



Environmental Certification – GHP.ie Membership

Why should a Hotel, Accommodation Provider, Restaurant – hospitality business implement an Environmental Certification Programme? Or “What’s in it for me?”

There is no cost to Implementing Environmental Good Practice

The core focus in any environmental management system (EMS) is to be more Resource Efficient. The initial and ongoing focus is directed towards reducing consumption and production – use less to do more = Less Waste(Food & Landfill), Less Water, Less Energy. No cost and low cost savings will always outweigh the costs of implementing an EMS – leading to no actual net cost.

Investment is only required where the ROI to the business is acceptable to the business.

Grant Aid – Energy Efficiency improvements can generate grant aid up to 30% of the cost of the improvement – lighting, awareness programme, metering, equipment replacement, etc. *(Some lighting projects can deliver in excess of 100% of the project cost)* GHP.ie offers a service that will generate a higher grant aid than what is currently on offer by equipment suppliers, others. At the very least GHP.ie offers a free assessment to members regarding any “Free equipment/bulb” offers

GHP.ie is so confident that it can identify no cost savings far in excess of its membership fees that it offers a “Money Back” guarantee if it fails to identify these savings during a site visit (T&C apply)

GHP.ie has a number of fee schedules designed to suit the budget and current in-house “green” skills and knowledge

Enhance Profitability and Business Value

Resource Efficiency savings go directly to the bottom line – thereby enhancing the business profitability. The average savings achieved by hotels working with GHP.ie are €50,000 annually and GHP.ie has calculated that the average Irish hotel is wasting c. €200,000+ per annum in Energy, Water and Waste Management.

Adding €100,000 to a hotel’s EBITA will add c. €1,000,000 to the value of that hotel – this can lead to reduced interest rates from banks and underpin loans, etc.

What level of Sales would be required to add €100,000 to the bottom line of a typical hotel?



Enhanced Brand and Increased Competitive Advantage

National & International research shows that more and more consumers – corporate and individual – are more aware of their environmental impact – at home, on business and at leisure. These consumers can be influenced by brands adopting and implementing responsible practices.

Competition – where competitors implement a responsible tourism approach and your business does not – this gives the competitor an advantage. In the corporate market it is increasingly noticed that companies are including Environmental Questions in RFP's and many companies/organisations are only booking with responsible accommodation providers.

(Note: Most hotels complete RFP's annually, many use Lanyon. Most of these include environmental questions but most hotels are not formally implementing an EMS. So, what answers are they giving?)

Many Hotels that are part of International brands or Consortia are required to implement a Responsible Tourism approach as part of the brand standards.

GHP.ie operates the Green Hospitality Eco-label and Awards programme that is recognised nationally and internationally. Certified members are listed within its consumer website – www.greentravel.ie

Increase Employee Retention

Employees are consumers also and have the same motivations as customers – especially in relation to the environmental impact of the business they work in. They expect their employer to be responsible and will improve their productivity and loyalty where businesses adopt a responsible approach to the business operation.

The counter side is that employees are also intelligent. If a business is seen only to implement solutions that save money and really do not care about other environmental impacts employees can react negatively and even to the detriment of the business.

The GHP.ie programme promotes the development of a Green Team within the business that can engage and motivate employees – and spread awareness and implementation of cost saving measures.

GHP.ie runs training programmes and workshops – many free. Where charges apply members receive discounts. In-house, destination or group training can be provided.



Benefits of working with an EMS

An Environmental Management System enables a business to maintain the standards implemented and retain the cost savings achieved

Without a formal quality management system in place (EMS – GHP.ie Certification) the initial savings can leak away over time as there is no continued focus. Hospitality businesses rely on a multitude of people (staff) to be Green Aware – a formal system keeps this issue at the forefront of their daily activities

The GHP.ie is an EMS

Understand your Performance – Benchmarking/KPI's

SME's in Ireland tend to work in the dark and generally only look at input costs when looking at utility/environmental costs – Energy, Water, Waste. Using benchmarking and KPI's allows managers assess how efficient they are and quickly identifies deviations – which lead to increased costs.

When Benchmarks can be compared across SME's managers can quickly find out if greater efficiencies can be achieved – in consumption, in unit costs, etc.

Departmental KPI's/Benchmarking. Using a Monitoring & Targeting system managers can hold to account departmental managers for their utility costs and reward those who deliver savings.

(What is interesting about hotels is that KPI's are in daily use – ARR, €/cover, Labour %, GP%, etc. Yet rarely are utility costs properly measured and departments held accountable)

GHP.ie offers a benchmarking service as part of the annual membership fee (GREENTrack). Members are provided with a comprehensive Benchmark Workbook and on receipt of the years data GHP.ie will provide feedback to the member – KPI's, performance, set(if available), etc. Prior to any site visit GHP.ie requires a members data to enable the visit to have real value.

GREENTrack also works with a third party supply company to provide an M&T (Monitoring & Targeting) service which includes online monitoring and advice support.

GHP.ie operates a resource centre for members where they have access to advice, support, guides, tools, templates, newsletters, best practice, etc.



Legal Compliance

Hospitality businesses fall under the same Regulatory compliance requirements as any other business – with additional ones that relate to food and waste. It is expected that future regulations will focus on energy as Ireland is required to deliver on its International Obligations to reduce carbon.

Membership of a Certification Programme will keep a business up-to-date on current and new regulations. (There is no justification for any business not to be legally compliant with relevant legislation)

GHP.ie tracks changes to environmental legislation that effects the hospitality sector and keeps members aware of these changes, additions. Members have access directly to GHP.ie for queries or questions.

GHP.ie engages with various regulatory and compliance organisations to identify services, supports, etc. that can be offered to members to assist them in with compliance issues.

Avoid Green Washing

Following a recognised EMS programme (Such as GreenHospitality.ie) enables a business to avoid accusations of green washing or self-certifying.

(Green Washing is where a company claims to be Responsible but is either not telling the truth or has implemented some minor actions and uses these to portray itself as being Responsible because of these actions – Regular examples would include; Towel/Linen Reuse programmes where the business saves money, Declarations that all beef is 100% Irish, when it is a legal obligation to declare origin, etc.)

GHP.ie is a recognised Third Party certification programme offering a Type 1 Eco-label.

Certification

There is no requirement for a business/hotel to achieve certification if they are only interested in Resource Efficiency. Businesses can remain as members of GHP.ie and access the available resources – though if this is the plan GHP.ie recommends at least an annual site visit should be sourced – or a resource efficiency support service engaged with to maximise savings.

There is no time frame required for businesses to achieve certification if this is the route they choose.



GHP.ie vs Compliance & Third Party Supports

Hospitality businesses contract out many specialised supports where they perceive either value propositions or lack skills internally or operate on a risk avoidance approach. When contracted out these services are charged for, examples include;

- HACCP - €500-2,000 per annum
- Health & Safety - €500 – 2,000 per annum
- Etc...

Hospitality Businesses also join trade and membership organisations that lobby or represent their interests in a wider business sense;

- Trade Associations – IHF, VFI, RAI
- Business Associations – Chambers, ISME, SFA, IBEC

These cost from €hundreds to €thousands

Environmental Charges are also paid regularly;

- Carbon Tax – on all energy bills
- Packaging Waste Compliance – Repak/Local Authority - €400+ pa
- FOG – Fats, Oil & Grease – increasing costs

None of the above costs add value to the business.

Working with GHP.ie and targeting Energy, Water and Waste reduces a business's costs and delivers competitive advantage.

A mid-size hotel (Utility Costs between €175-€250,000) would pay GHP.ie from €495 to €795 per annum with the higher fee delivering annual benchmarking, certification, an annual property visit and review and access to all the GHP.ie resources and supports.

With typical saving potential of between 10-20% (€30,000+) this is a value proposition. When grant aid is identified this makes it even more of a value proposition.

As members achieve the required savings annual fees can be scaled back with reduced property visits.