

# Business and Strategic Planning

Your business plan is the cornerstone of your operation. It's your roadmap for where you want to go and how you plan to get there. It is also the perfect place to adopt the values of sustainability—from your marketing plans and ongoing operational costs to the way you approach employee training as your company grows. When you embrace sustainable thinking in your business and strategic planning, the direction becomes real, a little at a time. It becomes a good news story that you can share with customers, investors, staff, suppliers and the general public.

## Quick Start



Review the Tourism Industry Association of Canada's *Code of Ethics and Guidelines for Sustainable Tourism*. Choose one of the eight guidelines, incorporate it into your business's strategic plan, and make one commitment based upon it. No matter what action you take, you'll find success if you and your team make a full commitment and stand behind your objective. Start by making the decision to integrate sustainable practices into your operations and the core values of your company. Start small, show successes and build on every action you take.

## How to Integrate Sustainability into your Business Planning

- ◆ **Learn.** Review the Code of Ethics and discuss what it might mean to your business.
- ◆ **Buy in.** Determine the level of commitment within your organization to develop sustainable practices. Check out the [Education & Training](#) section of this toolkit for tips on ways to do this.
- ◆ **Tally it up.** Assess your current practices—both negative and positive. This will help define your starting point. Check out the [Operations](#) section of this toolkit for a helpful auditing tool.
- ◆ **Connect with stakeholders.** You can raise awareness, promote appreciation and enjoyment, and influence expectations by connecting directly with your various stakeholders. Let them know what you are up to, and ask for their input.

### Try This!

Connect to your customers through websites, advertisements, newsletters, catalogues and your frontline personnel. Provide them with information on what you have done and are planning to do. Single out this information by placing it on a separate "Sustainability" page that is linked from your home page. To get ideas on what customers want, or to get feedback on things you're already piloting, provide appropriate contact information and create the option for two-way communication—this builds customer loyalty.

Remember to connect with your other stakeholders, too. Make a phone call or go out to lunch with your service providers to come up with a collective game plan. If they currently don't operate with any sustainable practices, offer to help them get started. Pass on the information that you have learned. After all, the more people with the social, economic and environmental state of the community and world in mind, the more sustainable practices will become the mainstream—and you can be in the lead.

- ◆ **Write a policy.** A sustainability policy will help you to clearly define and communicate your organizational values and goals as they relate to your company's environmental, socio-cultural and financial performance. The policy will help guide your decision-making, management and operations.

## Case Study: Gray Line West

**Gray Line West** is a Vancouver-based motorcoach operator offering sightseeing and charter tours in Banff, AB, and Victoria, BC. Armstrong Hospitality Group-Gray Line's parent company-has made a commitment to innovative, sustainable tourism policies and programs. Here's a snapshot from the firm's policy:

"By minimizing environmental impact and promoting awareness of natural resources, heritage, and culture, we offer our guests an experience that's truly connected to the land and communities where we operate."

"Our commitment to sustainable development includes:

- ◆ Recycling and pollution-reduction initiatives
- ◆ A cross-functional internal team focused on "green" programs
- ◆ Encouraging regional economic development
- ◆ Providing financial support to conservation organizations
- ◆ Supporting the communities where we operate through charitable giving."

- ◆ **Focus on priorities.** Your first course of action might be to identify and eliminate money drains. After all, a sustainable enterprise is environmentally, socially and financially sound. You may find that the red ink on your bottom line is also costing the environment and customers.

## Built In

Remember that savings resulting from one action-for example, fuel or electricity savings resulting from an energy-efficiency upgrade-can be reinvested into another. That's what can happen when environmental stewardship and social responsibility become part of the framework like any other business process. In a sense, it is "built in" to your bottom line.

- ◆ **Aim for the bull's eye.** Setting goals and targets can help you move more quickly toward a tangible outcome. A structured approach will also save you time.
- ◆ **Think strategically.** Choose an integrated approach to planning so that every dollar invested into your programs can somehow contribute to achieving the three elements of sustainability: economic, social and environmental.
- ◆ **Innovate and evaluate.** In order to know what does and doesn't work, try rolling out a few actions and then step back and take stock. This will also allow you to change direction if you see that a particular strategy is not working. Share your successes!

## Scenario: Emerald Tours

Nick and Dina Cavanaugh own Emerald Tours, a caravan tour operator based in Halifax, NS, that targets the many thousands of visitors who come each year to explore the Maritimes.

The family business is poised at the frontier of a new era, in more ways than one. The next generation of Cavanaugh's-brothers Paul, Tim and Ashley-are taking over the business and are keen to develop new practices to improve the bottom line. The brothers want to integrate their own values and ethics into the company with a triple-bottom-line approach that includes economic, social and environmental considerations.

After the brothers read the Tourism Industry Association of Canada's Code of Ethics, they decide to get down to work. Guideline eight -Contribute Globally-in particular resonates with Paul. After researching on the Web, he notes that many of tourism businesses promoting sustainable practices are located overseas. The brothers decide to contact some of these operators; they feel they will benefit from their experiences, and in return they could offer their own knowledge to their new global partners. Over time, they conclude, these relationships could develop into joint marketing campaigns or possibly multi-country packaged sustainable tours.

Paul comes across a bus tour operator in Europe and a hotel in Central America that are each willing to give him some starting advice and share their sustainability reports. The first tip they give Paul is to get his employees on board with this new plan.

Ashley hosts an all-hands meeting to take the temperature of the staff's interest and values. He finds a mix, including a keen desire by some to be stewards and to model good practices for other tourism businesses. He also senses there may be learning opportunities for employees wishing to take a more active role. Generally, most of the employees seem excited by the new direction. Paul circulates the sustainability reports shared by his new European and Central American friends, and solicits the staff for ideas.

Using a simple auditing tool, Tim assesses the company's current energy, transportation, purchasing, waste and community practices. He immediately sees great waste-reduction potential. As a vehicle-based tourism company, Tim is keen to find ways to reduce transportation impacts.

The Cavanaugh brothers next identify their target audiences. In addition to staff, they identify the following key groups:

**Customers.** Emerald Tours keeps in contact with its customers through an electronic newsletter, comment cards distributed at the end of tours, and a feedback form on its website. All of these channels help the management understand what customers are looking for when it comes to environmental and socially responsible practices.

**Service providers.** As an established company, Emerald Tours has many long-term relationships with local guides and suppliers. As much as possible, the Cavanaugh brothers want to retain these providers.

**Local communities.** The Cavaughns are keen to invite these communities to play a collaborative role in their business development. They're not yet sure what this role will look like, but it could be in the form of sharing resources or creating partnerships.

Tim then looks at the fleet's considerable fuel consumption. Paul calculates the economics of fuel to be as follows:

- a fleet of five caravans
- a fuel economy of 15 L per 100 km
- at 130¢ per L
- travelling 1,000 km per roundtrip
- one time each month
- \$11,700 per year in fuel

The Cavanaughs commit to finding ways to improve their fuel economy. They begin by creating a goal and recording monthly expenses to establish a baseline and to track their future progress. The whole team at Emerald Tours wants to set attainable goals. It opts to focus on three areas:

**Goal 1:** Establish an internal stewardship team to help oversee sustainable initiatives.

**Goal 2:** Reduce carbon emissions via alternative fuels.

**Goal 3:** Support Maritime businesses through purchasing, partnerships and marketing.

In developing a strategy to achieve Goal 2, Tim concludes that Emerald Tours can convert its diesel-engine vans to biodiesel. He researches options for converting the engines, and works out a contra arrangement with several restaurants and diners located along the company's trip routes. Emerald Tours will supply the customers and in exchange, these food establishments will provide used vegetable oil to fuel up the vans. Tim knows this strategy also advances Goal 3, to support local businesses and create partnerships.

The Cavanaugh brothers set a timeline of one year to check on their progress. When it comes time to evaluate, they will apply some of the questions from their initial audit to see how far they have come. They plan to share this information with their various stakeholders to let them all know what progress they have made, and the resulting impacts.