

Global Citizenship

An Interview with Michelle Naggar,
Vice President-Social Responsibility, Starwood Hotels & Resorts Worldwide, Inc.

EDITORS' NOTE Michelle Naggar is also President, Starwood Hotels & Resorts Foundation, Inc. and Starwood Associate Relief Fund, Inc. She joined Starwood in 2005 and has held positions in Six Sigma, Global Brand Development, Sheraton Brand Operations, and Global Standards & Assurance. A graduate of Columbia Business School, Naggar has studied in the U.S. and Spain, and has a B.S.E. in Mechanical Engineering and Biology from Duke University.



Michelle Naggar

COMPANY BRIEF Starwood Hotels & Resorts Worldwide, Inc. (starwoodhotels.com) is one of the leading hotel and leisure companies in the world with more than 1,270 properties in some 100 countries and over 180,000 employees at its owned and managed properties. Starwood is a fully integrated owner, operator, and franchisor of hotels, resorts, and residences under the renowned brands: St. Regis®, The Luxury Collection®, W®, Westin®, Le Méridien®, Sheraton®, Tribute Portfolio™, Four Points® by Sheraton, Aloft®, Element®, along with an expanded partnership with Design Hotels™. The Company also boasts one of the industry's leading loyalty programs, Starwood Preferred Guest (SPG®).

How critical is community engagement to the culture of the organization?

Community engagement is a part of our DNA at Starwood. It's ingrained in the hospitality culture. Even before we had a corporate function that was focused on social responsibility, our hotels and associates around the world have always seen the inherent value in supporting the needs of the local community. The corporate mindset was to realize the value in bringing all of that effort under a more strategic umbrella and using that framework to start measuring impact and communicating back so we could help people understand how what they were doing was making a measurable difference for CSR, which we call Global Citizenship at Starwood. Global Citizenship as a corporate function was created in 2008 to build that strategy and create the results-oriented framework that we now use, and hone in on specific focus areas so we could measure and report on those areas that are most relevant to our business and resonate best with our associates and customers.

Do you look at the programs as needing to align with Starwood's business?

The synergy is really important. For a social responsibility function to be successful, it should complement business objectives. It's the best way to make sure these efforts are ingrained in the company's strategy and culture for the long haul.

As we crafted our strategy, we wanted to look at what makes the most sense for Starwood. What do we bring to the table that we can capitalize on, both with our people and financial resources to help drive that larger agenda? We also had to take into account that there were

a lot of efforts going on at our hotels around the world and community needs vary by location so every market will have different needs.

Our first strategic focus area is workplace readiness, which came out of an in-depth process to understand what we're adding to the communities where we work. Initially, we recognized that as hoteliers, we provide shelter and food at a most basic level, but beyond that, we offer opportunity. There are a lot of folks who come into this industry at an entry-level and are given the skills and training they need to grow, develop, and advance, whether within our hotels or with others in the industry. This trajectory is especially valuable for individuals who might lack access to education. Workplace readiness is about understanding how to provide skills and opportunities for underserved individuals, and help them gain and keep employment.

We have a key focus on disaster response. As a global company, any time any major disaster happens in the world, it's going to impact our business, be it our physical hotels, our associates and their homes, or our guests and their ability to travel to and from locations. It's important to make sure we have a response and recovery plan.

Our third focus area is human rights. Starwood is taking a leadership stance in promoting the role of business in respecting and protecting human rights. We're identifying how we can make a difference and where we can contribute positively.

Our fourth focus area is sustainable and ecological development, which some may classify as environmental sustainability or conservation. This effort involves maintaining and improving the environmental and ecological characteristics of the communities where we work and where we supply from, and also where our associates come from, to make sure we're respecting natural resources, providing for the long-term, and reducing our footprint along the way.

How critical is it to track impact with metrics?

It is extremely critical to track impact, and while it can be challenging in the CSR space to demonstrate direct impact, there is a lot of progress being made in the field. Being able to establish strong metrics relates to the importance of tying our business objectives in with our CSR strategy. We need to demonstrate that we are making an impact. We have a results-oriented framework in all of our focus areas where we track outcomes and push hard for impact measures.

How important is it to communicate the work being done globally?

It's very important to communicate. We utilize our existing infrastructure to communicate both to our internal associates as well as to our external stakeholders.

The most challenging thing in this space is that everybody has an emotional tie to whatever cause they are drawn to. So we need be clear and thoughtful when we're trying to communicate what the corporate strategy is and why, and not have that overarching vision and focus replace people's personal interests but instead complement them.

Is there a lot of synergy between the foundation and the business or is it run separately?

There is a lot synergy between the foundation and the business. Myself and the other officers of the foundation are Starwood employees, so within our corporate Global Citizenship team we have several individuals who support the foundation. We also rely on resources throughout the company from accounting, legal, finance, etc.

We do maintain an appropriate distance in terms of making sure the foundation operates within its by-laws, but for the strategic focus areas, there is overlap – those areas I identified are not only the pillars of our corporate initiatives but also our philanthropic giving areas. Our foundation handles grant management and reporting with our grantees.

Where the overlap comes into play is when we look at our business objectives and at what we're achieving through our foundation and providing a bridge that connects the two.

How important is it to convey that while this work is the right thing to do, it's also good for business?

The role of CSR is extremely important and businesses are increasingly incorporating social and environmental impacts into their decision making. We also see consumers factoring a company's social responsibility approach into their purchasing decisions. People are realizing they can be a good, strong business and also do good. ●