RESEARCHING RESPONSIBLE TOURISM REPORTING

THE DEVELOPMENT OF A TRANSPARENT VERIFIABLE REPORTING SYSTEM SUITABLE FOR SMALL TO MEDIUM SIZED ENTERPRISES TO MONITOR THEIR RESPONSIBLE TOURISM GOOD PRACTICES

By Jenefer Bobbin

Responsible Tourism Reporting was born out of several debates on certification and listening to many frustrated companies who wanted a process that they could tailor to fit their business and the area they operate in. The Responsible Tourism Reporting Initiative removes the opaqueness, inherent with other schemes, by transparently verifying the annual progress a company makes against their responsible tourism policy. The scheme encourages businesses to measure a variety of different impacts ranging from local economic investment to carbon footprint and then asks the business to submit a Corporate Social Responsibility report. These reports are tailored to meet the needs of the company and the people and places where the company operates. They will have meaning for the industry, local communities and travellers by transparently recording the outcomes of the company's efforts year on year and allowing each business to compare their efforts with others throughout their sector and their region. The more businesses that openly document their actions helps reporting become a valuable and increasingly essential resource, encouraging companies to join the promotion, and continuation, of the ethos of responsible tourism.

1 INTRODUCTION

Transparent independently verifiable reporting aims to put an end to the ill-managed tourism continuing to threaten environments, cultures and people by encouraging businesses to reinvest the benefits of tourism, whether financial, charitable or simply awareness raising, back into the local communities where it is most needed. While the increased interest in responsible tourism shows moves in the right direction, it has led to an influx of unethical companies making false claims, greenwashing the industry.

Guidelines alone are not strong enough to overcome the short-term profit motives of many operators, governments and destinations. At the same time, national and international certification programmes are too numerous, with too many varying criteria and not enough accredited product to be effective. They do, however, have limited value in providing businesses with a small amount of assistance in reviewing their environmental performance and introducing rudimentary Environmental Management Systems (EMS) but this does not outweigh the fact many schemes are opaque, labour-intensive, overly expensive, western-centric and marginalise small businesses. There is no evidence to suggest that any of the hundreds of certification and labelling schemes that have been established have any market value (Font & Epler Wood, 2007).

Conversely, reporting on social and environmental issues has the potential to increase loyalty and to give a sense of distinctiveness. Some businesses believe that promoting their sustainable business practices can give them a better market position by distinguishing and differentiating their approach (Dodds & Joppe, 2005). Corporate Social Responsibility (CSR) reporting means a company is more transparent and accountable to external stakeholders, enabling investors to avoid risk and consumers to support more sustainable businesses. Despite this there are few reporting tools available with the Global Reporting Initiative's G3 framework currently being the most popular. Unfortunately it is a complex process and would be a daunting prospect for a small business with little or no skill in report writing.

The aims of this research was to develop and test a third option, aimed at small to medium sized enterprises (SMEs), by developing an independent verification scheme based around their chosen aims and objectives. Amongst the core values of responsible tourism, found in the Cape Town Declaration, are commitments to mutual respect, diversity, transparency, sustainability and quality (Cape Town Declaration, 2002). These values need to be evidenced in any responsible tourism reporting process. For progress to continue and for the approach to be valued in making *"better places for people to live in and better places for people to visit"* responsible tourism businesses need to report the outcome of their approach. The Responsible Tourism Reporting scheme will provide the tourism industry with a mechanism for credibly reporting outcomes year on year, clearly differentiating between those companies, which are making a significant contribution and those, which are merely claiming to be making a difference.

2 AIMS & OBJECTIVES

Aims

1. To develop a transparent independently verifiable reporting system based on an organisation's own responsible tourism policy, locally relevant issues and emerging good practice.
2. To test this verification scheme on ten organisations in Nepal.

Objectives

1. Undertake a review of existing practice in certification and reporting to identify relevant quantitative and qualitative criteria.
2. Select ten willing organisations with varying levels of responsible tourism policies and practices.

3. Identify the quantifiable and qualitative indicators of each case study using their responsible tourism policy and business practices.
4. Test the usability of the supporting tools provided to each case study.
5. Conduct an external verification of the organisation’s report (including assessment of the company’s actions against a set list of irresponsible criteria).
6. Encourage inclusion of the organisation’s future goals as a commitment to achieve year on year improvement.

3 RESEARCH DESIGN & METHODOLOGY

It was anticipated that the research methods would vary between each case study depending on the type of business, its level of understanding, the level of monitoring already in place and the level of co-operation.

3.1 Case Study Selection

A non-random sample was chosen in order to generate a meaningful and representative group (O’Leary, 2005). This was considered the only available option due to the level of commitment required. Because the initiative was designed to appeal to SMEs the sample group needed to cover a range of abilities thus ensuring adequate road-testing of the tools provided.

The selection requirements were:

- Access granted to all relevant information in relation to the organisation’s social, economic, and environmental impacts.
- An openness of the organisation to permit transparent reporting on both positive and negative impacts.
- A willingness of the organisation and its members to be involved in the process.

Sources for case study selection were:

- ResponsibleTravel.com
- Participants of the MAST-Nepal Programme (rt-responsibletravel.com/mast-nepal)
- Sustainable Tourism Network Nepal (welcomenepal.com/stn)
- Personal Recommendations

The selection process was via Internet research and email correspondence. During this initial selection process the organisations were given a detailed explanation of the procedure and all ethical considerations were outlined. Each case study was informed that it could withdraw, without notice, at anytime.

3.1.1 Ethical Considerations

The pilot project was performed with the utmost ethical consideration and the welfare of all participants was always held as a priority. An information sheet was given to each case study in advance, making clear that they have the right to withdraw from the process at any time and that, during the verification process, they may refuse to answer a question without giving a reason for doing so. Permission was always asked before taking notes and photographs. The information sheet also explained the confidentiality and anonymity of the participants and all were asked to sign an informed consent form.

3.2 Setting the Indicators

As the pilot project was run in Nepal all set indicators were specific to the Nepalese hotel and trekking sectors. As and when the scheme is replicated in new destinations and different industry sector the criteria will be adapted accordingly. The indictors listed will never be a definitive set or all-inclusive, but will give a solid example of what a company should be looking to achieve.

3.2.1 Review of Current Schemes

A variety of certification schemes, industry awards, codes of conduct and the global criteria set by the Global Sustainable Tourism Council (GSTC) were reviewed. This allowed for a greater understanding of the current market and avoided any *reinventing the wheel* to occur.

3.2.2 Third-Party Participation

A vast range of third-party feedback and advice was sought which varied from local NGOs to INGOs, government bodies to private entrepreneurs, academia to local experts, tourists to trekking guides, porters and hotel employees, etc. The list is too numerous to include all but the main advisory bodies were:

- Hotel Association of Nepal (HAN)
- Trekking Agent Association of Nepal (TAAN)
- International Porter Protection Group (IPPG)
- Nepal Tourist Board (NTB)
- Kathmandu Environmental Education Project (KEEP)
- Environmental Camps for Conservation (ECCA)
- Health Care Foundation Nepal (HECAF)

3.2.3 Web Survey

A simple survey was posted on IrresponsibleTourism.info. This is a forum that *"gives you the opportunity to blow the whistle on practices in the travel and tourism industry which you think are irresponsible, and to discuss them with others"* (Irresponsible Tourism Forum, 2008). Online surveys have the capacity to reach a large number of the population due to the anonymity; nevertheless they do not produce high response rates (O'Leary, 2005). Because of this the survey was kept short and to the point, requesting only for members to join a discussion asking what they believe was the top five most irresponsible actions of hotels and tour operators. Various responsible tourism networks were asked to post their thoughts, bolstering the responses. This survey helped to generate the list of precluding criteria (Section 4.1.3 - The Current Set of Precluding Indicators).

3.2.4 Ethical Considerations

The web survey participants were not required to sign a consent form, as this would have been an unrealistic request due to the survey being situated in the public domain. All third-party participants were clearly briefed on the purpose of the research and that any information they provided would be anonymous.

3.2.5 Setting the Organisation's Indicators

Prior to any indicators being set for the individual organisations, all forms of responsible tourism literature relating to the case study was reviewed and cross-referenced with the master list of criteria. From this a list of both positive and negative criteria was drafted and then tailored to fit the aims and objectives of the business. Once set, these *final* indicators were approved by each case study. Due to the nature of the scheme, setting the indicators will never be a static piece of work for any business; the list will always evolve as new ideas and best practices are implemented within the organisation.

3.3 Data Collection

3.3.1 Background Research

Where possible the preliminary research data was collected via web-based research and email correspondence – including reviewing the companies' backgrounds, responsible tourism literature, emerging good practice, bad press reports, local cultures that may affect the study and anything else deemed relevant. This type of research eliminated the need for physical access to the organisations but limited the reviewable data to electronic material only. This was especially limiting in Nepal as paper records are still prevalent.

3.3.2 Quantitative Data Collection

Excel workbooks were developed and assigned to a nominated member from each organisation to assist with the collection of verifiable data. An individual was given the responsibility rather than the organisation as a whole to encourage ownership and thus increase the success rate for completion. The individuals involved in the monitoring process were given full training on all procedures and tools provided.

3.4 Verifying the Results

Any credible scheme must insist participating businesses undergo third-party verification because there is a considerable void between what people say they do and what people actually do (O'Leary, 2005). Consequently all case studies were required to have all quantifiable indicators independently verified. Suggested verification sources were supplied but it was largely down to the business to source any supporting evidence, due to the varying methods used for logging data. Some of the indicators required external verification such as the minimum wage, legal holiday allowance, building regulations, porter weight limits etc. and these were verified either through internet research or third-party assistance such as guidelines provided by the relevant authority or association.

3.4.1 Cross-Checking the Verified Data

Observation

The level of observation differed according to the type of business, the quality of verifiable data and the methods used for data collection. The observation sessions were semi-structured and reflected the predefined indicators. There was an element of flexibility to incorporate the unplanned and/or unexpected. As anticipated the observation sessions highlighted many positive and negative practices that were previously unspecified and often resulted in additional indicators being set. The majority of the observation was non-participant and candid. There was concern that this would lead to individuals feeling under surveillance and result in them not acting naturally (O'Leary, 2005). However, this was unfounded since all case studies were fully cooperative and full access to all the required data was permitted. Several staff were unaware of the reason behind the observation and for the purpose of verification, this was beneficial resulting in staff acting *naturally* and not purposefully acting *responsibly*. All observations were recorded by note taking and where necessary supported by photographic evidence, with the consent of the individual if applicable. Observation sessions occurred more than once in many cases due to the resetting of the indicators and the chaotic nature of some of the businesses.

Informal Semi-Structured Interviewing

This type of interviewing technique was mainly limited to the interviewing of key informers within the organisations. It allowed the questions to be prepared ahead of time but gave the informants the freedom to express their views in their own terms. The informants were handpicked due to their responsibilities and covered a range of positions from heads of departments right down to the most junior members of staff. These interviews were used to cross-check the accuracy of the quantifiable data. All interviews were conducted in English as it was presumed that the majority of participants would have a high enough understanding of the English language, due to working within the international tourism sector. However, this was not an accurate assumption, especially when interviewing the more junior members of staff. Interpreters were used and the success of the interview then became intrinsically linked to the ability of the interpreter. All interpreters used were senior members of staff from within the organisation and it was feared that this might make the interviewees feel uncomfortable and subsequently not answer truthfully. Cultural differences actually played in favour of this limitation, as it is culturally acceptable for the Nepalese to openly discuss their salaries, problems in the workplace, etc.

Informal Conversation
In some instances informal conversations with guests and employees took place to gain a sense of the organisation and to understand feelings apposed to fact. Informal conversations often gathered opinion on current practices and in turn assisted towards ascertaining how well the organisation was performing on certain indicators. With certain case studies, this method of data collection exposed irresponsible practices that had been concealed from the verifier.

3.5 Producing the Reports

The reports were wholly the responsibility of the case study and were to comprise of:

Quantifiable Achievement: based on measurements which are feasible and can be collected at little or no additional cost. The case studies were also asked, where possible, to report in a way that permits comparison between businesses.

Qualitative Achievements: are mostly non-verifiable and when reported take the form of short stories where the business can describe in as much detail the initiatives and efforts it has made, the successes, the failures and the accompanying reasons. This more personalised section allows each report to have a *face* making it more likely to be retold. The story form is particularly applicable to staff progression and community development.

3.6 Coping with Capacity Building

The success of the Responsible Tourism Reporting Initiative depended on each case study having a clear understanding of the term responsible tourism, what it involves and how it affects their operations. All participants are busy individuals and often felt they had no capacity to take on additional work. To make the process less daunting it was necessary to spoon-feed all relevant information in a format and language easily understandable to each case study.

4 THE PILOT PROJECT

The aim of this research was to develop a mechanism which would allow SMEs from the tourism industry to report on their annual progress against their responsible tourism policy, whilst accepting the individual needs of different companies and the people and places where each one operates. The reports would be transparent; recording the outcomes of the case studies efforts, enabling consumers, local communities and the industry to see the year on year progress made. The case studies comprised of five trekking agents and five accommodation providers. All case studies were in Nepal with the exception of one that was based in India.

4.1 Setting the Indicators

The first case studies to go through the process had their indicators set using their existing responsible tourism policy which was inline with the freedom and diversity of the initiative with none of the negative criteria been breached. It became apparent that this approach was far too flexible and resulted in the report having major omissions. This led to a master set of criteria being developed and for the second wave of case studies the existing responsible tourism policy was expanded to include all criteria from this master set[1], which the business was either achieving or believed possible to implement.

The standardised set of indicators were developed over a period of two years and are set around ten main themes for accommodation providers and seven for tour and trekking operators.

ACCOMMODATION PROVIDERS	TOUR & TREKKING OPERATORS
1. Organisation & Management	1. Organisation & Management
2. Accommodation & Grounds	2. Tours & Treks
3. Environmental Impacts	3. Employee Welfare
4. Employee Welfare	4. Tourist Impact
5. Tourist Impact	5. Supply Chain
6. Supply Chain	6. Environmental Impacts
7. Cultural Heritage	7. Charitable Activities
8. Wildlife	
9. Disaster Management	
10. Charitable Activities	

Figure 4-1 Table of Indicator Themes

4.1.1 The Development Process

Throughout the development process a number of omission and inaccuracies arose. Some of the more significant ones have been detailed below to allow greater understanding of the development process.

Quality

As found in the preliminary research, the majority of certification schemes do not associate quality services to sustainability standards and the resultant effect is that the consumer is unaware of what lies behind the logo. The original criteria set in this research also failed to address quality, so in response, two new sections were added:

1. **Marketing** - monitoring the promotional material to ensure it is kept up-to-date and is an accurate representation of the business and its services.
2. **Customer Satisfaction** - monitoring how customer satisfaction is measured and the procedure for implementing any corrective action required.

Local Experts

Local experts bring knowledge unique to a destination and are, therefore, essential for any reporting, certification or award scheme. In this case a major omission was highlighted - disaster management. Nepal is due for a major earthquake, predicted to reach over eight on the Richter scale and experts estimate that it will cause over 200,000 deaths, 600,000 injured and leave 3.2 million homeless. Between 60 to 80% of buildings will collapse (Personal Communication - Galetzka, 2011). With these estimations disaster management is a fundamental criteria for any Nepalese business to address.

Terminology

Each country has its own terminology - in the UK we have job contracts whereas in Nepal they have appointment letters. By having the wrong terminology individuals often fail to make the connection between the written indicator and the local expression resulting in a relevant indicator being discarded. It was imperative to the success of this research that all indicators were comprehendible to each case study.

[1] The master set had not been fully developed at the time these case studies' indicators were set.

Involving the national industry associations, local experts and business owners facilitated the development of a truly understandable scheme.

Location
The first three hotels to complete the pilot were rural properties where transport featured as a major part of the businesses' operations. The fourth case study was based in the tourist district of Kathmandu and as such there was no use of transportation in its operations. Comparing these properties CO_2 outputs per bed-night gave the city property an unfair advantage. As such the total CO_2 produced per bed-night was split into two readings: one for the hotel's operations and one for transportation. Without trialling the scheme on actual businesses it is virtually impossible to predict all eventualities that occur in the real world.

4.1.2 The Current Master Set of Indicators

This current master set of indicators is not definitive nor will it ever be a static piece of work. Each business is encouraged to add its own indicators, enabling others to learn from its responsible practices. As the pilot scheme was run in Nepal the indicators have been tailored to Nepalese operations.

A report outline and suggested verification sources were combined with each corresponding indicator as all case studies found it beneficial to know the expected outcome when setting their indictors. The indicator sets have been combined to demonstrate the crossover between each industry sector.

4.1.3 The Current Set of Precluding Indicators

Whilst the aim of the initiative is to respect the diversity within the industry, it does not mean that there will not be restrictions on what can, and what must, be included in the scheme. Using information gathered by a survey on IrresponsibleTourism.info, a list of prohibited behaviours was created which would preclude a business from joining the scheme, however, it must be noted this list is indicative and not exhaustive. It includes:

- Failing to comply with local legislation including business registration and taxation, planning, etc.
- Polluting a water source.
- Using child labour in the business or supply chain – anyone under 16 years of age, although it is recognised that in some countries this is complex. If the business makes a strong case for exemption, this would be considered.
- Activities of the business do not adversely impact livelihoods of neighbours, for example, excessive extraction of water or the denial of access to cultural or spiritual sites.

4.2 Data Collection

By comparing the process of the first two case studies it was found that without monitoring tools a business may struggle to validate their claims and as a result, fail to report transparently. Developing monitoring tools was not part of the original concept as it had been presumed that each targeted business would have the capacity to monitor their chosen indicators, however, it became clear accessible and adaptable tools were essential. In the early stages of the pilot, the monitoring process was cumbersome and time-consuming. It was crucial that any tools introduced must be easy to use and possible to integrate into the average working day; individuals had neither the time nor the inclination to *waste* hours collecting data. As a result, a series of adaptable Excel workbooks were introduced which allowed businesses to monitor their impacts on a monthly and annual basis.

4.3 Getting the Case Studies to Report

Considering the main objective of the project was to *develop a transparent verifiable reporting system*, the reporting section has had the least success. Most businesses in Nepal are simply not ready to report on their sustainable actions. In the first stages of development, companies were asked to report their annual achievements against their responsible tourism policy, which would then be independently verified. However, the case studies did not have the required understanding, knowledge or mechanisms in place to even begin the process.

The success of writing the report was directly related to the education level of the author and the individual assigned to data collection. The case studies where the authors were educated to degree level had little trouble producing a report. Whereas the case studies where the authors were educated to School Leavers Certificate (16 years old) had greater difficulty. Many of these businesses were not ready to report as they had not collected enough preliminary data and thus the main aim of the first year's report was to demonstrate commitment and the dedication to move forward. To overcome these barriers, a simplified report outline was supplied and the authors were asked to bullet-point their annual achievements of the business against their responsible tourism policy. Out of the four case studies that have reached the reporting stage, three have written in a free-style format, whereas the fourth rigidly followed the list of indicators provided, describing each one in turn. This latter format was the least inspiring and the case study chose to rewrite their report in a more informal style prior to publication. In future a more fluid reporting approach, where businesses set their own priorities, will be encouraged.

4.4 Capacity Building

To address the overall issue of capacity building a website (RTreporting.org) was developed to provide guidance and advice assisting businesses to create and develop their own responsible tourism policy and offer in-depth information on the reporting process.

4.4.1 Setting Indicators

At the beginning of this pilot many of the case studies did not have a clear understanding of what responsible tourism is and how it affects their business. They had never labelled their actions and simply saw it as the *right thing to do*. They could describe the methods implemented to reduce their impact on the environment, the treatment of their staff and their involvement in the community but in the face of setting indicators applicable to their operations, they were unprepared. This was overcome by the development of the standardised indicators, however, there was a concern that the businesses may be overwhelmed when receiving such a comprehensive list. To counteract this each case study was individually taken through the indicators and support was given in discarding those that were irrelevant to their operations.

4.4.2 Monitoring & Reporting

Three of the accommodation providers found monitoring a simple procedure. Even though many of their records were on paper they had little difficulty transferring the data to the Excel workbooks. These three case studies also introduced new monitoring mechanisms in order to streamline the process for next year. The help sheets provided with the Excel workbooks were seldom referred to when in difficulty. None of the case studies had pre-existing mechanisms to record the data required and there was no paper trail as the businesses operated on a cash-in-hand basis.

The trekking companies struggled with the monitoring process more than the accommodation providers which reflects the belief that social and economic monitoring is considerably more complex than environmental monitoring, the predominant type of monitoring in hotels. Another reason the trekking companies may have struggled is due to their operations taking place *in the field*. Unlike hotels whose operations are contained and monitoring can take place via records and observation, trekking companies are more likely to have to rely on methods such as honesty of casual staff and client feedback.

4.4.3 Verification

During the verification visits, a significant amount of time was wasted establishing how each indicator could be verified. Even though this can inevitably vary greatly from business to business, the case studies found the inclusion of suggested verification sources alongside the indicators useful in identifying their possible sources and thus preparing the data prior to the verification visit.

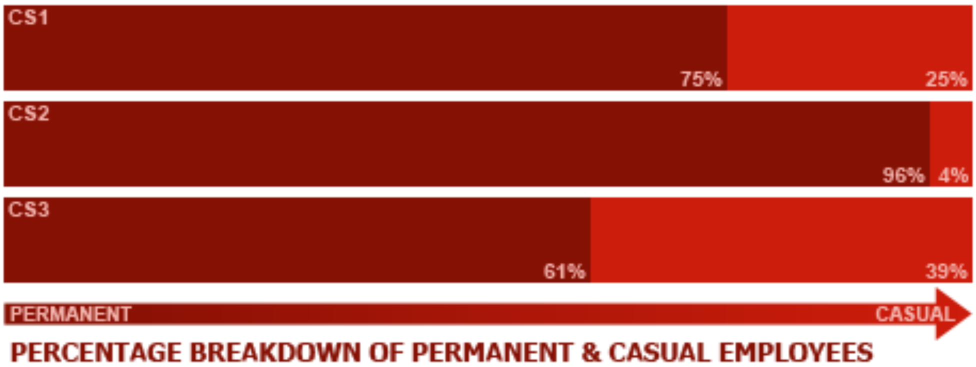
4.4.4 Suggesting Future Improvements

After the verification visit, each case study was given a document detailing where they could make possible improvements in their operations. This was done to encourage them to include these suggestions as future criteria in their report and subsequently incite year on year improvement. To help each business understand the information they received, RTreporting.org includes a comprehensive impacts section explaining the various impacts a business should consider and provides suggested methods of implementation.

5 THE RESULTS

The following data was collected from three of the case studies over the period of a year. For the purpose of this report they have been made anonymous and are referred to as Case Study (CS) 1, 2 and 3. However, this information is due to be publish on RTreporting.org in the imminent future.

5.1 Social & Economic Results



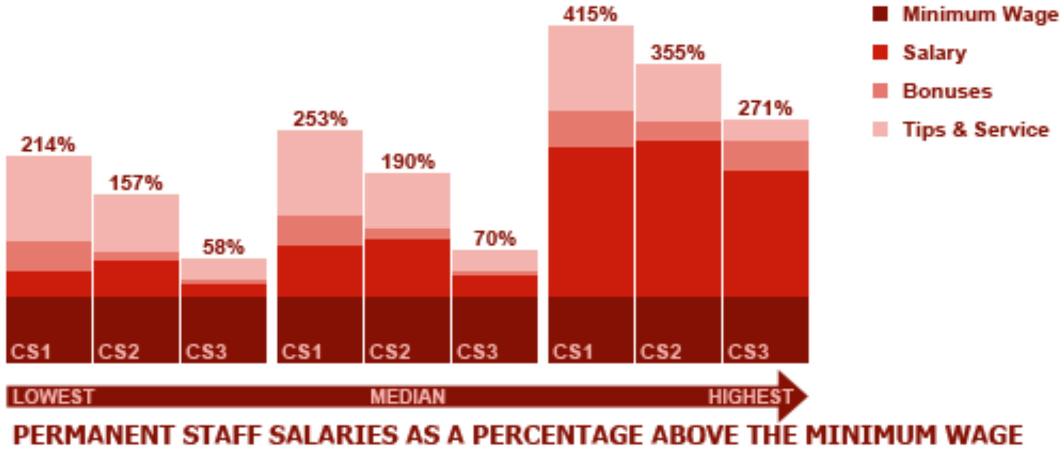


Figure 5-1 Job Security and Fair Employment

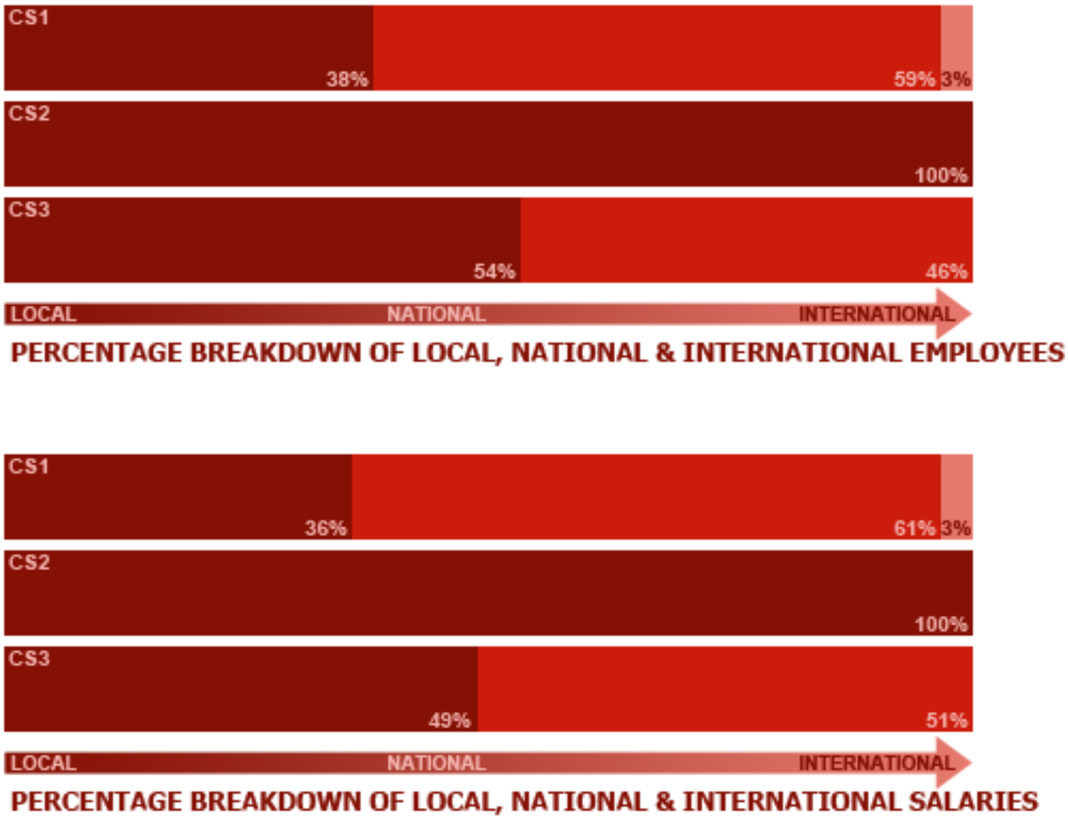


Figure 5-2 Equal Opportunities - Local Employees

Figure 5-3 Equal Opportunities - Female Employees

	Case Study 1 (CS1)	Case Study 2 (CS2)	Case Study 3 (CS3)
Salaries	• Staff medical was not included in the bonus calculations as it is paid as and when needed.	• Salaries are controlled and capped by the hotel's union. • Staff medical was included in the bonuses and are set amount regardless of requirement.	• Staff medical was not included in the bonus calculations as it is paid as and when needed.
Local Employees	• A large portion of trained employees were hired from outside the region when the property first opened due to the initial lack of interest from the local community.	• Situated in a city were there is a wealth of adequate potential employees.	• There is a lack of potential employees with a high enough education in the local area. • A large portion of trained employees are hired from the sister lodge.
Female Employees	• Females are encouraged to apply for positions but there is no positive discrimination. • 33% of all employees hired in the last six years have been female - the lodge has a very low staff turnover.		• The remoteness of the lodge makes is culturally harder to employ females.

Figure 5-4 Social and Economic Justifications of the Accommodation Providers

5.2 Environmental Monitoring Results

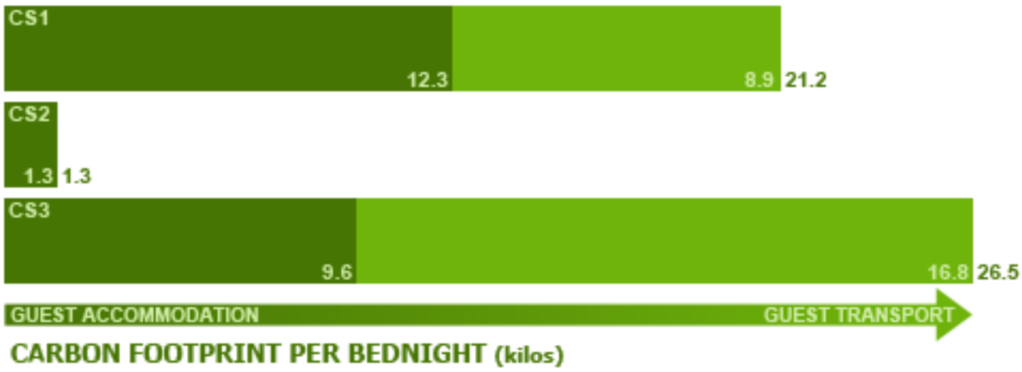


Figure 5-5 Carbon Footprint per Bed-Night of the Accommodation Providers

	CASE STUDY 1 (CS1)	CASE STUDY 2 (CS2)	CASE STUDY 3 (CS3)
Hotel Fuel	• Runs back-up generator for longer hours as guests are *Elite*. • Rooms are individual cottages situated along difficult pathways therefore lit with kerosene lamps for safety. • Most guests are all-inclusive due to the remote location.	• Runs back-up generator only 4-hours per day in peak load-shedding times. • Has on-site restaurant but situated in tourist district so guests eat out regularly.	• Runs back-up generator for longer hours as guests are *Elite*. • All guests are all-inclusive due to the remote location. • Firewood is used all year round but not recorded.
Transport	• Remote location. • Day trips offered.	• City location. • No transportation provided.	• Remote location. • Safaris and day trips are key to operations.

Figure 5-6 Environmental Justifications of the Accommodation Providers

6 DISCUSSION

The aim of this research was to offer an alternative to certification, viable for SMEs that provided a mechanism to facilitate public reporting on their sustainable achievements year on year. The main influence to the reporting side of this research was the Global Reporting Initiative (GRI) and the Global Compact. Even though these initiatives were considered too complex for the businesses targeted by this pilot the over all concept of transparent reporting was used to create a similar model relevant to SMEs. The type of businesses reporting through the GRI and the Global Compact are invariably more familiar with producing annual reports and monitoring their actions than the Nepalese accommodation providers and trekking agents used in this research. This made for a far more challenging pilot study and led to vast amounts of time being spent on capacity building but as this scheme is designed for a global market, starting with a more challenging test group is perhaps a more valid approach.

It was never intended for certification to be used as a model in this research, in fact as stated above, the aim was to offer an alternative approach. Nonetheless, through the development of this scheme and analysing numerous certification schemes, many attributes were found to be suitable to the reporting approach and were, therefore, introduced to enable the process to run smoother, for example the introduction of standardised indicators.

6.1 Transparency

A priority of this research was to address the lack of transparency within certification and as such the reports produced for this pilot were published on RTreporting.org. Even though these reports transparently report what each business has achieved, the amount of data each report contains makes the process fairly opaque from a consumer perspective. Who has the spare time to read, evaluate and compare each report? Certification has the simple solution of grading the participants but as discussed, the actual process is not transparent; the steps a participant takes to achieve this grading is hidden behind the face of the certificate.

6.2 Data Collection

There are few monitoring tools currently available which focus on the tourism industry and fewer still that incorporate social and economic monitoring. The tools offered in this pilot project were tailored to the relevant industry sector and the destination and covered social, economic and environmental impacts. Due to the pilot being self-financed the tools supplied to the case studies were fairly basic and developed using Word and Excel. The supporting information was situated on a website which is not congenial with ease of use.

6.3 Capacity Building

Capacity building is integral to any scheme and an obstacle many have failed to adequately address. The foundations for capacity building can be seen in certification but often the cost of supporting the training materials and its development is a major hindrance. A successful scheme needs the participants to have a clear understanding of their goals and the ability to implement the procedures to achieve them. It is, therefore, imperative to understand and address any obstacles that inhibit the participant from realising the criteria of the scheme.

Capacity building was an area where the most interesting findings were discovered. All case studies needed significant help with monitoring and this led to an increase of knowledge in office management and organisation. Consequently, staff understanding and awareness also increased, especially with those who were directly involved in the process. They all felt the process greatly enhanced their business and saw value in it.

6.4 Accessibility

Two of the most limiting factors for SMEs joining certification are the financial investment required and the time needed to complete the process. Both have the potential to also become weaknesses in the Responsible Tourism Reporting model. All case studies spent weeks understanding the reporting process and implementing the monitoring systems. Throughout this they needed constant support and for the scheme to become a viable business model then these time concerns need to be addressed.

It can be assumed that each year the process will become easier as the organisations become more familiar with measuring and reporting and the increase in availability of working examples. The tools have been designed to integrate into the working day but many individuals struggle to use Excel, which in itself presents a stumbling block. It is essential for this pre-verification process to be simplified to minimise the support each business requires. The majority of these time issues stem from a lack of understanding and are, therefore, covered in the capacity building section (see Section 6.3 - Capacity Building).

7 THE FUTURE

This research has demonstrated the necessity for a transparent reporting tool, allowing businesses to compare and contrast their responsible practices against others. This section outlines the continual development of Responsible Tourism Reporting and the plans to address weaknesses highlighted by the pilot project so that these are not replicated when the initiative is launched in new destinations and industry sectors.

7.1 Transparency

Transparency is a priority issue that was not adequately addressed by this pilot. Business to business comparisons including the quantifiable data are not yet publicly available, however, this is something which is being addressed as this paper is being written. Publishing comparison tables will allow companies to make legitimate claims supported by independent verification. If a company does not want to report on something, for example fair employee salaries, the tables will highlight omissions and hopefully encourage the businesses to become more transparent. To summarise qualitative indicators covered in the report, simple graphical representation is to be trialled (see Figure 7-1 - Graphical Representation of a Company's Annual Achievements).

Alongside transparency there comes a degree of discretion (the aim is not to make companies who are trying look bad nor is it to publish sensitive data). All data must be handled with complete confidentiality and only published with the consent of the company in question. Sensitive data must be disguised by percentages such as profit, payroll, training budget, etc.

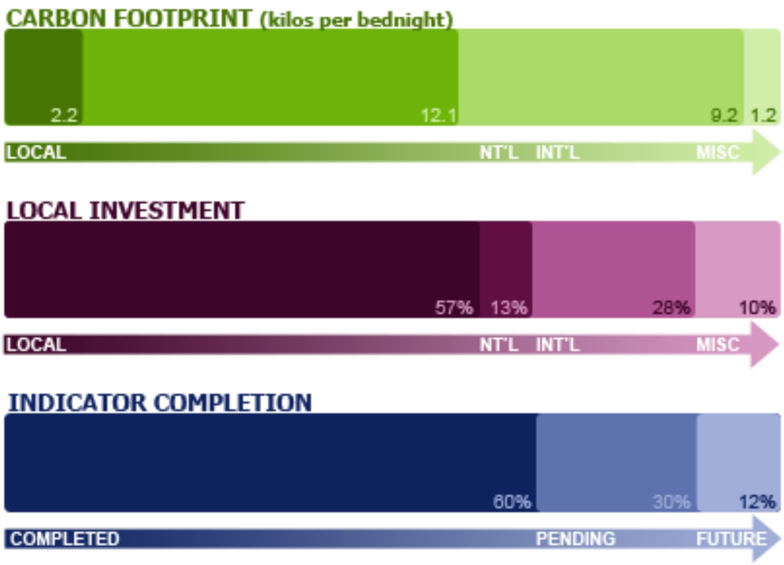


Figure 7-1 Graphical Representation of a Company's Annual Achievements

7.2 Data Collection

The cornerstone to the success of Responsible Tourism Reporting is accurate monitoring of a business' operations and impacts. As previously outlined, the tools currently provided to each case study were cumbersome and time consuming and participants repeatedly failed to use the supporting information. Having all information located in one place, instead of split between Excel, Word and the Internet, would make the tools far simpler to use. Web-based monitoring tool would avoid Excel and the supporting information would be interspersed with the data collection tools, thereby, usability vastly improves and the tools become more accessible, particularly to those businesses with limited computer skills. In the early stages of reporting and with the less able businesses, monthly monitoring should be insisted upon. With an online system Responsible Tourism Reporting can ensure each business is on track and avoids having missing data at the year-end.

Together with the main monitoring tools the pilot highlighted the requirement for additional tools to facilitate preliminary data collection. Companies who require these tools are more likely to require significant training to help implement these tools and it should be expected that they would not be ready to report within the first year of joining the scheme.

A list of suggested tools include:

1. Staff Database
2. Client Database
3. Services and Suppliers Log
4. Basic Accounting
5. Trek Log
6. Client Feedback Forms

Another weakness encountered during the pilot project was the case studies ability to produce graphical representation of their achievements. As discussed in Section 7.1 - Transparency, this is important as it increases readability of the report and allows for easier comparisons to be made between different businesses. By utilising web-based monitoring tools the issue of producing graphical representation becomes less significant as this can then be handled through the online system.

7.3 Capacity Building

In order to disseminate the importance of responsible tourism practices throughout the industry, it is necessary to integrate a training programme into the initiative to educate interested businesses as to how - and why - they should adapt their operations. The information provided must be easy to access, understandable and relevant to the individual business. Currently the *Impacts* section of the website is ordered by type of impact, but for usability purposes, it will be reordered to match the indicator themes for each industry sector as outlined in Figure 4-1 - Table of Indicator Themes and as the initiative expands into other sectors and destinations so should these themes.

Figure 7-2 Example *HOW TO* Box

Over half of the topics in the *Impacts* section have corresponding micro-training modules in the form of *HOW TO* boxes (see Figure 7-2 - Example *HOW TO* Box). These training modules need to be expanded to all topics and provide more in-depth information and workable examples. This area of the website demonstrates the scheme's dedication to creating a global learning platform for responsible tourism which facilitates businesses access to a vast pool of knowledge and real-life examples. One of the pilot project's case studies focuses on women's empowerment through employing female guides and porters and provides the perfect example of the potential of a global information platform. The business owner sees Responsible Tourism Reporting as a way to share the successes of her business with other destinations across the globe where similar tour operators could benefit from her road-tested approach. The strength of the Responsible Tourism Reporting Initiative lies in its members. The more businesses that report transparently, the larger the pool of successes and ideas available and thus allowing the scheme to continually evolve and become a valuable resource from which businesses can draw inspiration and encouragement.

The negative side to producing such a vast pool of information is that much of the content is irrelevant to individual businesses and for SMEs with limited time, resource and understanding it becomes a daunting process to isolate what is relevant. In the future Responsible Tourism Reporting plans to address this by building an online area where businesses can create an account which will enable them to log in and create a profile to represent their business, specifying their country and other key factors to provide a tailored approach with local and industry sector priorities. This, of course, is a considerable undertaking as each country and sector that joins the scheme would require a tailored information bank. Local partners and experts which could potentially play an important role in the production of these customised information sources.

8 THE ORGANISATIONAL STRUCTURE

Responsible Tourism Reporting is registered in the UK as a Community Interest Company (CIC), with primarily social objectives where surpluses are principally reinvested in the development of the business or in the community. CICs are independently regulated and must meet the criteria set by *The Companies (Audit, Investigations and Community Enterprise) Act 2004* and the *Community Interest Company Regulations 2005*. For more information on CICs please see www.cicregulator.gov.uk.

The primary goal of Responsible Tourism Reporting is to be a local scheme, run by local people for local people. Due to the scheme's ability to generate an income stream, and in keeping with the ethos of supporting the local economy, it is important that Responsible Tourism Reporting should remain local to the businesses and communities within which it is operating.

9 CONCLUSION

Ultimately there is a need for a transparent reporting tool but it cannot be a standalone product. Businesses require the complete package including capacity building, monitoring, measuring, evaluating and reporting and these tools need to incorporate both process and performance approaches. If a business is to take responsible tourism seriously, there needs to be a systematic approach in considering each aspect of its operations and the ways in which the impacts can be minimised. SMEs need the knowledge and the tools to help them set realistic annual goals which can be measured against their achievements and will allow them to objectively monitor their business' progression towards sustainability. Without such goals and evidence of success, claims cannot be verified, often resulting in greenwashing.

Responsible Tourism Reporting appeals to SMEs without the budget or capacity to independently introduce the detailed monitoring and evaluation tools they would require to transparently report their annual achievements.

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10 REFERENCES

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