

Lemon Tree Hotels - Employee With Disabilities Initiative



APG AS A RESPONSIBLE INVESTOR

As a pension fund manager, APG's mandate is to invest responsibly by incorporating sustainability and governance factors into every investment they make. In the alternative investment space, they believe their investment success depends on finding and building long-term relationships with investment partners who understand APG's fiduciary responsibilities and investment philosophy.

Lemon Tree Hotels (Lemon Tree Hotels), a developer and operator of mid-range hotels across India, is one such investment partners. The company owns/operates 3,100 hotel rooms as of December 2014. APG has and continues to support Lemon Tree Hotels's unique social program, which has made an invaluable social impact within its local community while at the same time helping to consolidate its own brand reputation which in turn has a positive effect on investment value.

BACKGROUND ON INDIA

The India Census 2011 has revealed that over 21m people in India are Persons With Disabilities. This equivalent to 2.1% of the total population, which is vastly understated due to a social stigma attached to any form of disabilities. Persons with disabilities account for about 10% of the total global population.

Only 3% of India's persons with disabilities are employed which is significantly lower than the developed world's average range of 30-50%. Persons with disabilities in India are known to live much shorter lives, i.e. typically up to their 30s, due to a lack of sustained care and economic support.

KEY PROCESSES AND ELEMENTS OF THE PROGRAM

- Substantial investments in training and refresher modules for employees with disabilities to keep skill and knowledge levels up to standard;
- Mainstreaming employees with disabilities, and therefore the associated investment becomes cost neutral;
- New workplace policies, for instance, providing whistles to all employees with disabilities that can be used at a time of emergency such as fire to attract attention and get help; and
- Innovative ideas like employees with disabilities cards, a card introducing the employee and how best he/she can serve the guest.

THE INITIATIVE

Lemon Tree Hotels began this initiative in 2007 in accordance with the founder's vision to build a reputation for the company which stood for more than 'just profit' and by striving to become truly 'Indian' and 'Trusted'. Lemon Tree Hotels has been focusing its efforts on creating a **socially inclusive** work environment which seeks to involve people of different backgrounds, abilities and ethnicities and offer them work as a unified team with a common goal.

Lemon Tree Hotels first started with sensitivity training, such as sign languages, for all employees including management. This has since become an integral part of its human capital investment system.

The following step was to impart relevant employability skills to employees with disabilities in those job profiles where their disabilities is not a disadvantage. For instance in workplaces where there is significant noise, placing a speech & hearing impaired employee can actually be an advantage. They can then be employed routinely and on an equal footing with those without disabilities.

In the early stages of implementation, Lemon Tree Hotels inducted employees with disabilities only in back-end roles like kitchen stewarding and housekeeping, where direct guest interaction was minimal, and the focus was only on speech, hearing, impaireds. Once the standard procedures and training modules were well established, it subsequently extended the scope of initiative to guest contact areas such as restaurants. But this required the company to virtually re-engineer the relevant service process to enable employees with disabilities to effectively interact with guests. The company then started engaging with people with orthopaedic impairment and matched roles suitable to their profile, where their disabilities did not hinder their job performance.

Lemon Tree Hotels currently has about 300 employees with disabilities, who work across different areas across its hotels e.g. housekeeping, kitchen stewarding, food & beverage service and finance. This is equivalent to about 11% of total staff at the 24 hotels which it owns/operates across India.



CONCLUSION

Benefits of the Initiative

The program has created three primary direct benefits: (1) enhanced employee satisfaction and hence employee engagement; (2) growing customer satisfaction; and (3) building and strengthening of brand reputation.

Employees at Lemon Tree Hotels have frequently expressed the sense of pride they feel to be a part of a company that mainstreams persons with disabilities. The initiative has also proved to be helpful in terms of employee retention, as employees with disabilities at Lemon Tree Hotels have proved to be more loyal than fully abled employees. The attrition numbers for employees with disabilities have been substantially lower than the company average since the inception of the initiative. From its regular checks on both its own and external feedback systems, Lemon Tree Hotels has also witnessed increasingly positive feedback from guests who support the initiative. This is evidenced by the awards and recognition it has received both from the Government of India and from civic groups.

	2014-2015 (As of Jan 2015)	2013-2014	2012-2013	2011-2012
Investment for the employees with disabilities program (Indian Rupee (Rs), 1 crore (10 million))	–	Rs 2.32 crore	Rs 1.98 crore	Rs 1.25 crore
CSR Investment as a % of total expenses	–	1.85%	1.03%	0.72%
Great Place To Work rank	#86 in Top 100	#67 in Top 100	Amongst Top 50 large organizations (>1000 employees)	Amongst Top 100
Total employees at hotels	2701	2561	2140	1953
Employees with disabilities employees	301	257	130	117
%Employees with disabilities of total	11.14%	10.04%	6.07%	5.99%

Source: Great Place to Work® Institute, a global research and consulting firm that helps organisations identify, create and sustain great workplaces.