# teaching note

More Participation, Efficiency, and Consistency: The case of the Sands ECO360° Global Sustainability Strategy

## Summary of the case

Becoming a sustainable corporation does not come with its own efforts, rather, there has to be a global agreement between countries on whether the corporation complies with the environmental sustainability policy with consistency across the world. As a global company that has operations in both developed and developing countries, it is important for Las Vegas Sands (LVS) to understand how profound the impact would be of its prosperous convention-based integrated resort business and implementing its existing sustainability practices.

While main goal for the LVS is to increase revenue, the company obtained the ISO 20121 certification in May of 2014 because of its commitment to helping the environment with the Sands ECO 360°. Focus of the Sands ECO 360° heavily on building and operating properties with a low environmental footprint, looking at four main pillars, which are Green Buildings, Environmentally Responsible Operations, Green Meetings, and Stakeholder Engagement. In order for the program to be even more successful, increasing the number of participation to the program, achieving highly efficient (cost-effective) project implementation, and maintaining consistency in its global operations in the United States and Asian countries including China and Singapore are the key issues LVS needs to deal with.

#### **Target audience**

The case study places its emphasis on environmental sustainability in the MICE industry. The concept is understandable both at the undergraduate and the graduate level. However, different teaching approaches should be taken for different target audiences. An undergraduate level course instructor may want his/her students to thoroughly understand and analyze a contemporary issue of environment over the industry, whereas a graduate level course instructor would expect students to discuss about the concurrent issues of sustainability based on their readings of the case study. The themes presented in the case study are still adoptable for any hospitality courses dealing with sustainability issues.

## **Teaching objectives**

Based on the sustainability issues presented in this case study, the teaching objectives are to:

- Understand impacts of the environmental-friendly efforts in the MICE industry
- Understand roles of technology and environmental standards to the sustainability in the industry
- Familiarize with internal and external issues, which are to arise from continued operation of the ECO 360° sustainability program.

#### Learning outcomes

Since this case study deals with real-world examples of sustainability issues, students are expected to understand current applications of the best practices as well as the ongoing sustainability related issues. By the end of the lesson, students should be able to:

- Compare both benefits and harms that the MICE industry produces.
- Evaluate different ways of how the industry contributes to the environmental protection.
- Demonstrate background information of the Sands ECO 360°: 1) why/how was this program developed, and 2) what are the environmental, economic, and social benefits from this program?
- Analyze both internal and external issues of continued implementation of Sands ECO 360°

#### **Recommended teaching approach**

Depending on instructors' course objectives, this case study can be taught in many ways. However, it is recommended for an instructor to have at least four class sessions toward this case study. In the first session, an instructor may want to begin with an introductory lecture about MICE industry and environmental issues related to the industry. The instructor helps students have an understanding of those issues in a comprehensive manner by providing various industry examples in real world. An appropriate teaching method could be a verbal and visual lecture. Once the students feel a need of contemplating the sustainability issues, they may be ready for the next session.

In the second session, an instructor may want to introduce Las Vegas Sands (LVS) as a pioneer of the "Convention-based Integrated Resort," and give them an overview of its environmental-friendly program, named Sands ECO 360°. In this session, students should thoroughly understand about LVS and Sands ECO 360° program (e.g., Sands ECO 360° global sustainability strategy, its meeting program, environmental award, etc.). To evaluate students' understandings, students may be assigned for team or individual projects to get familiar with LVS and Sands ECO 360° program.

The third and fourth session could be dedicated to class discussions about internal and external issues of the program. This exercise could be a good opportunity for students to think deeply about the sustainability in the MICE industry. Specifically, this practice can be followed by a small group discussion. Students would first be asked to form small groups in five minutes. Instructions are given to each group to write a micro-synopsis of the case study including short summary and own discussion questions. Once these steps are completed, the instructor can begin the class discussion. First, each group presents its summary to the class, then leads the small discussion by asking its own discussion questions. Appropriate time should be allotted depending on how many groups are created in the class. Larger number of groups may result in less time for each discussion topic. Once all teams are done with leading the discussion, the instructor will assign students the individual tasks as a last check-up of their understanding. The individual tasks may include a brief summary and opinion/perspective of the issues in students' own words. The following questions are examples of discussion questions:

- How can Sands ECO 360° encourage meeting planners to use the sustainable features proactively?
- How can LVS increase efficiency of the project implementations (e.g. energy management, resource management)?
- How would you deal with different policies in different countries in terms of integrating a consistent sustainability program?
- What could be a role of technology in supporting the more efficient operations of the ECO 360°?
- How can LVS project and deal with a change of the EPA regulations?
  Analysis of teaching objectives

Main objectives of this case study include thorough investigations of internal and external issues of LVS' Sands ECO 360° program. Those issues should be discussed as one of the efforts of improving environmental-friendly business plans throughout the MICE industry.

## **Internal issues**

First, a current level of participations of ECO 360° program is in the beginning stage. LVS should seek for various ways to increase the awareness and perception of existing clients (e.g., meeting planner) on sustainability issues. In order to do so, it is very important for LVS to differentiate the sustainability strategies to encourage its clients to meet green-responsibilities.

Second, once LVS has set the guidelines of green practice strategies, LVS keeps and boosts its program more efficiently. One of the major concerns is that the primary investments on sustainability is enormous: "LVS has spent significant amount of money and resources on upgrading existing properties in accordance with the green building standard, as well as setting up necessary technologies." It is a LVS' responsibility to keep the sustainability practices updated and make them more efficient.

Third, LVS operates several global locations while its main location is in Las Vegas. Other locations include China and Singapore as well as a domestic location (i.e., Pennsylvania). Operating have caused some issues including a lack of consistency and stability in terms of implementing sustainability practices across the global locations. While LVS focuses on building consistency to strengthen its environmental-friendly program all over the branches, there appears to be a number of challenges. If those challenges cannot be resolved, the ECO 360° program may encounter significant consequences such as negative financial performance and hindrance from further expansion of the sustainability program.

## **External issues**

First, when considering sustainability in the MICE industry, it needs to be viewed at more fundamental resources from outside. As one of the fundamental resources, technology can play a critical role in many aspects of the ECO 360° operations. For instance, mobile technology can reduce paper-based materials (e.g., convention information, schedule, map, etc.). In order to take competitive advantages from the innovative technology, LVS should have a clear vision and a specific plan of integrating those technologies into its sustainability operations.

Second, LVS should closely keep track of updated EPA regulations. Those regulations change along with various external situation including political and economic variations. Thus, it is a LVS' responsibility to frequently check the regulations, and cope with them in a proactive manner.

## **Additional Readings**

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