

# Modern Slavery Statements and Service Industry Supply Chains: A Commentary on the Leading Hotel and Retail Companies in the UK

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## ABSTRACT

There are concerns that many UK businesses are exposed to slavery in their international supply chains, and here some of the UK's service industries seem particularly exposed, because of their global sourcing of goods, labour, and services. However, modern slavery in the service industries' supply chains, has attracted little or no attention in the academic literature, and as such, this represents a gap in the current literature. This exploratory paper looks to make a small contribution to addressing that gap by illustrating, and offering a commentary on, one of the ways in which the leading hotel and retail companies in the UK have publicly addressed modern slavery in their supply chains, by reviewing their modern slavery statements. The commentary includes an outline of modern slavery and modern slavery statements, a description of the frame of reference and method of enquiry, a short literature review, an exploratory review of the modern slavery statements developed by the UK's leading hotel companies and retailers, discussions of some of the academic and corporate implications raised by the review, and some suggestions for future research agendas.

**Keywords:** *modern slavery; modern slavery statements; service industries; supply chains; audit; UK*

## 1. INTRODUCTION

The operation and management of supply chains has long been an important element in the business and management literature (e.g., Houlihan 1985; Gattorna and Walters 1996; Stadler 2008; Pujawan 2017; Yalcin *et al.* 2020; Liao and Widowati 2020) and more recently there has been increasing interest in service supply chains (e. g. Ellram *et al.* 2004; Drzymalski 2012; Kerdpitak 2022; Ramish *et al.* 2022) but modern slavery has received only limited attention in that literature. Caruana *et al.* (2020), for example, claimed that *'modern slavery research in business and management remains significantly, and disappointingly underdeveloped'* and that the business and management literature overlooks *'the nature and prevalence of modern slavery within the businesses and supply chains of various sectors.'* Modern slavery, defined as *'the recruitment, movement, harbouring or receiving of children, women or men through the use of force, coercion,*

*abuse of vulnerability, deception or other means for the purpose of exploitation'* (Such *et al.* 2018) is an insidious problem in many sectors of the global economy, and is often seen to pose acute challenges for supply chain management (e.g. Gold *et al.* 2015).

While the Office of National Statistics, (2020) reported that *'modern slavery is a serious crime being committed across the UK'*, there are also concerns about modern slavery and forced labour in the supply chains of UK businesses, and more particularly that UK businesses, and the goods and services they sell in the UK, are exposed to slavery in their international supply chains. (UK Parliament 2021). Here some of the UK's service industries seem particularly exposed, because of their global sourcing of goods, labour, and services. Under the banner *'tackling modern slavery in the hotel sector'*, the Human Trafficking Foundation (2018) claimed that *'in the UK, the industry has been recognised one of high-risk regarding modern slavery'*, and that *'goods and services purchased by hotels can represent hidden risk because of complex and multi-tiered supply chains.'* At the same time, in outlining *'how we have influenced the issues that matter to the industry'*, the British Retail Consortium's (2021) ran the banner headline *'Retailers at the Forefront of Tackling Modern Slavery.'*

However, modern slavery in service industries' supply chains, has attracted little or no attention in the academic literature, and as such this represents a gap in the current literature. This exploratory paper looks to make a small contribution to addressing that gap by illustrating, and offering a commentary on, one of the ways in which the leading hotel and retail companies in the UK have publicly addressed modern slavery in their supply chains, namely by reviewing their modern slavery statements. As such the paper follows Flynn and Walker's (2021) argument that modern slavery statements *'provide a unique window into corporate behaviour on modern slavery.'* The commentary includes an outline of modern slavery and modern slavery statements, a description of the frame of reference and method of enquiry, a short literature review, an exploratory review of the modern slavery statements developed by the UK's leading hotel companies and retailers, discussions of some of the academic and

corporate implications raised by the review, and some suggestions for future research agendas.

## 2. MODERN SLAVERY AND MODERN SLAVERY STATEMENTS

Defining slavery, and modern slavery, is a complex issue, though the aim here is simply to appreciate, and illustrate, that complexity rather than to analyse it in detail. Allain and Bales (2012) cited the first formal international definition of slavery adopted in 1926, namely, '*slavery is the status or condition of a person over whom any or all of the powers attaching to the right of ownership are exercised*' (United Nations Office of the High Commissioner Human Rights 2021) but argued that '*the very term slavery and its contours are contested.*'

Mende (2019) argued that there was no single agreed definition of modern slavery, rather that it '*can be summarised by three denominators*', namely '*the control of a person over another*', '*an involuntary aspect in their relation*', and '*the element of exploitation.*' For Manzo (2006), '*the constituent elements of modern slavery are identified as control without ownership: violence (or the threat of violence); coercion (loss of freedom and choice); and exploitation (of labour power through unpaid work).*' In working towards a definition of modern slavery, Landman and Silverman (2019) drew attention to the Bellagio-Harvard Guidelines on the Legal Parameters of Slavery. Here Landman and Silverman (2019) argued that these guidelines emphasised '*the notion of control and the lack of agency for victims of slavery, where different forms of coercion maintain power over individuals and prevent them from leaving the conditions of their enslavement.*'

Landman and Silverman (2019) argued that '*popular understandings of slavery often conjure up images of African slaves brought to the Caribbean, Brazil and the US, where such images typically include slave ships, slaves bound in chains and slaves auctioned at market*', but that '*such imagery tends to obscure current realities of slavery and relegate it as a problem of the past.*' Further, Landman and Silverman (2019) argued that '*slavery is alive and well and that it has taken on new forms or updated old forms, comprising a variety of practices that include debt bondage, domestic servitude, forced prostitution, forced labour, forced marriage and human trafficking.*' Debt bondage, for example, perhaps the most widespread form of modern slavery, occurs where people trapped in poverty borrow money, and are forced into work to pay off the debt, and in so doing, lose control over their employment conditions, and the original debt. Human trafficking involves the use of violence, threats, or coercion, to transport, and often to recruit or harbour people, for labour, forced prostitution or marriage.

Bannerjee (2020) suggested that while slavery is a crime under international law, it remains '*a viable and profitable management practice for business*', and that '*modern slavery, far from being an aberration, is a logical outcome of the way our political economic system is organized and its historical origins in the colonial system.*' Conservative estimates put the number of victims of modern slavery at over 40 million (International Labour

Office 2017), with the annual profits from modern slavery estimated to be some US\$ 150 billion (International Labour Office 2014). Within the UK, Bales *et al.* (2015) estimated there to be between 10,000 and 13,000 potential victims of modern slavery, but this figure does not include victims of modern slavery in UK companies' supply chains in other countries and in many ways modern slavery often effectively goes unseen in that many of the people working in slavery are in companies' overseas supply chains.

A number of governments, as well as a range of national and international organisations, have been active in looking to tackle the issue of modern slavery. Some of the major political initiatives to tackle modern slavery have focused on urging large companies to address modern slavery both within their own operations, and arguably more importantly, in their supply chains. In 2015 the UK Government, for example, pioneered this approach in introducing the Modern Slavery Act. This legislation required all organisations with an annual turnover in excess of £36 million, to produce an annual modern slavery statement, setting out the steps they had taken to prevent modern slavery in their businesses and supply chains. More recently a small number of other countries have also introduced legislation to tackle modern slavery within supply chains. In 2018, Australia for example, introduced a Modern Slavery Bill, modelled in part on the UK legislation, which included prescribed criteria for corporate modern slavery statements.

More specifically, the UK's 2015 Modern Slavery Act gave law enforcement agencies a variety of provisions to tackle modern slavery, including a maximum life sentence in prison for perpetrators and enhanced protection for victims. Under the terms of the 2015 legislation, while all organisations are not expected to guarantee that all of their operations and supply chains are free from slavery, their modern slavery statements must describe the steps the organisation has taken during the financial year in question to address modern slavery risks. In July 2018, the UK Government commissioned an independent review of the 2015 legislation to examine if its provisions should be strengthened. Following this review, the Government announced it planned to introduce binding rules on the content, timing, and publication of modern slavery statements, and possibly to introduce a single enforcement body to oversee compliance.

## 3. LITERATURE REVIEW

Two stands of the literature are important in helping to locate the paper within the wider academic context, namely research on modern slavery in company supply chains and on theoretical approaches to the study of modern slavery. This short review offers a flavour of some of this work. Firstly, Stevenson and Cole (2018), for example, examined how organisations in the UK reported on the detection and remediation of modern slavery in their supply chains. Their work revealed many firms used the same practices to detect and remediate modern slavery as for other social issues, but that the hidden, criminal nature of modern slavery and the involvement of third-party labour agencies demanded innovative investigative approaches. Flynn and Walker (2021) argued that companies effectively used their modern slavery statements to signal to society

that they are strengthening their policies to prevent modern slavery in their supply chains, not least because companies found to be negligent in addressing modern slavery could lose the support of its economic and political stakeholders. Geng *et al.* (2022) adopted the awareness-motivation-capability framework to address variations in companies' efforts to address modern slavery in supply chains. Their findings revealed that companies put more effort into addressing modern slavery in their supply chains, when there is greater media coverage of such issues, when they source goods and services from countries with high slavery risks, and when they have established corporate social responsibility records

Gold *et al.* (2015) looked to draw attention to the challenges modern slavery posed for supply chain management and argued that a lack of ineffective indicators meant that new tools and indicator systems should be developed to consider the specific social, cultural and geographical context of supply regions. At the same time, Gold *et al.* (2015) suggested that once incidences of modern slavery had been detected, then *'multistakeholder partnerships, community-centred approaches and supplier development appear to be effective responses.'* Nolan and Bott (2018) focused on emerging legislative disclosure regimes as a mechanism for regulating modern slavery in supply chains. They identified *'four essential requirements'*, namely *'such legislation should incorporate human rights due diligence; it must include detailed disclosure requirements; there should be regulatory consequences for failure to comply; and finally, it should utilise the governmental organisations (NGOs), unions, consumers and workers to regulate supply chains.'*

Meehan and Pinnington (2021) looked to assess if transparency in companies' supply chain statements indicated that substantive action was being taken to tackle modern slavery in supply chains. This research suggested that companies were using ambiguity in their supply chain statements *'as a highly strategic form of action to defend the status quo, reduce accountability and delay action for modern slavery within supply chains'*, and that this ambiguity, effectively *'protects firms, rather than potential victims of modern slavery'* (Meehan and Pinnington 2021). Benstead *et al.* (2020) investigated modern slavery detection and remediation in supply chains via an action research case study in the textiles and fashion industry. This study suggested that *'a targeted audit'*, which included *'investigating the end-to-end recruitment process by using a parallel structure of management and worker interviews and documentation review'*, was more likely *'to identify key indicators of modern slavery'* (Benstead *et al.*, 2020).

Secondly, Flynn and Walker (2021) suggested that the empirical work published to date on modern slavery had *'yielded valuable insights into what firms claim to be doing to combat modern slavery'*, but that *'missing from the literature, however, is the theoretical framing of the issues'*, and that this omission *'limits our ability to understand how and why firms give effect to government and societal expectations on preventing modern slavery.'* In a similar vein, Gold *et al.* (2015) called for new theory development to facilitate the understanding of modern slavery. This, in part, was reinforced by Caruana *et al.*'s (2020) suggestion that while modern slavery presented

many opportunities for novel theory building, existing theories were limited in their ability to conceptualise modern slavery.

In looking to conceptual approaches to help to understand and interpret modern slavery, three sets of theoretical approaches, namely, stakeholder theory, contingency theory and institutional theory, merit attention. Stakeholder theory suggests that companies need to look to reflect the views of all their stakeholders, including, shareholders, suppliers, customers, employees and the company itself, in pursuing policies. Stevenson and Cole (2018), for example, argued that stakeholder theory was valuable in that while the primary audiences for modern slavery statements were external stakeholders, it was important for companies to consider what their modern slavery statements revealed to their suppliers. Contingency theory suggests that in addressing any issue, a company's optimal course of action is contingent upon its internal and external situation. Here, Gold *et al.* (2015), for example, argued contingency theory could help to achieve a deeper appreciation of the importance of culture, geography, legislation and regulation in understanding modern slavery.

Flynn and Walker (2021) emphasised the value of institutional theory in helping to understand how companies were responding to modern slavery risks, and to explore the institutional pressures on companies to introduce measures to combat modern slavery. Here, Flynn and Walker (2021) argued that the transparency provision in the UK's 2015 modern slavery legislation represented institutional, rather than market, pressure on companies, and argued that this pressure *'is imposed on firms from outside by legislation, non-governmental organisation campaigning, professional standards, stakeholder initiatives, media coverage and consumer activism.'* More specifically, Flynn and Walker (2021) identified *'policy responses'* and *'practice responses'* to institutional pressures. Here, the former included policies for preventing modern slavery and codes of conduct, while the latter covered risk assessment, the development of key performance indicators and training.

#### 4. FRAME OF REFERENCE AND METHOD OF ENQUIRY

The authors decided to concentrate their study of modern slavery in the UK service industries' supply chains exclusively on modern slavery statements, in the belief that such an approach was appropriate in a field where there is little, or no published work, to date, and they chose a simple two step method of enquiry. Firstly, the top five hotel companies in the UK, by the number of rooms (Statista 2020), namely Whitbread, Travel Lodge, Hilton, the Intercontinental Hotel Group (IHG) and Britannia Hotels and the top five retailers in the UK, by turnover, (Statista 2021), namely Tesco, Sainsbury's, Asda, Morrisons and John Lewis, were selected for study. The second step of enquiry involved a series of Internet searches, undertaken in June 2021 via Google, using the name of each of the selected hotel and retail companies, and modern slavery statement, as the key phrases.

The most recent modern slavery statements from the selected hotel and retail companies provided the empirical material for this commentary. As these statements are in the

public domain on the selected companies' websites, the authors took the view that they did not need to seek permission to use them. The modern slavery statements were relatively brief and clearly structured, and the authors felt that any form of content analysis would not be necessary. Rather, the authors undertook a close reading of the statements and drew out the important issues and themes. The paper draws extensively on selected quotations drawn from the hotel and retail companies' websites. The aim here, was to explore how the selected companies publicly expressed, and evidenced, their approaches to modern slavery, and the authors were of the opinion that an important way of capturing such approaches was to cite the companies' own words, not least in that such citations could convey corporate authenticity and offer greater depth of understanding.

## 5. FINDINGS

The modern slavery statements posted by the selected hotel and retail companies varied in style and content, but rather than examining each statement in detail, the authors looked to identify, and draw out, a number of general themes. More specifically, the authors identified seven interlinked themes, namely, corporate commitment; risk assessment; due diligence; audit; awareness raising, capacity building and training; collaborative activities; and performance measures; which effectively captured the spirit of the selected hotel and retail companies' approaches to modern slavery statements.

Corporate commitment was expressed in a variety of ways. Travel Lodge (2020), for example emphasised 'we have a zero-tolerance approach to slavery and human trafficking and are dedicated to understanding the risks so that we can work towards ensuring that there is no modern slavery in our business or supply chain.' The IHG (2020) emphasised its commitment 'to respecting the human rights of all our colleagues, guests and the communities we operate in', and that 'we continue to encourage those we do business with – including our suppliers, owners and franchisees – to prevent, mitigate and address adverse impacts on human rights, including modern slavery.' Arguably more cautiously, while Britannia Hotels (2020) emphasised that the company is 'committed to addressing procedures so that compliance with the Slavery Act becomes the normal situation throughout its supply chains', the company also recognised 'it will take time to introduce the initiatives.'

Simon Roberts, Sainsbury's Chief Executive, acknowledged 'modern slavery and human trafficking are abhorrent practices that still exists in many parts of the world. Including the UK' and asserted 'we are proud to continue our commitment and duty to respect human rights, identify vulnerable workers and we will not tolerate any form of slavery or servitude in our own operations or supply chains' (Sainsbury's 2020). Tesco (2020) emphasised that the company was 'fully committed to playing our part in eradicating modern slavery', and it 'firmly supported transparency and collaboration to eliminate the risks of modern slavery.'

Risk assessments offered some insights into the hotel and retail companies' perceptions of the sources of modern slavery. Whitbread (2020), for example, recognised 'there

are a number of ways in which our business could be affected by modern slavery.' The principal risk areas identified by Whitbread were its employees, its supply chain, and its guests. In addressing modern slavery risks, Whitbread argued that having direct control over the recruitment of employees reduced the risk that people working for the company might be victims of modern slavery. Sainsbury's (2020) identified and mapped out higher risk products and countries within its supply chains. In focusing on food and grocery, for example, high risk products included sugar, tea, coffee, bananas, cocoa, nuts, and fish, and for coffee, Columbia, Indonesia, Ethiopia and Kenya were seen to pose high risks. Within the company's footwear and clothing supply chains, nine countries, including Bangladesh, India, Sri Lanka, Vietnam, and Morocco were listed as posing high risks.

In focusing on the risk of modern slavery in the supply chain Whitbread (2020), 'identified that the majority of risk lies in the lower tiers of our supply chain – often a number of tiers away from our direct control.' Travel Lodge (2020) reported that when 'taking on new suppliers in areas which we consider to be higher risk, we undertake supplier due diligence and engage with potential suppliers to understand the actions taken by them to reduce the risk of slavery and human trafficking in their supply chains', and that 'we include contractual clauses in all our higher risk supplier agreements .....in relation to the monitoring and tackling of slavery.'

Due diligence processes were reported as an important theme in the selected retail and hotel companies' modern slavery statements. Hilton (2020) for example, outlined a range of its due diligence processes. In addressing risk monitoring and mitigation, the company suggested that 'our mitigation response to identified risks depends on Hilton's direct link to the situation and the leverage the company may have in each context' (Hilton (2020). Here, Hilton (2020) reported that it encouraged its employees to raise concerns about modern slavery and human trafficking, that there was an anonymous telephone hotline to enable employees to report any such concerns to the company, and that this hotline facility was also available to suppliers, business partners, customers, and members of the public. In recognising that the 'risks of modern slavery are dynamic', Tesco (2020) reported that it followed 'a robust due diligence process', and that the information gathered from a wide range of stakeholders as part of this process enabled the company to 'continually reassess and respond to potential and actual risks.'

Many of the hotel and retail companies reported commissioning independent audits designed to monitor their suppliers' commitments to modern slavery. Whitbread (2020), for example, reported working with a third part auditor for suppliers considered to pose high risks. Such audits involve site visits, access to relevant documentation, and interviews with a representative sample of workers. These interviews are undertaken in confidence, in the workers' native language, and are seen by the company to provide a safe opportunity for workers to report any concerns or malpractice. Further, Whitbread (2020) reported that 'wherever issues are uncovered through these audits, we work closely with our suppliers to remediate areas of non-compliance to clearly defined and agreed timeframes. This remediation is then verified by a

*follow up, third party audit to ensure compliance. Where our suppliers demonstrate a persistent disregard for working with us to meet the standards outlined in our policy, we reserve the right to cease working with them.*' Morrisons (2020) emphasised that *'third party audit remains the primary due diligence activity in our own-brand supply chain'*, and that *'audits provide the independent verification of the labour standards at our suppliers' sites.*' Tesco (2020) reported *'we require all direct supplier sites in high-risk countries to have an annual human rights audit before they start supplying Tesco, and then on an annual basis.'*

The selected hotel and retail companies acknowledged the importance of awareness raising, capacity building and training in looking to tackle modern slavery. The IHG (2020), for example, emphasised that *'the importance of respecting human rights and combating modern slavery is made clear to colleagues as soon as they start working for IHG through our Code of Conduct training'*, which *'includes information on our approach to human rights and modern slavery and information on how to report concerns.'* Whitbread (2020) reported training all of its team members working across its hotel and restaurant operations. The focus of the company's bespoke training programmes is on *'on raising awareness of human trafficking and modern slavery issues, empowering our teams to identify indications of human trafficking abuse in our sites and provide them with the tools to report it quickly and effectively'* (Whitbread 2020).

Asda (2020) emphasised *'we are equipping Asda colleagues with the skills they need to engage with the complexities of modern slavery'*, and that *'an educated and informed colleague is vigilant to these issues and can respond accordingly.'* More specifically, Asda (2020) reported that line managers with supplier facing, or sourcing roles received modern slavery training via a series of e-learning modules. The training *'defines modern slavery, and indicators to look out for, provides information on UK legislation, case studies, best practices and what to do if a colleague has concerns for someone's safety'* (Asda 2020). In a similar vein Tesco (2020) emphasised *'raising awareness of modern-day slavery, both within our business and our supply chains, is an important part of our strategy'* and reported that the company required *'all Tesco suppliers, including service providers such as labour agencies, based in the UK'*, to attend training activities.

Some of the selected hotel and retail companies emphasised playing their part in a number of collaborative activities designed to drive change on modern slavery. Whitbread (2020), for example, emphasised *'we recognise that managing the risk of modern slavery is complex and we value the positive impact that collaboration and partnership can have in tackling these issues, both across our supply chain and with other stakeholders.'* In acknowledging that *'modern slavery issues in global food supply chains are often complex and challenging'*, Morrisons (2020), emphasised *'we cannot deliver meaningful impact on our own and remain committed to working with others in an open and collaborative manner to leverage change.'* John Lewis (2020) listed a number of organisations, including Farm Africa, Bangladesh Accord,

and the Food Network for Ethical Trade, that it worked with to help to combat modern slavery.

A number of the selected hotel and retail companies suggested that they were moving towards reporting on their performance, and on identifying key performance indicators, in meeting their commitments to combatting modern slavery. In looking to *'measure our performance'*, the IHG (2020), for example, reported that as of December 2020, *'over 2,000 employees had completed its modern slavery training programme and over 4,000 suppliers had signed up to its suppliers code of conduct.'* Whitbread (2020) identified four *'performance indicators'*, namely, increasing awareness, the sharing of information, partnerships and collaboration, and due diligence in its supply chain. Tesco (2020) reported monitoring annual progress against thirteen corporate commitments to tackling modern slavery and outlined the company's future plans to further strengthen its approach to managing the risk of modern-day slavery within its business, and its supply chain. In addressing its *'key performance indicators'*, Sainsbury's (2020) argued that *'monitoring the effectiveness of actions to identify and prevent slavery and human trafficking is a challenge for our entire industry'* and reported on key performance indicators focused on training and sustainable sourcing.

## 6. DISCUSSION

The selected hotel and retail companies' modern slavery statements captured their public approach to what is a complex and challenging issue, but some wider issues merit reflection and discussion. The findings reported above suggested that while the selected companies were at their most emphatic in condemning modern slavery, some of their commitments were not only at least one step removed from their direct corporate control some of their commitments are both aspirational and expectational and can perhaps be best seen as a work in progress. Aspirational, in that they certainly express a desire to tackle modern slavery problems, and expectational in that the hotel and retail companies expect their suppliers to comply with standards and requirements established in response to UK government legislation.

Assessing, monitoring, and tackling modern slavery within supply chains certainly presents a major challenge for the hotel and retail companies. That said, many of the selected companies claimed their approach to tackling modern slavery in their supply chains was effectively underwritten by independent auditing. However, general concerns have been expressed about the efficacy of the audit process in safeguarding against modern slavery. The pressure group Anti-Slavery International (2021), for example, argued that such processes have their limitations, not least in that *'the quality and scope of auditing may be questionable, or there may be practical difficulties such as auditors being unable to speak with workers in their own language.'* Anti-Slavery International (2019) also argued that *'forced labour is often hidden'*, that *'it is often found in the informal sector, in the early stages of production, often some steps down the supply chain'*, and that *'subcontracting can also hide forced labour as it adds layers between the company and the worker'*, which *'are out of the scope of many audits.'* Further, Anti-Slavery

International (2019) claimed that *'even when auditing is of high quality, audits by necessity are merely a snapshot of a particular moment in a particular part of the production system'*, and that *'the auditing mindset tends to be linear and mechanistic and may compartmentalise symptoms, preventing observers from seeing the whole complex picture which might together constitute forced labour.'* \*

Gold *et al.* (2015) used the term *'audit fraud'* to describe illegal activities hidden by the suppliers from the auditors. Gold *et al.* (2015) also suggested that *'slaveholders skimming huge profits from their activities will not be susceptible to change in response to premium-price incentives for social standards from the buying company'*, rather *'they might instead take the premium and at the same time extend their existing profitable business model.'* In a similar vein, LeBaron *et al.* (2017) argued *'the growing adoption of auditing as a governance tool is a puzzling trend, given two decades of evidence that audit programs generally fail to detect or correct labour and environmental problems in global supply chains.'* More specifically, LeBaron *et al.* (2017) argued that *'retail and brand companies shape the audit regime in ways that legitimate and protect their business model'*, and *'preserves the retail business model that hinges on rewards from cheap labour, cheap goods, low prices, and short-term purchase contracts.'*

The concept of the modern slavery statement has attracted a number of criticisms. New and Hsin (2021), for example, argued that while modern slavery statements *'present interesting information about the management of working conditions in the firms' supply chains, they do little to address the problems of modern slavery per se.'* Simic and Blitz (2019) argued that modern slavery statements are *'often perfunctory and are used to satisfy international agendas and country commitments, or to enhance the perception of the country and its position in the global outsourcing business.'* Simic and Blitz (2019) also argued that the capacity of modern slavery statements *'is often limited, especially as it regards remedying risks'*, and that *'the quality, scope, depth, and regularity of reports are frequently compromised, especially since there are no meaningful sanctions for noncompliance.'*

There have also been issues about the ambivalent role of the media in publicising modern slavery statements. Simic and Blitz (2019), for example, argued that on the one hand *'companies' over-reliance on media exposure of transparency statements has been instrumentalised by the state which has paid lip service to proper law enforcement mechanisms.'* On the other hand, Simic and Blitz (2019) also suggested *'the possibility of unsolicited media publicity may often act as a deterrent for businesses and could push them in the opposite direction: it can enhance non-compliance or highly restrained compliance.'*

More generally, in recent years, the majority of large hotel and retail companies, have taken an increasing interest in corporate social responsibility, but there are issues about where tackling modern slavery sits within corporate social responsibility policies. New (2015), for example, looked to examine how modern slavery within supply chains challenged conventional thinking and practice on corporate social responsibility. More specifically, New (2015) pointed out *'the potential differences between modern slavery and other corporate*

*social responsibility issues'* and highlighted *'the paradox that firms' approaches to the issue may run in parallel with actions that foster the problem in the first place.'* Virtually all the hotel and retail companies publish annual corporate social responsibility reports, but their coverage of modern slavery in such reports has often been limited. Jason Nunn, Whitbread's Director of Business Engagement (Whitbread 2021) for example, simply asserted that the company had *'demonstrated their commitment to preventing modern slavery'* but offered no evidence within the report to support this assertion. More positively, Hilton's (2019), corporate responsibility report included information on how the company used its corporate management platform to measure modern slavery risks, and provided some outlines of its approach to training, and to due diligence, in its supply chain.

This exploration of the modern slavery statements published by the selected UK hotel and retail companies can be viewed against the limited literature on modern slavery summarised earlier in the paper. More specifically, the selected modern slavery statements provided little evidence of the employment of innovative approaches to identifying modern slavery, as recommended by Stevenson and Cole (2018), or of the development of new tools and indicator systems as suggested by Gold *et al.* (2015). At the same time, some of the selected retailers' modern slavery statements did illustrate Geng *et al.*'s (2022) findings about how commitments to addressing modern slavery were influenced by the retailers' sourcing of good and services from countries with high slavery risks, and about the importance of established of corporate social responsibility programmes. Further, the selected slavery statements also illustrated Nolan and Bott's (2018) emphasis on the importance of due diligence and drawing on the experiences of a range of stakeholders, though they did not reveal a focus on detailed disclosure requirements or regulatory consequences for failure to comply with the relevant legislation.

On the theoretical side, contingency theory helps to shed some light on how the selected retail and hotel companies approached modern slavery, but perhaps only in so far as it signals that some of the characteristics of these companies, namely that their use of globally sourced raw materials and labour supplies, seem to make them susceptible to modern slavery. In highlighting the role and importance of a number of stakeholders, including suppliers, employees, and customers, stakeholder theory might be seen to be useful in informing how the selected hotel and retail companies have developed, and may enhance, their modern slavery statements. However, stakeholder theory is generally seen to be based on, and around, open relationships, trust and shared goals, and these qualities are certainly not common to all the parties involved in modern slavery. Arguably more positively, institutional theory provided a useful framework to help interpret how the selected housebuilding companies had responded positively to the 2015 Modern Slavery Act. This was positively reflected, for example, in the companies' approaches to raising awareness, capacity building, and training, and risk assessment and due diligence. At the same time, some companies' focus on internal, rather than independent, auditing, and their limited approach to identifying, and reporting on, key performance measures,

suggests that institutional theory does not capture the full story in conceptualising corporate approaches to modern slavery.

Finally, and more critically, there are fundamental questions about the effectiveness of modern slavery statements in combatting, and ideally eradicating, modern slavery, not least because Monciardini *et al.* (2021) suggested that within the UK noncompliance with the 2015 legislation 'is a common occurrence.' At the same time, Bannerjee (2020), argued that corporate social responsibility, codes of conduct and multi-stakeholder initiatives will not 'address the real problem of modern slavery', and claimed that 'most corporations do very little apart from issuing public statements and commitments to eradicate forced labour.' Indeed, Banerjee (2020) argued that the current initiatives 'give the appearance that firms and suppliers are working to address the problems with little evidence of outcomes.' More generally, in reviewing over 16,000 modern slavery statements produced in the five years since the passage of the 2015 Modern Slavery Act, the Business and Human Rights Resource Centre (2021) concluded that while the Act had raised awareness and produced some improvements, it had failed in its stated intentions to eradicate modern slavery from UK supply chains.

## 7. CONCLUSIONS

This paper has provided an exploratory review of one of the ways some of the leading hotel and retail companies in the UK have addressed modern slavery via an examination of their modern slavery statements. As such the paper adds to the current very limited literature on modern slavery within the service industries. The spirit of the selected hotel and retail companies' modern slavery statements were effectively captured by seven interlinked themes, namely, corporate commitment; risk assessment; due diligence; audit; awareness raising, capacity building and training; collaborative activities; and performance measures. Further, the authors suggested that in some ways the selected companies' approaches to modern slavery were aspirational and expectational, and they raised concerns about the nature of the auditing processes employed in the companies' supply chains.

The authors recognise that this commentary has a number of limitations. The empirical material on which it is based is drawn exclusively from the corporate websites of the selected hotel and retail companies, at a set point in time, and does not include any primary information supplied by the hotel and retail companies' executives, managers or employees, or any information obtained from suppliers or from employment agencies. However, the authors believe this approach is appropriate in what is an explanatory paper, that the paper makes a small contribution to an area that has received very limited attention to date in the academic literature, and that it may provide a platform for future research into modern slavery in the service industries.

Here, number of potential research opportunities into corporate approaches to modern slavery within the service industries can be identified. The ways in which a wider variety of service companies, both large and small, address the issue of modern slavery merits attention, and could

include large scale questionnaire surveys of, as well as personal interviews and focus group meetings, with senior company executives to learn how service companies have developed, and continually look to strengthen, their policies on modern slavery. Such research agendas may also explore if, and how, employees, customers, suppliers, governments, and law enforcement agencies are involved in the policy development process.

However, while modern slavery within the service industries, offers a potentially rich variety of research opportunities, it is important to recognise that it is a very challenging research arena. Slavery is illegal in the vast majority of jurisdictions, but it can also be a lucrative economic activity, and the service industries may deny researchers access to appropriate documentation and decision makers in their supply chains. Denying such access may reflect commercial sensitivities centred on essentially unspoken corporate concerns about employee recruitment and labour practices within supply chains, and attendant fears of damaging publicity, and possibly criminal prosecution, if modern slavery practices are explicitly revealed. On the other hand, researchers who look to conduct primary research into modern slavery activities may be placing themselves, their research colleagues, and those who participate in such research, in serious personal danger. Problems, and tactics designed to minimise such problems, are rarely addressed in the research literature but, they may curtail many potentially promising modern slavery research agendas. At the same time, researchers may face a range of ethical issues, not least researchers' responsibility to those who participate in their research. More generally, there are some guidelines for social science researchers looking to pursue hidden activities (e.g., Ellard-Gray *et al.* (2015), but researching modern slavery within the service industries seems fraught with difficulties and dangers.

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