

Jambo! Welcome to Your East African Adventure

Making Responsible Tourism Work on a Global Scale

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Note: “Jambo!” means “Hello!” in Swahili (also known as Kiswahili)

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Introduction

Jackson Sinclair, Global Lux Adventure Resorts & Hotels' recently appointed regional director in East Africa, is committed to uphold his company's desire to be the industry leader for responsible tourism. The purchase of new televisions for one of the region's properties brings to the fore the regional custom of offering facilitation payments to ensure shipments are off-loaded and delivered in a timely fashion. He must now decide what to do when one of his high-potential leaders appears to go behind his back to act counter to his directives and company policies.

Global Lux Adventure Resorts & Hotels' Management Philosophy

Global Lux Adventure Resorts & Hotels (GLA), a hotel management company with properties throughout North America, Africa, Asia and South America, provides authentic eco-tourism and heritage-site experiences in a luxury setting. With GLA, guests gain access to the major wonders of the world in unique ways, be it at major heritage sites like Angkor Wat in Cambodia, Machu Picchu in Peru, the Mausoleum of the First Qin Dynasty in China, or in one of the world's nature reserves for an animal safari in Africa, a river adventure in Colorado, or a hike up Mount Kinabalu in Malaysia.

GLA embraces responsible tourism as its guiding management philosophy. As such, GLA is committed to principles and practices that generate benefits for local people and the host community, conserve the environment, and celebrate diversity. Through experience, GLA has learned that in order to be a responsible steward of the environment and respected within the community, GLA leaders and employees must be held to consistently high standards of integrity and transparency. Consequently, GLA invests significant resources in mandatory leadership development, and employee training/certification programs that reinforce the company's guiding principles, which are to:

- demonstrate respect and care for local people by working in consultation with them and their institutions to improve working conditions, access to the industry, and overall well-being;
- create operating environments characterized by cultural sensitivity, ongoing learning, and transfer of skills;
- positively contribute to conservation and minimize negative economic, environmental and social impacts of tourism, again by engaging and working with the local population;
- practice open and honest management, which includes transparent communications to all stakeholders and a worldwide standard of ethical behaviour.

Recognizing that GLA leaders and employees need to be able to respond appropriately in a diverse array of circumstances and cultures, GLA seeks to provide all staff with the training and tools to make good ethical decisions, often requiring them to “think out of the box.”

Jackson Sinclair Is Chosen to Imprint the GLA Brand in East Africa

As part of its strategy to grow its brand globally, GLA welcomes the opportunity to take over the management of four properties, previously managed by a competitor in Tanzania and Kenya. The properties require significant renovation to bring them up to GLA’s standards, and much needs to be done to establish GLA as a community leader and beacon for responsible tourism. To get the job done, GLA assigns one of its most well-thought-of leaders, Jackson Sinclair, to be the regional director for East Africa.

Jackson, who graduated from a hospitality and tourism program in a pre-eminent Canadian university, has worked for GLA for twenty years, rising quickly through the ranks. Prior to this assignment, Jackson was the general manager of GLA’s flagship property in Colorado. While Jackson has travelled the world for GLA, his appointment as regional director in East Africa is his first major leadership role outside of North America.

As one of his first tasks, Jackson begins to interview local staff, hoping he will be able to put a top team together quickly. The team will have a daunting amount of work to complete over the next two years, given the renovations, staffing, training, and community work that needs to be done.

The Talented Michael Kurary

Jackson is very pleased to make Michael Kurary his number two in the region. Michael, as the associate regional director, will have primary accountability for sourcing materials for the renovations, managing the work involved with the renovations, and working with the community. The budget for all items related to the renovation must be signed off by Jackson. Michael has the authority to sign off on expenditures related to community involvement, as long as expenditures stay within budget.

Michael is representative of the new generation of Maasai who are Western-educated and are becoming integrated into East African business and government organizations. Born to an English mother and Maasai father, an elder in the tribe, Michael was educated at Oxford University and returned to Tanzania to work on the game reserves. Prior to taking the position with Jackson, Michael was the general manager of the Nairobi hotel, which GLA has just taken over.

Michael immediately begins to demonstrate to Jackson and others at GLA that he is the right choice for the job. As is GLA's custom, he quickly sources local materials, local craftsmen and local contractors best suited for the renovation. In collaboration with the local communities, he is able to build support and get local involvement for the eco-tours and experiences that GLA wants to be able to provide for its guests. Moreover, through Michael's initiative, GLA has been able to launch hospitality and food and beverage training courses as well as open two medical clinics to serve GLA employees as well as residents in the area. After Michael's first year on the job, Jackson is recommending to GLA's head office in Phoenix that Michael should be groomed to be his successor. Jackson also nominates Michael to be GLA's Leader of the Year.

The Sourcing of the Television Sets

While it is GLA's policy to source all that it can locally, Michael is unable to find a regional supplier for the 350 televisions needed for the renovation of the hotel in Nairobi. Consequently, at head office's suggestion, Michael reaches out to a firm in Germany, which supplies televisions and electronics to other GLA properties. However, as Jackson is reviewing purchase orders with Michael, he notices that Michael has asked for a quote on 400 televisions, and not 350.

"I think you have made some mistake here, Michael," says Jackson. "You need to revise the request to stipulate 350 TVs, not 400."

"No. The quote is right, Jackson", Michael responds. "The other 50 are needed to 'grease the wheels,' so to speak. If we don't provide some incentive to the people working in customs or on the docks who will sign off on the paperwork and ensure the TVs are off-loaded and delivered to us in a timely fashion, those TVs will rot away for months sitting unattended on some forgotten section of the pier. When they are delivered, after being exposed to the heat, humidity, and salt, most of them will be useless."

Jackson and Michael's Disagreement

Jackson is disappointed with Michael and replies, "We will have to get creative then on how we get this job done without giving into the custom of paying bribes. Under no circumstances will GLA countenance that behaviour. At the completion of your orientation with us, you signed an agreement where you pledged that you would uphold GLA's high ethical standards. In other places, we have got things done by launching a public relations campaign reminding everyone that we are not only a key employer in the region but also a key contributor to the community with the work we do in education and health. Rather than giving bribes, we have also further generated goodwill by inviting key government personnel and their families to spend a few days at our resorts. This is a common practice in the industry. You need to be more imaginative here and present me your plan for getting those TVs delivered soon."

Michael pauses before he says, “Jackson, we have worked well together to this point and I think we have come to respect each other. So, let me be blunt. What you just said is something that someone from the West would say without understanding really what goes on here, and has gone on here. There’s a famous German poet and playwright, Bertolt Brecht, who said, “First comes a full stomach, then comes ethics.” These bribes, as you call them, often mean the difference between having food on the table or not. Even if one is employed here, wages are not anywhere near equivalent to those in the West. People with the ambition to make it to the middle class, need to work two jobs and/or barter things in order to feed their families, nurse their elders, educate their kids. A lot of these things cost the same amount you pay! Be careful about getting on some moral high horse that only succeeds in making you look like one of the colonizers of old—the ones who took away our lands, and tried to ‘civilize’ our ways as if the British and the Americans have all the answers. Some, in fact, would argue that your recommendations for a PR campaign and free vacations to our elite smacks of old ways where propaganda and rewards to a favoured few were how our colonial masters tried to keep us in place. I will, as you suggest, try to be ‘imaginative’ and honour an ethical code. Please, however, do not think you have all the answers. Let me remind you that as a leader in responsible tourism, one of our guiding principles is to demonstrate respect and care for the locals.”

Concerns about the Delivery of the Extra Televisions

Michael does present an alternative plan to Jackson that he hopes will ensure the timely delivery of 350 televisions as specified by the revised purchase order. The plan, along the lines suggested by Jackson, includes an aggressive public relations campaign reminding the public, as well as government officials, about GLA’s contributions to the region’s economy and community. Key public officials and their families are also being invited to spend luxury weekends at GLA’s resorts.

The televisions are to arrive in one month. During this time, Jackson has departed for a planned month-long trip to GLA’s head office in the United States and puts Michael in charge of all renovation concerns in his absence.

While Jackson is at head office, he is delighted to learn that Michael has been chosen as the Leader of the Year. Consequently, it will be Jackson's pleasure to inform Michael that GLA will invite him to attend GLA's next corporate Leadership Strategy Conference, where he will be especially honoured at a banquet on the last night. Jackson is pleased that Michael will have an opportunity to network and hopefully make meaningful connections with other GLA leaders.

When Jackson returns, he is excited to share the good news with Michael. But, before he does, he is surprised to find a note from the cabinet secretary of Kenya's Ministry of Education, Science and Technology thanking GLA for five television sets. When Jackson shows Michael the cabinet secretary's letter, Michael admits he issued a purchase order for extra sets after Jackson's departure. These extra sets were needed to support GLA's education outreach within the community, Michael claims, and the cost for them comes out of the budget designated for community initiatives, and not the renovation budget.

Jackson is, however, uncertain how the TVs directly serve the community training programs initiated by GLA and begins to wonder if he has been wrong in his assessment of Michael. Were only five extra sets ordered? What else did Michael do, under the auspices of his community budget, to ensure the TVs were delivered in good condition and on time? What steps should he now take, particularly in light of the fact Michael is about to be celebrated as GLA's Leader of the Year?

As Jackson is mulling over his next steps, Jackson also overhears another employee congratulating Michael: the employee had just found out that Michael's twin boys were both given places in a preferred government school, a school that only accepts the best and the brightest. The last time Jackson remembers talking to Michael about his sons, Michael told him that he is worried about his sons' education because one son, in particular, is not applying himself. His suspicion of Michael's motives and what he is doing behind Jackson's back escalates tenfold.

Questions

1. What are the ethical issues in the case?
2. As Jackson struggles to come to a decision, what facts, issues and concerns does he have to weigh in the balance? Who are the individuals or groups that have a stake in the outcome and will need to be considered in his deliberations and action plan?
3. What options and next steps are open to Jackson?
4. What is your evaluation of those options? Please outline your logic clearly, highlighting pros and cons, and your reasoning.
5. Considering all perspectives, which option is best? How would you implement this decision in chronological order?