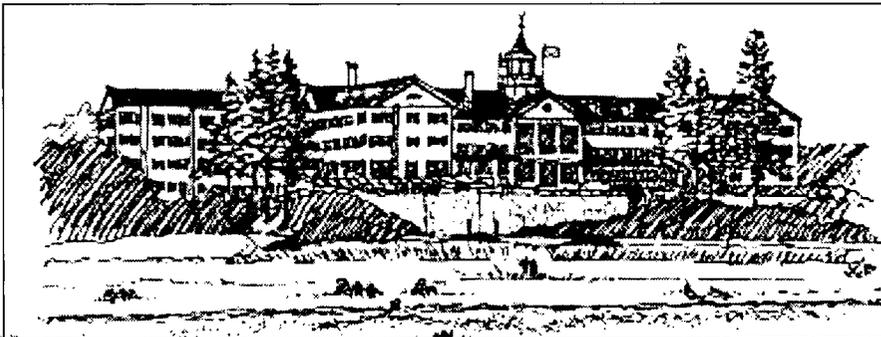


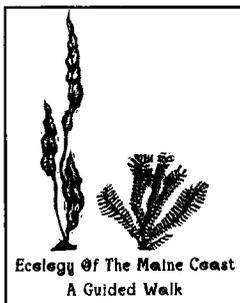
# Best Hotel Environmental Practices

by *Cathy A. Enz and  
Judy A. Siguaw*

As the four environmental champions here demonstrate, operating a "green" hotel is not only good practice but good business.



Guests at Kennebunkport's Colony Hotel (above) may take a self-guided walk with published tips in hand (below) or visit the hotel's private beach with a biologist (at right).



**E**nvironment-friendly hotel operations may be the wave of the future for a variety of reasons, including one or more of the following. First, some operators believe that operating in an environment-friendly manner is the right thing to do. Second, others will do so because of increasing governmental regulation. Finally, many will find that a greater proportion of their guests increasingly are demanding "green" operations.

In this article we examine the four operations that were named as environmental best-practice champions in the Cornell University School of Hotel Administration study of best practices in the U.S.

---

*Cathy A. Enz, Ph.D., is the Lewis G. Schaeneman, Jr., Professor of Innovation and Dynamic Management at the Cornell University School of Hotel Administration «cae4@cornell.edu», where **Judy A. Siguaw, D.B.A.**, is an associate professor of marketing and sales «jas92@cornell.edu».*

© 1999, Cornell University

**Exhibit 1**

**Overview of environmental best-practice champions**

<u>Eco-practice champions</u>	<u>Practice initiated, developed</u>	<u>Measure of success</u>
The Colony Hotel	Becoming a "green" hotel	Guest and employee reaction is positive. The hotel is the only one in Maine to be admitted into the Green Hotels Association. The hotel has won numerous awards for its environmental initiatives. The hotel is the only property in the northeast that is designated by the National Wildlife Federation as a U.S. Backyard Wildlife Habitat.
The Hotel Bel Air	A comprehensive environmental-management program	Saved \$10,000 in 10 months, plus increased revenue from the sale of cardboard. The customer does not directly benefit from the program, but is pleased with improved services like linen napkins and terry washroom towels.
Hyatt Regency Chicago	A comprehensive waste-reduction and recycling program	The hotel recovers approximately 70 percent of recyclable materials and has cut waste-hauling costs in half. The recycling program has resulted in the recovery of \$120,000 in hotel items (e.g., silverware) salvaged from the trash.
Hyatt Regency Scottsdale	A recycling and employee-environmental-education program	Attracts eco-related transient and group business. Is a leader in environmental responsibility. Employees feel a sense of pride in the programs.

lodging industry.<sup>1</sup> Because we are certain that many hotels are taking environmental initiatives, we were surprised at the dearth of nominations for environmental best practices. The four selected as champions, all of which have developed excellent recycling programs, are the Colony Hotel, Hotel Bel Air, Hyatt Regency Chicago, and Hyatt Regency Scottsdale (Exhibit 1). Three of the four champions have created special positions to manage their environmental programs, while all four have a special committee or task force of employees involved in waste reduction and recycling.

In this article we provide a discussion of the four champions' recycling programs and their other

environment-focused activities. We conclude with advice and suggestions from our champions regarding environmental practices for those managers seeking to implement their own ecological and waste-reduction practices.

**Benefits of an Environmental Approach**

The four champion properties have made major commitments to environmental conservation by focusing on natural-resource conservation, education, and community involvement. In our discussion of these four properties, we do not mean to imply that many other hotels have failed to implement some form of recycling or green operation. Rather, these are the four that stood out by being nominated for their environmental programs. (See Exhibit 2, on the next page, for a summary of each practice, the methods of implementation, and the name of a contact person.)

**Recycling Programs**

The Hyatt Regency Chicago, a 2,019-room property, operates a

model recycling program. A fully staffed recycling department sifts through tons of trash each year and recycles paper products (including cardboard, computer paper, and magazines), glass, aluminum, and Styrofoam. All employees participate in the program by separating trash into special bins. Another Hyatt property, the Hyatt Regency Scottsdale, has color-coded bins in all back-of-house areas to make it easier for employees to recycle. This property also works to reuse resources, for example, by turning broken china into mosaic tile and making pencils from old denim uniforms. One goal for the Hotel Bel Air was to reduce landfill deposits by 25 percent. The hotel began its recycling program with small recycling bins and a bailing machine, at an initial cost of \$10,500.

**Guest involvement.** The Colony Hotel, a seasonal resort in Kennebunkport, Maine, is the only champion to actively involve guests in its "green" hotel by combining practice and education. The recycling effort, for instance, places in

<sup>1</sup> The full study is available in Laurette Dubé, Cathy A. Enz, Leo M. Renaghan, and Judy A. Siguaw, *American Lodging Excellence: The Key to Best Practices in the U.S. Lodging Industry* (Washington, DC: American Express and the American Hotel Foundation, 1999). For a summary of the study methodology, see: Laurette Dubé, Cathy A. Enz, Leo M. Renaghan, and Judy A. Siguaw, "Best Practices in the United States Lodging Industry: Overview, Methods, and Champions," *Cornell Hotel and Restaurant Administration Quarterly*, Vol. 40, No. 4 (August 1999), pp. 14-27.

## Exhibit 2

### *Environmental best-practices cases, descriptions, implementation, contact people*

<b>"Eco" champion, Title of case</b>	<b>Description of case</b>	<b>Method of implementation</b>	<b>Contact person</b>
The Colony Hotel <i>Guest Friendly Environmental and Recycling Practices: Becoming a "Green" Hotel</i>	Environmental program includes composting kitchen waste, recycling containers in guest rooms, towel- and sheet-saver program, purchasing recycled goods, and resort-wide no-smoking policy.	Guest rooms have a rattan bin with four compartments for recycling. Provides educational programs for guests. Environmental program is run by a recycling engineer and an ecology group.	Janet Byrd, <i>director of sales and environmental programs</i> 207-967-3331, ext. 520 Fax: 207-967-5551
Hotel Bel Air <i>Comprehensive Environmental Management</i>	Reduced energy use and a recycling program to reduce waste of paper, plastic, cans, and glass.	"Guardians of the Grounds," a special committee, guides the program. Purchased a bailing machine and recycling containers.	Walter Avelar, <i>kitchen manager</i> 310-472-1211 Fax: 310-440-5865
Hyatt Regency Chicago <i>Comprehensive Waste Reduction and Recycling Program</i>	Comprehensive waste-reduction and recycling program operates with a full-time manager and eight employees.	Created recycling department and purchased requisite equipment, including cardboard bailers, an aluminum crusher, and a recycling truck.	Fayaz Fes Ahmed, <i>recycling manager</i> 312-616-6804 Fax: 312- 565-4344
Hyatt Regency Scottsdale <i>Developing an Environmental Recycling Program</i>	Operates a comprehensive recycling program and adopted a host of environmental efficiency initiatives.	Created an environmental-program manager position and a "Green Team" committee comprised of employees representing each department.	Paul Hayes, <i>environmental-program manager</i> 602-991-3388 Fax: 602-483-5573

*Note:* The case titles correspond to the cases written on each champion in: Laurette Dubé, Cathy A. Enz, Leo M. Renaghan, and Judy A. Siguaw, *American Lodging Excellence: The Key to Best Practices in the U.S. Lodging Industry* (Washington, D.C.: American Express and the American Hotel Foundation, 1999).

each guest room a rattan bin with four compartments, labeled for cans, paper, glass, and other trash. The guest-services directory describes the hotel's numerous environmental initiatives and provides tips for saving water. The hotel also offers its guests a chance to tour its private beach with a wildlife biologist or to take the family on a self-guided ecology scavenger hunt. Other initiatives include a no-smoking policy, eliminating the use of harsh chemicals, and education campaigns for employees as well as guests. The hotel composts kitchen waste to fertilize its 11 acres of organic gardens and also maintains programs to reduce solid waste, reuse materials, and conserve energy and water. While the Colony's operators are doing all this because they believe it is the right thing to do, it also makes

marketing sense. Janet Byrd, the Colony's director of sales and environmental programs, noted that from 1997 to 1998 the number of companies seeking a green hotel for their meetings increased by 10 percent.

All of the best-practice champions examined their energy, water, and sewer use to reduce inefficiencies. The Bel Air, for example, changed regular light bulbs to higher-efficiency, longer-lasting bulbs, installed timers for the electrical and irrigation systems, and placed insulation on doors. The Hyatt Regency Scottsdale modified its irrigation system from an above-ground to an underground system to reduce water evaporation, which is a problem in the Sonoran Desert. To conserve resources, employees and meeting planners at the Hyatt

Regency Chicago are encouraged to use glass instead of Styrofoam, paper instead of plastic, and cloth napkins instead of paper. The hotel's food-service outlets dispense soft drinks from fountains instead of bottles or cans. Additionally, the hotel stores its water treatment chemicals in bulk storage tanks instead of disposable 55-gallon drums.

**Building & Implementing Environmental Operations**

The four environmental champions found that they needed to create new management positions and organize special committees to implement their environmental programs effectively. Such new management positions included environmental-program manager at the Hyatt Regency Scottsdale and recycling manager at the Hyatt Regency Chicago. The Colony set up the position of recycling chief, to run the recycling department, and director of environmental programs and manager of environmental operations, to research, develop, and implement those programs. To foster employee participation and involvement, the Bel Air created a special committee, called the "Guardians of the Grounds," comprising a department manager and an employee from every department. For its part, the Hyatt Regency Scottsdale has assembled the "Green Team" to meet monthly. The employees on those committees are expected to convey the committee's ideas to the rest of their department peers. At the Colony Hotel, an ecology group composed of one person from each department conceives and develops new products and ideas for implementation.

One creative example of the environmental committee's efforts is the idea of converting old guest-room bed linens into pot-holders and aprons for the kitchen. Bedspreads and curtains are made into

dog blankets and crib quilts, which are sold in the hotel gift shop.

Employee bulletin boards, an employee newsletter, a discussion at new-employee orientation, and "Eco-Golf" are all methods by which the Hyatt Regency Scottsdale conveys the importance of its environmental philosophy to employees. Eco-Golf, for instance, is a program designed for the resort's staff and vendors to reduce resistance to adopting environmental initiatives. Using a series of environmental questions, departments compete to correctly answer the questions and accumulate points that translate into awards. Each set of questions has a "par score" that the participants try to achieve. Eco-Golf has helped employees to understand the hotel's environmental programs and their responsibilities for these initiatives while having fun.

**Outcomes of the Environmental Management Programs**

While it is true that both California (where the Bel Air is located) and Illinois mandate recycling, the managers at these champion hotels believe that governmental pressure should not be the sole motivator for environmental programs. All of the hotels found that cost savings, operating efficiencies, and excellent marketing opportunities derived from their environmental practices. For example, Fayaz Ahmed, the recycling manager at the Hyatt Regency Chicago, notes that his hotel recovers about 70 percent of recyclable materials from over six million pounds of garbage, preventing one million pounds of refuse from being deposited into Chicago's landfills each year. Since the program began in 1989, the hotel has recycled 1,400 tons of cardboard, 896 tons of glass, 630 tons of newspaper, 329 tons of magazines, and 33 tons of aluminum cans. The hotel's waste-hauling costs have been reduced by

**These four champions have made major commitments to environmental conservation by focusing on natural-resource conservation, education, and community involvement.**

### Good Earthkeeping

The Arizona Hotel and Motel Association publishes an environmental newsletter called "Good Earthkeeping Journal," which encourages Arizona hoteliers to adopt green practices. A recent issue noted the following properties' environmental activities.

**ARAMARK.** Follows conscientious procurement practices; recycles steel, grease, antifreeze, and aluminum.

**Best Western Papago Inn, Scottsdale.** Has ten green rooms; issues amenities in biodegradable packages; uses non-toxic [cleaning] chemicals; conserves water; uses a trash compactor; and operates an electric vehicle.

**The Buttes, Tempe.** Linen reuse program with special door hangers, carpooling, cardboard recycling, water-conservation programs.

**Grand and Gateway Motels, Williams.** Linen reuse, xeriscape (desert-appropriate plantings instead of grass and bushes), recycling, and other initiatives.

**Grand Canyon Lodges (Amfac).** Water-saving program, guest-card explanation, source separation, and researching retrofitting of tour buses.

**Hassayampa Inn, Prescott.** Encourages guests to reduce laundry use (with good results); has a designated can-recycling employee; recycles cardboard and aluminum.

**Hyatt Regency Scottsdale.** "They're doing it; they've done it; or they're considering it."

**London Bridge Resort, Lake Havasu City.** Lighting savings program.

**Miraval Resort, Tucson.** Comprehensive program with water saving, thermostat control, carpooling, organic air fresheners, and employee contests and orientation video.

**Mormon Lake Lodge.** Cardboard bundler, recycling, designated aluminum-can employee.

**Renaissance Cottonwoods, Scottsdale.** Trip-reduction program; employee buttons: "Ask me why I'm green."

**Sheraton El Conquistador, Tucson.** Green team called "Recycos"; recycling; designing full-property program.

50 percent during that time (see Exhibit 3 for recycling costs and savings). Moreover, an unexpected benefit of sorting the trash has been the recovery of silverware, towels, dishes, coffee servers, and other equipment. Those recovered items are estimated to be worth around \$120,000. Although the hotel's entire workforce of 1,600 employees is involved with the recycling effort, the recycling department operates with 10 full-time staff members.

Compared to its garbage-removal and energy costs before its recycling program was put into place, the Bel Air reported a \$10,000 savings in ten months. The hotel reduced the number of garbage pick-ups and received additional revenue from the sale of cardboard. The savings and revenues have more than offset implementation costs, with the initial investment being fully recovered in the first nine months of the program.

**Happy customers.** Customers are actively using the guest-friendly environmental practices of the Colony Hotel, and the guest-comment cards indicate a high level of satisfaction. In addition, the resort's corporate business has increased in part because of its environmental programs. Property managers believe that they gain marketing leverage from the numerous awards the hotel's programs have won. All of the champions report that their environmental practices have a positive impact on employee morale and enhance staff members' pride in the hotel.

### Exhibit 3 Recycling cost and savings for Hyatt Regency Chicago

Savings	1997	1998
Hauling-cost savings	\$200,787	\$176,770*
Recovered items, equipment	28,459	33,578
Revenue	8,842	6,000
<b>Total savings</b>	<b>\$238,088</b>	<b>\$216,220</b>
Costs		
Labor costs	73,508	74,000
Supervisor costs	65,000	55,400
Supplies	8,250	9,740
<b>Total costs</b>	<b>\$146,758</b>	<b>\$139,140</b>
<b>Net savings</b>	<b>\$91,330</b>	<b>\$77,080</b>

\*Reduction in hauling-cost savings is the result of the reduced market price for recycled items.

Source: Hyatt Regency Chicago annual recycling reports.

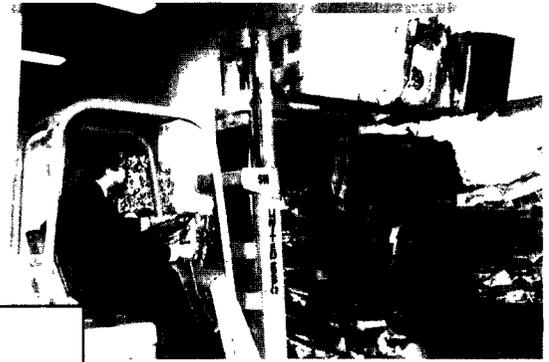
Finally, the commitment of our champions is often shared with others in the industry. Paul Hayes, of the Hyatt Regency Scottsdale, for example, served as the project manager to develop a guidebook and newsletter to help other Arizona hoteliers implement environmental programs. The resource manual titled *Inn Keeping with the Environment: A Waste Reduction Guidebook for the Arizona Lodging Industry* was distributed by the Arizona Hotel and Motel Association with funding from the Arizona Department of Environmental Quality.<sup>2</sup> (See the box on the next page for sample material from the booklet.)

### An Essential Aspect

Our champions believe that environment-friendly practices will soon become essential for all hotels—both in terms of customer preferences and government mandates. In addition, environmental efforts make sense financially, since the benefits include cost savings and enhanced customer and employee satisfaction. To assist those managers

<sup>2</sup> Arizona Hotel and Motel Association, 1240 E. Missouri, Phoenix, AZ 85014. 602-604-0746.

Fayez Ahmed, recycling manager at the Hyatt Regency Chicago, loads cardboard for recycling. The hotel recycles some 190 tons of cardboard each year.



**Waste-reduction Tips**

The following table appears in *Inn Keeping with the Environment*, published by the Arizona Hotel & Motel Association. It is just one example of the publication's content.

<u>Where</u>	<u>What</u>	<u>What can be done differently?</u>
Guest room	Half-used soap and shampoo	• Send used bars and bottles to homeless shelter
	Brochures and pamphlets	• Provide bulk dispensers to eliminate individual bottles
	Furniture	• Use TV for guest information • Give used items to interested employees or charities
	Newspapers	• Offer to collect newspapers in a recycling program
Main office and front desk	Holiday cards Memos and photocopies	• Save time and money by sending postcards • Photocopy front and back • Route memos instead of copying everyone • Use e-mail
	Used computers and equipment	• Donate to schools, charities, or religious groups
Shipping and receiving	Bubble wrap and foam peanuts	• Reuse for shipping • Donate to mailing companies • Use shredded paper instead
	Cardboard boxes	• Relabel and reuse for shipments • Recycle
Guest services	Plastic clothes wrap	• Return dry cleaning without plastic bags
Housekeeping	Old linens	• Make into aprons or cleaning rags • Donate usable linens to charity (e.g., animal shelter)
	Paper towels	• Use rags
Landscaping and maintenance	Trimnings	• Compost or mulch
	Paint	• Use a hazardous-waste collection system • Donate extra paint to schools, churches, or graffiti-abatement programs
	Plastic collection bags	• Use canvas or cloth bags
Kitchen and restaurant	Five-gallon buckets	• Donate to schools, churches, or employees for storage
	Beverage containers	• Dispense drinks from tap or fountain • Provide recycling bins for glass and aluminum containers
	Banquet order forms	• Copy front and back
	Food leftovers	• Set up a program with a local food shelter • Compost waste
	Plastic or foam cups, utensils, and plates	• Use washable cups, dishes, and utensils

wishing to adopt and refine similar environmental practices for their organizations, our champions suggest first that you start slow and begin with your own offices. Second, keep the bar moving and raise your expectations. Get employees excited about these “good” practices. Then as you gain more employee commitment and excitement, move on to bigger and more comprehensive projects. Third, gain the support and enthusiasm of senior management and communicate with all employees at every level as soon as possible.

**Exemplars**

The ability to take the lead position and serve as a model for protecting and preserving the environment has yielded a host of positive outcomes according to our champions. The employees in these best-practice hotels feel a powerful sense of unity. Through their example, these hotels have enhanced their communities and the image of the lodging industry. As Walter Avelar, kitchen manager for the Bel Air, summarized the matter: “This is a great opportunity that is good for everyone. There are cost savings, the employees feel great, and it is good for the environment.” We believe that it is only a matter of time before all hotels must rethink their environmental policies. These champions are ahead of the pack in their creative and effective approaches. **CQ**