Learning about sustainability in small tourism firms – The case of Sustainable Travel Finland

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Over recent decades, sustainability labels have established themselves as important management tools in the tourism and hospitality industries (García-Rosell et al., 2017; Karlsson & Dolnicar, 2016; Rodríguez-Antón et al., 2012). The idea behind sustainability labelling is that it provides a guarantee that an independent assessment (e.g., a third-party audit) has been conducted and that the company (i.e., its services and practices) has been checked against a defined set of criteria on environmental, social and cultural issues. Sustainability labels are voluntary in nature and go beyond the minimum requirements set out in regulations and laws. As such, they are an essential part of today’s tourism business operations because they support not only responsible consumption practices but also sustainability learning and knowledge creation in tourism organizations. Although sustainability labels have become common practice in tourism, there are concerns about the accessibility of labelling for small firms (see Dunk et al., 2016). Indeed, as several studies have indicated, small tourism firms may experience sustainability labelling processes as tedious, demanding, time-consuming and of low priority because of the uncertain benefits they can bring to the firm’s daily business operations (e.g., Bacari et al., 2021; Dunk et al., 2016; FCG, 2018; Hellmeister & Richins, 2019).

Considering that small firms form the backbone of the tourism industry (Bressan & Pedrini, 2020; García-Rosell, 2013), sustainability labels need to be made more accessible to them. To that end, we need to get insights into the practices and learning processes triggered by a labelling scheme in a small business context. This is important if we consider how little attention is given to organizational learning within small tourism firms (Khoshkhoo & Nadalipour, 2016). By organizational learning we understand the learning processes and activities that occur within organizational settings (Easterby-Smith, 1997). In this research note, we address this gap in the literature by examining organizational learning for sustainability in a small tourism firm during the procedure of applying for the new Finnish sustainable tourism label and programme known by the name of Sustainable Travel Finland (STF) (Business Finland, 2022). More precisely, we attempt to answer the research question: What kind of learning stages are visible in the sustainability learning process of a small tourism firm? Using empirical material collected within an action research study in a small
tourism firm adopting STF, we illustrate the three sustainability learning stages that became evident while the firm went through the different steps of the STF programme (Halminen, 2021). We then discuss some lessons about the adoption of STF in small tourism firms.

**Sustainable Travel Finland as a learning process**

The STF label was launched by Visit Finland in 2019 with the aim of providing tourism companies with concrete management tools to help them adopt sustainable measures and choices in their everyday operations (Business Finland, 2022). The STF labelling process consists of a 7-step development path through which tourism firms assess their compliance with the programme’s sustainability criteria. These steps are: 1) commitment; 2) increasing your skills; 3) development plan; 4) sustainability communications; 5) certification and auditing; 6) verification and measurability; and 7) agreement and conscious development (Business Finland, 2022). The 7-step development path is a good example of an organizational learning journey through which a tourism firm can work towards more sustainable business practices by relying on its existing expertise and the creation of new knowledge (see Jamali, 2006). However, what kind of sustainability learning takes place? The action research study conducted by the first author helped to identify three sustainability learning stages that took place inside one small tourism firm when it was moving along the 7-step STF development path. These stages can be categorized as defining purpose, realizing silent sustainable practices and translating new knowledge into actions.

In general, action research refers to a form of inquiry that seeks to address practical problems by reflecting critically on the actions and practices of the research participants (Coghlan, 2019; Reason & Bradbury, 2008). Indeed, action research studies view research participants as co-researchers or research collaborators. This approach assumes that people who engage in and are committed to the research process are able to develop new skills and capacities, translate research findings into practice and create positive change (Reason & Bradbury, 2008). Although action research has become more common in tourism studies (see e.g., García-Rosell & Hakkarainen, 2019; García-Rosell & Mäkinen, 2013; Jennings, 2018; Merkel Arias & Kieffer, 2022), there is still room for increasing its use as a methodology for generating robust actionable knowledge in tourism and hospitality (O’Leary & Coghlan, 2022). The data in this action research study were collected using participant and non-participant observation and semi-interviews during June 2020 and July 2021. The empirical data were analysed with data-driven content analysis (Tuomi & Sarajärvi, 2009). As an action researcher, the first author was responsible for data collection and analysis, in close collaboration with the research participants. The action research study took place in a small tourism firm located in Finnish Lapland. The first author, who was an employee of the company, was involved in the STF-labelling process from beginning to end. We now discuss the three sustainability learning stages that the small tourism firm went through as it moved along the 7-step STF development path.
Defining purpose
In the first sustainability learning stage, the organization defines its purpose for working through the labelling process and reflects on previous experiences, available resources and new ways of organizing. Although adopting a label is about rethinking business practices, it is also about identifying and supporting what the organization is currently doing well (Cook & Yanow, 1993). The first sustainability learning stage also includes the questioning of deep-rooted assumptions about the demands and rationality of sustainability labels; these assumptions usually lead small firms to underestimate their capabilities, and thus discourage them from applying for a sustainability label. From this perspective, the organization has to learn to allocate resources in a way that supports both its operations and its path towards greater sustainability. The action research study showed that defining actions and planning the implementation of sustainability principles were relatively easy. However, documenting the labelling process, developing guidelines, and making the organization’s operations more transparent to its stakeholders were demanding practices that needed to be learned and better integrated within the organization.

Realizing silent sustainable practices
Once the purpose and the capabilities for engaging in the sustainability labelling process had been defined, the small firm started to put more emphasis on clarifying and reflecting on its strengths and weaknesses. The findings of the study showed that this pondering, triggered by the STF-labelling process, started to shed light on silent sustainable practices. By a silent sustainable practice, we mean an existing environmentally and socially responsible organizational practice that is done sub-consciously and is not necessarily associated with the notion of sustainability (Garcia-Rosell & Mäkinen, 2013, p. 406). For example, respect for the local culture, cooperation with local companies sharing similar values, sound stakeholder relationships, and taking good care of employees were considered extremely important aspects and strengths of the firm’s business strategy. However, these strengths were not seen as sustainable practices per se and, as a result, they were not included in either internal or external communication. They were simply taken for granted. Nevertheless, learning to recognize the value of its current knowledge and the importance of existing practices for supporting the firm’s development towards greater sustainability contributed to an increase in motivation, confidence and trust in the STF-label.

Translating new knowledge into actions
After the small firm had defined its purpose and become aware of its silent sustainability, it started to reflect on the areas of expertise requiring further development, and on how to integrate new and existing knowledge and to translate all the emergent sustainability expertise into concrete actions. In this regard, the STF-labelling process offers a systematic model supporting continuous development and learning. Indeed, as Naudé (2012) points out, the integration of sustainability into business operations requires very specific measurement and evaluation tools. With the help of the STF-programme it was possible to create a management tool through which the development goals, timetables, required actions...
and people responsible for the required actions were clearly specified. For example, the firm decided that its emissions from transportation had to be reduced and, to that end, created an accurate plan with clear responsibilities for redesigning the tour routes and switching to suppliers with more ecological fuel options. Without the STF-scheme, this would have been done without any chance for reflection and self-assessment. Indeed, STF was demonstrated to be a suitable system for verifying, measuring and evaluating the learning taking place within the organization. Furthermore, this kind of system contributed not only to making the services more sustainable but also to documenting the sustainability actions and learning achievements that could then be communicated to the firm’s stakeholders. Communicating the results of sustainability learning is important for enhancing transparency and trust between a firm and its most important stakeholders.

Lessons for sustainability learning in small tourism firms

The study has some implications for practitioners and policymakers. First, it shows that sustainability in tourism requires continuous readiness and willingness to learn, so that the development does not stop. This could be a reason why sustainable tourism development and management are usually pictured as complex and bureaucratic processes requiring huge amounts of paperwork and expert knowledge. In reality, sustainability actions are often very practical in nature and easy to implement within a small business context. Second, the study demonstrates that sustainability schemes like Sustainable Travel Finland play an important role in supporting concrete actions by facilitating learning among the firm’s owner(s), manager(s) and employees. One of the strengths of a sustainability scheme is that small firms get the opportunity to look at their activities from an outsider’s perspective, allowing them to carry out a critical evaluation of what they are doing well and what needs to be improved.

As a whole, the study provided an excellent opportunity to get insights into the sustainability labelling process as it happens in a small tourism firm. It helped us understand that each organization is unique, with its own ways of working and its own development path towards sustainable tourism, and that it is important for each organization to define its own learning and development goals and work towards them in its own way. There is no one-size-fits-all solution for learning about and integrating sustainability in small tourism firms. From this perspective, sustainability labels such as STF are not off-the-shelf models, but rather are learning frameworks that can be adapted to the needs and expertise of each company. On the other hand, a labelling scheme offers the necessary setting for creating an effective sustainability communication strategy. Small tourism firms should not think that they are underdogs without any special role in sustainability discussions. As a matter of fact, from a sustainability learning perspective, small firms can be a source of expertise and inspiration for finding new ways of developing more sustainable tourism.

While this study provided some answers, it also led us into new questions that could be answered by future research. It would be relevant to look at the roles of destination management organizations, academic institutions, local governments and the state in sup-
porting sustainability labelling processes in small firms. Another interesting possibility would be to conduct an action research study in organizations that have been a part of the STF-programme for many years, and evaluate how their sustainability management has evolved over time. Also, a similar study could be conducted in a medium-sized or even a large firm with a more complex organizational structure and managerial practices and greater resources. This future research could provide more insights into the labelling process and learning for sustainability in the tourism and hospitality industries.

References


