



# Greener Business, Better Workplace

## Module 1

### Changing Enterprises in a Changing World: Continual Improvement and Joint problem- Solving for Sustainability



International  
Labour  
Organization



ILO/Japan  
Multi-bilateral  
Programme

# Acknowledgments

The Greener Business Asia project largely draws upon the successful experience of the ILO Factory Improvement Program (now SCORE) and it has also relied on the learnings and training resources of other projects and initiatives such as the ILO's Succeeding in Business, Better Factories, Equality and Non-Discrimination at Work in Cambodia.

Parts of the materials in Module 1 and 3 were adapted from presentations and training materials of ILO's Succeeding in Business and the Factory Improvement Program, parts of the materials in Module 4 were drawn upon resources from the Better Factories Program and upon the manual Equality and Non-Discrimination at work in Cambodia.

# Module 1: Changing Enterprises for a Changing world

## Main topics

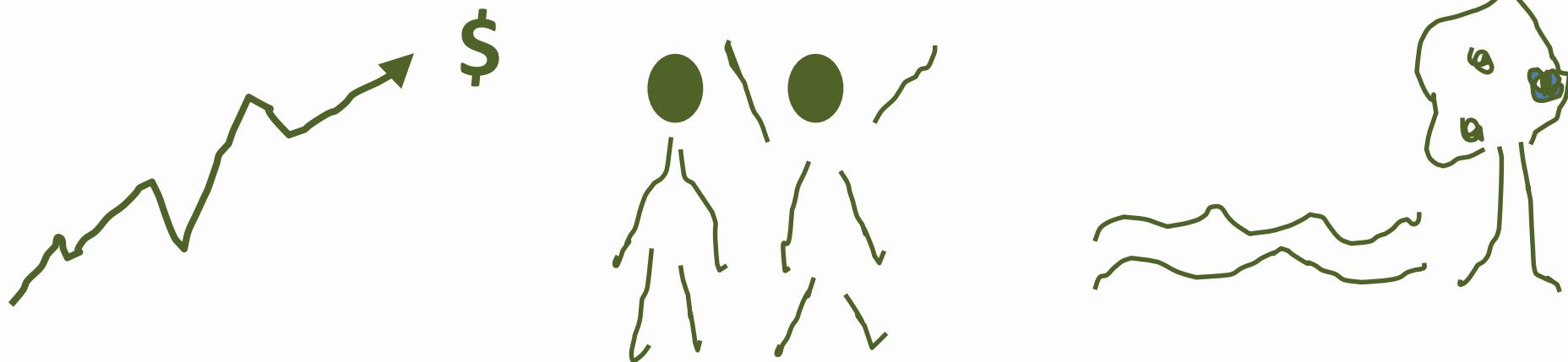
1. The hotel industry in a changing world: emerging challenges and responses
2. Continual improvement and joint problem-solving: key concepts
3. Continual improvement and joint problem-solving: tools and techniques

---

# The hotel industry in a changing world: emerging challenges and responses

# The hotel sector: the case of Thailand

- Important contributor to the economy
- Large provider of employment
- Significant environmental impact



# Strengths and challenges of the hotel sector



# Typical challenges in the hotel sector

- Good market positioning but need to address rising challenge from competing destinations
- Importance of dealing with changing customers demands and customer groups
- Need to manage costs while preserving superior standards of service
- Importance of hiring good staff and keeping employees committed

# Typical challenges at the level of hotel operations

- High operating costs - including energy consumption
- High operating costs - food & beverages
- Responding to changing a customer base and preferences
- Human resource management including skill needs and staff turnover

# The Thai tourism industry : the environment as a key asset

Courtesy of Naitram

- 103 National Parks
- 89 Wildlife Sanctuaries
- 3219 km of coastline
- Biodiversity (4951 recorded animal & 2829 plant species)
- Energy and water resources



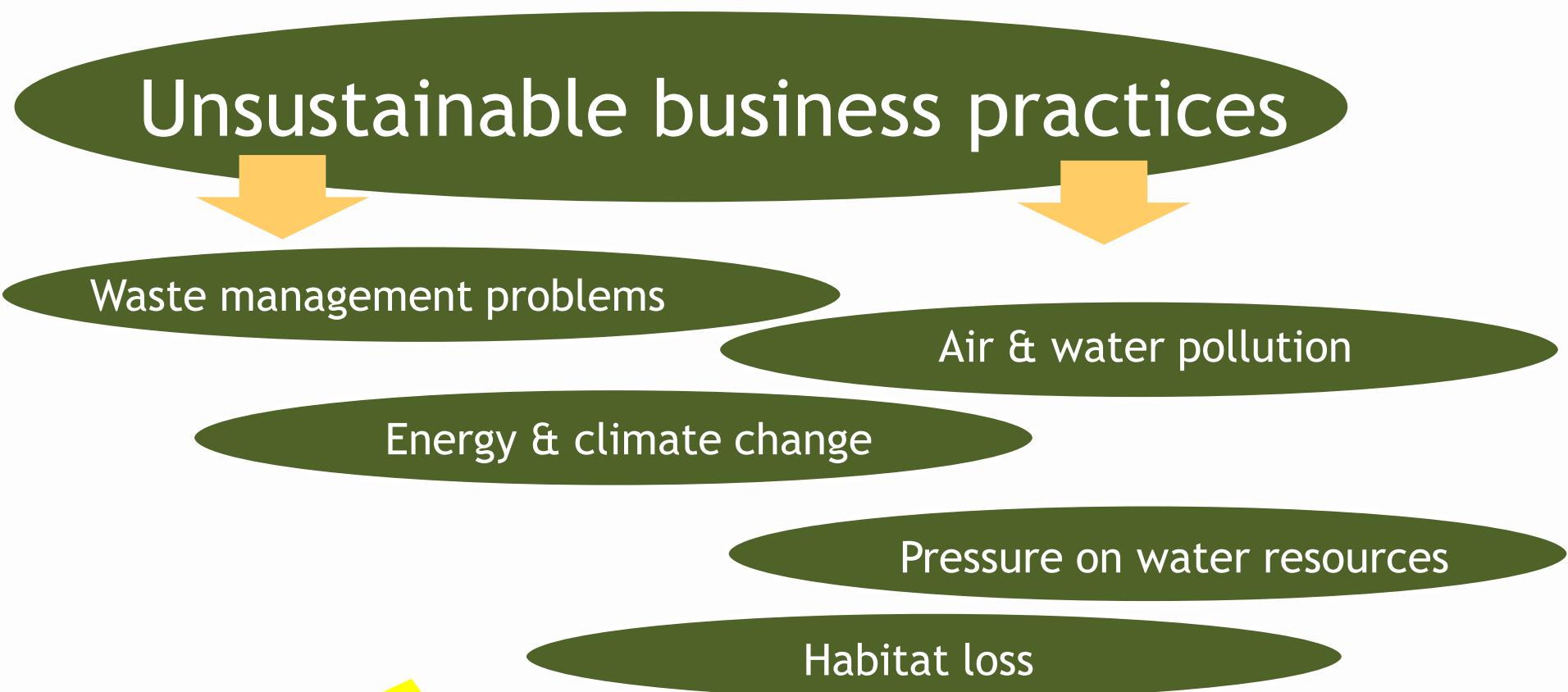
Courtesy of Diliff & Naitram



Courtesy of Diliff



# The tourism industry can pose threats to its own assets



# Hotels & their environmental impact



**Input**

Water, energy,  
environmental  
resources



**Output**

Services for  
customers

Solid waste,  
water  
pollution, ...

**Output**



# Other environmental issues

## Hotels operations and environmental impacts

Sewage	Water pollution and eutrophication
Solid waste disposal	Waste pollution, litter, entry into aquatic environment
Land transportation companies	Non-point source pollution
Facilities maintenance	Generation of wastes; risks of pollution
Guest consumption patterns	Overexploitation of fish and other marine species. Aquaculture impact on mangroves. Agricultural impacts on terrestrial ecosystems.
Beach maintenance and/or restoration	May affect local hydrology and habitats.
Operation of golf courses and other sports grounds	High use of water; pollution from herbicides, pesticides, and fertilizers; low biodiversity and loss of habitat
Water supply	Water over consumption; local water shortages

# Example: energy consumption: environmental and economic costs



The accommodation sector contributes 20% to the overall tourism-related carbon dioxide (CO<sub>2</sub>) emissions, which are the major factor behind climate change.

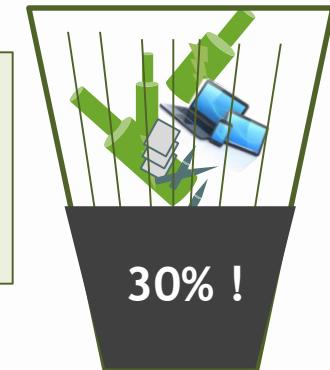
CO<sub>2</sub> emissions from the sector mostly relate to energy consumption.



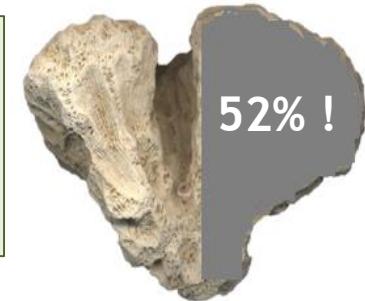
In Phuket, Thailand, electricity costs are 11% of total operating costs, the 2<sup>nd</sup> largest operating cost for hotels.

# Other examples of environmental challenges, Thailand

More than 30% of waste is improperly disposed and managed.

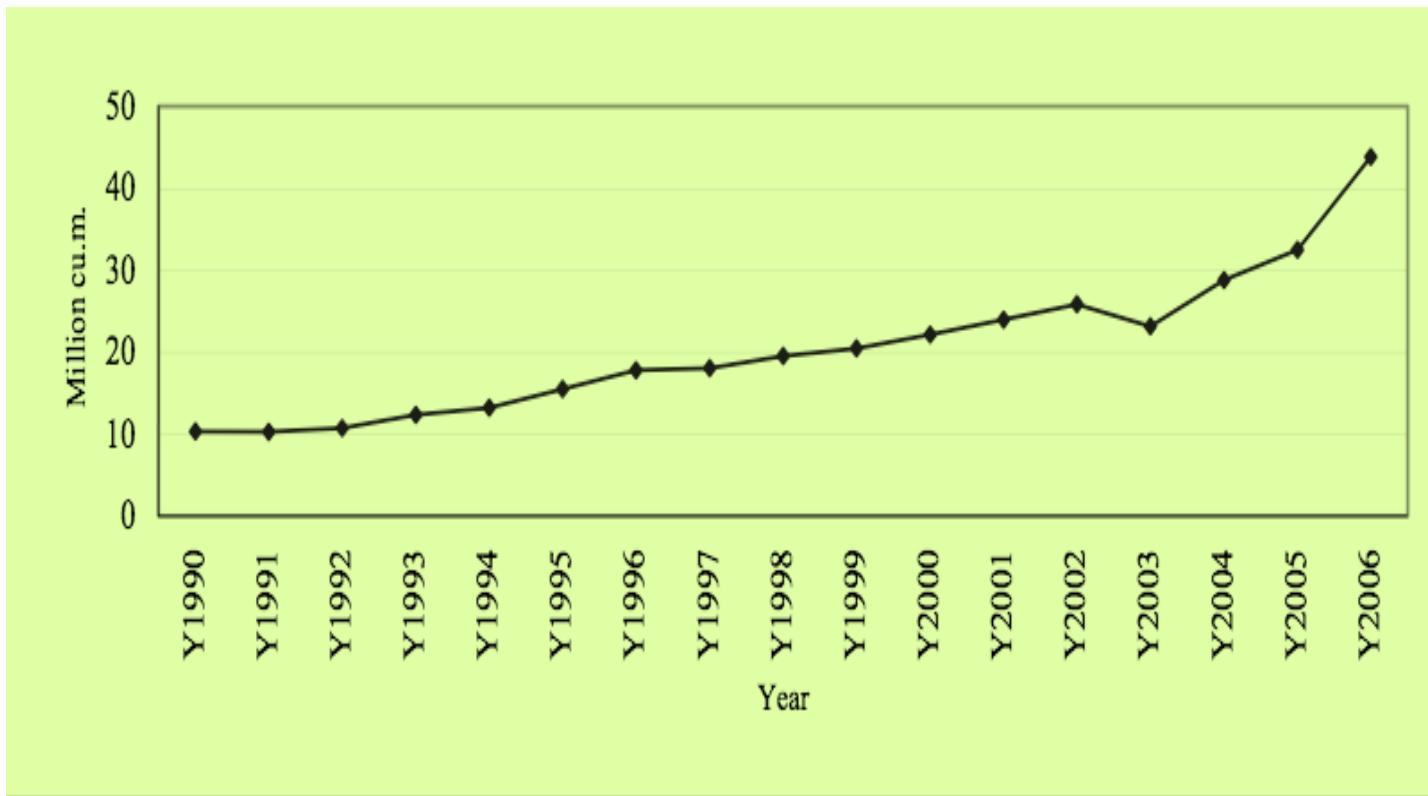


More than 52% of coral reefs are at high or very high risk.



Courtesy of Tomomarusan

# Example: Minimum water demand by foreign tourists in Thailand: over 40 million cu.m in 2006



# Example: Energy consumption

Energy consumption activities	Percent
Space cooling/heating	31%
Hot tap water	17%
Cooling	15%
Lighting	12%
Cooking	5%
Office equipment	4%
Ventilation	4%
Refrigeration	3%
Others	9%

Source: ILO, *Development and Challenges in the hospitality and tourism sector, 2010.*

# Going greener: who will benefit?



Better health, safety and security of employees as well as customers

Better quality of life in surrounding area

More resource efficient and better able to respond to customer demand

Reducing negative impact on the environment

# Beyond green - changing world, changing businesses

In an increasingly dynamic and international market environment, an enterprise's competitiveness does not depend on cost and price alone.

Rather, it is also based on

- customer orientation and the agility to respond to changing customers' preferences
- the ability to innovate and to provide value for money

This in turns rests on

- Good workplace and HR practices (including equality of opportunity and treatment) and worker-employer relations for retaining and growing talent, encourage knowledge-sharing and innovation, respond to customers' concerns on businesses' social impacts

# Beyond Green:

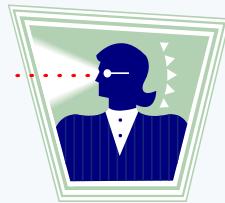
Business of yesterday

OR

Business of tomorrow?



- Only thinking of short-term financial gains
- Business working in isolation - little recognition of reliance on workers and society
- Business in isolation: little recognition of their reliance on the environment



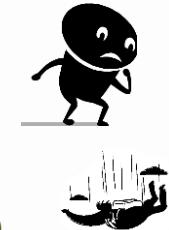
- Strategic thinking about lasting success
- Business as part of a bigger system: fully respects and supports workers and social progress
- Business as part of a bigger system: helps conserving environmental assets



# Business thinking and strategies are changing and many leaders are shifting to new approaches that can give a stronger and durable edge over competitors.

## Old business thinking:

- Focuses only on immediate financial gains, ignoring longer term benefits and sources of competitive advantage
- Looks at the business in isolation, forgetting that it critically depends on people both inside and outside the organization: its workers and its customers
- Looks at business in isolation in that it ignores its role in preserving and looking after the natural environment on which it depends
- Believes that doing good is a marginal aspect of business operation
- Believes that competition is only about price and cost cutting (race to the bottom)



## Emerging business thinking:

- Focuses on broader and stronger basis of success that give lasting competitive advantage
- Looks at business as part of a larger world, as relying on and contributing to social progress
- Looks at business as part of the larger world, and recognizes its reliance on the environment and the need to protect it
- Places sustainability and the new thinking at the core of its business strategy
- Believes competition has to include quality and strives to continuously improve



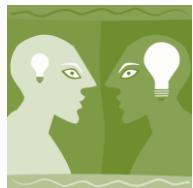
# Drivers for change in the hotel sector



Guests and tour operators concerns -  
the local environment & sustainability  
principles



Impacts and relations with local communities



Staff retention and talent development,  
ability to innovate and improve



Cost savings for businesses through  
higher resource efficiency

# What is Greener Business Asia & how can it help you?



# Improvements and results are within reach - examples from GBA Phase I

*Improvements and results by hotels that participated in the piloting of the GBA training package:*

- Innovative strategies for guest engagement: laundry expenses reduced by **18% (over 10,000 USD savings per year)**
- Process control and workers' participation measures >> **30% energy savings**
- Food audit introduced >> **42% reduction in food waste**



# Achievements in the improvement path



Worker-management teams  
established and running



Workplace improvements



Revived OSH committees  
taking action



Stronger staff engagement  
and participation



Replacement of chemicals with env.  
friendly cleaners produced in-house

# Taking action, achieving results

Diverse teams of workers and managers that participated in the pilot phase of GBA used the tools and practical knowledge acquired in the course to get motivated and take initiative to improve their hotel environmental and economic performance and workplace conditions

They were successful in achieving concrete benefits and results for the hotels, their workers and the wider environment

# The GBA Approach



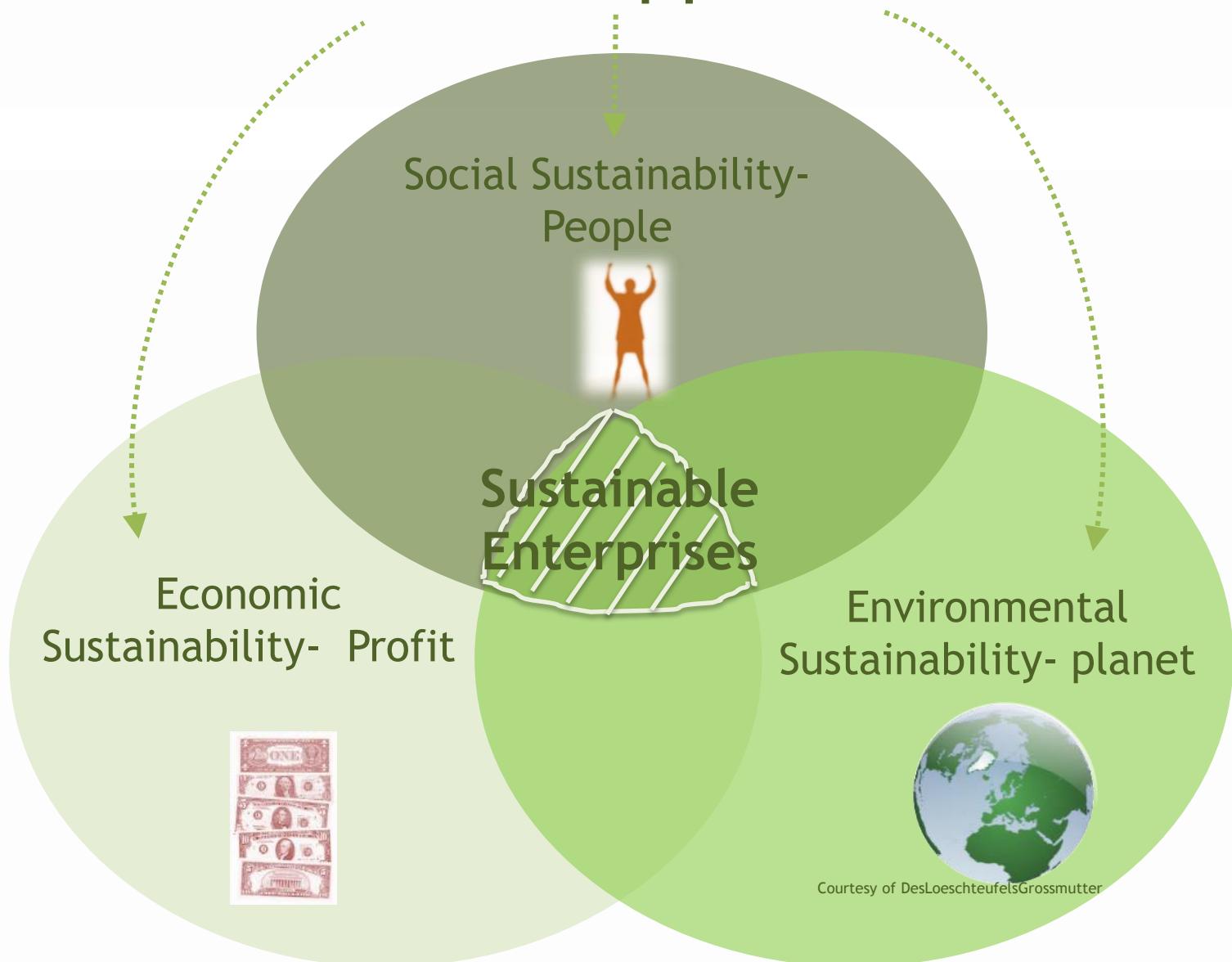
# The GBA approach

- The GBA approach starts from the understanding that improvements in different aspects of enterprise operations are mutually supportive and beneficial. For example
  - Better working conditions, workplace diversity and equal treatment typically are linked to better quality of services and products thanks to more committed and productive workers;
  - A more efficient use of resources, including energy and water, involve better environmental performance and cost savings.
- For improvements to be successfully implemented in practice and become part of the day-to-day functioning of the enterprise at all level, they need to be based on worker-employer cooperation and dialogue, which helps secure commitment and full participation.

# Sustainable enterprises

**Sustainable enterprises recognize the economic and social aspirations of people inside and outside the organization on whom the enterprise depends, as well as the impact on the natural environment**

# GBA support





Courtesy of Producer

# GBA Phase I: Key facts

- Countries: Thailand & Philippines
- Sectors: Hotels & Manufacturing

## Sectors

- Support: Government of Japan



Courtesy of Rugby471





GBA

# Objective & Methodology



Assisting enterprises, workers and employers to achieve sustainable enterprises with greener workplaces through workplace cooperation

By

- Providing practical tools and knowledge resources
- Offering training workshops for enterprise teams
- Assisting with follow-up support and knowledge-sharing among enterprises

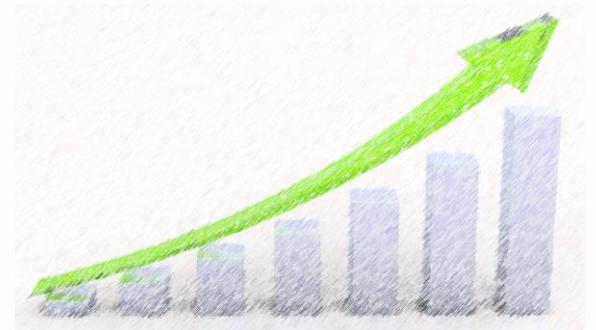
# How is GBA different from other 'green' programs?

- Environmental issues are integrated in overall logic of improvement.
- Based on worker-manager cooperation.
- Secures buy-in through progressive structure and emphasis on business case.
- Light-weight and flexible structure to respond to the need of enterprises



# GBA - Expected benefits I

- Competitive businesses that are more desirable places to work.
- Better, cleaner and more collaborative workplaces.
- Wider efforts towards resource efficiency across hotels departments and functions.
- Cost savings through more efficient use of resources and less waste.



# GBA -Expected benefits II

- **Commitment:** Businesses that are more committed to their workers and workers that are more committed to their jobs.
- **Engagement:** A wider engagement of employees in ensuring service quality.
- **Preparedness:** Businesses that are better equipped to face up to increasingly complex global challenges.
- **Responsibility:** A deeper level of social and environmental responsibility.



# GBA Program - Hotel Sector



# GBA - process

Identification of hotels and training participants

GBA presentation for executives - Day 0 - 1.5 hour session

Core training - Joint: managers & staff - Day 1, 2 and 3

Break

Elective thematic training sessions

Follow-up support

Knowledge-sharing

## Exercise Option 1: Hotel of the Year Competition



You are a committee of judges who has to select the winner of the prestigious competition ‘Hotel of the Year’

List at least 5 criteria that you would use to make your selection (what makes a hotel successful? What makes it an example for others?)

1. \_

2. \_

3. \_



# Exercise Option 2 - A Debate at the Hotel Blue Wave



## Form 2 teams

- **Team A** is a group of managers and staff from Hotel Blue Wave who wants to implement a Green Hotel program.
  - **Team B** is a group of managers and staff at Blue Wave who opposes the program.
- 
- ✓ Prepare your respective arguments and defensive points.
  - ✓ Identify one champion to present your position.
  - ✓ The two champions present their positions.



# Continual improvement and joint problem-solving: key concepts

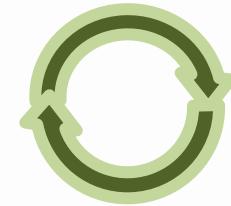
# What is Continual Improvement or Kaizen?

---

## *What is it?*

A way of thinking and taking action in enterprises to get better and better at what they do and how they do it

# Why continual improvement?



- To respond to changing markets
- To deal with complex customers' preferences
- To achieve excellence in operations and processes
- To instil commitment across the organization and workplace
- To turn a vision of a sustainable enterprise and greener workplace into real changes



# Where to apply continual improvement?

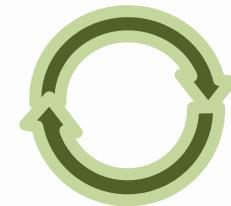
- In all areas of the workplace and all aspects of enterprise operations
- Continual improvement can be about making the enterprise greener, about making workplaces safer, about delivering higher quality services

# Continual improvement - How ?

- By recognizing that there is always room for improvement
- By continuously looking for ways to do things better, finding problems and solutions - improvement is not a one-off event
- By involving everyone in the enterprise and creating mechanisms for workers to share insights and make proposals - they are the ones that know enterprise operations first hand
- By focusing on step-by-step improvements



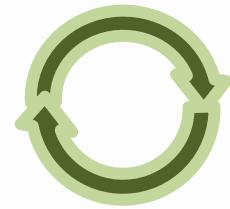
# Key conditions for continuous improvement



- Systems and people
- Ongoing effort to identify & solve the causes of problems.
- Tools and techniques for identifying & solving problems
- Workplace cooperation, which in turn rests on good worker-employer relations and respect for workers' rights
- Measuring and monitoring change



# People and systems - the basis for improvement



## People:

Staff and management in charge of running the hotel and delivering the services

Why are they important: People are the core of all enterprise operations and key to the quality of service



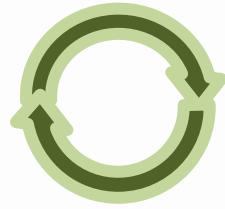
## Systems:

Standards and procedures to carry out a process or a specific task (e.g. Policy for handling of chemicals; Standard Operating Procedures (SOP) for room cleaning)

Why are they important? To ensure quality and safety, to facilitate the task/operation at hand; to help training new staff



# People and systems - the basis for improvement - How?



## People:

When you are looking at ways to improve, questions to ask include:

- Are they committed and satisfied with their jobs?
- Are they given clear responsibilities?
- Are rights at work respected?
- Is there dialogue and cooperation?
- Do they need additional/different training?
- ...

## Systems:

When you are looking at ways to improve, questions to ask include:

- Does the hotel have the necessary procedures and systems in place?
- Are they good enough? Are they clear and well communicated?
- Do they need updating?
- Are they part of induction and training programs?
- ...



*Make sure systems work for people  
and people know the systems*



# Problem solving for continual improvement

- Problem-solving tools and techniques are not just about problems but can be used to identify opportunities for improvement
- If we look at problems, the key is to identify causes and resolve problems striving to go beyond a simple ‘fix’ towards further improvement.
- Encountering problems is just part of being day-to-day business



# Problem solving with a mindset for improvement

## Ask the right question

When something goes wrong, Don't try to fix things and get them back to the way they way they were before.

## Ask yourself

“How can I fix things and make them better than they were before?”

- This question will stimulate creative problem solving.
- Brainstorming is a helpful technique to generate creative solutions.

# Joint problem-solving

## What is Joint Problem Solving?

Solving problems and finding opportunities for improvement in diverse groups using team-based tools and techniques



### Benefits of Joint Problem Solving

- ✓ Diversity of background/roles encourages creativity and innovation.
- ✓ Value of inputs from those who are hands-on on the job.
- ✓ Joint discussions help build shared objectives, commitment and motivation.

---

# Continual improvement and joint problem-solving: tools and techniques

# 5 step process to solving a problem or improve an unsatisfactory situation

Step 1 : Identify your goal and define the problem:  
what would you like the situation to be? (Be specific)

Step 2: Find root causes of the  
problem/unsatisfactory situation

Step 3: Identify possible solutions

Step 4: Evaluate possible solutions and select the  
most appropriate ones

Step 5: Plan action

Step 6: Evaluate the outcomes

# Step 1 - Identify your goals and define the problem/issue for improvement



## Questions to ask:

- What is your goal?
- What would you like the situation to be?



## Useful tools and techniques

- Brainstorming
- Eco-mapping

# Step 2 - Find root causes of the problem/ unsatisfactory situation

## Questions to ask:

- What are the causes of the problem?
- For each cause, work backwards, keep asking why? until you find the root cause of the problem
- Collect information to help identify most significant causes of a problem



## Useful tools and techniques

- Fishbone diagram
- Pareto diagram
- Brainstorming



# Step 3 -Identify possible solutions



## Questions to ask:

- What are the most significant causes of the problems and how we can address them?



## Useful tools and techniques

- Brainstorming
- Group discussion

# Step 4 -Evaluate possible solutions and select the most appropriate one



## Questions to ask:

- What are the advantages and disadvantages of each possible solution?
- How feasible are they?
- Should you combine different solutions for better results?



## Useful tools and techniques

- Group discussion on advantages and disadvantage of each solution and evaluate their feasibility

# Step 5 - Take action

## Questions to ask:

- What resources (people, finances, expertise, others) are needed to implement the solution?
- What are the steps for implementation?
- How to you document / measure change?
- Who should be involved in implementation? Who should lead?
- Should you ‘pilot’ the solution first?

## Useful tools and techniques

- Group discussion & brainstorming
- Measurement tools and tips

# Step 6 - Evaluation and feedback

## Questions to ask:

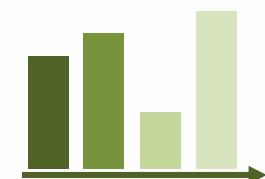
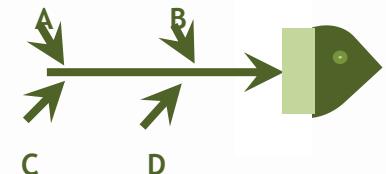
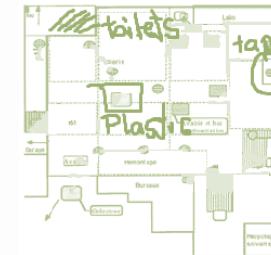
- Was the solution implemented?
- What was the result? (use evidence/measurements)
- Has the goal been achieved?
- If not, do you need to find an alternative solution?

## Useful tools and techniques

- Group discussion and brainstorming

# Some tools and techniques for problem solving

- Brainstorming
- Ecomaps
- Cause and effect (“Fishbone”)
- Diagrams





# Brainstorming

Brainstorming is a technique for generating new ideas as a group and it can generally be helpful in discussions that seek to stimulate creative thinking. It can be used as part of a process of identifying innovative solutions to problems and opportunities for improvement

## How to do it?

- Bring in a diverse group of people
- Hold the meeting in a relaxed and informal setting
- Define the question/problem for discussion clearly.
- Ask participants to speak out every idea that comes to mind.
- One person notes down every idea on a board/large sheet of paper.
- Only after all inputs have been noted down, the group starts discussing them, analyzing them, and combining them



# Brainstorming - Rules



## Rules

- ✓ Focus on quantity.
- ✓ Withhold criticism.
- ✓ Welcome unusual ideas.
- ✓ Combine and improve ideas.



# Eco-maps

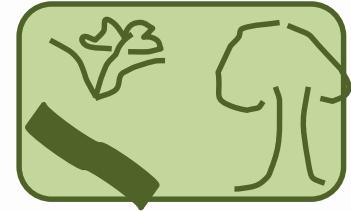


## Introduction

Eco-maps are a tool for the visualization and identification of problems / issues for improvement in your workplace and for identifying ‘hot spots’ where many problems concentrate. They are a tool used in a group setting and they stimulate cooperation and learning.



# Eco-maps - How?



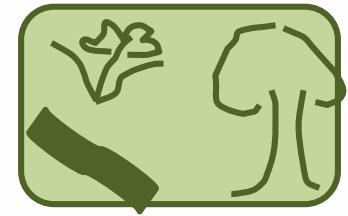
## How to do it?

1. Choose problem area/theme to address (i.e. energy, water, waste, occupational health and safety,...)
2. Draw crude outline of workplace area on paper with key functions, machinery and facilities.
3. Decide your own symbols, i.e. circle=big problems, square=medium problem, etc.
4. Put one transparent sheet on top of your drawing
5. Mark problems in respective spaces/ locations using the symbols you chose
6. Replace the used sheet with a new transparent & follow procedure for a new problem area/theme.

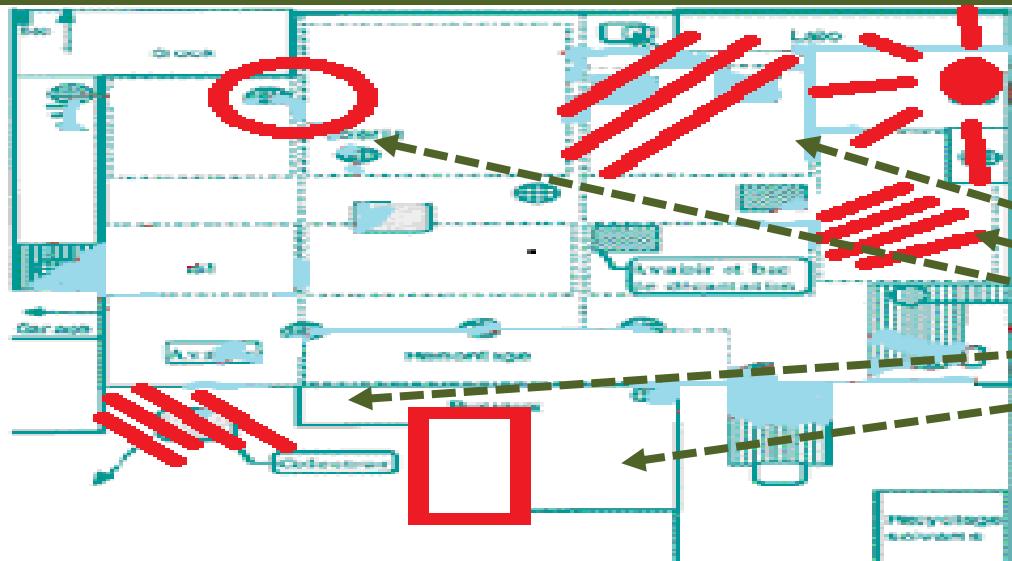
*After selecting the problems you want to address, you can start analyzing their causes, and finding solutions, for example using the Fishbone diagram (see next tool).*

# Example:

## Energy eco-map of an office



### Developing an energy Eco-map



- Lights on even during day
- AC is too low
- Isolation not optimum
- PC's left on at nights
- Staircase light always on
- Windows open & AC on



# Fishbone / Cause- Effect Diagram



The Fishbone diagram is a tool used for identifying root causes of problem/unsatisfactory situation to correct them

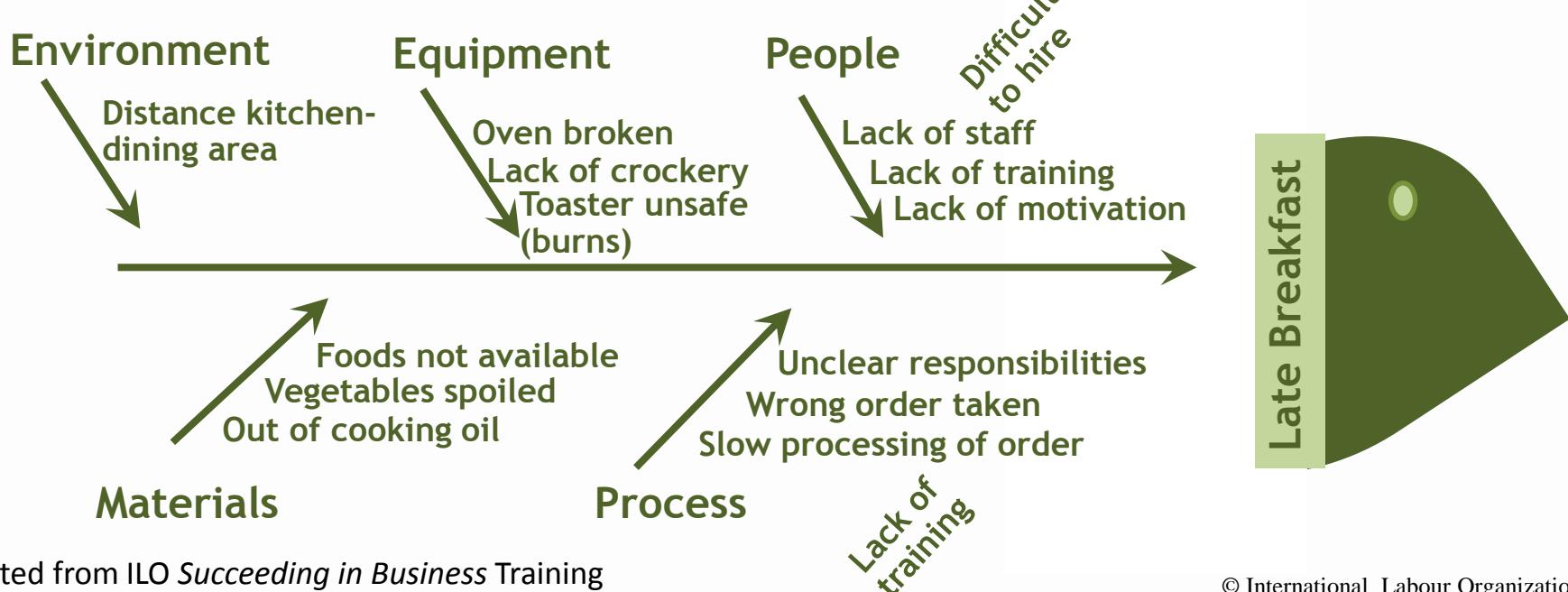
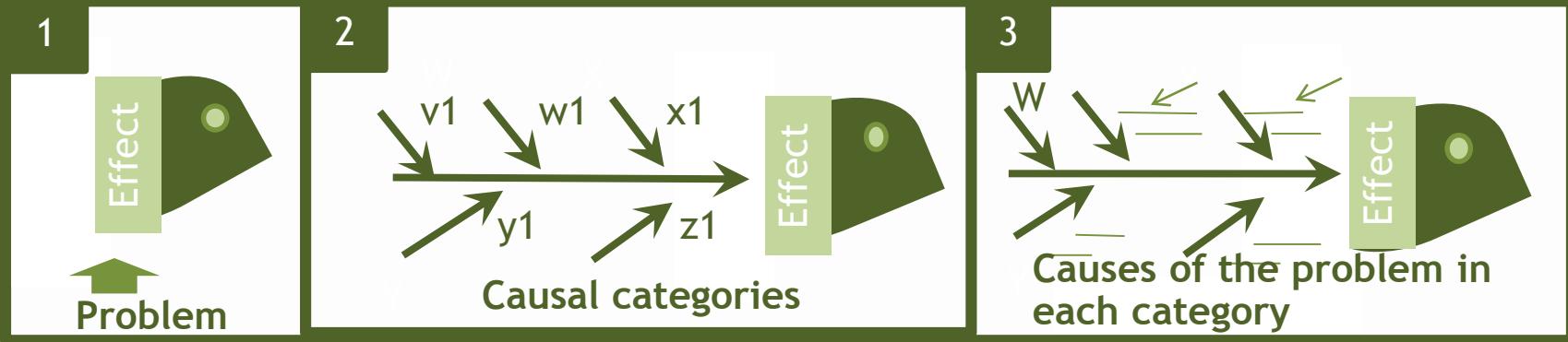
## How is it used?

- Gather a small group of people
- Select problem to address
- Set the problem as the effect (head of the Fish)
- Mark down broad categories of causes - typically you should look at *Processes, People, Equipment, Materials, Physical Environment* (the large bones of the Fish)
- For each category, think of possible causes of your problem and note them down in the diagram (the smaller bones of the Fish)
- For the various causes you found, try to find their own causes
- Once finished, look at the diagram to start thinking how you can correct the main causes of your problem

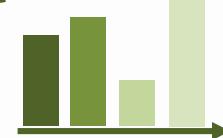
# Example: Why is breakfast service often late?



## Steps to create a Fishbone Diagram

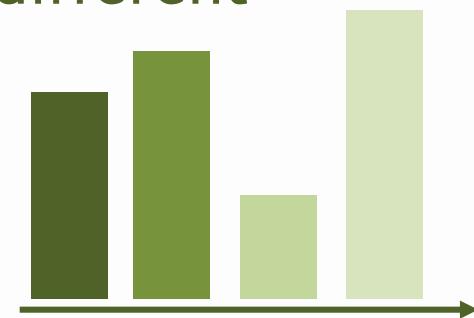


# Graphs and charts to collect and plot information

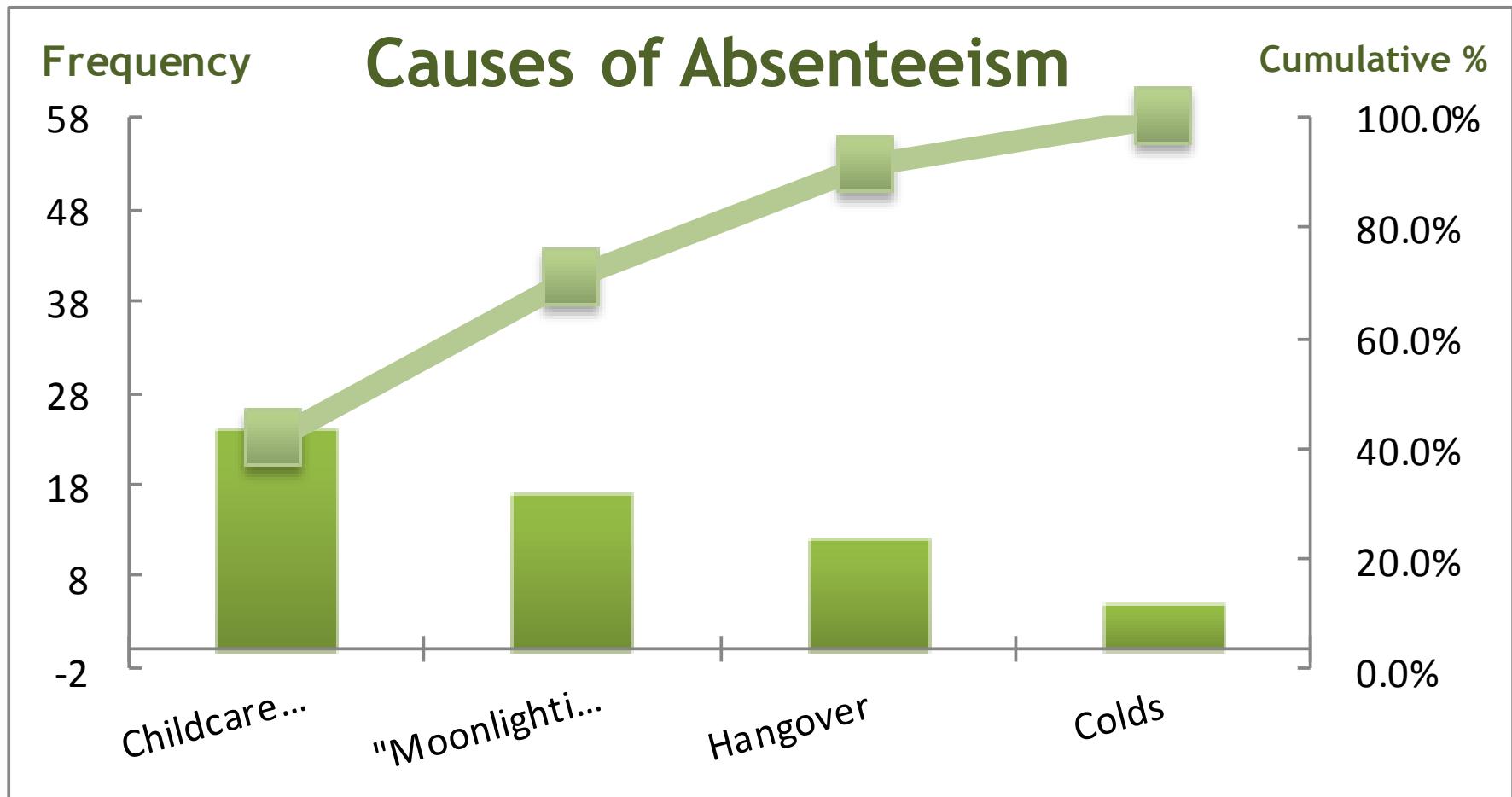
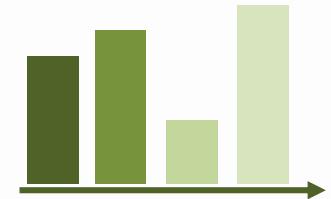


Diagrams and Bar charts like can help visualize information and measurements

This in turn can help you understand information about a situation or problem, for example by allowing you to compare different causes, or identify trends



# Pareto (Frequency) Diagram



# Measure to manage, measure to Improve

## Documenting and measuring- why?

- To identify and better understand problems
- To monitor progress as you carry out improvement actions
- To measure/document results, by capturing the changes before/after an improvement action
- To communicate and report on actions taken and results achieved to other staff and management



# Visual documentation

---

Can be used for

- Capturing visible changes in workplaces - documenting the problem/ the ‘before’ situation and the same place/area following the action (the ‘after’ situation)
- Capturing initiatives and activities undertaken (e.g. photo of a training session)

# Measurement and monitoring improvement through indicators

## What are they?

Indicators are agreed measures for monitoring change over time and for documenting results achieved

Indicators can be

**Quantitative:** they typically use information/data that can be counted

**Qualitative:** they typically use information based on opinions or on presence/absence of specific conditions

## When are they used:

- **Before:** the required information is collected before the improvement action starts
- **During:** while the action is being carried out
- **After:** following the completion of the action

# Documenting, monitoring and measuring improvement

## How to document monitor and measure?

- Through visual documentation: before & after photos
- Through specific indicators: quantitative & qualitative measurements (e.g. staff turnover rate; percentage of staff reporting being satisfied with the canteen; presence of training room)

## When to use visual documentation and indicators?

Always, when identifying an improvement action, decide on how to measure progress and results by choosing indicators

Use indicators and visual documentation *before, during and after* improvement action

# Measuring and monitoring - energy consumption (basic indicator)

Electricity purchased (kWh)

---

Room-sold

Each month

Note: compare it to the same month of the previous year to see the difference under similar climatic conditions

Hotels usually conserve their energy bills and records on room sold, so it is easy to find the data

# Measuring and monitoring - water consumption (basic indicator)

Water purchased (Litres)

Each month

Room-sold

Note: compare it to the same month of the previous year to see the difference under similar climatic conditions

Hotels usually conserve their water bills and records on room sold, so it is easy to find the data

# Continual improvement and problem solving: dialogue and cooperation as a key success factor

Successful and effective problem solving and continual improvement is based on:

- **Different people with different skills, knowledge and perspectives:** collective knowledge is much larger than individual knowledge!
- **Open discussion and sharing ideas:** new knowledge and better understanding is generated through dialogue!
- **Developing shared goals and taking joint action-** teamwork and participation make things actually happen!



Keywords: openness, respect, trust, dialogue

*See module 3 & 4 for principles and practices of workplace relations and cooperation*



# Exercise - Eco-mapping

- ✓ Group with the other participants from your hotel
- ✓ Choose one hotel area/department to assess for improvement
- ✓ Draw its spatial outline (follow the tips for ecomapping)
- ✓ On a transparent sheet, identify and mark problems/ areas for improvement in terms of ENERGY CONSUMPTION
- ✓ Identify and mark problems/ areas for improvement in terms of WASTE MANAGEMENT