

Jumeirah group – csr plan

Business



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Introduction Jumeirah Group is an international luxury hotel chain and hospitality company and part of Dubai Holding, which is owned by the Dubai Government. It is among the most luxurious and innovative hospitality companies in the world and has won numerous international travel and tourism awards. Jumeirah Group was founded in 1997 with the aim to become a hospitality industry leader through establishing a world class portfolio of luxury hotels and resorts. The Group's activities are, however, not restricted to hotel and resort management, besides Jumeirah Hotels ; Resorts the Jumeirah Group's portfolio also includes; The Emirates Academy of Hospitality Management; the region's only fully accredited third-level academic institution offering degree programmes in hospitality management * Jumeirah Living; the Group's luxury brand of serviced residences in luxurious surroundings * Talise; Jumeirah's own luxury holistic spa brand currently the biggest spa in the Middle East * Jumeirah Restaurants; the company's dedicated restaurant division including the Noodle House and Sana Bonta and * Wild Wadi Waterpark; the companies own theme parkJumeirah's portfolio includes six properties in Dubai, the Burj Al Arab, Jumeirah Emirates Towers, Jumeirah Beach Hotel, the Madinat Jumeirah the

Wild Wadi Water Park and The Emirates Academy of Hospitality Management

. Whilst the majority of Jumeirah's hotels are based in Dubai, they are expanding aggressively overseas.

As at February 2007, Jumeirah has two properties in England and one in the United States and hotels under development in Bermuda, China, Germany, Jordan, Qatar, Maledives, Spain, Thailand and the United Kingdom. Jumeirah? Guiding Principles ; Vision Jumeirah has six guiding principles, which every employee is encouraged to bear in mind at all times. Together with the three Hallmarks those Principles show Jumeirah? s standing and attitude. The graph below shows the six principles and what they stand for. Furthermore Jumeirah? s Vision makes clear that their main focus lies on the stakeholders. From the beginning Jumeirah has followed this vision and understood the importance of all involved.

This Vision is set out even more detailed in their guiding principles and explains Jumeirah? focus and the approach how to treat stakeholders and encourage their well-being. Vision To be a world class luxury international hotel and hospitality management company, committed to being the industry leader in all of our activities through dedication to our stakeholders; colleagues, customers, business partners and owners. Setting out those principles seems fairly nice but one should consider how those principles are translated into everyday life. The success of those principles and the achievement of a sustainable business are reached by: Graph [1]: Guiding Principles of Jumeirah Making customers our first priority and striving constantly to exceed their expectations * Applying our Hallmarks, Guiding Principles and Core Standards in our day-to-day activities * Leading by

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example and role-modeling a culture of excellence in everything we do *

Providing consistently superior and innovative products and services 2.

Jumeirah and Corporate Social Responsibility Jumeirah has only recently started to engage in a real CSR plan.

They have a clear vision to becoming the industry leader and to create value for their stakeholders. In order to do so Executive Chairman Gerald Lawless has stated that Jumeirah focuses on sustainable growth, the support and respect of all colleagues, customers, business owners and partners, suppliers and the entire communities at large. Their engagement in CSR work has paid off already; at the end of 2009 Jumeirah Emirates Towers hotel has won the Top prize in the large-company category in the Arabia CSR Awards, an award that honours leaders in corporate social responsibility in the Arab world.

Jumeirah has already adapted the management structure to embrace on CR issues but has not yet followed through and put them into practice. The next steps are embedding CR related practices into policies and training programs.

Policies and practices will be developed, reviewed and updated according to corporate, regional and individual property levels to ensure continued alignment with the overall strategy. 2. 1. Existing Programmes In the past two years Jumeirah has focused its efforts on embedding the principles of CR into the strategic framework in order to make it part of daily operations. Jumeirah has published its first CR Report which allows to establish future commitments and will serve as a benchmark to being able to track the progress. Jumeirah encourages all stakeholders to actively participate in the CR efforts and come up with ideas, solutions and suggestions.

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At the moment Jumeirah has a couple of projects, like the Turtle Rehabilitation, introduced already, but they are still at the beginning of engaging in a real CR plan and actually have most of the plan only on paper. The projects they are planning and introducing are stated below. Firstly, Travel and tourism is one of the world's largest economic and employment sectors with consequently large impacts. Jumeirah's current priority is to focus on the impact their hotels and resorts have on the local communities, since this is the area where they can have the greatest influence over creating positive outcomes. The group offers unique employment and career opportunities, uses local products and services and helps to build local supplier capacity. They aim to bring sustainable economic value and empower local communities to be better off by improving the lives of the communities in which they operate.

In 2008 Jumeirah placed over 359, 000 purchase orders, of which one percent was sourced to local suppliers. Due to the UAE's relatively young market and the limited variety of products the majority of purchases have to be made internationally. Secondly, Jumeirah is at the moment aiming to get involved in broader community investment activities through establishing the Jumeirah Foundation (subject to Dubai Government approval). This charitable foundation will support a range of community welfare and educational programmes, and will engage all employees. Thirdly, Jumeirah is trying to drastically reduce its Carbon footprint and looking at ways to measure the environmental impact of all operations.

This aims to specify an increasingly ecological approach to the building of new hotels and resorts and allows to communicate the new ecological

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approach to investors and stakeholders. Fourthly, Jumeirah cares deeply about the welfare of all colleagues and is considering the economic downturn since 2009. The group ensures that job losses are managed professionally, with the utmost respect and integrity. They have made provisions to ensure mechanisms of support are in place, including career transition assistance to help affected colleagues move forward in their professions. The Hallmarks, Guiding Principles and commitment to CR continue to underpin the company throughout this difficult period.

The over 10, 000 employed colleagues are cared for and Jumeirah strongly believes in making a positive contribution to the welfare of communities. They create unique employment and career development opportunities and conducted a study to help understand its contribution to socio-economic development and poverty reduction in colleagues' countries of origin. A representative sample of 263 colleagues from 23 countries was interviewed and the results are shown below. Graph 2: Social Impact Study by Jumeirah

In addition, the study estimated that more than two thirds of Jumeirah's total annual salary is paid to colleagues in lower grades who come from poorer backgrounds. Based on the World Bank definition of poverty and extreme poverty lines, this amount can take more than 30, 000 people out of poverty, or more than 60, 000 people out of extreme poverty. Fifthly, the Turtle Rehabilitation Project aims to support wildlife turtles, a flagship species for the conservation of the marine environment and a protected species throughout most of the world.

The Hawksbill turtle, native to the Middle East, is listed as critically endangered with only an estimated 8, 000 nesting females left worldwide.

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Without human intervention, the Hawksbill turtle will almost certainly become extinct and the Dubai Turtle Rehabilitation Project has been founded to protect and support this endangered species. All of the turtles found in the Dubai Turtle Rehabilitation Project were at one stage very sick or injured and were brought to Dubai's Wildlife Protection Office or to the Aquarium team at Burj Al Arab to be treated and closely monitored during their recovery. During the recovery process, the animals are subjected to ongoing veterinary examination and monitoring, with appropriate medication or surgery being administered as necessary. Once the team is satisfied with the progress and condition of the turtles, they are then transferred to the Mina A'Salam turtle enclosure, where they are until released back into UAE territorial waters.

The Dubai Turtle Rehabilitation Project has been running successfully since 2004 and its mission is: * To rehabilitate sick and injured turtles and return them to their natural habitat * To assess turtle health and provide appropriate treatment * To raise awareness of the issues facing turtles and the marine environment * To gain a better understanding of turtle migration patterns and general biology through data collection and satellite tracking programme Jumeirah covers all costs related to the rehabilitation and hence actively protects this species. . 2. Establishing a CSR Plan for Jumeirah and its Implementation The Jumeirah Group in Dubai has a fantastic reputation and is very well-known, not only for its flagship property the Burj al Arab but also for outstanding service overall and their innovativeness. I believe this reputation and image could be used for good causes even more, without just giving money to causes but also allowing the Group to use "doing good" as

great publicity and marketing. CSR should always be related to the core business of a firm in order to align it with the strategy.

Being a luxurious hotel chain and having its own theme park, communicating to indulge in luxury vacation and fun could be used and communicated in a different way when helping and supporting the poor and people in need of help.

2. 3. Organizing CSR When a company introduces a CSR plan it is crucial for its success that it is well-planned, aligned with the company's strategy and embedded in its daily operations. Just following good intentions and trying to do good will not lead to a successful CSR. A company needs to make adjustments in the organization, appoint someone to follow up and control actions as well as establish reporting relationships and incentives.

Furthermore the social impact a company aims to achieve needs to be measured. It is important to encourage employees and provide them with extraordinary career opportunities in order to nurture required talent for the future. It has also been shown in many studies that CSR is most successful when employees have opportunities to use their professional or occupational skills in ways that directly help people in most need of assistance. Therefore involving employees actively, besides just donating a lot of money to a good cause under the company's name is very important. In addition CSR can be a great market opener to developing markets, while this seems strange at first when talking about developing countries and luxury hotel chains it might make sense in the long run.

Those nations might not create first-time consumers, but might be a great source of talent and resources. Furthermore the labor welfare should be

protected, offering well-paid jobs with the opportunity to grow through training and education. When it comes to the environment, footprint should be minimized, the use of renewable energies should be maximized and companies should create more value and less “stuff”. Last but not least a company should involve its customers; they are the best source of feedback and have a huge impact on the performance of the company. Their suggestions and comments can be used to make them loyal customers, feeling closer to the company and its products which then lead to higher revenues. With surveys and engagements customer opinions can be asked and will enable the company to improve.

In conclusion, after analyzing all of Jumeirah's CSR efforts I believe that this plan is too weak. Many of the suggestions and projects are only on paper and no direct effect can be seen yet. So far they are acting responsibly in their environment, give their employees opportunities to grow and have taken on the turtle rehabilitation as only direct and active project. I therefore believe Jumeirah still has huge potential to do better for its environment and community, and could also use its effort as great marketing campaign, if a project is really implemented. Raising public awareness for a good cause and using it for a company's own good is very legitimate, as long as real social impact is achieved through it. Therefore the next paragraph will focus on projects that could be supported and implemented in a CSR plan, making Jumeirah a more pro-active company regarding CSR.

2. 4. Potential Programmes While Jumeirah has managed to come up with a very good CR plan in theory, the five approaches above have to be brought into the heart of operations and daily business activities in order to be

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successful. So far there are many plans, but not enough detailed actions. I believe that Jumeirah has laid out a good concept to have a successful CR plan but now really has to implement it. There are six ways of doing Corporate Social Initiatives.

* Cause Promotions, e. g. raising awareness for a good cause * Cause-Related Marketing, e. g. contributions/ donations to a specific cause * Corporate Social Marketing, e.

g. introduction of behavior change campaign * Corporate Philanthropy, e. g. direct contribution to a charity or cause * Community Volunteering, e. encourages employees to volunteer their time * Socially Responsible Business Practices, to improve the communities well-being Jumeirah has chosen to make use of Corporate Philanthropy, offering grants to employees in cases of emergencies, awarding scholarships to outstanding colleagues, donating services, providing technical expertise and allowing the use of facilities for the Turtle Rehabilitation project as well as using the equipment and facilities of hotels and resorts for trainings.

All causes are directly affecting the community in Dubai and the natural environment. The cause is close to the Jumeirah group, but only the turtle rehabilitation centre can be recognized by guests, while promotions and scholarships for colleagues are communicated internally. This way of CSR helps Jumeirah communicate that they are close to the cause and care about their environment and people. This is exactly what is projected in their principles and vision and is perfectly in line with their strategy. But this way

of CSR only reflects the minimal effort and I believe they have not yet made full use of their potential.

The public is asking companies more and more to be socially responsible and come up with good CSR plans, the CSR report of Jumeirah seems to tackle this problem, responding to the need of establishing and being related to CSR, but without really having an impact. 2. 5. Actions to be taken For now, since Jumeirah still has the biggest presence in Dubai itself, I would suggest to work with a hospital that is also under Dubai Holding (biggest Holding in Dubai) to ensure the close partnership and focus on the pediatric clinic/ department. Children with chronic illnesses who have been hospitalized for months should be supported.

Jumeirah could organize a “ children? s happiness day” once or twice a year in the Wild Wadi Waterpark, giving those kids and their families a chance to play and forget their illness for one day, with free entrance and hotdogs and fries just like healthy kids would enjoy a day. This could be organized as a Corporate Cause Promotion, advertising the day in advance and repeating it every year around the same time, so it becomes a fixed social event. It will raise awareness for the hospital and its specific department and might even lead to further fundraisings in the community besides Jumeirah sponsoring one Wild Wadi day. My suggestion would be not to print materials but rather advertise the event on all Jumeirah websites, put it on the screens in elevators and all Jumeirah properties and raise awareness without doing bad for the environment. Furthermore, Jumeirah as hospitality company, could donate older furnishings like pillows, mattresses and beddings, which would

otherwise been thrown away, to orphanages and “ family help centres”, like the Kempinski Hotel Chain in Hungary does.

Slogans could be implemented like “ giving a bed to everybody” which Jumeirah usually does in a very luxurious way. This slogan could be connected to all actions and would raise awareness for a cause under Jumeirah's name. One Jumeirah property also has a big gym (Jumeirah Beach Hotel), with many members which could organize a marathon for an orphanage or hospital in Dubai with other companies as sponsor. Jumeirah could then donate 5 Dirhams (UAE currency) for each kilometer, or double the kilometers that have been achieved and top it up. A cause promotion like this would not only be great and easy to communicate to the public but would also allow colleagues of Jumeirah to actively participate. The company has easy access to the target markets, all gym members and their families, employees can be easily involved and will support the cause and due to the size of the event Jumeirah could raise awareness and concern for children who are sick or have lost their parents.

In addition, the turtle rehabilitation project that is already in place should be continued, raising awareness of the endangerment of turtles and making the public aware of the causes of endangerment and what each human being can do to protect turtles. Kids usually connect with animals and due to the easy access to the rehabilitation centre they all have a chance to see the turtles and have a relationship to this endangered species. I believe this approach can change behavior and improves the way people are behaving and acting towards the environment. It is a Corporate Social Marketing approach and already in place. Furthermore, I would introduce Cause-
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Related Marketing, at the beginning of each year Jumeirah could publish the number of suit reservations of the previous year and then take 1% of all of them and build/refurbish that many new rooms in a hospital for children. Jumeirah is very keen on its stakeholders and their health, therefore I believe to connect many actions with children and their health could be fitting with their strategy.

Children as customers and employees of tomorrow should be taken care of today. 3. Conclusion In conclusion, after taking all above mentioned aspects into consideration I believe Jumeirah is on the right track with its CSR plan, but it is important, to not just use it as publicity and to post it on the website, but really show action and report about it. Until now, Jumeirah is measuring its social impact only in regards to their employees, even though this cannot be directly related to a strict CSR plan but rather to paying people well enough in the Jumeirah host countries so they are able to support their families at home. It is more of a general well-doing, but in my opinion not a direct impact of CSR.

All the above suggested measures are great CSR actions that would really raise awareness for causes, but also being related to Jumeirah and in line with their strategy and what they stand for. It is not just giving money to a cause but involving people, colleagues and the community. I believe it is important that a company does not lose focus on its core business and should limit its involvement and commitment especially at the beginning of a CSR plan. Rather do one well-planned event a year and publish it correctly than doing many different ones that seem overwhelming to people and might not be taken seriously. I further believe finding one specific target

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group for CSR, like seriously ill children with the aim to show them a little bit of a luxurious, fun world without worries, connects Jumeirah's philosophy and all its principles perfectly. Taking into consideration the Best Practices for CSR, I suggest Jumeirah to lay out a detailed plan how many events should take place and when, starting with an open Wild Wadi Waterpark day for children in the summer.

Choosing only a few social issues to be supported and choosing issues that are related to the communities where Jumeirah does business will communicate the sincerity and connection Jumeirah has to the cause. The mentioned approaches are in line with the mission, values, products, and services of Jumeirah and are aiming at the community as well as customers. All suggestions have a long term outlook, and support the sustainability aim. It is important to appoint a controller for CSR, to ensure the aspired impact will take place, therefore one board member should be responsible to follow up on all actions and work closely with the specifically assigned CSR team, preferably all from different backgrounds. Bibliography <http://www.twotomorrow.com/news/jumeirah-group-wins-csr-award/> <http://csr-reporting.blogspot.com/2009/05/turtle-soup-anyone-first-report-from.html> <http://www.travelmole.com/stories/1136612.php> <http://www.jumeirah.com/en/Jumeirah-Group/About-Jumeirah-Group/Corporate-Responsibility/> <https://assignbuster.com/jumeirah-group-csr-plan/>

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jumeirah.com/en/Jumeirah-Group/About-Jumeirah-Group/Corporate-Responsibility/Corporate-Responsibility-Report/ All slides of the class of “Corporate Social Responsibility”, 2nd semester 2nd half by Prof. Joana Story