

Hotel “Pod Orłem” sustainability report analysis & proposals



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CHALLENGES
OF SUSTAINABLE
DEVELOPMENT



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introduction

The aim of the given business project is to analyse the main advantages that the company possesses, detect the challenges it faces and propose possible solutions for the improvement of its activity in order to help it develop a competitive strategy based on the best practices already existing and successfully operating in the world. The report addresses the main components of sustainable development which are environment, economy and society. The first chapter contains background information about “Pod Orłem” hotel and a detailed look at the current situation in it regarding environmental and social features. The application of the SWOT analysis tool will allow to identify the internal and external factors, and their role in the achievement of sustainability goals. The second chapter of the report consists of a comprehensive action plan, which also suggests a prioritization of the initiatives to be implemented. The reference to the best examples of sustainability principles application in the enterprises engaged in the same economic sector is essential due to their great practical and inspirational value.

current situation

background information

Hotel “Pod Orłem” is a three-star, recently opened facility consisting of two buildings: the hotel itself and the restaurant which is located in a building of historic value protected by law. The hotel building, newly constructed and open in 2010, is able to accommodate guests in 29 rooms, all with private bathrooms with shower. Each room is equipped with a TV set, a phone, a minibar and WI-FI. Two of the rooms are fully adapted for physically challenged people, as well as most of the common area. Some adaptations facilitate the access even to the historical building of the restaurant. The building has one banquet room and three conference rooms of different sizes with audio-video equipment available. The building of the restaurant, dating back to the beginning of the 20th c., also comprises a pub and a bowling centre. The restaurant serves Polish and European cuisine and offers catering services. The hotel area is situated in close proximity to the town park in Kartuzy, the town which is considered to be the heart of Kashubian region. The hotel facility is a subsidiary of the company P.P.H.U. SOMBUD, whose main activities concentrate on construction services.

current status of actions towards sustainability

Environmental aspects

Energy

Hotel “Pod Orłem” already has several environmental features in place. On the environmental side, the company has tried since the beginning of construction of the building to take into account these aspects. It has installed solar panels on the roof which now heat most of the water needed during summer. It also uses ice-powered air conditioning units, a technology which results in less electricity consumption and less harmful gases released in the atmosphere. The management plans to change all lighting systems to LED-ones in order to further reduce the energy consumption. Moreover, to avoid unnecessary consumption when guests are not present, all the rooms require the insertion of the key card in a special device in order to activate the electricity. For the heating needed during colder months, Hotel “Pod Orłem” was using eco-pea in the beginning, but afterwards it switched to the municipally distributed natural gas, a more ecological and less expensive solution.

Water

The hotel installed taps with movement sensors in the public toilets, but they are still using regular ones in the guest rooms, although they plan to change these as well. Moreover, all the toilets are equipped with dual flush (full and partial) systems. Inside the kitchen, the hotel has its own water treatment facilities, which result in a better quality of the water used for cooking, as well as lengthening the lifetime of all appliances.

Waste management

Concerning solid waste, Hotel "Pod Orłem" has certain segregation facilities in place, mainly due to the pricing scheme of the waste management company (which encourages separate collection), although these are primarily targeted towards materials generated by the operations of the restaurant and the administration and not available to hotel guests. It also has a contract with a used cooking oil processor, which picks up all such waste. The Hotel also tries to minimise the use of plastic by providing regular multiple-use crockery. Due to regulations, the hotel is unable to offer the leftover restaurant food towards charity purposes, which is currently shredded and thrown away in the sewage.

Social aspects



Fig.1. Stakeholder map, showing the relations between the Hotel and stakeholders from different sectors.

Local community

On the social side, the hotel (through its parent company) would like to improve the nearby public park by providing its assistance free of charge (labour in construction works), but the local municipality does not presently have funds to cover the cost of materials. It is also currently discussing with the PKS bus company to work together on improving the main local bus station. Hotel "Pod Orłem" tries to work directly with educational and social care institutions, by sponsoring them mainly with construction works and materials needed for refurbishing these facilities.

Local culture

As part of its membership in the Kashubian Tourism Association, the hotel tries to promote the local culture through several activities, e.g. using traditional clothing for its restaurant personnel and offering traditional food during the days of Kashubian Culture. The management also plans to leverage the inheritance of the restaurant building by arranging a small museum of this historical monument.

Local businesses

When it comes to working with local businesses, Hotel "Pod Orłem" currently buys mainly fruits, vegetables and some meat products from local suppliers. The main barriers to enhance this collaboration are the strict regulations regarding food traceability and certification, which results in small producers being practically excluded from this chain.

Customers

Hotel's main building is adapted to the needs of people with disabilities (including having such special rooms). Nevertheless, the restaurant building could not be fully customized for this category, due to its status as an historical monument. The hotel offers its clients the possibility to rent bicycles, a program which it plans to expand due to the attractiveness of the region for cycling trips. It also works with a nearby kindergarten in order to offer babysitting and child-care service to the customers during bigger events organized in the banquet room.

Employees

The hotel and the construction company together employ 57 people, all coming from the surrounding region, including several with a medium level of disability. They organize several team-building activities and provide training courses to some departments (such as accounting), measures which contribute to keeping a low personnel turnover.

SWOT analysis

Using data collected during the interview with the hotel head manager, a SWOT analysis on the company was implemented. The analysis only took into account the contribution of the hotel to sustainable development principles. SWOT analysis is a useful technique for understanding the internal strengths and weaknesses of the company and for identifying, from an external point of view, both the opportunities available for the company and the threats that it may face in the future if no action is undertaken. The aim of using this tool is to define solutions for the hotel to use sustainable development into account. Using this tool, the following questions are answered:

- What are the (internal) strengths of the company?
- What are the (internal) weaknesses of the company?
- What are the (external) opportunities for the company to develop?
- What are the (external) threats the company may face?

- the company has already taken sustainable development into account when developing former projects: there is a list of projects/ideas ready to use
- the hotel is located in the center of an attractive region with a beautiful countryside
- the hotel has an informal organizational structure which makes it easier to take decisions
- the hotel is a subsidiary of a construction company
- the hotel has experience in applying for European Union funds
- there is a good recruitment process (low turnover in employees) and the hotel is able to retain its personnel
- the hotel is part of the Kashubian Tourist Association
- the hotel is adapted for people with disabilities
- regarding the provision of food, the hotel has contracts with local producers

- the company is a small SME (Small and Medium-Sized Enterprise) without big influential power
- sustainable development is not included deeply into the company's strategy
- customers are mainly one-night customers or business people coming in for conferences
- not many environmental friendly solutions were implemented so far
- low motivation of the staff to use Kashubian language
- lack of entertainment possibilities to make the guests stay longer than one night or spend more in the hotel

- not many hotels are green in Poland (meaning taking into account sustainable development in their strategy)
- chance to gain an Eco-Label by implementing the strategic sustainable development plan proposed in this report
- sustainable development is a big trend on every sector

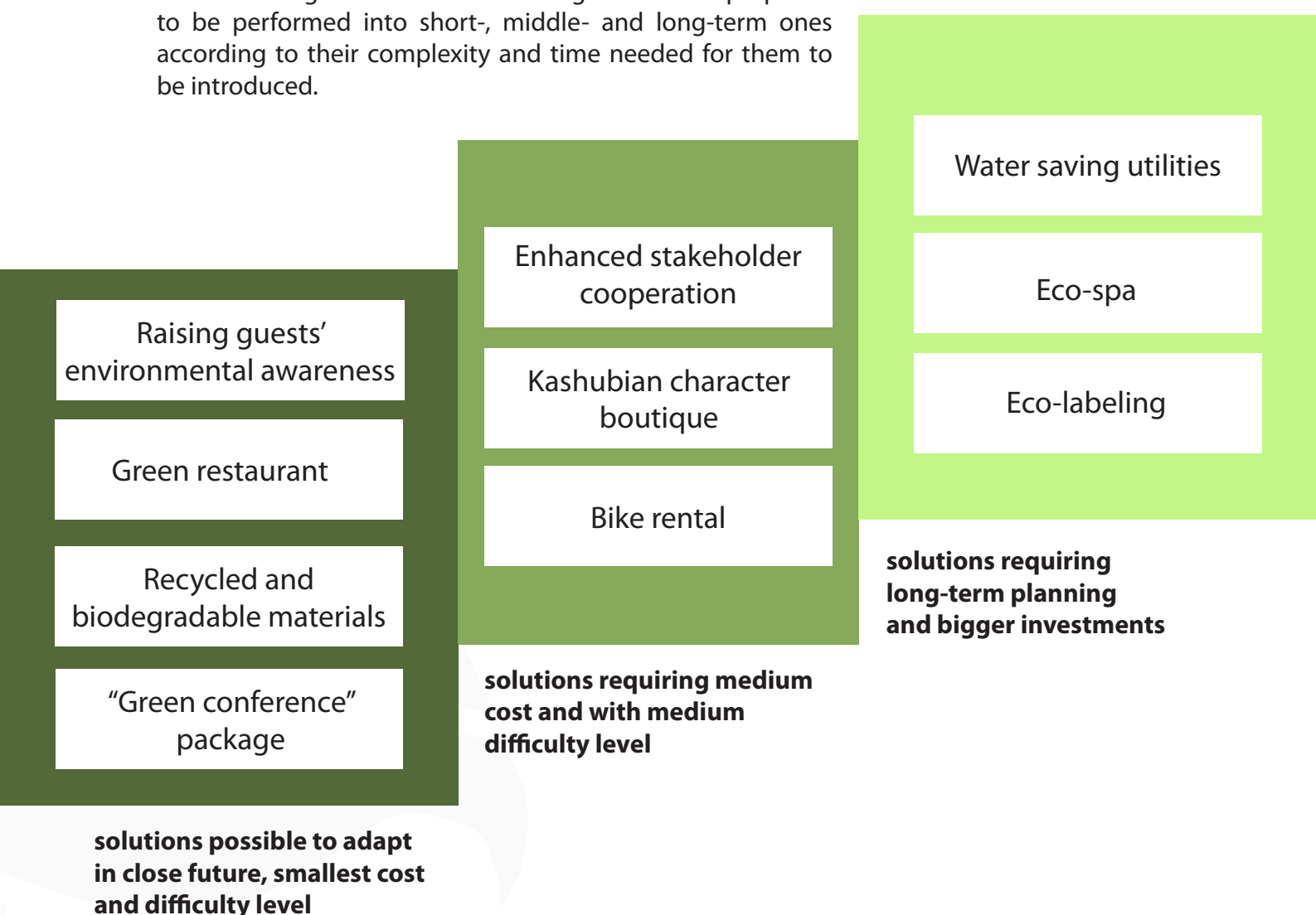
- weather conditions are becoming more uncertain in Poland during the summer
- economic crisis: people are affected by the crisis and therefore they start to be careful concerning their lifestyle and spending patterns (e.g. going to restaurant)
- the sector of the parent company currently has a difficult time: infrastructure companies are closing and the competition in this sector is increasing
- Polish culture is not linked with restaurant life (gastronomy)
- high development of the agro-tourist sector which is a direct competitor for such a hotel

Our analysis, based on the SWOT tool, shows that taking sustainable development into the company's strategy could give a competitive advantage to the hotel. In order to be more accurate, it would be beneficial to have a study realized on green hotels in Poland, with a special focus on this region. If this study confirms the lack of green hotels in this area, placing the sustainable development approach into the core of the business could be the differentiation factor which provides a major competitive advantage.



solutions

In this chapter we would like to present several proposals for actions that can be taken to improve the company's strategy towards sustainability. An attempt to envision the end result of the transition process along with the use of backcasting method led to dividing the actions proposed to be performed into short-, middle- and long-term ones according to their complexity and time needed for them to be introduced.



The following innovations are considered to be relatively easy to integrate into the list of services the hotel provides on a regular basis due to the fact that they do not require a lot of additional investment. Most of the proposals concentrate on "greening" some of the hotel's everyday activities.

Raising guests' and employees' environmental awareness

Accor group example

<http://www.accor.com/en/sustainable-development/our-guests-and-planet-21.html>

One of the aims of Accor group's PLANET 21 strategy is to inform the customers and encourage them to join hotel actions in the area of sustainable development in a friendly and thoughtful manner. They place information about certifications held on their booking page, at the hotel entrance, in the reception, lobby, and at room entrances. They put information on energy saving solutions by switching off lights and appliances, waste management by the dustbin or the information about offsetting the usage of towels in Plant for the Planet: the Billion Tree Campaign on the bathroom handle door.

Sheraton's green choice

http://www.starwoodpromos.com/sheratongreenchoice/?EM=VTY_SI_GREENCHOICE_PROMOTION

The Starwood group (owner of Sheraton) is encouraging their clients to save water and energy by declining housekeeping. Guests who agree on refusing everyday service can be awarded a small voucher which can be used for food and beverages in the hotel's restaurant.

The Sheraton is also contributing to raising environmental and health awareness of their employees by organizing special events for them (e.g. bike trips, occasional lectures).

Encouraging guests to save energy and water, segregate their rubbish and to offset their travel impact can be more than a simple contribution to environmental issues - it can actually help to minimize the hotel's expenses. There are several ways in which the hotel can gently educate their guests, e.g. signs encouraging to switch off the unneeded lights, to segregate waste, to voluntarily give up everyday room service.

To make energy and resource savings even more efficient, the hotel should consider educating their staff as well. Employees should become aware of the best ways to save water and energy, learn to carefully check the technical status of appliances, wires and pipes (to prevent breakdowns, report leaks etc.), and learn to take care of their own health. This might be done in an interesting way, e.g. during team-building or "green" meetings or social events, such as bike rides.

Using recycled, biodegradable and environmentally friendly materials and cleaning supplies

Other ideas concerning the functioning of the hotel and the restaurant are connected with the use of biodegradable materials and/or made of recycled materials. We strongly recommend the use of recycled paper in office. The napkins in the restaurant and paper towels in common toilets could also be made of recycled paper. As the market for bio-decomposing materials is developing, it would be easy to find companies that produce single use cutlery and crockery that could be used during barbecue events, thus satisfying customer needs. The plastic bags in toilets could also be made of bio-decomposing materials, a feature which, combined with their appropriate size, could decrease the impact of wastes generated during the daily operations of the hotel. Concerning everyday cleaning practices, it might be good to consider using environmentally friendly cleansers and detergents (produced on vegetal basis, containing no toxic substances).

Green restaurant and eco-bar

Several good practices have already been implemented in the hotel's restaurant - providing ingredients from local food suppliers, using seasonal fruits and vegetables, contributing to local cuisine by organizing special menus. We suggest moving forward with those actions, as follows:

- try to minimize the use of non-recyclable materials for food packaging,
- maximize the amount of local and seasonal products in the menu (that will require changing the menu according to the season),
- continue to offer local, traditional meals and promote Kashubian culture,
- offer healthy menus, avoid preparing deep fried products and using microwave ovens, minimize the amount of sugar and salt, offer fresh fruit juices or cocktails, avoid using products containing monosodium glutamate and other preservatives.

With the view to expand the range of services proposed by the restaurant, it is possible to introduce an eco-bar menu offering snacks and beverages of organic origin, paying special attention to the youngest clients of the hotel.

“green conference”

Many hotels in Poland try to raise their competitiveness and diversify their services by offering conference spaces for events. However, it is still not widely known that these functions can be planned as “green events”, where the organizing company is taking care of reducing the event's environmental impact to the minimum. This can be achieved through several simple actions (see textbox) and offered as a special package (green conference, green wedding etc.).

‘Green Meeting’ packages

Examples from hotels Regina Inn (Regina, Canada), Beardmore (Clydebank, Scotland) and Sheraton (Sopot, Poland)

More and more hotels prepare special “green” packages for their events (weddings, conferences). This can be achieved through several important adaptations which can lower the environmental impact of the event. These include:

- using electronic conference materials, rather than paper,
- using fair trade coffee/tea and food from local organic farms,
- using natural daylight in the conference rooms,
- encouraging participants to use collective transport by providing them a minibus from the nearest train/bus station,
- placing recycling bins in the conference and guest rooms,
- replacing individually packed sugar, cream, bottled water etc. with ceramic and glass containers for those products,
- suggesting reusable coffee mugs, plates and cutlery,
- encouraging bike use by offering free bicycle parking.

<http://www.thebeardmore.com/our-conferences/green-conference-brochure>

http://www.reginainn.com/promotions/green_meeting_packages.asp

The solutions described below are believed to require more cost and time for being put into practice and have a medium level of difficulty. They focus on making interaction with other potential partners more efficient and are intended to branch out the services already available for the guests.

Enhanced stakeholder cooperation

One of the most important aspects in the companies' sustainable development strategies refers to stakeholder cooperation. As SWOT analysis shows, the hotel management is currently paying attention to that aspect, but there still is a lot of unused potential in that area. Certain possibilities of cooperation between stakeholders in the spheres of education, culture, tourism at municipal as well as regional levels are seen.

Joint efforts of the hotel management, "Chmielanie" folk group, "Kaszubski Dwór" cultural centre, Kashubian museum, local craftsmen and artists could result in mutual benefits. In addition, it would enhance the hotel's attractiveness, expand the range of entertainment services and simultaneously promote Kashubian cultural heritage.

Introduction of organic produce can become possible due to fruitful cooperation with "Hejtus" agro-tourism farm and local fishery group.

The cooperation with the media would be beneficial for the hotel's marketing strategy.

Kashubian corner

Putting this idea into practice would strengthen the interaction between the hotel and the local Kashubian masters of arts and crafts, as well as please the visitors of the hotel who will have the opportunity to buy memorable gifts without the need to leave the hotel.

Bike rental

Offering bicycles to guests can be a large step in raising the attractiveness of the hotel. Hotel "Pod Orłem" is already offering some equipment for bikers, but we would like to propose the expansion of this activity. The possibility to rent different sized bikes can attract families with children, as well as people who prefer to sightsee in a more healthy and eco-friendly way. This can also be the hotel's way to contribute to the promotion of a healthy lifestyle and ecological education. Bike trips, combined with accommodation and meals, can be offered as a special holiday package for groups. Cooperation with the local tourist office (using their cycling guides focused on the region), visiting tours of museums/tourist attractions, or the agro-tourism farm that belongs to the company, can be proposed to make this offer more attractive.

The ideas presented below imply significant funds and thorough planning -- some of them concern significant changes in water management, further development of plans that the hotel has regarding health, beauty and fitness.

Water saving facilities

As water saving is essential for the proper continuous functioning of global ecosystems and the sustainable politics of many companies is nowadays focused on water saving solutions, we propose two innovations the hotel could implement in the future.

The first of them is the installation of rainwater tanks. Collecting rainwater on a global scale helps to improve the availability of drinking water, and on a company level, it can decrease the costs of drinking water usage provided by the municipality network (even by half, according to different sources) which, combined with the expected introduction of a rainwater tax in Poland, might bring serious savings to the hotel. Rainwater can be used for lawn and plants watering, car washing, toilet flushing, washing and cleaning. A system of rainwater collection consists of:

- the surface that the rainwater is collected on (usually roof, terrace and balcony surfaces),
- the system of filters that separate major and minor particles,
- above or underground opaque water tanks,
- a system of filters, pumps, and sensors enabling the fluent passage of water.

Rainwater collecting installation, if operated properly, can have a long lifetime, requiring only low maintenance. Some solutions are very innovative and do not need much additional space (like rainwater tanks incorporated in walls - <http://superwall.com.au/products/supertank/> or a tank designed together with a greenwall <http://inhabitat.com/cista-rainwater-cachement-by-moss-sund-and-figforty/>)

The second innovation that we propose is the introduction of water free urinals that might be installed in common toilets - near the hotel's reception, in the banquet room, and in the restaurant building. According to different producers, when installed in frequently used places, each of these urinals can save 100 000 liters of water per year. The anti-odor system in water free urinals usually is based on bio-decomposing chemicals. The water free system doesn't require energy to work, is non-failure and damage proof, which makes it easy and cheap to maintain in the long run.

http://www.ekotoaleta.pl/pl/urimat_bezwodne_pisuary.html

Eco spa

As the hotel is already planning to establish a spa, turning it "green" might be a possibility to consider. "Green spas" offer natural cosmetics and beauty treatments, take interest in the supply chain of their products (preferring fair trade and/or local products) and in the product packaging (environmentally friendly packages) and promote healthy lifestyles (sauna, diet advice, activities like yoga classes, meditation, relaxation sessions). As more customers are willing to pay higher prices for natural cosmetics and beauty services, having a green spa can raise the attractiveness of the hotel.

Eco-labeling

Implementing one of the “green labels” for tourism might be a good choice for a hotel which would like to contribute to sustainability. Labelled hotels are considered environmentally friendly and having a label may lead to raising the attractiveness and competitiveness of the facility, as more and more customers are becoming aware of environmental issues. The labelling process usually requires an entry fee and the implementation of certain measures to meet the label’s requirements in different fields (e.g. energy, resource savings, water management, social issues, human resource management). We present some of the labels below.

“Czysta turystyka” (green tourism) certificate

This certificate, addressed to hotels, hostels and pensions in Poland, was established by the Environmental Partnership Foundation (Fundacja Partnerstwo dla Środowiska). It is dedicated to tourist accommodation facilities who want to implement environmentally friendly solutions in their services. To obtain this certificate, the company is required to measure their environmental impact, establish a sustainability policy, monitor resource consumption and include their employees in implementing those actions.

A guide to hotel sustainability created by the Foundation can be found here:

http://www.fpds.pl/media/filemanager/publikacje/ekologia-w-firmie/broszura_ekologiczny_hotel_podglad.pdf

Other informations: www.czystaturystyka.pl

Mazurkas Conference Centre & Hotel (Ostrów Mazowiecki, Poland)

<http://www.mazurkashotel.pl/>

Mazurkas Hotel is a four star hotel that received “Czysta turystyka” certificate in February 2011. As one of few tourist accommodation facilities with that certificate, it has a direct link on its website to the hotel’s environmental policy. In that section, they clearly state their plans and actions undertaken in order to reduce power and water use, they describe their waste management system and ecological education programme directed to employees, as well as the actions promoting the local cultural and environmental heritage





Eco-standard for tourism - "Green Globe"

This standard allows to assess sustainability performance in businesses connected with tourism. It uses standardized indicators for different, individual criteria. It is based, among others, on Global Sustainable Tourism Criteria, Agenda 21 and ISO 9001/ 14001/ 19011. The standard criteria cover the following areas: sustainable management, socio-economic, cultural heritage and environmental. In addition to benefits such as utility savings, higher returns of investment, raising competitiveness, the certification system offers training programs, membership on Green Glob Websites, access to consultants and auditors, and marketing services.

<http://greenglobe.com/>

Hi Hotel Eco Spa & Beach in Nice (France)

www.hi-hotel.net/en

This is an example of a hotel which has been awarded the Green Globe standard. In their policy, Hi Hotel claims taking into account social engagements and environmental concerns in their services. They offer modern design rooms and spa facilities. Their commitment to sustainability is manifested through several different actions, such as:

- mineral organic paints for decoration,
- vegetal cosmetics offered without individual packaging,
- ecological cleaning products,
- use of recycled paper in the administration,
- organic food in the restaurant.

Bush Hotel in Carrick on Shannon (Ireland)

<http://www.bushhotel.com/>

Bush Hotel is the first Irish hotel to receive EU Flower label. They have implemented in their historic building several technologies which help save energy, lower emissions and manage the resources and waste efficiently. The current status of their achievements in this field is presented here:

<http://www.bushhotel.com/wp-content/uploads/2010/12/Bush%20Hotel%20Environmental%20Management%20Presentation.pdf>

Eco Label for Tourist Accommodation Service (the "EU Flower")

This is an European Commission standard to be met by tourist accommodation facilities. The criteria are grouped into several categories (energy, water, waste, management and other criteria) and classified as mandatory or optional. Applicants must provide a detailed file showing how the technical criteria have been met. After the certification process, the company is awarded the label and has the right to use the logo.

<http://www.traintoecolabel.org/r/en/accomodation/informations>:

<http://ec.europa.eu/environment/ecolabel/documents/hotels.pdf>

user manual:

http://ec.europa.eu/environment/ecolabel/documents/apppack_0904.pdf



conclusions

During the work on the business project we noticed that the hotel takes into consideration some aspects of sustainable development, though it is still possible to improve its performance in this sphere. The offered suggestions begin with the minimal modifications and proceed with those requiring longer time and larger funds. Nevertheless, they are not complete solutions ready to be applied but rather ideas needing further elaboration. These innovations would help to improve the public perception of the hotel, support its positive image, reduce its total expenses, gain the appreciation of environmentally concerned citizens and provide it with a number of competitive advantages. All these will eventually lead to the ability of the hotel to achieve eco-standards.

Appendix

Best practices - case studies

BioSee Hotel in Zeulenroda (Germany)

This is an example of a hotel with a specific climate protection strategy, trying to make their guests' stay neutral to the atmosphere. This is achieved by eliminating CO2 emissions, using carbon-neutral products, offsetting events and travels.

<http://www.bio-seehotel-zeulenroda.de/de/index.php?index>

Mundekulla Retreat Centre (Sweden)

The entire facility is built on ecological principles, warmth and care, uniting past and future. The main building is a carefully restored house from the 1820's. The property includes 60 hectares of meadows in a varied and beautiful cultured landscape, with open fields, natural ponds and foot paths surrounded by old cultured forests. The facilities include four meeting halls (the largest one 200 square meters), a wood-heated sauna, a small shop, a spa and 20 accommodation rooms with more than 30 beds, located in four different buildings. All rooms are insulated with ecological material such as wool, saw powder, linen, hemp, recycled newspapers. At least 80% of all food served in Mundekulla is organic. It offers climate smart, nourishing, locally grown, healthy and vegetarian food.

http://www.mundekulla.se/mundekulla/parse.php?p=index_eng.html

Młyn Klekotki resort & spa (Poland)

This hotel is situated in an old watermill. Monumental buildings have been adapted to serve as a high-standard resort. There are several environmentally friendly technologies used in the buildings: individual water treatment plant, biological sewage treatment system, water saving appliances used in guest rooms, solar panels on the roof. The resort also offers an "eco-wedding" package and kitchen inspired with "slow-food" movement (local, seasonal products, traditional cuisine).

<http://www.hotelmlynklekotki.pl/>

http://www.medialine.pl/artykul.php?getpage_id=4&getsubpage_id=2&artykul_id=6513