

# Corporate Community Development and Tourism in Fiji

*Institute of Development Studies, Massey University, New Zealand.*

This report outlines key research findings specific to corporate community development (CCD) in tourism in Fiji and suggests potential recommendations to ensure that the benefits accrue equitably to communities and can lead to sustainable outcomes.

## **Background**

The private sector is increasingly encouraged to contribute to global development challenges such as health and education; however, there has been limited consideration of how positive, locally meaningful outcomes can best be achieved through this model. In particular, private sector led development in the Pacific is still an emerging area of study.

In the Pacific, tourism is a key growth area: arrivals reached 1.77 million in 2012 and are predicted to reach up to 2.9 million by 2019 with a contribution of between US\$ 2.5 and 3 billion to the regional economy (South Pacific Tourism Organisation, 2014, p.2). Initial indications show that private sector development initiatives in the tourism industry can play a significant role in improving community wellbeing in the Pacific (e.g. Bradly 2015, Harrison and Prasad 2013, Scheyvens and Russell 2012), but there has so far been limited attention to community perspectives of tourism-led development initiatives. This study is part of a broader programme of research exploring private sector led development in tourism and mining in the Pacific.<sup>1</sup>

## **Corporate Community Development in Tourism**

The study focuses on those activities that directly and intentionally impact on community development. This can be referred to as Corporate Community Development (CCD). This is broader than Corporate Social Responsibility (CSR) which usually focuses on voluntary activities. CCD includes both core practices such as employment, lease commitments, procurement of local goods and services as well as voluntary CSR activities such as support for local schools and hospitals, provision of scholarships and environmental restoration. The findings below discuss development outcomes relating to both voluntary support and core hotel business.

## **Context**

This study focused primarily on communities located near Denarau Island and on the Coral Coast. Multinational resorts Radisson Blu and Shangri-La's Fijian Resort and Spa, both recognised for their commitment to CSR, agreed to participate as case studies. Examples from other resorts and tourism organisations were also gathered through fieldwork. Research involved a period of 2 months spent in each location and interviews were carried out with resort management, staff involved with CSR initiatives (CSR champions), landowners, members of neighbouring communities, partnering NGOs and project beneficiaries (including schools and hospitals). Interviews and discussions were also held with community members, provincial councils, government bodies (including iTaukei Lands Trust Board and Tourism Fiji), tourism unions, tourism bodies (Fiji Hotel & Tourism Association FHTA, South Pacific Tourism Organisation, Tour Guide Association), ministries (namely the Ministry for Industry & Trade and

---

<sup>1</sup> The research programme is led by Professors Regina Scheyvens and Glenn Banks of Massey University and funded by the Royal Society of New Zealand. Additional funding for this fieldwork was provided by the NZ Ministry of Foreign Affairs and Trade. The team can be contacted via Emma Hughes: [e.l.hughes@massey.ac.nz](mailto:e.l.hughes@massey.ac.nz)

Tourism and the Ministry of Education, National Heritage, Culture & Arts) and the University of the South Pacific. Further, two feedback and discussion sessions were convened in June 2015, one on Denarau Island and one at the University of the South Pacific in Suva. Participants included representatives from tourism and associated industries, academics, landowners and NGOs. The findings below incorporate all this data.

## Study Outcomes

### Overview

Hotels and resorts in Fiji provide a wide range of voluntary support, from support for local schools, hospitals and community amenities, to scholarships, internships and environmental restoration. However, across Fiji as a whole the distribution of benefits is uneven and impacts are often short-term. Support remains concentrated in the tourist areas, whilst remote communities have least access to support. Initiatives with geographically dispersed or long-term support and those that foster regional or national collaboration can therefore have the broadest community impact. More importantly, there is a need to look at the distribution of the proceeds of tourism more broadly. Core practices of hotels can have the greatest impact on communities. Fair lease agreements, effective procurement practices, and job security can have a particularly positive, long-term impact on local development outcomes. Voluntary support twinned with ethical operating practices is therefore most effective.



### Key findings

- 1. Education & Employment.** Education is a key focus of much CSR which provides everything from resources for kindergartens to tertiary scholarships and physical infrastructure, but there is an uneven distribution of benefits with schools neighbouring hotels receiving the majority of support.

There is a gap between corporate support for education and the numbers of locals employed in senior positions in the industry. Career progression for locals is affected by a number of factors including the lure of entry-level tourism jobs for those still in education, trained and qualified individuals leaving Fiji for overseas opportunities and a lack of opportunities for graduates and young people. Lack of job security also limits career advancement. Not only do greater numbers of locals in senior positions impact positively on local development outcomes, they can also create important role models for the next generation.

Training and employment opportunities beyond hospitality qualifications can also offer significant opportunities, for example trades, accountancy, engineering and management.

Overall, while there is evidence of much goodwill in the industry there is no real way of monitoring how the support offered leads to the desired outcomes.

*“The workers. That’s the greatest social responsibility.” [Union official]*

*“You don’t need to all be hotel workers, you can become a lawyer and advocate for your community, you can become a marine scientist. You can become a GM of this hotel so that you make decisions for this place.” [CSR champion]*

**2. Procurement.** Many managers want to buy local but face challenges in relation to consistency and reliability of supply; local farmers want to supply hotels but industry requirements can form obstacles, for example, the HACCP approval system which is likely to restrict local producers in supplying resorts. Supply must also meet industry expectations around timing to coincide with occupancy levels and suitable packaging of products for use in resorts. Some initiatives exist to provide targeted support, for example to ensure farmers produce according to hotel requirements in the right season (e.g. PARDI - see box). Procurement also includes services and non-food products: it is important to recognise the significance of business opportunities more broadly for local communities. This includes contracting of services such as transport, sale of handicrafts and village tours. Appropriate support is required to facilitate the development of local business capacity including financial literacy training.

*“It’s not even about the quality or shape - misshapen is accepted nowadays with organic produce etc. It’s reliability of supply. The truck turns up and there are 5 items missing - well they are already on the menu. The government role is to set up professions with proper infrastructure.”*  
[FHTA chapter representative]

#### **Pacific Agribusiness Research for Development Initiative (PARDI)**

PARDI seeks to create sustainable livelihood development outcomes for South Pacific agribusiness by identifying constraints to local economic development and finding solutions. Shangri-La was one of the hotels to participate in their programme to provide access to markets for smallholder vegetable farmers. As a result, farmers were able to earn 40% more on their tomato shipment.

**3. Leases.** There is a perception that some components of lease agreements are not always adhered to, particularly regarding preferential employment, which is highly valued by landowners and seen as a significant responsibility of resorts. This is accompanied by a lack of knowledge within communities of the content of agreements which means communities have no ownership of these arrangements or influence over outcomes. There is a strong desire to review old leases (which can now be up to 50 years old) to reflect current economic conditions and to generate a more equitable arrangement. At the same time, new TLTB agreements seem to be transitioning towards inclusion of more comprehensive conditions favouring communities, with the expectation that *all* hotels and resorts will adhere to these principles. New agreements have a stronger focus on capability building, partnership and support for small businesses.

*“For older [leases], we are trying to encourage the hotels to come up to par. You have to give something back to the landowners. [Lessees] say, but we are already paying rent. Well there are other things you can act on and contribute to. The community is part of your investment.”*  
[TLTB official]

4. **Environment.** The environment is universally recognised as an important issue yet across the tourism sector environmental initiatives are minimal and access to and protection of traditional fishing grounds (*qoliqoli*) remains a significant issue for resource owners. Coastal communities experience flooding, loss of mangroves, damage to reefs, pollution of coastal waters and depletion of marine life. Whilst not all changes are attributable to tourism, the industry has created significant environmental impact and needs to be a key player in restoration and protection initiatives, alongside communities, government, and other private sector and voluntary organisations. Focus needs to include preventing sewage release into coastal waters, protecting marine life, restoring mangroves, ensuring Environmental Impact Assessments are undertaken and supporting alternative livelihood strategies where access to fishing has been lost.

*"We don't have access to the qoliqoli - we used to fish three times a week, now we only fish once a month."  
[villager]*

*"If you look at the benefits that come from the marine protected areas, over 80% of the benefits are coming back to private businesses. And they are contributing nothing to it now."  
[marine ecologist]*



#### **Protecting the marine environment**

Shangri-La employs a dedicated marine biologist to promote environmental awareness to tourists and local schools through its Marine Education Centre. In a 5 year period more than 12,000 visitors have passed through its doors to learn about marine conservation, marine ecosystems, fishing practices and protecting natural resources for future generations.

Organisations such as FLMMA (Fiji Locally Managed Marine Areas) and consultancies such as Resort Support also work in conjunction with tourism businesses to facilitate greater environmental protection through advising on conservation initiatives, facilitating community engagement and support for community development and undertaking environmental monitoring.

5. **Community engagement.** Communities seek ongoing engagement with hotels leasing their land. There is often a mismatch of expectations where corporates focus on meeting lease agreements whilst communities see the interaction as constituting more than just the lease money: lessees are part of the community and from that stems two-way responsibility and reciprocity. A lack of engagement can lead to breakdowns in communication and the spread of misinformation. It can also mean limited knowledge is shared with corporates regarding community development plans and needs and as a consequence community strengths in planning and fulfilling community development activities are under-utilised.



*“People think just because we’re getting money from them, we have a good relationship with them, but that is not the fact. The fact is we also look after them.”*  
[landowner]

*“They say locals don’t have the skills or business acumen [to run a local business], but we can do it.”*  
[landowner]

6. **Community development planning.** The success of community development initiatives is underpinned by the relationships developed; however a structure to support community development and community engagement is lacking. There is a wide variation between resorts and tour operators in their approach to community development. With the high turnover of expatriate management staff and lack of coordination between resorts, it is challenging to establish long-term planning for sustainable development. There is, however, evidence of community aspirations for a more formal structure. This could include opportunities to engage with a group of hotels, the ability to share community development plans with corporates and creating avenues for potential partners such as schools or health facilities to proactively engage in partnerships. It also involves combining engagement opportunities with capability building and addressing community concerns in a holistic way, for example Vinaka Fiji programmes target sources of income alongside training and health. For incoming managers to continue to support existing projects, they need to be simple and easy to manage with an identifiable benefit for guests and the hotel. Sustainability of initiatives is also affected by the time and resources available: financial support and mandate from head office enables greater continuity of support whilst local drivers can ensure initiatives are carried forward.

*“No one knows what to do - what part should the government play? What part should corporations play? What part should individuals play? What can they do? And how can they do it? There needs to be a way to find benefits for everyone.”*  
[FHTA chapter representative]

*“It is reliant on individuals. The next GM may be too busy, they are only here for 2 years, it is a career stepping stone.”*  
[FHTA chapter representative]

7. **Coordination.** Corporate support for communities can be more effective when aligned with regional or national development goals, for example the Health and Safety Fund run by Coral Coast hotels. However, there is a lack of coordination across the industry as a whole and a lack of integration between different partners. There is a need to share information and communicate ideas between industry, government, communities and other relevant organisations. Connections are required between co-located hotels and resorts, through different ministries (dealing with tourism, the environment, marine areas, transport, health and the economy) and across geographical regions. The breadth of coverage of sectors and regions suggests a national CSR plan is required along with a clear will to implement.

*“The key to it is all parties working together. You need a champion, you need someone to drive it, and as much as you get frustrated at times, you’ve really just got to look at the end results that you achieve as a collective.”*  
[Health and Safety Fund representative]

*“It’s a give and take. Whenever [the hotels] request health check-ups, we always go and advise them as well...it’s a symbiotic relationship.”*  
[Medical officer, Sigatoka Hospital]



8. **Partnerships.** Partnerships can be effective in ensuring social and environmental as well as economic sustainability. Although there is a consensus on the need to ensure businesses remain profitable, social and environmental outcomes should be seen as equal in weighting to the financial bottom line: Fiji’s people and environment constitute the backbone of its tourism industry. Grassroots or bottom-up planning is critical in terms of responding to community needs and resulting in positive social and environmental outcomes. NGOs are able to invest the time and skills that industry is typically lacking, for example in scoping, baseline studies and participatory planning (see box). They can also provide a buffer between communities and industry to facilitate better communication.

*“Listening and understanding skills on the part of the expatriate donors is needed. Communities are clear about what they need, but they can’t always articulate it in the way hotels can connect to.”*  
[NGO Executive Director]

### Private sector-NGO partnerships

The NGO Rise Beyond the Reef provides a bridge between government and the private sector to harness the potential of tourism to support and empower remote communities. One such project aimed to address the extremely low secondary school completion rates in Yakete District (below 5%) by providing the first building block for education - an early learning centre. Rise Beyond the Reef completed the base-line studies and needs assessments in conjunction with communities and the project was subsequently financed by Radisson Blu through their Adopt-a-School Programme. The resort also provided planning advice and labour power.



9. **Role of tourists:** Much support for community development is tourist-driven, for example ad hoc donations of stationery, books and equipment. It is important to acknowledge the extent of this support and the reliance on the goodwill of tourists. Hotels and resorts often carry out a significant coordination function through their liaison with multiple donors. The complexity of working with tourists as a principal donor group spans issues such as the prioritisation of guest satisfaction, safeguarding tourist goodwill and the limitations around setting agendas (such as which schools donations are directed to). This raises questions about how this support should be managed in the context of hotel or resort responsibilities to local communities.

*“Sometimes CSR is not between us and the communities; it’s between guests and communities.”  
[FHTA official]*

*“The days when we said we were visiting the high school everyone’s face would drop - they all wanted to visit the little kids.”  
[CSR champion]*

10. **Charity vs responsibility.** Donors seek to avoid a ‘hand out’ culture but in an environment where ad hoc requests are made daily, it can also be difficult for hotel management to prioritise needs. Conversely, where communities are recipients of donations they can be reluctant to make demands. Changing this approach requires a focus on responsibility or obligation rather than charity. Whilst charity has a short-term, repetitive focus and is ultimately unsustainable, a focus on responsibility supports long-term self-reliance. This can be achieved through a focus on partnerships - with community, small businesses and NGOs and across a variety of sectors involved in tourism from agriculture to finance to transport. It also involves a holistic focus (eg identifying where partnerships can lead to benefits independent of tourism) and long-term thinking which is more likely to result in sustainable development outcomes.

*“We’re all a part of [the community] as well. Yes, you can be comfortable, you can not go off the island, but what’s the point in that? Why sit in a hotel and be comfortable when there are things that need to be done?”  
[CSR champion]*

## Summary: key factors influencing the impact of corporate community development

- Building relationships based on meaningful processes of engagement that allow emphasis on community goals and priorities
- Working in an integrated fashion with communities, industry, non-government organisations, government and other private sector organisations
- Recognising that core practices impact on community development and aiming for coherence between CSR policies and ethical operating practice

These findings suggest that collaboration is required at regional, national and local levels from the planning stages through to application, monitoring and evaluation. This requires engagement between government, industry bodies and local actors. Some of the recommendations below are already happening in the hotels studied; some are aspirational. Across Fiji such initiatives are still piecemeal and linking and extending good practices across the sector holds the potential for significant impact. To be effective they will require input from government, hotels and their corporate head offices, tourism industry bodies, non-governmental organisations and communities.

## Recommendations

Specific recommendations emerging from the study are as follows.

### For government:

1. To work towards **making CSR part of a national development plan** with a structure, guidelines and incentives to facilitate good practice. Long-term planning with relevant stakeholders is more likely to lead to sustainable development outcomes.
2. Develop **indicators for development outcomes of educational support** and establish mechanisms to facilitate greater communication between hotels and Ministry of Education.
3. Establish a connecting role to **link local agricultural knowledge with resorts**; promote support for initiatives such as PARDI & farm-to-table and train agricultural extension officers accordingly. A systematic study of food supply in the tourism industry would also inform potential product replacement initiatives.
4. Share content of **lease agreements** so that communities are fully-informed. Initiate review of older lease agreements and seek landowner input in developing good practice guidelines.
5. Recognise the need for **cross-sectoral approaches** to address cross-sectoral issues in tourism e.g. environment, fisheries, business and agriculture.
6. Provide **incentives for partnerships and joint ventures**; provide linking mechanisms to support procurement and small business initiatives;
7. Support creation of **guidelines for good practice** eg guidelines for establishing village and school tours could include ways to ensure schools benefit and education is not disrupted and recommended fee structures and expectations for village tours.

## For hotels:

1. Identify ways to **strengthen career progression** eg review adequacy of scholarships, provision of opportunities for attachments and internships; look more broadly at long-term capability building including providing mentoring for local successors of expatriate roles.
2. Extend **local cuisine** options and provide capacity building for small businesses/joint ventures.
3. Respect **lease agreements** but also recognise the importance of adapting policies and practices to conform to current TLTB policy in relation to community benefits.
4. Move towards **70% of employees on permanent contracts**, in line with union recommendations.
5. Ensure **policies of international chains are flexible enough** to allow context-specific support; lobby for dedicated financial support for initiatives from head office and appoint local champions.
6. Generate **sustainable financing of environmental initiatives**, support for alternative livelihoods in MPA zones, marine ecologists based in resorts, cooperation with government and non-government organisations eg FLMMA.
7. Recognise communities, schools, hospitals or other groups as **partners in development**, rather than as beneficiaries and ensure that local knowledge is reflected in decision-making; establish long-term planning and consultation with relevant local stakeholders as the foundation of development assistance.
8. Identify indicators alongside project partners for **monitoring and evaluation**.
9. Tap into **community plans** (NB these plans often not written down and planning/costing support may be valuable). Acknowledge importance of listening to communities and reciprocity: a community liaison role can play a significant part in building, maintaining and supporting community relations.
10. Initiate **collaboration between hotels** to facilitate shared support for local communities. For groups of hotels which are co-located, such as those on Denarau or the Coral Coast, financing a shared administration role to manage donations could be an effective way of mitigating time pressures on CSR managers.
11. Facilitate ongoing **partnerships and collaborations with local and regional NGOs** which can enable ongoing development cooperation. This also requires evidence to be shared of successful collaborations.
12. **Educate guests** about what is needed; engaging guests more in activities outside of resorts (e.g. initiatives such as Talanoa Treks which explicitly benefit the community) and ensuring that activity fees fairly reflect community input

## For the tourism industry:

1. Organise an **annual FHTA conference** to share good practices;
2. Explore ways to **increase geographical spread of benefits** e.g. sister schools or twinned villages.
3. Initiate a **database to share information** about initiatives planned and undertaken.



## References

Bradly, A (2015). Expanding the business case for Corporate Social Responsibility: Empirical evidence from Fiji. *Social Responsibility*, 11 (2), 242 - 257

FLMMA <http://Immanetwork.org/who-we-are/country-networks/fiji/>

Harrison, D, & Prasad, B (2013). The contribution of tourism to the development of Fiji and other Pacific Island countries. In C. A. Tisdell (Ed.), *Handbook of tourism economics: analysis, new applications and case studies*. Singapore: World Scientific.

Pacific Agribusiness Research for Development Initiative <http://www.spc.int/lrd/pardi-projects>

Resort Support <http://resortsupportfiji.com/>

Rise Beyond the Reef <http://risebeyondthereef.org/>

South Pacific Tourism Organisation. (2014). Pacific Regional Tourism Strategy 2015 – 2019. Draft report. Pacific Regional Tourism Capacity Building Programme (PRTCBP).

Scheyvens, R, & Russell, M. (2012). Tourism and poverty alleviation in Fiji: comparing the impacts of small-and large-scale tourism enterprises. *Journal of Sustainable Tourism*, 20 (3), 417-436.

Talanoa Treks <http://talanoa-treks-fiji.com/>

Vinaka Fiji [www.vinakafiji.org.fj](http://www.vinakafiji.org.fj)