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# Sustainability Leadership for Competitiveness in the Hospitality Industry in Mazatlán Mexico

## **Abstract:**

In recent years sustainability has become an important issue in business in a variety of industries. Those companies that succeed to integrate a fair balance between economic interests and the concerns about environment and social equity have had to integrate a core of sustainability values that guide their behavior in the way to do business. The leaders of the organizations have to design strategies not just to add value to their products or services, but to match the new frame of ethical and moral values of the company. This

new way to do business is having a deep impact in the competitiveness of organizations as a result of the savings in the supply chain and in the way they are perceived by consumers and society. The postmodern vision of the business organization has incorporated new and far-reaching modifications to the traditional view of leadership resulting in a new type called "sustainability leadership". This work uses a case study mixed method research will focus on determining and analyzing the characteristics of this new kind of leadership and its relationship with competitiveness in a very traditional and influencing hotel of Mazatlán, an important tourist destination of Mexico, which has been successful in reaching sustainability certifications for a number of years. The study will show the perception of key informants about the leadership and its degree of success regarding the business competitiveness and sustainability issues. It will also show the degree of fulfillment of sustainability according to an instrument designed for this purpose.

**Key words:**

**leadership, competitiveness, sustainability**

## 1. Introduction

The global industry of tourism and hospitality is currently experiencing a new reality where the demands of authorities and civil society regarding the environment are much stronger. That is why the industry has had to adapt, seeking new strategies where they have to take into account the sustainability factor. With the advent of globalization and new trends in the management and conceptualization of organizations in addition of new forms of competition they have had to change obsolete schemes that have undoubtedly contributed to environmental degradation of communities.

In this new reality the role of leadership has become extremely important to make more efficient and competitive organizations. It has evolved adopting new styles including one that it is related with sustainability. All of this as a consequence of the world's constant economic crisis where caring for natural resources and raw materials has become an imperative for every business because day after day they are becoming scarcer and therefore more expensive.

Years ago in the traditional world of business the purpose of the administration was to control and limit the people, imposing rules and regulations, seek stability and efficiency, design a top-down hierarchy for managing people and achieving results in the category of profits. However, today leaders have to find innovative solutions and achieve a high level of performance, administrators and business leaders require different skills to convince not only the workers but to win their hearts and minds, in order to create committed and effective teams to achieve the goals, always willing to make an extra effort and provide creative ideas.

Leaders should focus on developing people not controlling them, in order to adapt to new technologies in a difficult and constantly changing environment; all this in order to achieve a high level of performance and business effectiveness. As a result of the previous statement, a new type of leadership has arisen: that is the leadership for sustainability that as Ferdig (2011) described it needs a more holistic view of reality, more focus on creativity and openness to constant innovation.

The aim of this paper is to analyze this new type of leadership for sustainability and its impact on the competitiveness of the hospitality industry in Mazatlán, an important tourist destination of México, as well as their characteristics and traits that result in a new vision in the management of enterprises today. This paper may also contribute to enrich the body of knowledge about sustainability leadership and competitiveness by providing some definitions and schemes that can be helpful in future research.

## 2. Current state of knowledge

### 2.1. Sustainability and leadership evolution

#### 2.1.1 Sustainability in tourism and hotel industry

Tourism companies, especially hotels, are complex organizations with specific characteristics that differ from others by the deep interconnectedness

of the service provider and the user that largely determines their quality and permanence in the market (Ottenbacher, Shaw, & Lockwood, 2006). This industry, as others, is immersed in constant changes in customer needs, a very competitive market, globalization and constant technological innovation, which means that companies in this sector have to be continuously adapting to a changing and demanding complex environment (Mason, 2007).

One of the demands that are present today at a global level in the public and private sector as a group of official rules and norms, is sustainability (CREST<sup>1</sup> 2015). As a consequence the industry has had to respond to changes in the way they operate and do business. In such a sensitive industry the image that is presented to consumers is a very valuable asset so the business leaders come to understand how important the conservation of natural and cultural attractions is for tourist destinations.

In fact, the tourism industry has for a long time been emerging toward the adoption of sustainable growth models where conservation of natural resources and respect for the cultural and natural heritage of the communities is prioritized (CREST, 2015). The adoption of sustainability has become a badge that seems desirable and convenient for companies dedicated to tourism because of its impact on the very competitiveness of companies and as a way to have a good relationship with the government and society.

In this scenario the companies involved in the sector have been influenced by this trend to be more sustainable so they have had to echo the demands of the market and society in general so now sustainability is seen increasingly as a strategic objective to achieve and to determine in part the competitiveness of the organization (Lozano, 2012).

The concept of sustainability has been here for a while now. Since the first attempts to develop a real agenda and a true commitment of governments and the private sector, the role of the society and NGO's has been more and more important as drivers of this change in the way of doing business.

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1. CREST: Center for Responsible Travel

During the 1980s, environmental awareness grew linked to aspects of nature throughout the world, resulting in a considerable number of publications around the world on the academic, scientific and governmental levels. The first was the World Conservation Strategy (EMC), published in 1980 by the International Union for Conservation of Nature and Natural Resources (IUCN).

Seven years later, the WCED published a report entitled *Our Common Future*, known as the Brundtland Report. The EMC and Brundtland launched the concept of sustainability, "a new development model which meets the needs of the present without compromising the ability of future generations to meet their own needs" (UN, 1987). These principles were brought to the global stage and gradually received a wide acceptance by governments and environmental organizations, however, the concept of sustainability and its guiding principles were too broad so a plan with more specific goals and strategies that facilitates the implementation of those principles became necessary. That comes to reality at the Earth Summit in Rio de Janeiro, Brazil, when the Agenda 21 plan was launched.

Agenda 21 sets out a plan of action to implement the concept of sustainability, prioritizing environmental aspects linked to nature as one of the important aspects threatened by the development of nations mainly because the economic and social interests in many places of the world.

The growing awareness of sustainability, arising from the EMC, the Brundtland Report and Agenda 21 paved the way to generate the necessary conditions for positive global development, recognizing that the industrial and economic development contributes to the degradation of the natural and cultural environment because of their rampant self-destructive nature. It pointed that the plans and programs would have to be governed by principles that minimize such degradation and stop this self-destructive essence in natural and cultural environments around the world, through a holistic, inclusive and supportive participation of society to preserve the natural environment and its territory, which are inputs necessary for the operation of any industry.

Within this effort to include these elements in policies and development strategies, a set of principles aimed at strengthening sustainability in society in general was developed. The principles inherent in the concept of sustainability provide a more or less clear guide for application in the economy and industry, as its basic elements have been presented by governments, NGOs and numerous academic researchers reflecting a general consensus (Goodall & Stabler 1997; Jacobs, 1991; Slee, Farr & Snowden, 1997).

In an attempt to implement the principles of sustainability, after the Earth Summit, Jacobs (1991) proposed three important points regarding the term "sustainability" and how it could be effectively implemented. The first strategy is directed at institutional level - government, from which you should incorporate environmental considerations linked to nature as the main focus on logically coherent policy.

The second strategy is to generate a collective social consciousness about the exhaustion of resources with a focus on intergenerational equity in relation to the natural capital of the planet. The third strategy states that sustainable development should not be seen as synonymous with economic growth. As can be evidenced, consideration of the welfare of society, cultural values and the intrinsic value of the natural environment, at any angle of analysis, is essential to carry out a true sustainable development.

However, the shift towards a culture of sustainability has been slow, mainly due to trends such as economic neoliberalism, which prioritizes the immediate and growing profit for investors (Freeman & Gilbert Jr., 1992). This economic trend has been followed by many countries for decades, bringing serious consequences for society and the environment, especially in developing countries like Mexico, where problems of social inequality and environmental destruction are increasing in magnitude.

Recently Morelli (2011) extends the concept of sustainability to give more "clarity of purpose and direction", particularly with regard to the importance of valuing ecological services and recognition of our interconnectedness.

Today it is recognized by most of the organizations and governments that there is a need to establish processes and strategies for a balanced use of natural resources available to ensure current and future development. Referring to the fundamental importance of environmental sustainability for achieving any kind of sustainability either economic or social it is necessary to clarify that in the end the companies and firms eventually will need to obtain and use natural resources from the ecosystem so its conservation and correct use are essential for ensuring a smooth and affordable future.

There are a number of services that ecosystems provide to society and allow the development and growth of these (Morelli, 2011). These services fall into services like water supply of inputs, raw materials, energy, etc. Another service is the control such as those provided to regulate the climate, cleaning pollutants, to limit erosion and others. Support services result in soil formation, photosynthesis, dispersing and flow of water and plant and animal species. Finally the cultural services that have to do with an undercurrent of spiritual enrichment, recreation, and other cognitive development.

Trying to give a more extensive and inclusive definition we proposed that the term "sustainability" must be linked to a series of principles that determine its dynamic and lasting nature over time:

- It must be understood as an active system that feeds itself by immovable interconnections that determine the health and survival of natural ecosystems and human societies;
- its continuity is determined by actions taken at present but will impact exponentially in the future...
- and as a result a thorough review of the ecological, social and economic assets is required to achieve their wise use, aiming to ensure a balanced long-term development.

## 2.1.2. The postmodern vision of administrative practice and its evolution towards sustainable leadership

Postmodernism in organizations can be related to a cultural change in societies that comes from the adoption of a new set of moral and ethical values; Inglehart (1990) called them “post-materialist values” which are the result of the economic and physical security that has prevailed since the WWII in developed countries. These factors drift the individual to other directions aside the basic concerns of food and employment for example. The emerging values of postmodernism include the right to differ from the establishment, to raise the voice of individuals and be more influential in politics and organizations, including an emphasis on self-realization and self-expression in issues like the ones related to the quality of life.

Moreover postmodernism has a philosophical foundation as Hatch & Cunliffe (2013) state, citing authors as Foucault (1972, 1977) Bell (1973, 1976) Jencks (1977) Derrida (1976) and Lyotard (1979) among others. According to this new philosophy this movement is characterized by a widespread skepticism, subjectivism and relativism; by a general suspicion of reason; and an acute sensitivity to the role of ideology in order to assert and maintain political and economic power. That is why the study of post-modern organizations, according to Hatch & Cunliffe (2013), focuses on:

Appreciate and deconstruct organizational texts to reveal the administrative ideologies and thereby destabilize the modern ways of organizing and theorizing; promote the views of the marginalized and oppressed; encourage inclusive and reflective ways of theorizing the organization (page 39).

Under this new paradigm comes the so-called administrative post-modernism where priority is given to the extent of efficiency and increased business productivity despising the application of traditional methods apparently safe but that has no use to give the required boost to the processes within the company.



In this scenario the administrator must become the “change leader” to promote the adoption of new ways to develop new strategies, training of multitasking teams, adoption of new technologies etc., which the environment in which the company operates requires.

Postmodern company give guidelines for flexible organic models focused on the administration of the distinctive competencies of the workforce. Coordination and control in the postmodern company emphasize social cooperation. The company has to learn from the environment and modify or reinvent if necessary, and even have to create knowledge, be flexible and to be socially responsible. The above and other new features impose a new way to manage where the purpose is not only to match the demands and needs of the market but the society, the government and the environment as well.

### 2.1.3. The leadership for sustainability

Based on the evolution of markets and economic models to a postmodern view the administration practice is moving to new stages of evolution requiring a new kind of leader that has to be a creative and innovative individual. This leader is willing to be helpful and not just giving orders; is also willing to coordinate efforts and make consensus with his followers to achieve common goals including the ones that come from customers, employees, company and a society; a society that is increasingly demanding, with respect for the integrity and fair development in environmental and economic aspects.

From this perspective, leadership for sustainability is a challenge, largely due to the complicated nature of the interrelationships between social and environmental issues whose negative consequences are present everywhere and are becoming a challenge for the continuity of our way of life. Phenomena such as climate change, loss of biodiversity, freshwater depletion, social inequality, access to food and other issues related to sus-

tainability are just a sample of what is going on and cannot be ignored any more in organizations.

Moving to a sustainable path involves most of the time a conflict within stakeholders (enterprises and conservationists for example), deep ethical choices and problems related to uncertainty and the awareness or its lack of the interconnection between environmental and social economic systems. These features require a new sustainability leadership theory and its accurate practice through visible or invisible borders, a systems-oriented thinking and action (Shriberg, 2012).

According to Ferdig (2007) a sustainability leader is:

Anyone who takes responsibility for understanding and acting upon complex sustainability challenges qualifies as a “sustainability leader” whether or not they hold formal leadership or acknowledged political or social-economic influence. Sustainability leaders take conscious actions, individually and collectively, leading to outcomes that nurture, support and sustain healthy economic, environmental and social systems (page 32).

Continuing with Ferdig ideas, sustainability leaders are people who are forced to make a difference by deepening their awareness of themselves in relation to the world around them. In doing so, they adopt new ways of seeing; thinking and interacting that translate into innovative and sustainable solutions. This type of a leader is focused on the preservation and respect for the surrounding community.

Ferdig (2009) creates a relational model for sustainability leadership based on eight principles:

- Take responsibility.
- Look for holistic interconnections.
- Constructive talks convene. Create spaces and engage in constructive talks, build authentic relationships, involve experts and collaborators.
- Take a creative tension.

- Facilitate the emerging results.
- Understand the dynamics of social change.
- Experience, learn and adjust.
- Expand consciousness. (page 1)

This kind of leadership arises from the need for organizations to be more competitive in the market where social and government pressure to become more sustainable is increasing in addition to an opportunity to create a positive image to attract new market segments concerned about this issue.

Another set of features of leadership for sustainability is the one proposed by The Cambridge Programme for Sustainability Leadership, cited by Nelson (2011), which identifies the following:

- Systemic interdisciplinary knowledge
- Emotional intelligence and a caring attitude
- An orientation values that shapes culture
- A strong vision to make a difference
- An inclusive style that builds trust
- Willingness to innovate and be radical
- A long-term perspective of the effects. (page 4)

Nelson (2011) adds that “there is a growing recognition of the new kinds of leadership skills and business skills required to align the long-term competitiveness with large risks and challenges of sustainability” (page 1). Thus it is understood that the new century traditional models of leadership have to leave behind to take on the challenge of change in a world overwhelmed by the negative effects on the environment.

As can be seen, there are a lot of desirable characteristics for a leader of sustainability, but there are authors who are committed to basic and traditional models to define a good leader. For example, Kouzes & Posner (2007) argue that good leaders are honest, visionary, competent, inspiring and intelligent. In a globalized world, Morrison (2000) emphasizes the importance of developing leadership skills adapted to your company. In contrast the leader of sustainability usually includes a number of features, among which

one can distinguish the attributes, qualities or characteristics that are generally seen as enduring. According Visser & Courtice (2011, page 6) these features can be categorized as follows:

- Caring / morally-driven.
- Systemic / holistic thinker.
- Enquiring / open-minded.
- Self-aware / empathetic.
- Visionary / courageous.

Such characteristics cannot be the result of specific training or education, they are rather the result of a social environment that has evolved to new states of consciousness and a new relationship with the world and its systems that comprise either environmental, social or even mystical dimensions. Going further it can be pointed that the sustainability leaders are not just a result of a magic transformation, but the result of the integration into a specific social group. This social group is giving the messages, conscious and subconscious, associated with a deep respect for the natural balance and mutual interconnections and interdependencies between mankind and the environment. That will be reflected in their daily work and behavior trying to make this world a better place to live.

Finally the interest of the leaders for sustainability *is not simply the creation of wealth, but the creation of wellness; wellness for their companies, to their followers, for the community and the planet. It is the result of postmodernism and therefore open to new ideas and paradigms that prioritize free expression, group participation and creativity. It is not tied to traditional control schemes so their followers are with them because they are convinced that is the right thing to do, that they have the right moral compass and a firm ethic ground base, and achieving the objectives of sustainability is worthwhile.*

## 2.2. Sustainability as a way of making a more competitive organization.

With the proliferation of “green” or “friendly to the environment” products and services, companies have adopted strategies to compete in this market that is growing as a global trend, in a world where concerns about climate change are taken up by governments and individuals who are increasingly involved in the acquisition of goods labeled as “environmentally friendly”. This is confirmed by Willard (2002), who speaks about changing corporate culture to achieve benefits that together can result in a significant decrease in the percentage of fixed costs of the company, as well as an improved income from products and services sold.

Competitiveness has had multiple meanings and definitions in decades but one that comes closer to what is sought in sustainability is exposed by Feurer & Chaharbaghi (1994):

Competitiveness is relative and not absolute. It depends on the values of shareholders and customers, is the financial force that determines the ability to act and react in a competitive environment where the potential of people and technology plays a leading role in implementing necessary strategic changes. Competitiveness can only be maintained if a proper balance is maintained between these factors that can be of a conflicting nature (page 58).

This definition fits one of the essential characteristics for effective sustainability in the organization and is the existence of values. These values will be expressed in the way they develop and deliver the product or service from shareholders and staff of the company and how that will be appreciated by the consumer or end user to judge them according to a scale of prevailing values in it. If the organization and the user share a common set of values derived from sustainability it is evident that the competitive strategy will have a clear impact.

The convenience of doing business in this way is indicated by Porter & Kramer (2006) as follows:

The sustainability approach appeals to self-interest of companies, often invoking the so-called triple support economic, social and environmental performance. In other words, companies must operate in a manner that will ensure its long-term performance, avoiding short-term behavior that is detrimental to society or environmentally unfeasible (page 6).

Walsh (2005, cited by Bezengi & Lindbom, 2008) mentioned that businesses should be aware and understand the environmental changes that have recently occurred and use them as a key factor in creating a competitive advantage through the implementation of a new sustainable strategy. In this train of thought building an "eco bonus" (Esty & Winston, 2006) would be a way to get more tangible economic benefits for the company as stated below:

- 1) Company leaders reduce operating costs and environmental costs such as waste management and regulatory burdens throughout the value chain.
- 2) The company identifies and reduces environmental and regulatory risks in its operations, especially in their supply chains, to avoid costs and increase speed to market.
- 3) They find ways to boost revenue by designing market products that are superior in the environmental aspects and are compatible with the consumer wishes.
- 4) Some companies create an intangible value to their products through marketing that emphasizes its ecological advantage (page 315).

It can be concluded from the above that following the "green" route not only reflects having fulfilled a moral and ethical duty but in the end is a way to strengthen the company by making it more profitable.

According to Millman (2013), the management of sustainability and environmental awareness must be an ongoing process of training and moni-

toring the staff, and it proposes other actions involving the HR department, whose "practices can help to involve employees aimed at protecting the environment through green development, performance appraisal, rewards and recognition of best practices behaviors" (page 35). This implies a smart human talent management of the company that is the inner engine of the dynamic process of corporate sustainability; providing creative ideas that distinguish the product or services offered.

Eccles, Ioannou & Serafeim (2012) showed, in a study of the corporate culture of sustainability and corporate performance, that there is a direct relationship between market yields of securities of companies and a high degree of sustainability. This study shows that they had an increase top in the stock market by an average of 4.8%, higher than companies with low sustainability on the basis of a weighted value. Pati & Roh (2011, cited by Niță & Ștefea, 2014) also indicate that the intensity of business sustainability appears to be associated significantly and positively with a better performance based on the market.

The above data highlights the existence of a direct link between the environmental performance of the company and its financial performance, this is not just a simple cost reduction but an improvement on many other factors, such as corporate image, acceptance and community cooperation good performance of its activities, and in addition the cooperation and government support, among others.

The global nature of manufacturing companies and the constant increase in embracing sustainability are not just an effort to cut costs and encourage financially but they also reach the benefits of intangibles such as employee engagement and new possibilities for innovation and the consequent increase of competitiveness (MIT Sloan Management Review and The Boston Consulting Group, 2011). This implies a transformation in the way of initiating change and the initiatives in business strategies and policies, because from the start they have to include sustainability issues, in that way the company ceases to be "reactive" to environmental and social

problems, improving the environment and also getting the best returns.

As Haanes, Michael, Jurgens & Subramanian (2013) mentioned: "In a world of scarcity, companies must consider not only the total return on assets but resources" (page 114). Companies, for example, have to calculate what your consumption of water and electricity to relate the remuneration received by these resources within the production process. The long-term survival depends on this equation. At a conceptual level Niță & Ștefea (2014) propose a scheme where the relationship between cost control and corporate sustainability that highlights its importance is shown below:

Table 1. Cost control for business sustainability

Element	Cost Control	Business Sustainability
Waste reduction	is showing how well resources are used during the production process – respectively, if consumption is at desired levels – and encourages employees to find ways to reduce it	the less wasteful an individual, community, or country becomes, the more sustainable it becomes; mindful consumption is regarded as a key factor for reaching business sustainability
Motivation and goal congruence	holding managers accountable and rewarding them for meeting desired goals	a company should develop a strategy for business sustainability in order to include social and environmental measures to financial performance
Strategy evaluation	variances sometimes signal managers that the strategy is wrong or ineffective	long-term, comprehensive approach for performance value creation through business sustainability

From: "Cost control for business sustainability" G. Niță Cornel & P. Ștefea (2014) *Procedia - Social and Behavioral Sciences* 124 (2014) 307 – 311 Science Direct, Elsevier.

Under the previous scheme involving an effective leadership is critical to achieve the objectives of sustainability and framed by the fundamental



strategies of the organization, in this sense, motivated staff have created an enabling environment for collective work and effectiveness and desired efficiency. Importantly, this motivation will be the product of a radical change in the way of conceiving business and business relationships with the external environment.

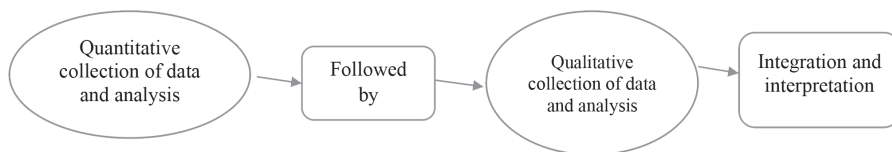
### 3. Methodology

First, a literature review was made to provide a clearer view of this new trend, leadership for sustainability, in the administration of the 21st century identifying its main features and characteristics. Complementing this effort a case study was conducted in a sustainable certified hotel of Mazatlán México, where the main elements of a sustainable leadership were compared and analyzed according to the process map that was developed as part of the study.

At this point we must clarify that in this particular case the investigation will be developed in a framework where the interpretive paradigm will prevail but a series of data of a statistical nature provide an extremely important information to answer the questions posed in this investigation were taken into account. Like Bryman (2006) that states that the purpose of a mixed methodology is to answer different research questions, in this particular case we considered that both methods are complementary and will show a more comprehensive results.

The proposal of Creswell (2013) about mixed research methods is adopted in order to have a clearer view of the studied phenomena. The following scheme will be more explicit about the development of this investigation:

Figure 1. Sequential mixed methods



From: *Research Design: Qualitative, Quantitative, and Mixed Methods Approaches*. J. W. Creswell. (2013). SAGE Publications, Inc.

Three instruments were designed for this research including a fulfillment observation guide, a survey guide and an interview guide. The sample chosen for this study are the middle and senior managers of the departments that are especially important for the operation of the hotel organization such as: management (including HHRR, sales, acquisitions and warehouse), housekeeping, food and beverage, maintenance and laundry. These departments must be running, at least partially, 24 hours a day to provide service to guests and consequently they involve a major consumption of goods and resources. That is why the application of practices related to sustainability will have a much deeper impact accordingly to the importance of these departments.

The fulfillment guide includes 107 items regarding some key features of sustainability as the implementation of recycling policies, water and energy saving efforts, use of biodegradable goods, fulfillment of official environmental regulations, reduction and management of solid and hazardous waste and some others like the efforts to involve the customers and providers.

For this research Hotel Playa Mazatlán was selected because of its great tradition and influence in the development of the tourism activity in the destination, it has a total of 406 rooms and also has official environmental certifications. Ten in depth interviews between the months of May and July 2014 with managers, directors and executives and another 20 interviews with the operational personnel of the hotel were made regard-

ing issues of the strategy for environmental sustainability, corporate view on the subject, the main challenges they have faced in its implementation, their impact on competitiveness and the daily operation of the company, also an observation guide was applied whose analysis will show the way the issue has been addressed both in the aspects mentioned above and their grades of commitment and success.

A process map was elaborated to identify the main features and relationship between competitiveness and sustainability as it is shown below:

Table 2. Process map for sustainable leadership and competitiveness

Supplies	Process	Result
Vision of the future Favorable social environment Code of ethics and values for sustainability Systemic thinking Agreement with the postmodern principles of administration	Determinants of sustainability leadership.	Stable and profitable organization, Significant level of participation in the market, Satisfied customers, Innovative products and services, Favorable image with the stakeholders.
	Systemic and holistic thinking	
	Collaborative approach	
	Highly adaptive	
	Conscious of the recent trends of the "green market"	
	Search for wellness	
	Long term objectives	
	Determinants of competitiveness	
Qualified personnel Shared knowledge and values with the stakeholders. Organizational culture Technology, Market features, Legal, economic and social environment.	Value differentiation	
	Smart use of supplies and cost control	
	Continuous improvement	
	Human talent management	

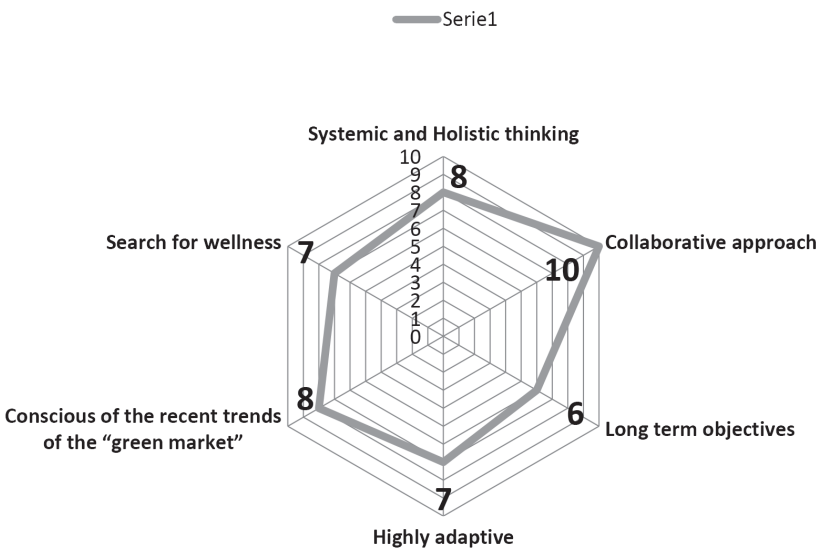
Source: own study.

According to the table above a set of questions corresponding to the variables of sustainable leadership and competitiveness was made and applied. Once the results were obtained, these were plotted as a cluster in the results section. A scale from 0 to 10 was used to qualify the determinants in each dimension that will show the degree of commitment or effectiveness from 0 the lowest to 10 the highest.

## 4. Results

Hotel Playa Mazatlán points through extensive education program based on good environmental practices and has managed to integrate an effective synergy between leaders and employees. The company is now a proactive leader who seeks not only the market position and gaining more profit but an organization that promotes sustainable development of the community.

Figure 2. Sustainability Leadership Scale



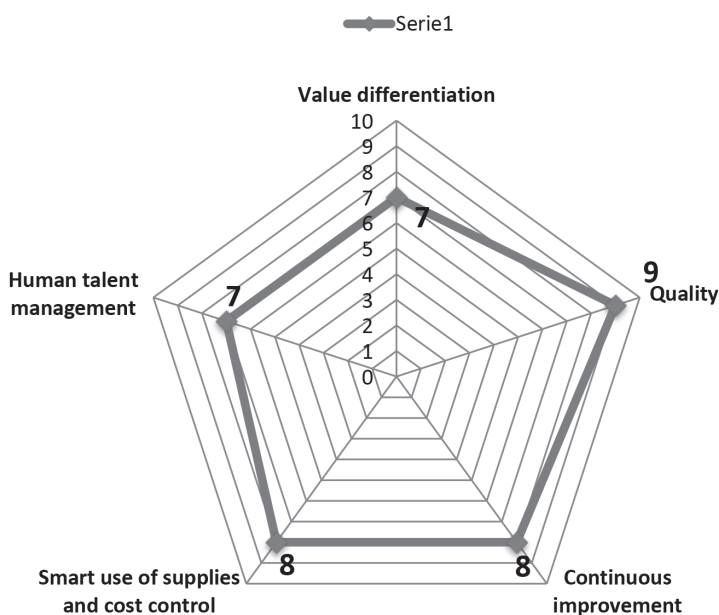
Source: own study.

Figure 2 shows the critical factors of the "Sustainable Leadership" variable valued according to the survey of key informants. In that sense it can be seen, according to the results shown in the graph, that the company management lacks a vision for long term objectives, however, it stands out a philosophy of collaborative approach in conducting employees in all staff functions.

On the other hand figure 3 shows the critical factors of the “Competitiveness” variable valued according to the survey of key informants.

In that sense we can observe in the results shown in the graph that the company does not consider significantly the management aspects of human talent and differentiation value, on the other hand we see that boast in the implementation of continuous improvement and that their quality services are among the factors that could be highlighted as significant.

Figure 3. Competitiveness Scale



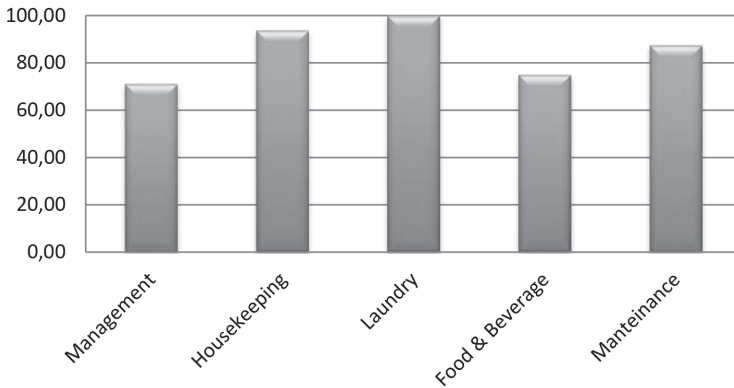
Source: own study.

Regarding the results of the fulfillment observation guide of sustainability we found the following:

- Management: 71.5%
- Housekeeping: 93.75%
- Food and beverage: 75%

- Maintenance: 87.5%
- Laundry: 100%

Figure 4. % Fulfillment by department



Source: own study.

The results shows a great compromise of two departments, housekeeping and laundry, whose leadership and guidance of the chiefs in charge are outstanding. The maintenance department also shows a remarkable commitment but needs more support to reach better results. The fact that the management has the lowest fulfillment of all shows that besides the initial commitment of the corporate leaders they did not continue following the same good practices of sustainability.

Table 3. Total fulfillment of the observation guide

Total fulfillment				
Total of ítems	Yes	No	Partial	% Total fulfillment: 84.58
107	85	11	11	

Source: own study.

Additional actions are taking place to fulfill the official Norm of sustainability in order to maintain the certification as a "Sustainable Business" according to the key informers. Some of these actions are: creating links with the community and local authorities, the search of more sustainability certifications, support the efforts of other hotels to achieve more sustainability and improve the competitiveness of the hotel and the destination in the global market.

Finally and according to the results of the interviews made with managers and operational personnel, we found that there is a conscious commitment for sustainability of the majority of them. They highlighted that these "good practices" of sustainability have made the hotel a "better place to work" and this is translated in a good organizational climate and better team work in most of the departments. The food and beverage department however, lacks of a clear leadership on this issue and they pointed that excess of work and the long hours they spend are the cause of this lack of results. Regarding the corporate offices, the results of the interview showed that some of them fail in the commitment to fulfill the "good practices" this involves, mostly because they have a "a little or no information" about it.

The manager of the hotel stated that they are very "proud of the achievements in sustainability" and they are willing to "give something back to the community" with this practices being more responsible with the environment and boosting economic and social development. The savings involved in the sustainability are also a strong motivation to go in the same track, the manager said. Despite of those assertions we found that the person on charge of this process is not the manager himself but an external consultant that works very closely with the maintenance department chief so their actions are sometimes unnoticed by the management. The creativity to solving problems about sustainability depends only on these two persons, the consultant and the maintenance chief, and there is not a direct involvement of the manager and other hotel staff. Another finding is that



the personnel of the offices is not well informed about the sustainability practices so they do not fulfill them as they should.

## 5. Conclusions

The new postmodern paradigm has a number of mechanisms that allow the various groups that shaped the company a larger space to act without rigid control systems traditionally applied. The fallacy of a leader controlling everything is gone and nowadays its new role is to become only a guide and facilitator of processes or performance of its employees.

The organization must be able to integrate the qualities of its human talent, technology and knowledge to achieve an environment where information and creativity flows freely; it should be open to internal and external stimulation which contributes to sustainability, not as a practice designed to get more economic benefits but for the ethical and moral certainty that you are doing the right thing for the organization and the external stakeholders.

To reach a stage of organizational development where continuous improvement and business excellence transcends, the goal of sustainability and all the challenges involved, becomes equally a way to be more competitive in many aspects ranging from something as tangible as cost reduction is to another seemingly intangible as the satisfaction of employees and consumers who are ultimately the drivers of change and progress of the organization.

In the case of the studied organization we found that despite the efforts to achieve sustainable corporate development it still has some shortcomings in key areas such as human capital development which is essential to achieve it. The only proactive strategy found to promote sustainability outside the organization is with the suppliers who are asked to fulfill some the requirements needed for sustainability in order to sell their products to the hotel. Besides that there is not much to tell about, it seems that they

support the sustainability efforts of others hotels but there are not specific and tangible actions for that. Despite the encouragement to follow the sustainable practices in all areas there is not much impact in some of the personnel especially in the food and beverage department and in the corporate offices. The explanation for this is linked to the absence of a clear leadership. To delegate the task to an external consultant showed that the direct involvement of the manager and owners in this matter is diminished and is not what the organization required.

Therefore the Hotel Playa would be located in phase that Ganescu (2012) describes it as a phase of "efficiency" in its way to sustainability and is defined as one in which:

Measures are taken to integrate human resource functions into a coherent management system to reduce risk and increase efficiency. Community projects were carried out only if funds are available and if they bring real benefit. And where environmental problems cause costs these are reviewed regularly to reduce them and increase efficiency (page 95).

Hotel Playa could be more sustainable and more competitive if they figure out how to work as a team with a strong leadership. Still there are some positive results but the perception is that they can do it better. The path to sustainability is not only paved with good intentions it is more profound than that. It is strongly attached to a change of culture and/or organizational culture; and the best way to do it is through a true commitment of the corporate leaders.

Sustainable leadership is not a style and guide to the destinies of the organization, it is something more, something much more ethereal perhaps, but much more linked to the assumptions and values shared by all, it is something closer to the "soul" of the organization; it is its personality whose manifestations will be manifested in a new way of doing things and to do business; It is a radical and constant change and the fruits of this philosophy are shared with all the involved inside and outside the organization.

The success of the organization then is also measured in environmental issues and not purely economic performance. This shows a paradigm shift which is not easy to insert in the organization culture. The worldwide trend is to accept sustainability as a necessity, not as an advertising idea or image but rather as a way of doing business, much more satisfying and more lucrative in many cases, which continues to be interesting for those who thought that it was only an unnecessary expense without economic benefits.

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