated by the organization, forming differentiation that could, in turn, produce a benefit in a very competitive market that offers substitutable services such as hotel rooms. Consequently, the association of brand provision for cause-linked social aspects maintains and creates buyer loyalty in the industry where consumers are generally regarded novelty-seeking (the mentality that states let us try a dissimilar restaurant or hotel every time). Reputational advantages accumulating from social responsibility as well lead to consumer's readiness to pay premium costs that frequent times allow hotel businesses to survive hostile economic cycles and seasonal industry need (Williams et al., 2019). Demographic segments such as tree-huggers, socially mindful consumers, and millennials nurture and create demand for ecofriendly hotels, the developing niche that takes into consideration sustainability while making restaurant decision. In fact, according to the research by Su and Swanson (2019), many customers would be willing to pay the premium charge for sustainable and green restaurants and hotels making good use of local and or organic ingredients or non-genetically modified. Moreover, interestingly, Abu Farha et al. (2018) note that consumers aware of a firm's CSR initiatives have a higher probability to "forgive" the business for a minor service letdown, thus enabling faster service recovery.

Hotel businesses with CSR practices can better retain, motivate, and attract their workers. Employees need to work for a corporation with a positive reputation and positive image for doing good (Jalilvand et al., 2018). They obtain higher job satisfaction that reduces turnover besides challenges in the industry. Furthermore, regarding the worldwide nature of the hospitality sector as well as the demographic truths of the staff today, many hospitality companies, have capitalized in proactive diversity management initiatives, which have indirectly assisted not merely the business's reputation and their aptitude to tap into non-traditional human capital pools but also obtain financial profits (Mishra – Schmidt, 2018). Many hotels gain profits of employee involvement if they match worker contributions to donate or charities time in terms of workforces' hours by providing staffs time to volunteer at resident non-profit organizations. Therefore, social responsibility initiatives become an element of the integrated high-performance work scheme.

Through CSR, environmental stewardship has been a key field where the hospitality industry has put investments. Social responsibility is making hotels to move above the "three Rs" of reuse, recycle and reduce, and taking communal measures such as motivating guest reuse of towels and linens, water-effective bathroom fixtures, low-flow showerheads, energy audits intended at rationalizing water and energy consumption via high-efficiency lighting, supply chains and greening operations, and many hotels have capitalized in innovation and technology that will considerably transform the future of energy consumption. Not merely does hotels proactively pursue to verify themselves as green with Green Seal, Green Key, and LEED but as well build whole brands over the idea of sustainability (Crane – Matten, 2016) to retain and attract the progressively growing green consumer base. Likewise, serious reputational capital can be created by philanthropic practices by restaurants and hotels. Friedman (2017) provides an example where the Fairmont hotels tried to rescue visitors stranded by the time of Hurricane Katrina as well as services offered by the Ronald McDonald House of McDonald's for sick children gain not only satisfactory social media attention but also generate a long-term favorable brand image.

Following the above, it may be appearing like a paradox to mention that CSR can result in lower operational costs. Nevertheless, on the long run, there exist several reasons why this can be the situation. From an environmental point of view, a hotel that is focused on decreasing its carbon footprint will be seeking a means of lessening fuel consumption. Based on the study of Haski-Leventhal et al. (2017), even though this process can be demanding during early investment in much energy efficient appliances and vehicles, it would be finally resulting to cost saving. For example, when a hotel is consuming a lesser amount of energy, then its bills for energy would be reduced and, likewise, if the business is lessening water usage, the corresponding bills would be lower. Equally, a similar case is true while maximizing the usage of recycled resources. Similarly, making good use of CSR outlined in hotels' company strategy can ultimately assist in accomplishing a high rate of efficiency level in operations. For instance, according to De Roeck and Farooq (2018), in the arena of human resources, work-life plans that might be utilized in decreasing absenteeism while increasing employee retention. This in turn saves hotel businesses money via improved productivity and through a decrease in training and hiring costs.

Conceivably the most crucial hotel business gain of social initiatives is the positive influence it can have on client loyalty and brand image. When a hotel is recognized to be ethical and socially responsible, and when it promotes itself in that manner, then it would be properly situated in the competitive market. De Ruiter et al. (2018) argue that customers, tired of the stories of cruel companies doing everything in their control with the aim of profit maximization, are turning out to be more mindful in backing corporations who are observed to be socially responsible. Su and Swanson (2019) highlight that a productive and open, two-way communication with the shareholders not only raises the hotel's reputation but generates new business opportunities as well. Close collaboration with communities and key stakeholders as well as responding to social responsibility

constraints by observing business strategies and practices and moving by the triple bottom line ideas also offer opportunities through the introduction of new markets and products, better association with key stakeholders, creative thinking and innovation.

Investors are turning out to be increasingly cautious in the CSR policies of the hotels they invest in, primarily in matters regarding human rights and the environment. A good CSR strategy tends to attract more investors (Palacios-Florencio et al., 2018). This implies that socially responsible hotels will have higher chances to access larger capital base for its expansion. Interestingly, several governments offer financial motivations for sound socially responsible initiatives, comprising of environmentally friendly inventions. Hotel businesses that are engaging in CSR activities could experience more supportive approach by both local and national government entities and are less likely to be subjected at the scrutiny of local and national government entities' controls or inspections.

Another significant business advantage of CSR is grounded on public perception. In the view of Jalilvand et al. (2018), a socially responsible organization takes responsibility and monitors its activities. It tries to lessen its negative influence on the environment. It handles all its shareholders appropriately. It contributes to the development of the community through donating, besides volunteering programs (Abu Farha et al., 2018). If the regulators, the government, the media, and the public observe that everything is sincerely taking place, then the hotel will be creating the reputation that would be adequate to do business regardless of the community's situation. No hotel, however accountable, is ever entirely immune to internal corruption, scandals or environmental accidents. In case a hotel is identified to have a better track record in the sector of CSR, then this would go a long way aiming at rebuilding the reputation.

CSR in the hospitality sector also can provide a social gain to the local community. In fact, through offering recreational as well as leisure activities, hotels contribute greatly to the comfort of the local individuals (Williams et al., 2019). Similarly, by the provision of community centers, playgrounds, and parks through the corporate social responsibility of hotels, the local public can benefit and participating from more leisure practices. The most superficial value of recreation and leisure, from the viewpoint of Kim et al. (2018), is the chance to participate actively, relax, and have fun in cultural activities, games, social events, and other leisure engagements. The park provision by the hospitality industry, for instance, offers a good demonstration of the sector's social gain to the local society in which by the summer moments, individuals of all backgrounds and ages can utilize the outdoor spaces for relaxation. Cha et al. (2016) further explain the manner in which societies are delighted of their spectacular leisure facilities and football teams. The parks together with open spaces provision by hotels as well as the integration of leisure events in the rehabilitation and redesign of poorly industrialized places certainly assist in enhancing the quality of life besides nurturing positive attitudes.

Similarly, while the local society uses the community centers, playground, and parks that have been constructed through the CSR of the local hotel, these leisure events contribute majorly to an individual's healthy physical, spiritual, intellectual, emotional, and social development, and the family's well-being. This is further backed by Cha et al. (2016) who note that those leisure actions offer the greatest chance for positive social interaction, which results in desirable physiological and psychological fitness.

Conclusion

In conclusion, corporations that engage in active CSR activities take stock of the manner they work in the community to handle social and cultural issues, with the goal of profiting both in the process. CSR can not only increase income but can also promote progress and change throughout the world, which frequently involves assisting individuals with few or no resources.

Corporate social responsibility implies how businesses are governed to bring out the general positive effect on the environment, societies, cultures, and communities where they operate. The basics of CSR rest on the idea that not merely public policy but also businesses should be accountable enough to address social subjects. There exists a three-dimensional feature of CSR comprising environmental aspects, social aspects, and economic aspects. The importance of CSR for companies includes increasing value, profitability, motivating employees, saving costs, an advantage over competitors and much more. Similarly, the benefits can be wide and far, including financial access, improved sales, and client retention.

Various forces at work that assist in managing CSR consists of environmental, technological and globalization changes. The companies that provide CSR help their employees by giving proper medical and adequate technical education facilities. Also, a well-organized network of communication and transport system rises the information and mobility among the staff. All these entail that the employees be more efficient and skillful, and consequently more productive. CSR programs range from society advancement to development in healthcare, environment, and education. Furthermore, CSR creates a sense of cooperation and community which brings everybody together and then results in conducive business environment. Since the contributions of CSR to the companies outweigh the costs, all corporations should implement it make their organization more profitable and efficient.

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