Understanding Sustainability Procedures of Premium

Hotels in the Nordic Countries

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Degree programme	
International Business Administration, BBA	

Report/thesis title	**Number of pages and attachment pages**
Understanding Sustainability Procedures for Premium Hotels in the Nordic Countries	**51 + 4**

ABSTRACT

The primary purpose of this thesis was to investigate how large chains in the hospitality sector build sustainable supply chains. This was conducted by reviewing academic texts and journals written by professionals in areas such as corporate social responsibility, waste management, and environmental awareness. A comparative analysis based on two of the largest condenders in the Nordic hospitality industry Nordic Choice and Scandic group, was carried out to investigate how sustainable supply chains are constructed and maintained.

The goal was to obtain knowledge on sustainable development and implementation in a dynmanic, constantly changing setting, and to gain an understanding of how these principles are monitored and reviewed for a higher grade of corporate transparency. The influence of the coronavirus pandemic on the hospitality industry's ability to remain sustainable and profitable was also considered and the situation assessed. The main research question was: "How do large companies in the hospitality industry create and conduct sustainability initiatives?"

The framework of the thesis focuses on corporate social responsibility, energy and waste management, transparency of rules and regulations, the significance of strong corporate governance, and how the case company, Nordic Choice Hotels, and its largest competitor, Scandic Group, have taken these aspects into account in their supply chain plan and daily protocols.The thesis' structure was primarily qualitative, which allowed the author to pull from sources that give credibility to the results produced. The results themselves focus on concerns of the degree to which the industry will work to retain its sustainability should COVID-19 persist for an extended amount of time. While the initial goal was to suggest solutions to assist the industry, it became increasingly apparent that only cryptic assumptions about the future can be made until the pandemic and its nature is better understood.

Sustainability and corporate social responsibility have become major areas of focus for every industry, and especially for the hospitality industry. Guests want to know more about how their hoiday directly affects the wellbeing of staff that work at the hotels, the farmers and animals that provide the food that they eat, and the end destination for waste that has a big impact on our planet at large. In light of this, top hospitality management must ensure an explicit level of transparency to stakeholders as well as shareholders in the company.

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1 Introduction

The primary objective of this composition is to outline the key sustainability protocols practiced by premium hotel chains operating in the Nordic Countries. This will be executed by observing the internal operations of Nordic Choice Hotels (NCH), a Norwegian chain with over 200 locations as of 2019, setting the firm up as one of the most prolifically developed throughout the Nordic and Baltic regions (State of Nordic Choice 2020a). Data collected from Nordic Choice Hotels' annual reports and findings will be matched against literature and other various web sources in order to justify the validity of NCH's claims to be a highly green, innovative, and sustainable example of the hospitality industry (State of Nordic Choice 2019b).

1.1 Background

As the world grows ever smaller with the development of new technologies, including advancements in social media, human beings' concern with the mistreatment of our planet and depletion of natural resources is also taking centre stage. "Smart businesses", that is, companies that strive to modernize their company practices to their fullest potential, are concluding that green practices and Corporate Social Responsibility (CSR) are deeply connected (Weybrecht 2014, 36). In addition to noticeable increases in positive publicity, many smart businesses are also enjoying exponential growth in revenues. Firms that have aggressively updated and enforced specially-tailored sustainability agendas have a combined revenue of $100 billion per year, which is more than 70% of the GDP of Earth's 180 economies (Williams 2015, 6). Still, many companies find the initial costs of implementing environmentally-friendly rules of conduct constitute too great a financial risk.

Sustainability in a corporation's Supply Chain Management (SSCM) and execution are the roots of a successful, modern-day company; if they are not maintained and firmly established, the company cannot withstand challenges. That being said, this piece will focus on the two major areas in which companies perform; **Internal and External Operations,** focusing specifically on activites of the supply chain. The primary effects of well-mandated planning on a firm's Corporate Governance, Human Resource Relations, as well as functionalizing Operating and Marketing strategies all have consequences for the company's image in the eyes of the customer. The hotel industry, in this regard, is fuelled by customers' feedback and overall satisfaction, directly reflecting how the company performs from within.

1.2 Research Question

This thesis is a *literature review* and therefore will be primarily based on desktop research. The research question (RQ) will focus on uncovering what it means to uphold sustainable

goals in the modern hotel industry; solving it will shed light on complex ethical dilemmas that challenge the industry on a range of issues.

The Research Question considers the logistics when constructing company-wide sustainability initiatives. This will further investigate the complexities of their establishment and monitoring thereafter. To answer this question, the author will compare the possibility of *cost* risks to the company to how the company, its customers, and its staff benefit in the long-term. The monetary worth versus sustainability gain will also be taken into account during this process.

Research Question: How do large companies in the hospitality industry create and conduct sustainability initiatives?

1.3   Investigative Questions

The Investigative Questions (IQs) related to the thesis aim to justify the research question, as well as the legitimacy of Nordic Choice's *We Care,* the company-wide initiative that mandates conditions for sourcing products, labour, and consumables entering the hotel. There will also be a follow-up investigation into waste and emission competencies based on reports filed by the company. In addition to new events and consequences caused by the COVID-19 pandemic, there will be one IQ that will rationalize the likelihood of the company's propensities to maintain the progress that has been made thus far.

IQ 1: How well does Nordic Choice Hotels demonstrate that they are accomplishing their goals as a leader of sustainability in the industry?

IQ 2: How does Nordic Choice Hotels adapt initiatives from research to withstand problems related to waste, ethical questions in the labour force, environment?

IQ 3: How has the pandemic changed the case company's ability to be sustainable?

Table 1: Overlay Matrix

Questions Answered	Supporting Theory	Source of Material (Method)	Found in Chapter
RQ: How do large companies in the hospitality industry create and conduct sustainability initiatives?	Triple Bottom Line Three Phases of Corporate Social Responsibility	Exploratory Research	2—4
IQ1: How well does Nordic Choice Hotels demonstrate that they are accomplishing their goals as a leader of sustainability in the industry?	Transparency Sustainable Supply Chain Management in Hospitality	Literature Review (primary research) Analysis of Annual Reports presented by the company (supporting research)	4
IQ2: How does Nordic Choice Hotels adapt initiatives from research to withstand problems related to waste, ethical questions in the labour force, environment?	Green Supply Chain Management Sustainability Certifications	Literature Review (primary research) Comparison of case company to competitors in the industry (supporting research)	2; 4
IQ3: How has the pandemic changed the case company's ability to be sustainable?	Crisis Management in Hospitality	Analysis of recent academic journals	4—5

1.4 Structure of Thesis

The thesis is split into four subtopics to answer the questions presented, with a brief conclusion of outcomes to consolidate the author's findings. The first part will elaborate on

Sustainable Supply Chain (SSC) and Corporate Social Responsibility (CSR) doctrine from the research to establish a focal point for answering the investigative questions. Secondly, the author will go into more detail about Nordic Choices *WeCare* initiative, namely, on which concepts Nordic Choice has capitalized in order to draft their protocols and how they are embodied in the company goals. Thirdly, the annual reports and supportive evidence that the company is creating sound sustainable guidelines for its supply chain and staff will be reviewed and compared to data presented by a competitor from the industry, Scandic. Finally, the effects of COVID-19 projected on possible outcomes for the industry's sustainability tendencies will be explored.

SSC and CSR Theorems	Establishes foundation of core thesis principles
Understanding Nordic Choice's Initiatives	Introduces and describes the case company's policies
Results of Nordic Choice Initiatives	What do the annual reports suggest about NCH's responsibility?
COVID-19 and the Industry	How will NCH remain sustainable amidst the pandemic?
Conclusions	Summation of results based on research and company strategies

Figure 1: Structure of Thesis

1.5   Demarcation and Scope

The topics discussed in this thesis are limited to the comprehension of how core sustainable business practices are drafted and set into motion for major players in the Hospitality Industry in Northern Europe. This research is intended to help the reader understand how sustainable supply chains operate in the hotel industry across the Nordic countries, with the central example being Nordic Choice Hotels.

While they are not directly related however, a *comparison* of other brands' annual reports will be conducted in order to define the scope of Nordic Choice's sustainable supply chain practices and policies as a leader of The policies drafted by Nordic Choice Hotels are unique to the company within the realm of sustainability and do not define baseline goals of

the industry in its entirety. The theory part of this thesis will lay the foundation for what experts in the field of sustainable supply chain and quality management consider to be effective guidelines for a firm of 16,000 employees. The sustainability data provided by Nordic Choice will be compared, in brief, to some aspects of sustainability as recorded by Nordic Choice's largest competitor, Scandic Group.

In addition to the efficiency of the company compared to other competitors in the hospitality industry, this thesis will also deduce conceivable outcomes for the continued effectiveness of these initiatives in the wake of the COVID-19 pandemic; this situation, which as never been experienced by the industry in modern times, has already caused millions of euros in losses, and is expected to do so unceasingly until a solution can be found.

1.6　Case Company

Nordic Choice Hospitality Group AS, was founded as Choice Hotels Scandinavia in 1990 by Norwegian real-estate mogul, Petter Stordalen. Since the company's inception, it has vastly expanded over the past 30 years into a multinational hospitality chain with over 200 locations, over 190 of which are directly owned by Stordalen (State of Nordic Choice 2020c). Mr. Stordalen's umbrella holdings firm, Strawberry Group, signed a contract in 1994 with American hospitality giant, Choice International, so that additional brand models could be marketed to a wider audience. The company currently employs between 16,000-17,000 full- and part-time employees, making it one of the largest hotel chains in the Nordic countries (Nordic Choice Annual Report 2019a).

Today, the Nordic Choice trademark is split into four subcategories: Clarion Hotels, Clarion Collection Hotels, Quality Hotels, and Comfort Hotels. All subcategories are managed by the company's specially tailored sustainability initiative, *WeCare.* This program aims to monitor Nordic Choice's supply chain responsibly to provide the highest quality products and services, all while affirming transparency from the raw materials' stage until it reaches the customer.

1.7　International Aspect

The case company is an international firm that currently has a presence in six nations across Northern Europe: Denmark, Finland, Latvia, Lithuania, Norway, and Sweden. Despite upper levels of management using Swedish as their primary language for communication, as it is the most understandable and spoken amongst Nordic people, business is conducted in the native language of the local level, as well as in English for foreign workers.

The company's supply chain supports lodging for millions of people a year, arriving for business or leisure from around the world. Complex diversification processes for the supply chain take place to satisfy the expectations of workers and customers from different cultures.

1.8   Benefits

One major advantage for this thesis is informing the reader about the connectivity between responsible supply chains and the effect it has on us and our planet. The author aims to provide proof detailing the positive correlations between greener business protocols and a brighter future. Developing a knowledgeable understanding of where products that we use in our everyday and leisurely lives has a significant impact on everything as close to ourselves and as far as the other side of the globe.

Additionally, the thesis aims to theorize about Nordic Choice Hotels' continued stability and security amidst the current Coronavirus pandemic. The research will consider examples of how crisis management theorists handle difficult situations that jeopardize the hospitality industry specifically, and will draw conclusions on Nordic Choice Hotels' abilities to implement similar protocol in order to maintain a sustainable supply chain despite the challenges facing the industry.

The sooner the reader can make the distinctions between accountability and irresponsibility, the sooner we can each play a part in making better choices for the generations to come. The research conducted to identify the root of the problems presented will help build an understanding of industry codes of conduct, and give a deeper understanding for developing solutions in a real-world setting.

1.9   Key Terminology and Concepts

This report will touch on premises directly related to green commerce and macroeconomic corporate relationships. Some of the following have already been stated above and will be clarified in this section.

Sustainable Business is the central idea of this thesis. It has evolved over decades into a megatrend, and describes how international firms should be held accountable for the responsible use of the planet's natural resources and the ethical treatment of labour throughout business operations. This subject operates from a mantra of developing practical solutions to difficult social, economic, environmental, and ethical issues that plague humanity and Earth.

Emission Substances discharged into the air, often by manmade structures or machinery (Merriam-Webster)

Corporate Social Responsibility (CSR) is how companies build their brand by taking a stance on important social issues in their respected industry and in our society.

Triple Bottom Line (TBL or 3BL) an accountability framework implemented by companies to place an even focus on the workforce, the environment, and company returns (the 3P's, People, Planet, Profit).

Green Wave The name of the revolution that generated worldwide corporate interests in exacted greener, environmentally-friendly practices in their business strategies. It has caused never-before-seen challenges on a global scale, and has generated new ideas in corporate ethics. It has also launched billions of dollars in new initiatives to combat social controversy (Williams 2015, 7-10).

Greening the act or process of becoming more active about protecting the environment through innovative business solutions and socially sustainable initiatives (Cambridge English Dictionary).

Ecological Footprint a resource management tool that calculates how much land, water, and other natural resources we as a species require for consumption, and how we can reabsorb waste created with current technologies and institutions. (Wackernagel, Lin, Evans, Hanscom & Raven 2019).

2   Creating Sound Sustainability Initiatives

The focus of Chapter 2 is to introduce the reader to core sustainability theory that has been observed and adopted by the hospitality industry. While most of these concepts are not limited only to the hospitality industry, they have been adapted to create more transparent approaches for procurement of products and services, and to guarantee fair labour conditions for farmers, manufacturers, and personnel at each stage of the supply chain.

2.1   The Triple Bottom Line -- Simplifying Sustainability

After the April 1986 Chernobyl disaster devastated parts of the western Soviet Union, a new environmental revolution ignited around the world (Lebowitz 2016). This "Green Wave", as it became known, saw environmentalists and other activists everywhere cry out for more defined guidelines for how large corporations, governmental or otherwise, should conduct their industries more responsibly (Williams 2015, 7). As capitalism continued to grow exponentially in the West, and dishonesty in the East, humanity demanded justice and accountability; people at every level were in the dark about what was really happening around them.

In 1994, environmentalist and business review author John Elkington posed a question that, if capitalism continued to expand, then how likely would it be that there would be enough natural resources to sustain the next era of businesses, the workforce, and humanity itself (Elkington 1997, 62-67). He decided that it would not, in fact, be a sustainable venture, and so coined a term that added a new perspective on corporate business approach, the **Triple Bottom Line,** or simply **TBL**.

Through (Elkington 1997, 69-74), this new idea was meant to narrow down the most important parts of business to three central bases: **Social, Environmental, and Economic**

- **People (Social)** are the individuals involved in the procurement of the company's products and services, as well as the organization's customer base. This section of the triple bottom line ensures fair working conditions for the workforce and quality products for the customers. It guarantees basic human rights over the sheer maximization of capital.

- **Planet (Environmental)** is an administrative admittance that human activity is the cause of global warming. It is the driving force in a firm's investment in green policies

that reduce their carbon footprint and scale back on unnecessary use of nonrenewable resources in favor of renewable ones. It was also set in practice to win over the public's support for innovative companies modernizing their agendas.

- **Profit (Economic)** in this model is the way that companies use dynamic tactics to turn their own waste into revenue, with less environmental harm in the process. This section is also devoted to cutting down on costs that come with waste removal in industries' respective supply chains. "Zero Waste" initiatives are a prime example of "Profit" in action.

Elkington argued through his publications that despite his conclusions facing many obstacles, this could be the answer capitalists and environmentalists alike were searching for; "Beyond 'greening' lies an enormous challenge -- and an enormous opportunity. The challenge is to develop a sustainable global economy: an economy that the planet is capable of supporting indefinitely" (Harvard Business Review 2018). While profit remains the central aspect of business, the focal point was shifted to achieve ethical solutions, not only on behalf of the workforce, but also to halt exploitative use of the world's natural resources. In this sense, if a company strives to be an example of sustainability, no one of the three bottom lines can hold more value than the others; a sustainable supply chain can therefore become destabilized by placing too much importance on profit, if neglecting to offer balance to the framework as a whole.

Before the Triple Bottom Line was established as an idea, industry-specific shareholders were responsible for the inner workings of most large corporations. As defined by (Hall & Slaper 2011) in their academic paper about the origin of TBL, the more companies grew, the more shareholders controlled returns on investments, measures of profit distribution, and the levels of environmental and social considerations made by their enterprises. As one may conclude, the shareholders' concern was placed mostly on profits and returns, and decidedly less so on "People" and "Planet".

2.2 Transparency

After Elkington first coined the idea in 1994 and published his book in 1997, businesspeople began viewing TBL not only as a pathway to corporate moral reform, but a way to hold shareholders responsible to be more transparent. Transparency, Elkington argued, is a pivotal way to inject information into markets in order to foster better communication and productivity. On the other hand, he also stated that "secrecy almost always backfires in the

environmental area" and hurts the people who make business happen (Elkington 1997, 161-162).

A strong sense of integrity not only goes a long way in keeping people safer and ecosystems cleaner; it can be spun on a positive note for businesses as well. A company willing to admit its mistakes seems less like a faceless organization, but more human and relatable. An undistorted public image causes investors and customers alike to trust that they are receiving high quality products delivered to them by fair means. Deloitte Touche Tohmatsu International 1993, referenced by Milne & Byrch 2011, 15-19) describe that one of the most common (and currently, mandatory) ways that 21st Century businesses are being more upfront is through *triple bottom line disclosure*, which reinforces companies' genuineness by publishing annual reports. Additional crucial factors for coherent disclosure listed by Deloitte & Touche International, and adapted by Elkington, are listed in the table below.

Table 2: Contents of Triple Bottom Line Disclosure Themes. The table lists examples of events that companies must consider when creating transparency policies.   (Elkington 1997, 165)

Involuntary	Mandatory	Voluntary
♦ Accidents	♦ Annual reports and accounts	*Confidential*
♦ Campaigns		Disclosure required by:
♦ Press and media exposés	♦ Stock exchange requirements (e.g. Securities & Exchange Commission reports, USA)	♦ banks
♦ Whistleblowing		♦ insurers
♦ Court investigations		♦ customers
♦ "Dirty tricks" campaigns by competitors or others		♦ joint venture partners
	♦ Toxic Release Inventory (USA)	*Non-confidential*
		♦ Social reporting aspects of annual reports
	♦ Pollution registers (France, UK)	♦ One-off or free-standing corporate performance reports
		♦ Eco-audits, social audits
		♦ Product labeling (e.g. eco-, fair trade labels)
		♦ Answering benchmarking questionnaires
		♦ Industry federation initiatives (e.g. the chemical industry's Responsible Care program)
		♦ Briefings of, e.g. analysts, employees, media, campaigners
		♦ Press releases and media briefings
		♦ Staff newsletters
		♦ Open-house days, on-site Visitor facilities
		♦ Toll-free numbers for stakeholders

As displayed in the table above, there are three types of occurrences that have an effect on disclosure agreements. **Involuntary** actions are those that the firm cannot prevent one-hundred percent of the time. While measures can be set into place to offset the likelihood of unpredictable situations, it does not always work as the company plans. These lead, in most cases directly to a **loss in capital.**

Mandatory disclosures vary by nation, and in some cases depend on the region within a specific nation. These are the rules, regulations, and inspections that maintain companies' optimal levels of safety and productivity. **Voluntary** disclosures are a series of additional information that a company can provide, but are not necessarily forced to do so; however, these are becoming more mandatory as regulations modernize large corporations. In short, as framed by Andrew Savitz, this is a guidebook for companies to "pursue sustainability by being less bad", increasing optimization by minimizing negative factors in the workplace and throughout the supply chain. (Savitz & Weber 2014, 152-157).

Multinational corporations (MNCs) have a moral, political, and financial obligation to openly divulge the nature of their business practices, says Oxford analyst Pervez Ghauri and his colleagues (2014, 341). Not only does the lack of disclosure, or opacity, of information damage relationships with the community that the organization serves, it can also weaken the positions of the firm in markets. Therefore, the growing presence of transparency in the business sector is nearly forcing MNCs to be more accountable by publishing thorough annual reports and elaborating on more sustainable business practices, offering up proof of legitimacy and trustworthiness (Fossbæck & Oxelheim 2014, 342-343).

2.3   Corporate Social Responsibility and its Three Phases

Before the Triple Bottom Line, the 1950s saw the birth of a broader system to map out and achieve ethical business practices. **Corporate Social Responsibility**, or **CSR,** is the manner in which a company's managerial team shapes agendas in the best interest of stakeholders, with the goal of keeping societal well-being in the forefront of actions taken (Carroll & Shabana 2010, 269-270). The aim of CSR is to recognize the relationship between businesses and their obligations to operate on behalf of societal greater good.

CSR is how companies build their brand by taking a stance on important social issues in their respected industry and in our society. CSR has a direct effect on the work environment, customer experience, and, depending on the size of the firm, on the community at large. There are three distinct areas of CSR that companies need to capitalize on in order to be considered a socially responsible entity:

- Phase One: Philanthropy. Once a company considers itself to be established and turning profits, it can begin to focus on giving back to the community. This may be in the form of social programs or appropriating funds to needy causes.

- Phase Two: Improvement of Operational Effectiveness. This process involves the utilization of the company's current protocols and expanding them to promote higher productivity and turnover. This is done in order to reduce waste and redirect usage of company resources to improve the working conditions of personnel, which in turn may increase revenue, decrease cost, and enhance the company's general reputation.

- Phase Three: Transforming the Business Model. Now that the company has created a brand image and actualized protocols in its business design, it can create new initiatives to impact social norms on a global scale. In this phase, the customer-based can be widely increased by redefining areas of the Supply Chain from top to bottom. (Garriga & Mele 2004, 64-67).

CSR represents, in the modern world, a way for industries to internally structure their practices to guarantee ethical answers to societal demands. While regulations are increasingly mandatory in the West, CSR remains largely voluntary and is implemented at varying degrees implicit on the size of the company. There are no formal rules or laws in use that lay proper guidelines for CSR, and therefore companies must evaluate their unique situations in order to see positive impacts on their corporate environment and in the community where they are operational. Professor Benedict Sheehy of the University of Canberra (2012) argues that CSR revolves around four key elements:

1. Meeting objectives that produce long-term profits
2. Using business power in a responsible way
3. Integrating social demands
4. Contributing to a good society by doing what is ethically correct

The following figure expands on the focal points of CSR according to where they are relative to a company. Internal measures are met by making sure that the company has ethically sound goals; supply to the company cannot, for example, include any forced, slave, or other corrupt labor practices. In this case, all products should be traced to morally upstanding sources. Internal measures also include the honest marketing of the company's intentions; this means the elimination of legal or political loopholes concerning the supply chain, and complete transparency when reporting about profit, supply, and company intent (Hiß 2007).

Responsible/Sustainable Supply Chain Management is also a central value of the "middle focus areas" of CSR. The middle focus areas affect the managerial team, the lower company personnel, and the overall company image to its customers and the community at

large (Hiß 2009). In this stage, the company constructs its policies for environmental standards, labor standards for the staff to produce at the peak efficiency, and draws up benchmarks for supply chain protocols, namely, those considered acceptable by all parties (especially shareholders, staff, and customers).

Criteria in the final area is commenced once the company has established itself within the community; it cannot be actualized without its internal policies being set into motion. These include organizing events (Pride, community clean-ups, Christmas donations to underprivileged children, etc.), and can greatly increase the company's image when executed properly. These are shown to be positively affected by a well-informed and indoctrinated staff, a group that also holds the company's goals and agendas in high esteem.

Figure 2: Corporate Social Responsibility Focus Areas (Hiß 2007)

According to Dr. Stefanie Hiß' figure above, there are three levels of CSR: *internal, middle, and external* areas. Internal areas are a product of the decisions made directly by the company's top management team. This includes protocols taken to ensure transparent business operations and minimization of abusing legal loopholes. Middle areas have a direct impact on management, lower personnel, and other stakeholders involved with the company. These actions taken serve as a bridge between internal activities with the general staff, supply chain, and the community where the company operates. These set the stage for the company's goals, values, and standards regarding CSR. External actions, which are enacted by the company in the community, cannot be executed without the first two areas being firmly established.

2.4   Corporate Social Responsibility in Supply Chain Management

CSR directly affects a company's supply chain in a variety of ways, from start to finish. It has been mentioned by several experts in the field that CSR has a more direct relationship in Western countries, where economies are more developed and therefore Supply Chain Management more complex (Matten & Moon, 2008 as referenced in a dossie completed by Botella, Figiel & Michalski 2018). In regard to SCM, the application of CSR is to align a company's values to buy and sell to companies with similar interests and goals (Michalski, Botella & Figiel 2018, 479-481). SCM professionals of Canada describe the relationship between CSR and SCM in the following manner:

> --*"the integrating function with primary responsibility for linking major business functions and business processes within and across companies into a cohesive and high performing business model"* (supplychaincanada.org/en/supply-chain)

The implementation of CSR policy in the supply chain cannot be actualized without active cooperation between external and internal factions, particularly emphasized in how suppliers operate with purchasers, producers, and distributors, and a high level of transparency between the company and its customer base (Chen & Paulraj 2004, 120 in Botella, Figiel, & Michalski 2018, 482-483).

Principles that influence the effectiveness of CSR active in a supply chain stem also directly from how well a company implements CSR efforts in day-to-day work experiences, especially in the company's ideals, to the customers, and the staff. Increased company awareness and incorporation of CSR in the supply chain include responsible management of food and energy waste, concern for diverse and inclusive staffing design, and alertness toward ethical concerns that plague international industries, especially, child-trafficking, slavery, poor working conditions and salaries). These ethical safeguards built into the supply chain

directly correlate to the company's quality of sustainability and responsible practices. Resources required to successfully establish and mandate these practices for noticeable results depend largely on the company's size, reach, and number of employees. (Botella, Figiel, Michalski 2018, 489).

2.5 Quality Ecological Certifications and Sustainability Standards

The following subchapter will expand upon different types of eco-labelling and environmentally-friendly certifications that are used in the Hospitality industry. The main body text concerns the International Organization for Standardization (ISO), an independent non-governmental organization (NGO) based in Geneva, Switzerland, that helps businesses around the world set rules and guidelines for workplace safety and the continued improvement of sustainable practices. (https://www.iso.org/structure.html). As NGOs, the nonprofit organizations of the ISO federation do not have legal authority to enact laws unless an official governing body refers to their policies, bringing them into legal effect (Kals 2015, 6).

2.5.1 ISO 14000 Environmental Management Framework

The 14000 classification of ISO standardization systems focuses on environmental management (EM). There are over 300,000 different types of certifications under the 14000 classification across 171 countries and countless sectors and industries. The most essential and widely-used designation of ISO-14001, which is updated annually. This specification helps a company's administration focus on internal and external factors that have direct influence on the environment (Brauweiler, Zenker-Hoffmann, & Will 2018, 5-11).

According to the updated Operations Performance manual written by Springer's editor in chief, Inaki Heras-Saizarbitoria (2018, 3-6), ISO-14001 was first drafted in 1996, and modeled after criteria found in the British BS 7750 environmental standard. It was modernized to find a balance between production and consumption for increasingly capitalistic nations. ISO-14001 adapted related principles from the TBL to produce optimal results for the shareholders through responsible activities (ISO 14001:2015, 2015). Despite being initially criticized for not making environmental responsibility mandatory for companies, ISO-14001's incorporation has made great leaps forward for the day-to-day operational systems in large companies (Heras-Saizarbitoria & Chiarini 2018, 7).

2.5.2 ISO 9001 International Management Framework

Heras-Saizarbitoria further states that the ISO-9001 classification of international management was first launched in 1987, adopted chiefly in the EU. It was amended again with

significant improvements in 1994 and 2000, coinciding with the UN Global Compact held in July of the same year, with final alterations being completed in 2015. The flagship country was the UK, as ISO-9001 was also designed using BS 5750 frameworks. The main function of this ISO framework deals with the systematic formalization of business processes into clearer strategy, in order to allow the further internationalisation of firms and to normalize business procedures. It is not intended to predict results or mandate companies' core goals, rather, to formalize the processes that lead to said results, as Heras-Saizarbitoria (2018, 2-4) references from Braun (2005).
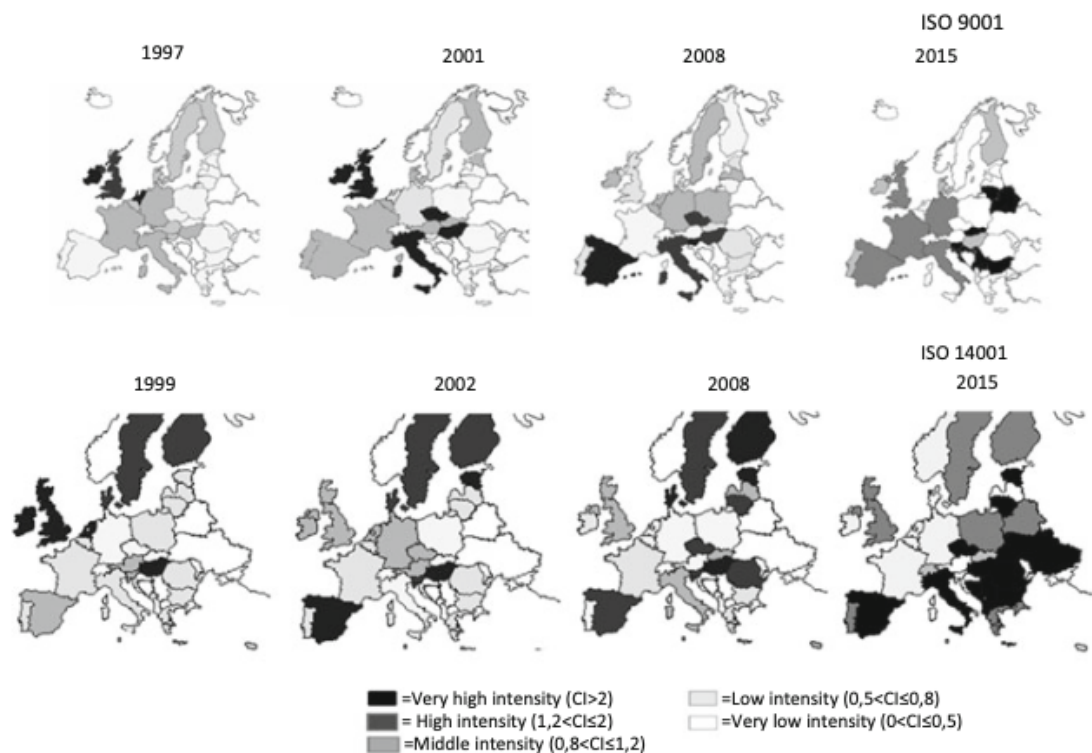
Figure 3: Intensity of ISO 9001 and 14001 certifications in Europe from 1997-2015 Denotes the amount of certifications acquired based on the country's GDP. (Heras-Saizarbitoria 2018, 11).

2.5.3 ISO 26000 Corporate Social Responsibility Framework

This classification outlines modern sustainability norms and CSR initiatives for companies to understand and report on their financial and non-financial activities to their stakeholders and to the general community in which they operate. These criteria were based on the Global Reporting Initiative's examination into responsible reporting of non-financial entities throughout various organizations, founded in 1997 and finalised by the UN Global Compact in July 2000. The Compact concluded its intent to further dynamic growth and relations in

four major areas: human rights, labor, anti-corruption, and the environment, branching largely from business' point of view. (Gonzalez-Perez & Leonard 2016, 118-120)

As of 2018, there are 70,000 corporate members based in 114 countries worldwide. Based on these guidelines, and according to ISO researcher Samuel Idowu of the London Metropolitan University (2019, 1-3) these companies seek to reach a higher quality in the areas of:

- accountability
- transparency
- ethical behavior
- respect for stakeholder interests
- respect for the rule of law
- respect for international norms of behavior
- respect for the further solidification of human rights advancements

2.5.4   ISO 50001 Energy Management Framework

ISO 50001 is an energy and business management system that aims to assist companies with finding solutions to maximize efficiency through guided energy consumption. Much like the other standardization certifications published by ISO, the 5001 group defines shaping companies' energy baseline usage (how much energy and the amount of time is required for the company to become profitable), performance indicators, the company's overall objectives and targets, and the formation of an action plan, as characterized by Johannes Kals (2015, 6).

Since energy is a quantitative entity when compared to EM, CSR, and International Business Management, it is more easily regulatable through the federation's guidelines to company's. Kals uses an example in his book, *ISO 50001 Energy Management Systems: What Managers Need to Know About Energy and Business Administration* (2015, 8), that pipe leakage in gas lines, if gone unnoticed, can result in the dissipation of 27,000kWh of energy and thousands of dollars in a year. Due to the measurability of that loss, it is clearer where organizations need to set up the point of improvement.

Furthermore, this framework's chief purpose is to reduce the carbon footprint left behind by large corporations, and achieve a balance in the global output of greenhouse gases (GhGs). ISO 50001 has classified electricity, heat-conductive materials, ethanols, natural gases,

thermal and nuclear energy, and nonrenewable resources such as petrol (like diesel, gasoline, jet fuels), and coal as subject to inspection and supervision within the energy sector and industries that use large amounts of fuel or other resources to create energy.

2.6 Ethics and Corporate Governance

While the following subchapters focus on frameworks that centralize responsible business certifications, a company's implementation of **ethics** and administration of strong **corporate governance** affect more abstract principles of integrity creating policy. Whereas ISO certifications are instituted, upheld, and reviewed by the third-party standardization federation, good corporate governance comes from within the firm; Giselle Weybrecht of the London Business School (2014 155-156) describes in her book that:

> *"Good governance describes the actions that managers and companies need to take in order to ensure legal and ethical underpinnings of their organization and operations."*

Therefore, corporate governance must be executed by carefully considering transparent practices for international and external operations of the supply chain. This can be achieved by placing checks and balances to ensure that everyone involved is benefiting from taking part, from investors and shareholders, to stakeholders, low-level personnel and farmers. Like much of the core theory referenced in this chapter, corporate governance is derived from central CSR and TBL criteria. Weybrecht expands further on the topic, stating the main focuses of governance. *Business and human rights* cites that human rights are universally recognized and must be sustained.

In order to normalize precedents for operations conducted by large, international organizations, the United Nations Human Rights Council convened in June 2011 to roll out terms to defend the *right to equal opportunity and non-discriminatory treatment* (Miretski & Bachmann 2012). The finalized "Norms for Business" document concluded that no one is to be prejudiced against based on their age, religious beliefs, sexuality, color of skin, gender, origin, social status, disability, native language, nationality, or political opinion, and has common *right to security of persons* (Weybrecht 2014, 156.).

The UN Norms for Business further established that businesses are not to commit war crimes, crimes against humanity, torture, genocide, forced labor, slavery, arbitrary executions, kidnapping, or any other atrocious violation of humanitarian law in their policies or operations. Strong implementation of governance is also characterized by assurance that

safe and healthy working conditions are supplied by the employer, a guarantee of a sufficient wage and tolerable living conditions, and protecting the rights of children and minors. (Weybrecht 2014, 157-158). The internationalisation of businesses must, in accordance with humanitarian law, must also pledge that "economic development remains focused on improving the lives of human beings, rather than treating labor as a commodity, which can be bought for the highest profit or lowest price." (Weybrecht 2014, 159)

Following in the footsteps of the UN, Berlin-based Transparency International started publishing its own Corruption Perceptions Index in 1995, in order to hold major powers of the world responsible for their operations in the public sector (Transparency International 2020). As companies prosper, businesspeople at the top get richer, and more disenfranchised people from poorer areas of the world become involved in their supply chains, corporate governance has also battled unethical or immoral actions indicative of capitalism. Greed may compromise the ethical choices made by companies, whether it be to create unfair conditions for workers, farmers or manufacturers in the third world, use corporate monies to hire panels of lawyers to find loopholes in legislation, or other corrupt maneuvers.

For these reasons, the function of corporate governance also plays to fight corruption. From an internal perspective, top management is held accountable for maintaining adherence to high standards in their practices and in the implementation of their human resources and supply chains. This can be monitored by authoring and publishing codes of conducts to a firm's employees, and emphasizing that they are carried out. Externally, corporations should follow on international counsels, such as the Global Corruption Barometer or the Corruption Perceptions Index, to see how likely corruption overseas affects their supply chain practices. (Weybrecht 2014, 167-168).

2.7 Crisis Management in the Hospitality Industry

The next step in understanding sustainability directives is analyzing how they function in times of crisis. Crisis Management is an area that can separate a company from its competition; how well strategies are formed to prepare for unforeseen events that could negatively affect profit (Queiroz 2002, 32). No two crises are identical, meaning that top management is forced to consider the various factors, timelines, and resolutions for each specific case; aside from phases and outcomes, the management team also needs a plan for all stakeholders involved (Racherla & Hu 2009, 3-4). Crisis Management is difficult to master across many industries due to internal and external challenges faced by managers. For example, if the planning stage for a certain crisis is not properly executed, or some factors may have

been anticipated incorrectly, it can deliver an outcome to the entire process that is completely unexpected, and in some cases leads to disastrous consequences.
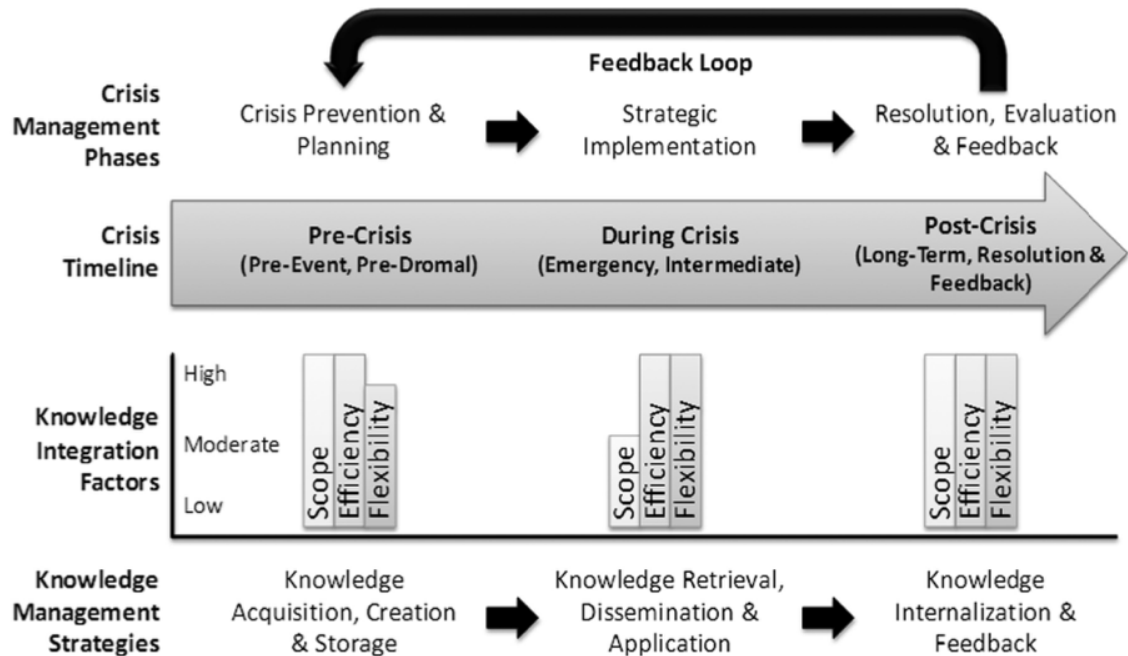

Figure 4: The traditional phases of Crisis Management, most applicable to easily foreseeable situations (Racherla & Hu 2009, 7).

These inconsistencies that are not entirely predictable, as the world is currently seeing with the COVID-19 pandemic, can cause day-to-day changes in a company's planning methods. When a crisis occurs that has not been experienced by the entirety of humanity in modern times, such as plagues, terrorist attacks, wars, or environmental disasters, there is no previous protocol that the management team can refer to for help. International political mandates and border/travel restrictions have seen the hospitality industry as one of the hardest hit in the world (Bressan, Duarte, Kok, Koresis, O'Shea, Sakellarios, Santoni & Solis 2020). This turn of events caused the industry to sputter as government-imposed lockdowns and travel bans greatly diminished the available customer base within a matter of weeks.

Despite the current crisis being an unfamiliar one, crisis management key problem solving areas may be of great use to the hospitality community once the virus is controlled or continues to dissipate on its own. While the situation is still developing and new information is provided to the public each day, *experience and retention of knowledge gained* will be instrumental to reshaping the future of the sector; this practice teaches us what to expect and

how to be alert for the next major crisis. However, as the virus is still uncontained, it falls into a grey area in the field of crisis management, an *unexpected crisis,* meaning that its occurrence is very difficult to predict and has a low level of control (Hu & Racherla 2009, 11). In this way, the world is still locked in an emergency phase and has to grapple with the conditions until they are better understood.

3 Methodology

The objective of this chapter is to introduce the research methods used and how they were implemented. The chapter will include a short explanation of how other researchers in the hospitality field have gathered their information in order to support the author's findings. In addition, the author will also briefly explain why certain methods were not utilized for the completion of this dissertation.

The research introduces complex sustainability terminology that holds businesses accountable to write codes of conduct. It concludes with crisis management and a comparison of the results to those of Nordic Choice Hotels' largest competitor in the Nordic countries, Scandic Hotels Group AB. An overview of Nordic Choice Hotels' unique sustainability initiatives will be supported by the results of their annual reports, and will be posed in an analytical comparison to the same reports published by Scandic.

3.1 Research Design

The content for this thesis was gathered mostly through desktop study. The purpose was to ascertain how large chains in the hospitality field research and construct initiatives for sustainable supply chain management, based on answering the primary research question, *"How do large companies in the hospitality industry create and conduct sustainability initiatives?"*. The investigative questions aim to support the findings based on how clearly the case company has mapped out their own goals to be sustainable, and how they will continue to do so in the wake of the COVID-19 situation.

In this thesis, the main source of literature was obtained from libraries and online databases. This was done in order to solidify the credibility of the source material. The use of academic journals was also implemented predominately for the information provided for COVID-19, as the situation is currently unfolding and long-term data is not yet viable. Due to large revision of texts, this thesis has therefore been written largely by employing qualitative means.

According to Sreejesh, Mohanpatra & Anusree (2014, 13-16), the research process begins when either a hypothesis or research question is formed to define an identified problem, which then may be solved to offer opportunities for the parties involved. The problem is answered after a research design is constructed and a selected research method(s) produce data to reach a conclusion about findings.

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│            Planning the Research Design              │
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│            Selecting a Research Method               │
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│           Selecting a Sampling Procedure             │
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│     Preparing and Presenting the Research Report     │
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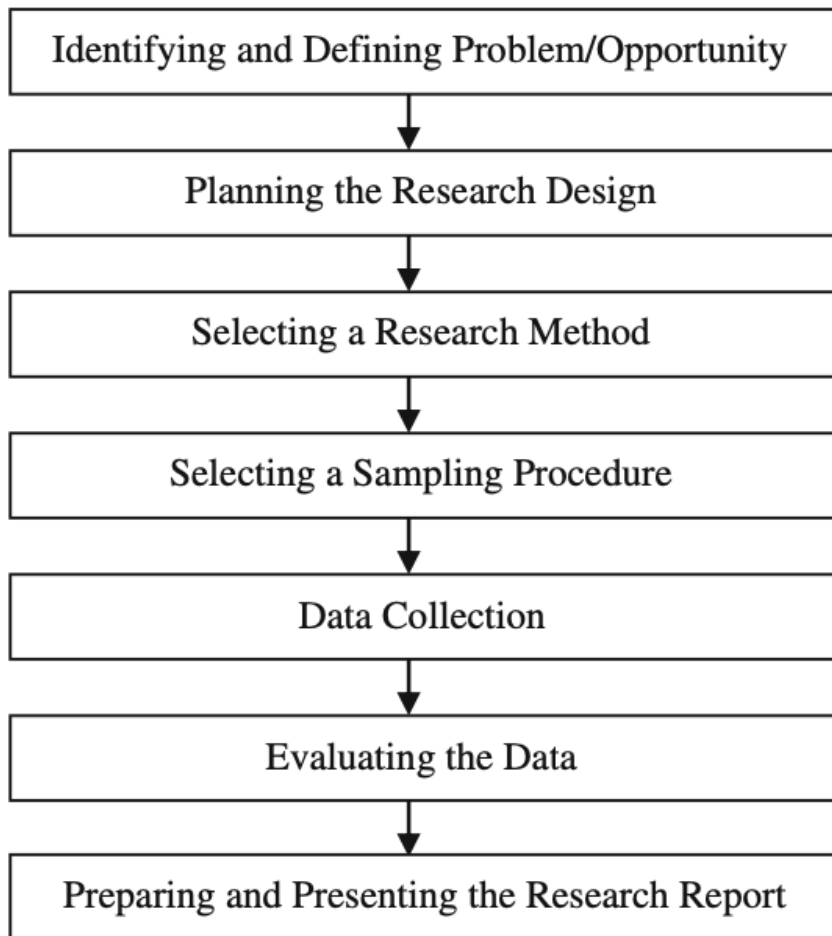
Figure 5: The Steps in the Research Process (Sreejesh & al 2014, 14)

According to Figure 5 above, the nature of the problem identified will shape the course of the research process from an early stage; this will ultimately influence the methods of research as well. Once a method is selected, it will determine how the data collection process is conducted. Once a sufficient amount of data is amassed, that is, enough to accurately answer the research question or hypothesis, the evaluation process relates the findings to come to valid conclusions. The process is completed by lucid understanding and presentation of the research report.

The main method utilized for writing the theories found in Chapter 2 is *exploratory research* (more commonly known as desktop research or content analysis), which gathers the necessary information early in the process to establish a solid base for the results' stage. Its main priority is to answer the main research question to provide opportunity to the stakeholders involved. Exploratory research relies on *secondary data*, which has already been obtained from *primary sources* by intermediary authors that have collected research to answer unrelated questions. This type of exploratory research falls under the category of secondary research. Secondary research material is acquired by conducting literature reviews

of textbooks, academic journals, previously conducted experimentation, and information provided by case companies. On the other hand, primary research deals with gathering information directly from the original point of supply. (Sreejesh & al, 2014 14-17.)

The main supportive structure of exploratory research is *qualitative data*. According to Guest, Namey, and Mitchell (2012, 38-39), qualitative data is represented by an expansive amount of viewpoints held by researchers from a variety of fields. The author has used this method for the very same reason; it offers the opportunity to look at the subject matter and investigate the problem from several different angles, based on the professional opinion of experts in the field. It is often unsuccessfully classified into categories to which it does not belong, and experts have tried for years to assign principles to properly define how it is conducted.

In that sense, Guest & al (2012, 39) argue that there is no right or wrong way to execute a qualitative research project. For this project, *applied qualitative research* has been implemented to better understand the general issue of sustainability initiatives and supply chains within the hospitality realm. Applied research involves creating new data derived from existing sources to offer new solutions to unanswered questions.

Research specialist John R. Webb (1992, 33-45) writes in his book about the advantages of using secondary data and qualitative methods in his book; he argues based on his own research (Green, Tull & Albaum 1988) that this method is a practical time-saving measure, that can also help to cut back on the sometimes scathing cost the comes with utilizing primary sources. It is also a more accurate way to define supportive information to aid in answering the presented problem, and legitimizes the author's work by referring to research previously completed in related areas.

Many of the references found in this thesis have also drawn their research from other secondary sources, as the texts published contain a multitude of in-text citations. The author has cautiously checked each source to validate its academic legitimacy and relevance for answering the research questions. However, Webb (1992) points out that this is one major disadvantage of using this sort of research method; if sources are not properly revised for accuracy, bias may have an effect on the final outcome of the results.

In order to definitively understand the company angle, research for this thesis has also drawn from *internal sources of data* at considerable measures. Internal sources are a result of companies sharing and collecting data from each other that manifests in the form of invoices, bills, sales records, guarantee cards, sales force reports, and records of product repairs and other related transactions (Webb 1992, 39-40).

3.2   Examples of Methods Not Used

In addition to the methods implemented for this thesis, there are several that are commonly used for research-based theses, but have not been incorporated here. The purpose of this subchapter is to give some prime examples of methods, and then explain why they have not been utilized. This was arranged to ensure the validity of the results, and to reduce the effects of bias. According to Pannucci et al (2010), bias can even be unintentionally introduced into a research project, despite the methods used. However, selecting the correct methods in the first stages of compiling research can considerably decrease the influence of bias in the latter stages of qualitative research design.

As the research conducted for this thesis is thoroughly qualitative, it is important for its credibility to explain some examples of quantitative methods and why these were not applied. One method that is widely used is gathering data through surveys or questionnaires. Referring back to John R. Webb (1992), *surveys and questionnaires* have a lot of benefits for gathering primary research data straight from a source. Members of a project or management teams can answer directly to questions posed, offering fresh, firsthand information that can build a stronger argument.

However, it is not always feasible to build a perfect questionnaire design, says Webb (1992, 91-92). Bias and misinformation can manifest in the form of conflict of interest by those individuals questioned, and the way survey questions are framed can sway the final results. In the case of this thesis, questionnaires were not constructed due to the size of the company, which expands across six nations in Europe and conducts business using different strategies. In order to provide a level of credibility in survey information based on opinion is not pertinent to the facts found in annual reports, or any other form of transparency measure (Webb 1992). Therefore, questionnaires were not used as a supportive measure for this thesis.

Another widely used method to test data in the real world and prove findings is known as *experimentation*. In social sciences and supply chain management, experimentation is the observation of the effect one or more variables on other variables (Webb 1992, 174). For this thesis, experimentation would not have been a suitable research method, as this is a literature review on current policy functioning for the supply chain of Nordic Choice; this is not an attempt to reinvent the wheel. This work is to help answer the research problem, i.e., how these policies are written and enacted; the primary objective is not to explain or describe ways things could be managed more efficiently.

4 Analysis of Results

This chapter of the thesis will outline, in greater detail, the sustainability initiatives currently in play at Nordic Choice Hotels. In order to give a better perspective on how these initiatives operate, the data will be correlated to data produced by one of the company's largest competitors in Northern Europe, Scandic Hotels.

After both companies' policies are introduced and explained in detail, the latter part of the chapter will elaborate on possible outcomes for the industry's future amidst the coronavirus pandemic. While these scenarios will be mostly speculative, the predictions proposed are substantially important to the outcome of this work.

4.1 Nordic Choice Hotels and Sustainability Focus

The following results concerning Nordic Choice Hotels' sustainability directives will be divided into separate subchapters. The results' chapter is organized respectively in order to correlate supporting theory with each specific application of company policy. Chapter 4 is formulated in the same fashion as Chapter 2, in order to simplify and strengthen the legitimacy of the results. The six sustainability focus areas designated by Nordic Choice will be individually interpreted during this subchapter.

4.1.1 Nordic Choice Hotels' Triple Bottom Line

According to information found in the Nordic Choice Hotels' web archives, the TBL is a little less of a consideration for accountability, and much more a mandatory code of conduct strictly implemented by the company. Instead of a loosely-detailed framework from which companies can draft ideas and make their own policies, the Triple Bottom Line is laid down as the "3 main values" for the Nordic Choice community, as shown in their *WeCare* introductory (Nordic Choice WeCare, 2020).

Nordic Choice goes even further than just adopting the triple bottom line as the core values of the company; they articulate this message outright in the introduction of annual reports. Below the company's business concept, an independent paragraph outlining the duty to be responsible is found. The statement reads thus, that:

> *"Based on the company's vision, we have high ambitions to be a responsible corporate actor. CSR involves a social and environmental focus. Nordic Choice Hotels will operate sustainably and report on the triple bottom line. This means balanced focus on profit, people and the environment. WeCare is also the company's value*

and communication platform and represents a big part of Nordic Choice's unique identity." (Nordic Choice Vision and Business Concept 2020)

This notion places corporate social responsibility and accountability through transparency at the forefront of the company's agenda. Not only does the company adhere to these rules, it also encourages its customers to live by them during their stay, and that the staff does its utmost to remain accountable. While Nordic Choice has adopted TBL as is one of its core sustainability principles, instating bare-minimum policies, they have kept the same simple "People, Planet, Profit" as in Elkington's model.
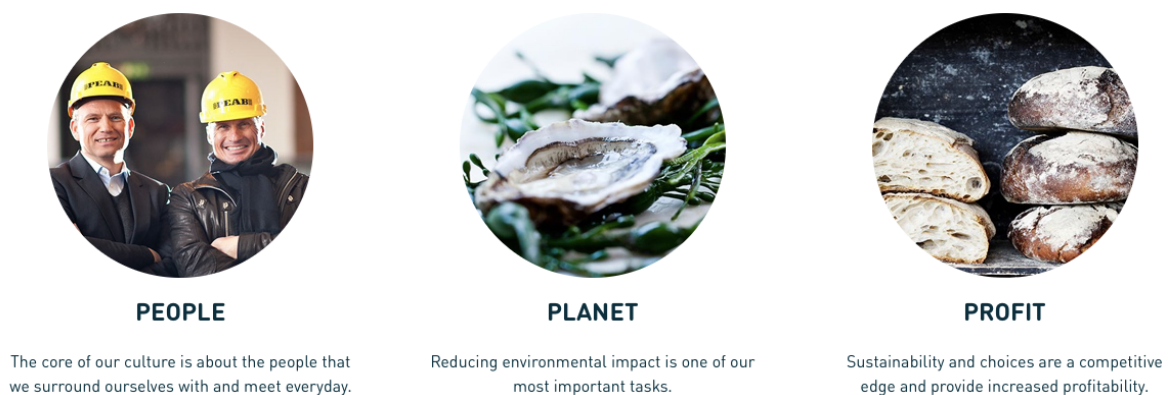

PEOPLE	PLANET	PROFIT
The core of our culture is about the people that we surround ourselves with and meet everyday.	Reducing environmental impact is one of our most important tasks.	Sustainability and choices are a competitive edge and provide increased profitability.

Figure 6: Illustration of Nordic Choice's Triple Bottom Line (Nordic Choice WeCare, 2020)

4.1.2   Sustainable Hotel Operations

A critical focal point of the *WeCare* portfolio is assuring that hotel operations across the chain are environmentally oriented. All hotels in the Nordic Choice fold are certified with the newest version of ISO 14001, prompting each brand of the hotel to fine-tune its targets for waste and energy management annually to meet and exceed ISO requirements. The company even has its own instruction platform in order to keep the staff updated and educated about the provisions detailed by ISO 14001. This platform is known as *Penguin*, and its training programs aim to inform personnel about topics such as fire safety, food waste management, energy conservation, and the overall importance of being proactive in each of these areas (WeCare 2019a).

For Nordic Choice employees, many of these procedures are compulsory, not only for the individual's safety and education, but for continued ISO certification. In order to make sure that these guidelines are followed and enforced, third-party auditors and quality inspectors evaluate internal progression per annum. Inspections are also conducted to assure that the

company's ISO certifications are warranted, reports Nordic Choice International (Nordic Choice ISO 14001 2020).

While the main focuses of sustainable hotel operations are not exceptionally revolutionary compared to competitors in the Nordic hospitality industry, the goals that are expected to be reached by 2021 are quite impressive. Nordic Choice's injunction against needless plastic waste has become a forefront issue as of 2018. Due to these concerns, Nordic Choice enacted *Plaststafetten* in 2019 to remove all excess plastic from its supply chain. This includes straws, utensils, and unnecessary plastic-based packaging for products. (Nordic Choice Plaststafetten 2019)

Nordic Choice has also set major energy efficiency goals to be fully completed by 2021; these include the conservation of water and decommission of nonrenewable energy sources (oil, coal, and natural gases) for as many hotels as possible. Water conservation is the easier of the two tasks, however just as costly as switching to energy-efficient appliances in the short-term. Despite the abundance of fresh drinking water in the Nordic countries, conservation helps to limit the amount of chemical cleaning processes currently used by many large treatment facilities. Additionally, energy is required to heat water for taps, showers, baths, and washing machines. Nordic Choice through *WeCare* would therefore like to reduce consumption of water to 180 liters/guest/night's stay. This has been slowly implemented by the introduction of water-saving apparatuses to hotels, including waterless toilets and urinals, automatic faucets, and is further monitoring efforts taken on specific departmental levels. (Nordic Choice Water 2020)

The issue on energy is a bit more complicated, but on a clearer track for resolution. In 2007, Nordic Choice acquired "renewable guarantee" assets from Ishavskraft, a Norwegian energy and electricity provider that specialises in solutions for private and corporate partners throughout Norway and the greater Scandinavian region (https://www.ishavskraft.no/om/). This has allowed for the transfer to more sustainable energy options. By 2016, all regular and halogen lights were replaced by LEDs throughout the chain. Through this partnership, the Nordic Choice management team has hatched a plan to bring down energy consumption to 190KWh per square meter by 2021, and invest in geothermal and solar energy. In order to supplement this goal, Quality hotels have installed solar panels on their roofs in 2016. (Nordic Choice Energy 2020)

As of 2019, Nordic Choice has also headed an initiative to curtail overuse of chemicals harmful to staff, guests, and the environment in their supply chain. Chemicals are colour-coded based on harmfulness to reduce accidents and negative reactions from their effects.

In addition to energy efficiency, Quality hotels have also taken the amount of harmful chemicals used into consideration by measuring daily usage. Also by the year 2021, the entire chain expects to drop chemical consumption down to 12g per guest's night's stay. This has been linked also to decreased ozone damage and water pollution. (Nordic Choice Chemicals 2019).

4.1.3 Local Social Responsibility

Nordic Choice has taken an active stance in the communities where it operates, incorporating its hotels' facilities in innovative ways. The company acknowledges that its far-reaching network and thousands of employees makes it possible to affect the community on such a large scale. These activities include organizing fundraisers for needy families during the holidays, organizing events for eldery people, and support of battered women and disenfranchised children. Nordic Choice has stated that as conservation of resources expands, the more effective the company's efforts are in the local community. (Nordic Choice Social Responsibility 2020)

4.1.4 Ethical Trade

Nordic Choice names guests, society, and the environment as its most important concerns. These factors, they say, are directly linked to the sources of material and food products for their supply chain. To make this possible, the company has commissioned "sustainable minimum demands" from its suppliers, and has also written a set of tracking measures for its whole supply chain. These methods have been put into place not only for the best possible food quality, but also to ensure that working conditions, human rights requirements, and a commitment to clean environmental practices remain the top priorities for the company. Nordic Choice is also compliant with guidelines published by the United Nations, under the same UN Norms for Business document that was introduced in Chapter 2. The supply chain is also extensively regulated by the terms and conditions determined by the International Labour Organization (ILO), which sets basic precedents for human rights in the workplace. (Nordic Choice Ethical Guidelines for Suppliers 2020) The minimum sustainability for Nordic Choice's suppliers are as follows:

1. All suppliers must establish a code of conduct with their own suppliers (Code of conduct for suppliers) that is the same as or equivalent to Nordic Choice Hotels' own Code of Conduct.
2. As a minimum, all suppliers must communicate their guidelines to all of their suppliers even at the stage where production/completion is taking place.

3. All suppliers must have a system for monitoring how the suppliers comply with the guidelines. (E.g: Risk mapping, action plan, inspection, follow-up visit, management by exception etc.)

4. All suppliers must have an overview of who and where (name and address of the supplier) production of goods takes place and be able to document this. This applies to the main commodities that are included in the offer to Nordic Choice Hotels.

5. All suppliers must have an environmental management system (for example ISO 14001, the Nordic Ecolabel, the Environmental Lighthouse, EMAS or the EU Eco-label). If these conditions are not fulfilled, then the following conditions must be met:

    - a) The supplier must have an environmental policy that takes into consideration how to run your business in the most environmentally friendly way possible.

    - b) The supplier must have identified which areas of the business impacts the environment the most – the most significant environmental aspects.

    - c) The supplier must have identified which environmental laws apply to their business and monitored these to ensure that they are adhered to.

    - d) The supplier must carry out a systematic review and subsequent monitoring of their company's environmental impact and how they can reduce this.

    - e) The supplier must have a person in the company who is responsible for environmental matters.

(Excerpt from Nordic Choice Hotels' Sustainability Guidelines to Suppliers 2020)

One truly remarkable feature about Nordic Choice's transparency efforts is the encouragement of bettering communication on ethical issues through whistleblowing. The chain has authorized an above-board network in order to help employees, guests and other related stakeholders shed light on concerns that may compromise company integrity. If someone witnesses something that they feel is wrong, morally or legally, they are able to fill in a "Integrity Form" from the company's sustainability forum. The form discloses to the recipient that "the form is stored on a secure server and complete anonymity is ensured". (Nordic Choice Integrity Form 2020).

Nordic Choice also holds several FairTrade labels, which are proof of continuous sustainability present in their supply chains. This is another measure taken by the company to support good working conditions and responsibly sourceable products, the most sold of which across the chain being coffee. In order to fortify relations with its farmers, Nordic Choice has been working with its coffee supplier, *Löfbergs lila*, on projects in Honduras and other parts of Mesoamerica. (Nordic Choice Fair Trade 2020) Alongside FairTrade, Nordic Choice Hotels' additional ecolabels concerning the chain's food supply source and quality guarantees are found in Figure 7 below.

KRAV	"KRAV" is the official Swedish marking for organic food, and guarantees that the product is organically grown.	FAIRTRADE	Fairtrade is an international certification system supporting farmers and workers in third world countries, and guaranteeing a minimum price to the grower.
Debio	The "Ø-mark" by Debio is the official Norwegian marking for organic food, and guarantees that the product is organically grown.	CERTIFIED SUSTAINABLE SEAFOOD MSC www.msc.org	MSC (Marine Stewardship Council) is a certification system guaranteeing that the seafood origins from sustainable wild caught fish.
EU organic	"EU organic" is the EU's official marking for organic food, and guarantees that the product is organically grown.	FARMED RESPONSIBLY asc CERTIFIED ASC-AQUA.ORG	ASC (Aquaculture Stewardship Council) is a certification system guaranteeing that the seafood origins from sustainable fish farming.
Luomu	"Luomo" is the official Finnish marking for organic food, and guarantees that the product is organically grown.	DNV·GL ISO 14001	ISO 14001:2015 is an environmental certification system.
Ø	The "Ø-mark" is the official Danish marking for organic food, and guarantees that the product is organically grown.		

Figure 7: Ecolabels certified to Nordic Choice by respective country (WeCare 2019b)

4.1.5 The Food Revolution

In addition to FairTrade certifications, Nordic Choice is fervent in their food sustainability and waste conservation procedures. The firm recognizes openly that it is impossible to force people to make more ecologically conscious decisions, but there is always something that can be done to encourage people to make smarter choices. In this sense, sustainability experts working for Nordic Choice have been hard at work drawing up new ways to reduce bio waste. From this incentive emerged the "GreeNudge" program.

Former Sustainability Vice President Cathrine Dehli, co-creator of the directive, explains that the implementation of increased signage reminds customers to make more responsible decisions. By taking advantage of psychology studies and experiments performed in other chains, Nordic Choice concluded that the mind could be influenced to take less food by supplying guests with smaller plates. It also organizes the food so that fruits and vegetables are the first items passed in the buffet, increasing the likelihood that customers will consume less meat and seafood. (Nordic Choice The Food Revolution 2018)

Additionally, by decreasing plates' diameter from 24 to 21 centimeters, food and beverage departments have recorded a 20% decrease in overall food waste company-wide. Nordic Choice would like to take reducing food waste a step further; they have partnered with Hospitality Sales & Marketing Association International (HSMAI) to encourage the entire hotel and restaurant industry across the Nordic countries to the Kutt Matsvinn 2020 initiative. This would bolster an industry-wide push (across the Nordics) to reduce *all* food waste by 20% by the beginning of next year. (Nordic Choice EAT 2019)

Beginning in 2008, all hotels under Nordic Choice began to use food products that offer organic substitutions. Starting off experimenting with how organic coffee and eggs would be received by guests, the Nordic Choice supply chain has expanded to include organic tea, fruits, berries, milk and breads. The company has also removed all forms of pesticides, hormone-altered fertilizers, and other regulating agents or organisms from its supply chain outright.

Meat and seafood quality and origin is controlled by the use of "red lists", which prohibits certain animals from being ordered and consumed. These lists also ensure that these products come from farms that implement free-range, cruelty-free methods for raising fish and livestock. Red lists root out products that could potentially damage the environment, and have been proven to heavily decrease animal abuse in Nordic Choice's supply chain. Items can be added or removed from the red list pending their status, which is determined by research experts in these respected fields. (Nordic Choice Red List 2020) The current red list in use is shown in Figure 7 on the following page. As the official languages of Nordic Choice are Norwegian and Swedish, the figure was only available in this format.

Figure 7: Nordic Choice Hotels' Red List (in Swedish), displaying sources forbidden in the company's supply chain. Eels, sharks, rays, blue tuna fish and kingfish are heavily regulated, and the blue ecolabel denotes responsible palm oil farming and production. (Nordic Choice Red List 2018)

Shown in the red list above, palm oil, a common additive to many foodstuffs, is a restricted product for the supply chain. This is due in part to the detrimental consequences palm oil farming has had on the rainforest around the world. Nordic Choice denotes this result to cheapness and prevalence of palm oil harvesting. Furthermore, 85% of the world's palm oil comes from two countries in Southeast Asia: Indonesia and Malaysia. Strain on these ecosystems can have dire effects on fragile species indigenous these regions. On these

grounds, the Clarion Hotels branch of Nordic Choice removed unsustainable farming of palm oil from their supply chain in 2014. (Nordic Choice Palm Oil 2020)

Finally, Nordic Choice has received several awards from an organization known as EAT, an international proprietor of healthy, sustainable food and dietary solutions. Nordic Choice joined eat in 2013 in a collaboration to bring healthy diets to the global viewpoint. As a symbiotic relationship formed, EAT has spread to many countries across the world, and Nordic Choice has remained its largest permanent partner since 2013. EAT's primary objective is "to transform the global food system to sustainably supply and feed a healthy population of 9 billion in 2050". (Nordic Choice EAT, 2019).

4.1.6   Sweet Dreams

Nordic Choice has proudly affirmed their close relationship with UNICEF, the United Nations' program that protects and rescues disadvantaged children from tragedy around the world (https://www.unicef.org/about-unicef). Through *Sweet Dreams,* Nordic Choice employees organize events intended to raise money and awareness for underprivileged children to have a better chance at a prosperous future. In the course of one calendar year, this program has raised 1.1M€ to be directly invested in UNICEF's charities. This is a direct indication of Nordic Choice's involvement in philanthropic enterprises as specified in the first phase of CSR (Nordic Choice Sweet Dreams 2020).

4.2   Comparative Company Analysis

While Nordic Choice has shown excellent use of company resources towards their endeavours in sustainability and transparency, it is easier to put their procedure into perspective by comparing and analysing their annual results with competitors in the Nordic region. Undeniably, Nordic Choice Hotels' largest rival is Scandic Hotels Group, which in itself is also the largest hotel chain in the Nordic Countries.

Scandic operates around 280 hotels in each Nordic country (except Iceland) and has outposts in Germany and Great Britain. Like the Clarion branch of Nordic Choice, Scandic receives about 70% of its revenue from business conference customers and the remainder from guests on holiday trips. Scandic is also one of the oldest, modern hotel chains in the Nordics, opening its doors for the first time in 1963, 27 years before Petter Stordalen opened his first hotel in Oslo. (https://www.scandichotelsgroup.com/about-us/in-brief/) Like Nordic Choice, Scandic has proclaimed itself a champion of CSR and sustainability practices, and has earned itself many awards and certifications over the years. However, similar company themes may still yield varying results.

4.2.1 Nordic Choice Hotels' Annual Numbers

Unlike Scandic, Nordic Choice does not publish quarterly reports on targets and progress. Therefore, there is no data yet available for 2020 from the company. On the other hand, Nordic Choice efficiently compiles results from past years into its most recent data. As is standard with most annual reports, the commencement is opened with a letter from the CEO, Torgeir Silseth. The opening chapters also rehash the company message and pledge for highest sustainable capacity.

The annual report is set up just as the company's triple bottom line, with data from each of the key areas (People, Planet, Profit) separated into distinct categories. For our purposes, People and Planet will be more thoroughly investigated. While transparency in profit is also important to a company's credibility, it is less related to the aims of our topic.

People at Nordic Choice, The Human Factor is characterized by the diverse well-being of the staff and involvement in environmental preservation. In this category, the company measures the overall happiness rating with working conditions submitted by the staff, as well as the percentage of sick leave taken within the given year. The company also evaluates the diversity of the staff across the company; the amount of "middle managers" originating from outside Scandinavia, the percentage of women in top management, and the number of different nationalities working in the company as a whole.
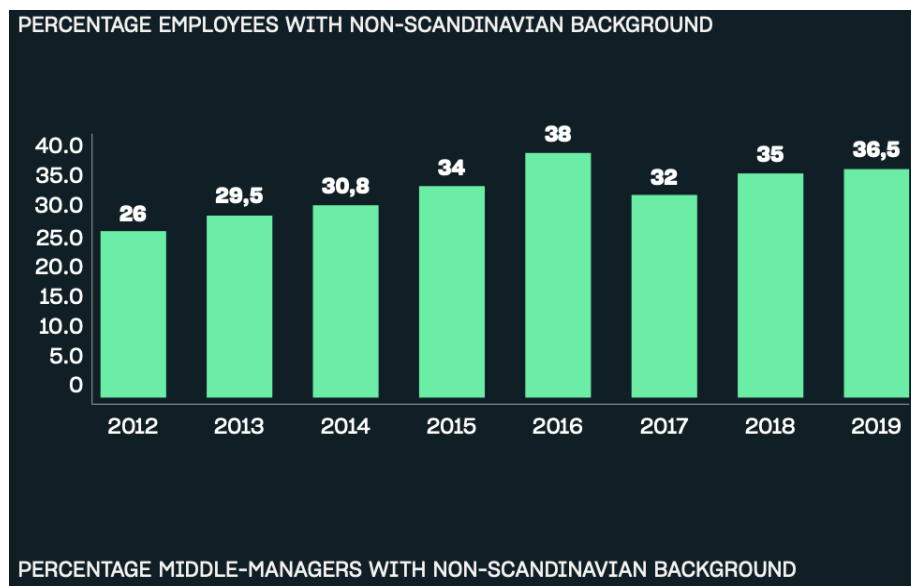

Figure 9: Percentage of Non-Scandinavian Employees at Nordic Choice, from 2012-2019 (Nordic Choice Annual Report 2019b)

This ratio has been steadily rising over the last decade, with rates fluctuating steadily over the previous few years. Currently, over one-third of employees are from outside of the Nordic countries, incorporating a diverse workforce with different work ethics to enrich the company.

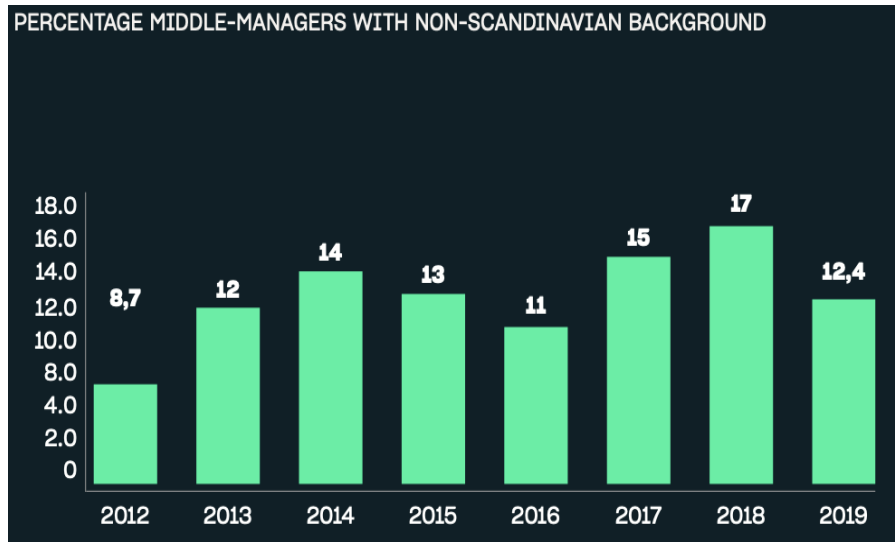PERCENTAGE MIDDLE-MANAGERS WITH NON-SCANDINAVIAN BACKGROUND

Figure 10: Percentages of Non-Scandinavian Middle Managers at Nordic Choice from 2012-2019. However, experiencing cyclic ups and downs in this category over the past decade, Nordic Choice's foreign middle managers have averaged at just over 10% since 2012. (Nordic Choice Annual Report 2019c)

HEADS OF DEPARTMENTS

38% MEN

62% WOMEN

HOTEL DIRECTORS

49.3% MEN

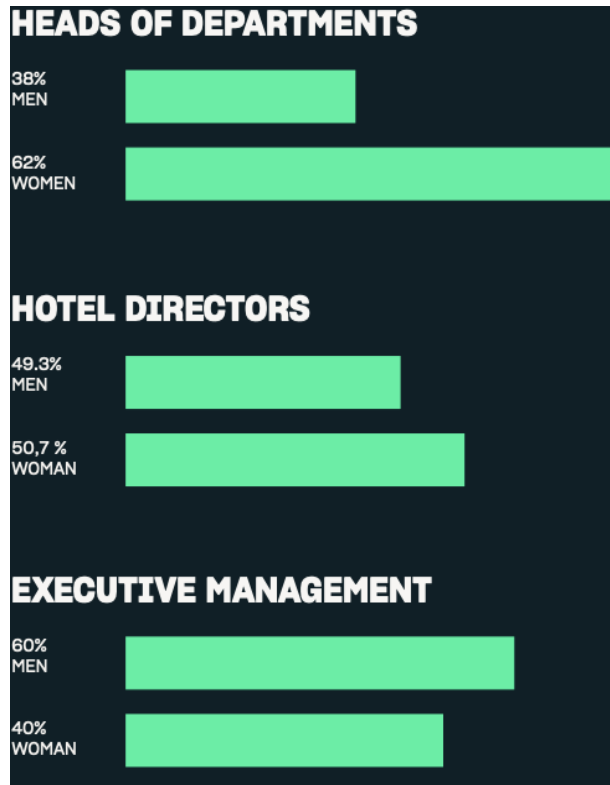50,7 % WOMAN

EXECUTIVE MANAGEMENT

60% MEN

40% WOMAN

Figure 11: Women in Management at Nordic Choice (Nordic Choice Annual Report 2019d)

Nordic Choice is exceptionally proud of its push toward higher equality in the workplace. As it is in Nordic cultures, women and men work together as equals toward common goals, in this case, better working conditions, a greener environment, and higher profits, sustainably.

Planet at Nordic Choice: Sustainability on All Levels is characterized by the aforementioned environmentally-conscious criteria Nordic Choice has set to reduce waste, emissions, and give back to the planet as well. Cutting down on emissions and waste is one of the most important cornerstones of Nordic Choice's agenda, as it displays by noticeable decreases in each measured area. According to Nordic Choice's Annual Report of 2019, the company has managed to drastically improve in all criteria accounted for. The aftermath of the COVID-19 is projected to sway the results for 2020 unnaturally in each category. This is due to an appreciable decline in the number of guests.

Figure 12: Water Consumption per Guest (Nordic Choice Annual Report 2019e)

Due to the addition of water-saving appliances, there has been a steady yet persistent decrease in the consumption of water per guest since 2012, despite the presence of certain outlier years. According to the statistics above, water consumption is expected to regularly decrease, even when guest quotas return back to more consistent rates after the coronavirus situation has been resolved.
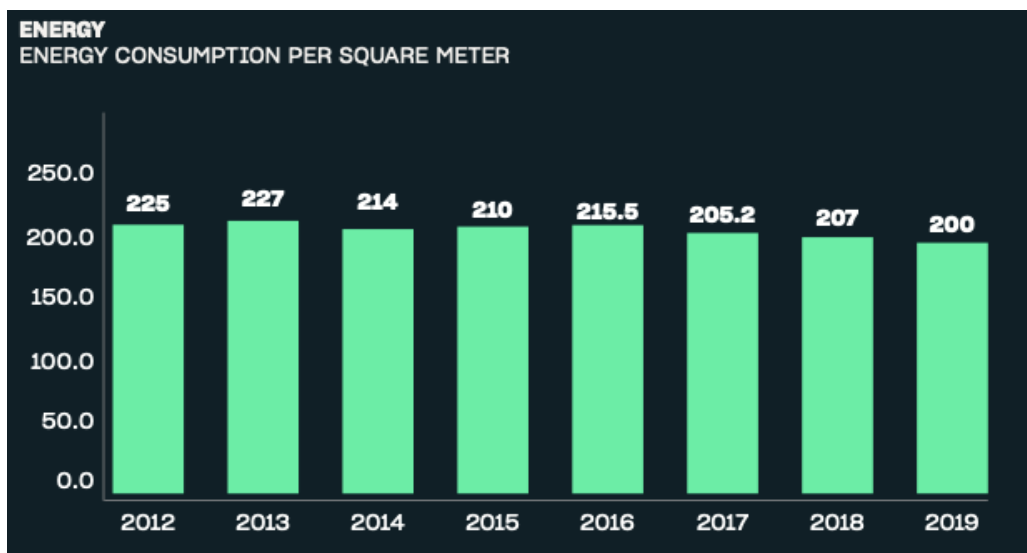

Figure 13: Energy Consumption at Nordic Choice (Annual Report 2019f)

Quite similar in nature to the company's perceived water consumption rates, the amount of energy consumed per square meter has nevertheless dropped slowly and steadily per year

within the last decade. Both of the following figures show that through implementation of procedure, dedication to its enactment, and investment of man hours, Nordic Choice is rapidly achieving its goals to diminish overall emissions output.
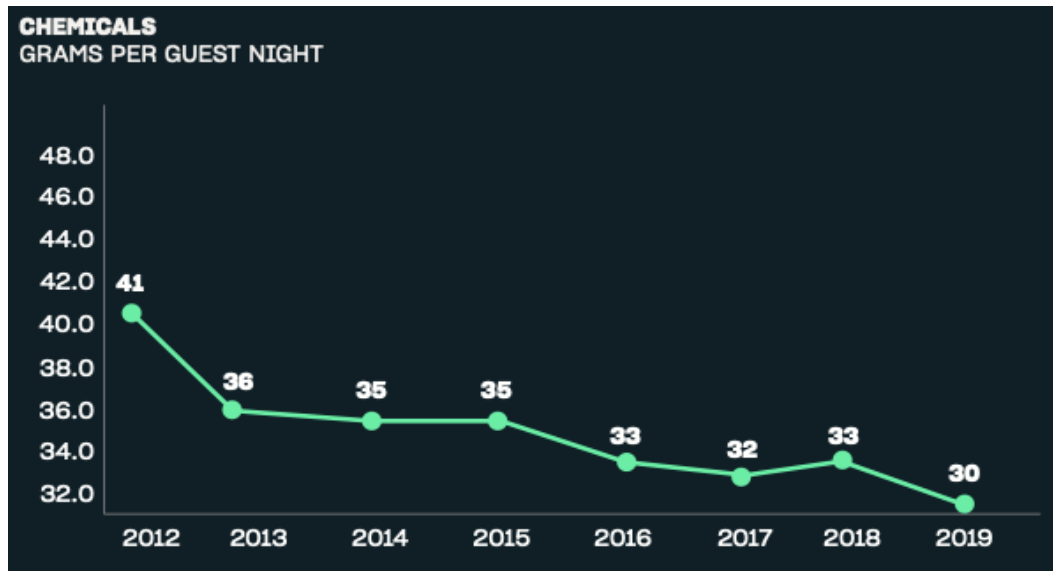

Figure 14: Chemicals/g/Guest's Night's Stay 2012-2019 (Nordic Choice Annual Report 2019g)

Even though the reduction of chemical usage has dropped consistently over the last several years, it would take strict implementation in order for Nordic Choice to reach its goal of 12/g per guest by next year. Due to the exceptional nature of 2020, however, it could help to further tip the scales in favor of reaching the goals conceived by the company's sustainability experts.
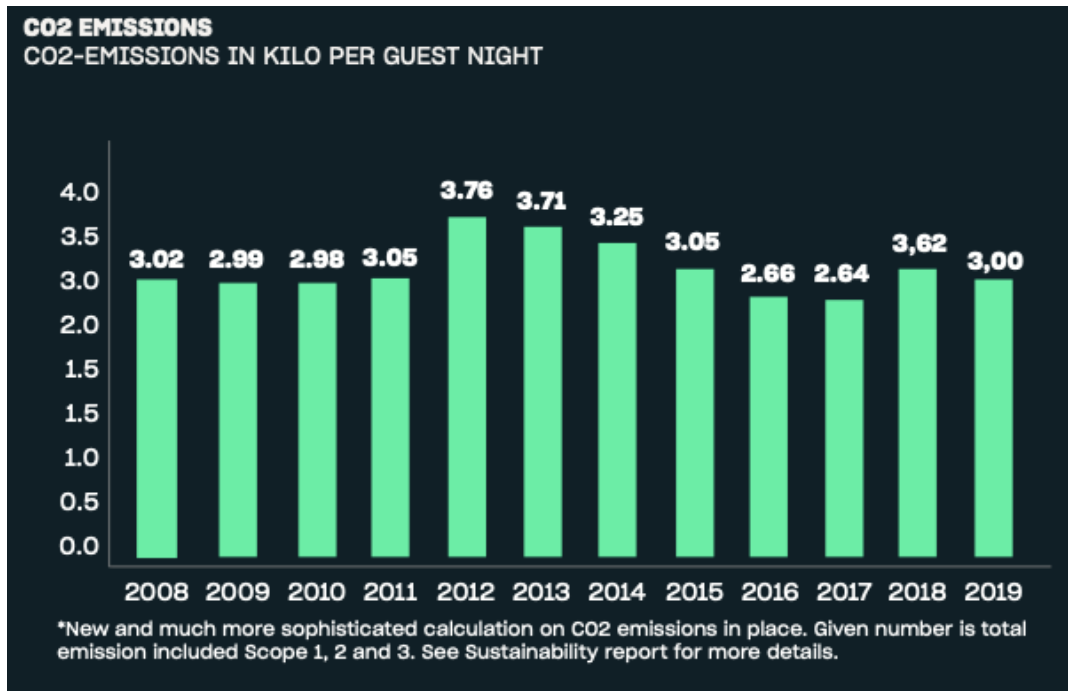
CO2 EMISSIONS
CO2-EMISSIONS IN KILO PER GUEST NIGHT

Year	Value
2008	3.02
2009	2.99
2010	2.98
2011	3.05
2012	3.76
2013	3.71
2014	3.25
2015	3.05
2016	2.66
2017	2.64
2018	3,62
2019	3,00

*New and much more sophisticated calculation on CO2 emissions in place. Given number is total emission included Scope 1, 2 and 3. See Sustainability report for more details.

Figure 15: CO_2 Emissions' Record from Nordic Choice 2008-2019 (Nordic Choice Annual Report 2019h)

CO_2 is one of the most harmful greenhouse gases to the integrity of the planet's ozone layer. With assistance from more refined calibration equipment for measuring the amounts of emissions, Nordic Choice has been able to more accurately account for kg/guest night. This also explains the slight jump in emissions from 2012 onward. Looking at emissions from a clearer point of view, experts at Nordic Choice have been able to continue the reduction of their over output. Volumes are predicted to stabilize and dissipate continuously from 2019 onward. Similar to other categories, 2020's results will be slightly inaccurate.
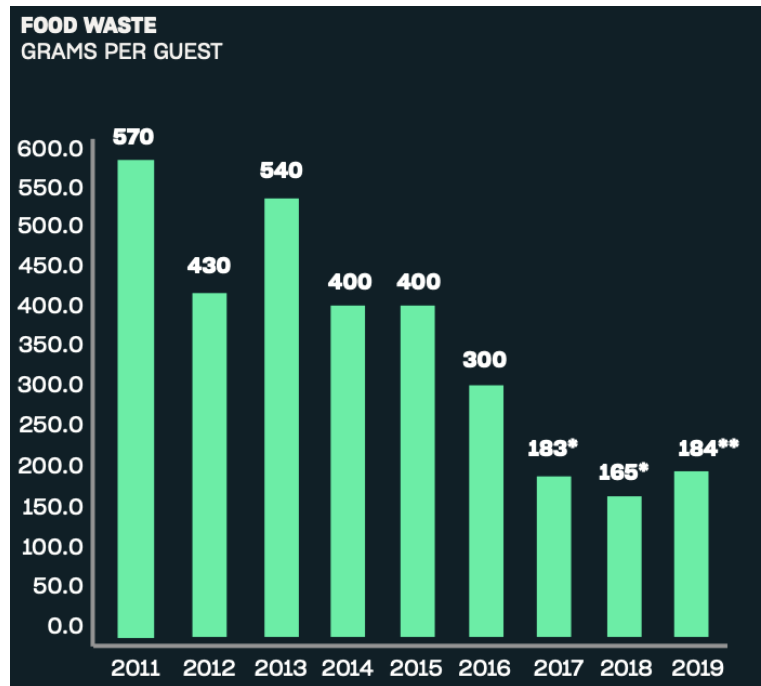
Figure 16: Food Waste/g per Guest 2011-2019 (Nordic Choice Annual Report 2019i)

Last, but certainly not least, Nordic Choice has gone great lengths to systematically reduce its food waste across the company. In 2017, the company introduced an "industry indicator" to more accurately record the amount of waste produced by guests, much like the new system implemented for CO_2 emissions, as demonstrated by the asterisk in the figure above. This justifies the steady increase in waste from 2017 onward, but the company has stated that protocols have stabilized in 2019, causing presumptions of a foreseeable decline in future reports. This is shown in the report above by a double asterisk in 2019.

Assess risk in supply chain GRI: G4-EN32;LA14;HR10	Implementing sustainable minimum requirements has started	Ensure compliance of sustainable minimum requirements	Controls and dialogue with suppliers	Follow up implementation of sustainable minimum requirements	n/a	Follow up implementation of sustainable minimum requirements	Controls and dialogue with suppliers	Follow up implementation of sustainable minimum requirements
Implement improvement initiatives in supply chain GRI: G4-EN33; LA15;HR11 (Management system)	Several initiatives implemented	Develop and continue	Several initiatives implemented	Develop and continue	n/a	Develop and continue	Several initiatives implemented	Develop and continue

Figure 17: Schematics for Supply Chain 2016-2019 (*WeCare* 2019c)

The figure above is a summary of Nordic Choice's plans for the risks and implementations to general supply chain improvements. Establishing a strong supply chain is an ongoing process for many firms, and recognition of risks is imperative for growth. From this graphic,

we see that Nordic Choice has planned its enactment of minimum requirements for different focus areas crucial to develop stability in practices. Assurance of compliance, opening dialogue with key suppliers, and corroboration of the results is an important process for making sure that rules and regulations hold water, rather than being initiated and subsequently forgotten. Once perceived risks are assessed, the phase of development continues for the following year.

4.2.2   Scandic Hotel Group's Annual Numbers

As the main focus of this thesis is on Nordic Choice Hotels, the comparative analysis to Scandic is purely to show examples of some related similarities between two enterprises in the same industry. Therefore, the section containing information about Scandic is noticeably shorter, in order not to draw focus away from the main topic. This has been conducted thus to familiarize the reader with common sustainability practices in the Nordic hotel sector, rather than fixate explicitly on entities operating within it.

Scandic has gained renown throughout the industry for its efforts in sustainability for decades, and it has several accolades to prove it. Moreover, Scandic produces quarterly reports to help the viewer better understand the progression or stagnation of their goals. A decidedly older and larger chain, Scandic has had the luxury of a longer history for trial and error. Due to this luxury, Scandic takes its sustainability policy very seriously, as observed from its complex annual reports.

The annual reports published by Scandic are significantly wordier than those found at Nordic Choice, making it a bit harder to find the numbers that support the information presented. However, the data provided is divided up into separate categories a bit more specifically, which makes it easier to take a more in-depth look into certain conservation aspects that Scandic values. Unfortunately, some of the results on waste are unaccounted for due to the recent acquisition of the finish restaurant chain Restel Oy. This has been caused by transition in requirements from Restel's own protocols to Scandic's further-reaching standardizations. Despite this minor setback, Scandic has been open about these details in their reports and plan to rectify the situation by the end of this year.

According to the materiality matrix published by Scandic, the company's main priority is for the betterment of the environment and to rectify social injustices. These include the health and diversity of the staff, the reduction of waste and energy output, and a smarter construct for the company's hotel properties. Additionally, the supply chain and all elements involved in it should be free of human trafficking, and is devoted to the health and safety of staff and guests.

WASTE

Scandic works constantly to reduce waste and increase recycling. In 2019, 96.7 percent of Scandic's waste was recycled, an increase of 8 percent year-on-year. Household waste, which represents a large share of total waste, is excluded in this report due to difficulties in obtaining reliable information, mainly from municipalities in Sweden.

	2018		2019	
Total weight per method of disposal, tonnes	Hazardous waste	Non-hazardous waste	Hazardous waste	Non-hazardous waste
Reuse	0	0	0	0
Recycling	15.82	10,249.93	14.02	11,301.21
Energy recovery	23.08	1,025.62	29.79	274.40
Combustion	28.16	0.00	38.60	0.00
Landfill	3.67	234.15	5.06	41.13
Total	70.7	11,509.7	87.5	11,616.7

Data on waste from newly-acquired Restel hotels is insufficient.

Total weight per type of waste, tonnes	2018	2019
Paper	2,396.4	2,539.7
Glass	2,067.4	2,255.3
Metal	161.9	199.9
Plastic	304.9	331.0
Other	6,579.1	5,975.3

Figure 18: Record of Scandic's Waste in tonnes, 2018-2019 (Scandic Annual Report 2019a)

Pictured above, Scandic's waste measurements from 2018-2019, organized by type. Scandic makes it easier to account for different types of waste due to a more comprehensive sorting and reporting system. The report shows us the improvements that Scandic has managed to achieve by paying more careful attention to how waste is sorted and disposed of;

this fact signals active concern for the effects certain types of disposal have on the environment, and where to make improvements when situations are discovered. Different types of wastes, such as plastics and other non-biodegradables, pose higher risks than others to the environment, and it is a positive note that they have been given consideration separately than that of more-easily solved materials.

Similar to wastes, Scandic also categorizes its emissions into separate areas, which allows the reader see which ones pose greater threats than others, and which types need to be more efficiently managed. Unfortunately, like many of Scandic Group's other figures, only 2018 and 2019 are included in the most recent report, making it a bit more difficult to see the actual progression over a longer period of time.

	2018	2019		2018	2019
Energy consumption, MWh			**Energy consumption, MWh**		
Electricity	362,670.7	359,421.3	Propane	1,702.1	1,476.1
District heating	299,452.2	287,128.6	Natural and city gas	5,590.2	6,402.1
District cooling	23,648.1	20,233.0	Biofuel	871.8	808.0
	685,771.0	**666,782.9**	Heating oil	67.8	404.2
CO$_2$ emissions, tonnes				**8,231.9**	**9,090.4**
Electricity	7,125.6	911.5	**CO$_2$ emissions, tonnes**		
District heating	33,488.1	33,419.4	Propane	398.9	336.2
District cooling	682.1	617.9	Natural and city gas	1,117.4	1,296.7
	41,295.8	**34,948.8**	Biofuel	421.9	54.6
			Heating oil	17.9	110.3
				1,956.2	**1,797.7**

Figure 19: Scandic Group's Energy Consumption and Emissions, 2018-2919 (Scandic Annual Report 2019b)

Scandic organizes different types of emissions into three smaller subcategories: **direct emissions, indirect emissions,** and **other emissions**, placing the first one as the company's top priority. Direct emissions are caused by the operations at Scandic; they are pictured above in Figure 19 on the right hand side. In some cases, Scandic has managed to cut down on their consumption considerably, but in other areas, noticeable increases can be observed. This is due in part to the modernization of Scandic's standards, which assists the company with more accurate accountability. The report also states that the increase in

non-renewable electricity was due to initiatives in Finnish hotels that caused the transition to more renewable sources (Scandic Annual Report 2019c).

On the left hand side, Scandic has published its view on indirect emissions, which are produced by electricity and heating for the hotels. Other emissions are caused by activities in the hospitality sector, resulting mostly from business travel (air, train, etc.). In order to certify that Scandic follows guidelines to reduce emissions, the company uses a Sustainable Brand Index. In 2018, the company placed first in the industry in Sweden and second in the other Nordic countries, an improvement across the board (Scandic Annual Report 2019d).

4.3 Coronavirus and the Industry's Future

The COVID-19 pandemic has shattered normalcy as humanity knows it, forcing the world into isolation and financial hardship. The hotel industry itself has been greatly affected and perhaps changed permanently for the foreseeable future, with record lows of travellers opting to stay home rather than taking the risk of enjoying their holiday elsewhere. This has caused unimaginable turmoil for hotels' top management, as they now have to plan for changes in the amount of incoming revenue, the newly-limited scheduling opportunities for their staff, and calculating the inflow of supplies needed for their establishments.

Due to these challenges that have never been faced before in modern times, dynamic action has to be taken in order to save the hospitality industry and its capabilities to be sustainable. The industry itself is not just hotels and long weekends; it is a major wellspring of employment that offers opportunities to hundreds of millions of people around the globe. Given its multifaceted demand, it directly impacts several countries agriculturally and commercially, and pumps revenue into many economies just by being the doorway into countries less travelled. Accessability to museums, restaurants, bars, monuments, historics sites, and many other attractions is often made possible by having a safe, warm place to call a temporary home.

Currently, the greatest threat posed to the hospitality industry by COVID-19 is the unknowable length of the crisis. Despite the race to find a vaccine, none of noticeable success have yet been released for public use. As Jones & Comfort (2020, 7) argues, the appreciable environmental gains the coronavirus has caused by halting worldwide travel and industrial practices is juxtaposed by immense social and economical loss. As a result of the critical financial blow dealt to the hospitality industry, it is becoming increasingly difficult for hotels to remain sustainable, especially when it comes to their supply chain management.

As sustainability directives cost capital to maintain, cheaper, less environmentally-friendly products are being implemented as substitutes for products that are responsibly sourced. The main dilemma in this situation is that while more travel harms the environment without the proper checks and balances, the more capable the hospitality industry is to be sustainable with the capital gained from these customers. Despite the immediate situation, globalization has made sure that travel will not be held permanently at bay.

Nordic hotel chains like Nordic Choice and Scandic have devoted their supply chain procedures to assuring everyone involved receives fair treatment, notably for the advancement of the lives of people in developing countries through FairTrade and for the reduction of emissions through ISO certifications. While these companies continue to do so amidst the crisis, it will become more and more difficult to maintain a positive presence in the globalized community the longer that COVID-19 keeps people at home. Despite the articulate and transparent supply chains upheld by hotels in the Nordic countries, experts find that a strong focus on the short-term importance of these directives to the companies' overall message, their staff, and their guests rendered them incapable to prepare for something so unpredictable as a widespread health crisis.

However, not all is lost. While the future is wholly uncertain, these shortfallings of industry experts can be utilized to facilitate a comeback. Jones & Comfort (2020, 10-12) continue to point out that, due to a contraction in traffic from hotel guests, top management should start drawing up plans to bring sustainability more into the forefront of the industry. Rather than being used for marketing purposes and commodity, the pandemic can be a lesson that a sustainable supply chain is not only attractive, but essential. This can be executed by management emphasizing the importance of social distancing, responsible transportation systems, and other hotel accommodations that stress the safety of the guest.

Promoting the involvement of stakeholders at every level could facilitate research opportunities that could prove useful to the future of the industry. As the long-term consuquences of the coronavirus are still incalculable, the hotel industry of this generation is presented with a chance to reinvent sustainability protocols for years to come. Through social experimentation, the hospitality sector of today can patch up holes and disconnections throughout its supply chain in order to be ready for the next global crisis.

5   Conclusions

This dissertation aimed to investigate how premium hotels in the Nordic countries apply sustainable business practices to their supply chains, with the goal of lighter environmental impact and fully transparent sourcing. Nordic Choice Hotels, the central focus, has shown through its annual reports that its several initatives which combat waste, unethical labour, and unneccesary emmissions have been increasingly successful, causing the company to stand out as an example to other competitors in the Nordic hospitality industry. Through careful planning alongside sustainability and quality experts, the company has been able to repeadly reach its goals that it sets annually.

5.1   Limitations to Findings

The main limitation to conclusions of this thesis is the damage that the COVID-19 pandemic has inflicted on the industry. Coupled with large-scale declines in travel, strict federal and international regulations will produce different results for the year 2020 and onward. These abnormalities offset the company's past results, as reporting guidelines on supply chain implementation is expected to change considerably. It will become fundamentally challenging to make accurate claims about developments to supply chain initiatives from before the pandemic.

The industry is also affected by many unanswerable questions; *when will things return back to some sence of normalcy? Will the industry ever be able to resume normal activities with higher volumes of guests?* and possibly the most difficult scenario to solve: *if things never return to normal, how will the hospitality industry move on from there?*

Other limitations caused by the pandemic included restrictions to information that could have normally been achieved by conducting interviews from sustainability and quality managers employed by the hotels. While the annual reports and the data found in them are very transparent, more firsthand information from the experts who help create and enforce these initiatives would have offered more depth to the topic presented. This resulted from the deployment of travel bans, quarantines, and layoffs, making it difficult to contact the respective individuals. The commotion and panic caused by the virus across the entire industry caused these managers to become overbooked, and in many cases, unavailable. For this purpose, academic journals and company information of these subjects was largely relied upon.

5.2   Notable Findings

While initially viewed as a significant setback to progress, Nordic Choice and other like-minded companies will continue to adapt to new challenges as they arise. Developing strategies to manage global threats to an entire industry is a formiddible challenge, but companies such as Nordic Choice and Scandic Group have been achieving new feats all along. New social distances and departmental transitions in response to the virus are expected to become the new norm, not just for the Nordic hospitality industry, but for the rest of Europe and presumably the world.

While top management and quality personnel at Scandic portay their company's successes a bit differently than those at Nordic Choice, these two companies share a common goal and appear to be using their resources responsibly to improve on ethical and environmental issues that directly concern hospitality. Moderate competition between the two largest hotel chains in the Nordics also seems to propel both entities toward similar goals. Both companies understand the important of marketing in sustainability, despite going about doing so in different ways.

Scandic tends to pan much more to the CSR side of the sustainability spectrum, favouring to share more in depth about their personnel, suppliers, and distributors in detail, while Nordic Choice is much closer to its SSC practices. Nordic Choice and Scandic group use dissimilar tactics to market their sustainability prowess; Nordic Choice uses simpler, more modern methods by favouring imagery and figures over lengthy reports, while Scandic wants you to read the fine print of their policies directly in their annual reports.

Neither of these tactics are right or wrong, as long as the company's results convey that their sustainability policy delivering on its promises. It is clear from both companies, for example, that a heterogenous staff is much more likely to uphold company initiatives than a group of people from a similar background. Diversity enriches both of these companies gives perspective into different cultures and a variety of ways to accomplish goals.

In this sense, we can see that hotels in the Nordic countries hold the importance of the *stakeholder* closer than that of the *shareholders*. Owing to many new energy-conserving upgrades Nordic Choice has made to its properties, the consumption of electricity, water, and gases have continued to drop over the course of the previous decade, demonstrating the company's value for energy efficiency. However, these developments will most likely be skewed for 2020 also due to COVID-19 effect on travel.

Finally, it is important to point out that COVID-19 will greatly alter the course of this industry's path; whether it be for the next five years, or the next fifteen years, it is up to these chains to work efficiently to generate new ideas that will be beneficial to hotel guests, personnel, the community, the supply chain, and most important of all: the environment. Lack of resources should not cause for strong ideals to falter. The situation is currently up in the air, but the final outcome will be determined by strong policies, implemented by professionals through integrity and passion.

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