



Environmental responsibility and business success. *Growing together.*

Promoting Sustainability – Inside and Out
NHBSR 2011 Webinar Series
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Introduction and background: SymbioSus™

- **Mission:** To help small to medium-sized businesses increase profits and competitive advantage by integrating environmental sustainability actions with core business operations
 - **Reduce** risk, cost, energy/resource use, waste, and environmental footprint
 - **Increase** resource efficiency, customer, employee, and community satisfaction, and profits
- Help organizations assess, plan, implement, measure, and report improvements that benefit:
 - People, planet, profit
- We work with wide range of companies and industries, and scale projects to meet the specific needs of each client.



Key topics

- Brief sustainability overview
- Internal communication – sustainability business case
- Optimizing implementation
- External communication – sustainability actions & results



Sustainability – definition, criticality, stakeholder view



Sustainability: The 21st-century definition

Sustainability

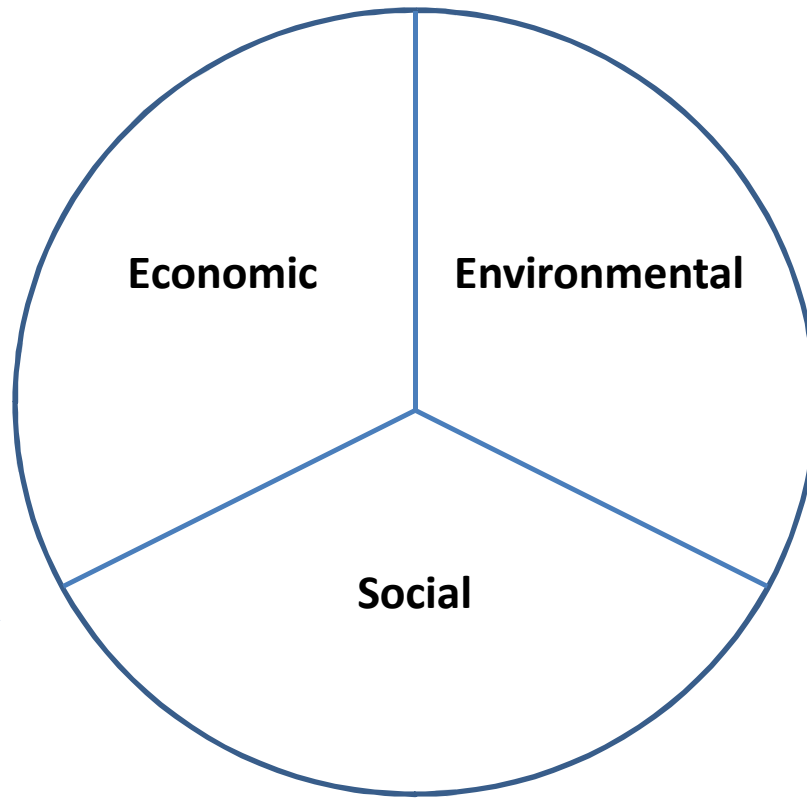
The ability to meet today's economic, environmental, and social needs without compromising the opportunity for future generations to meet theirs.¹

A balanced focus on “people, profits, and planet”



¹Brundtland, G. H. (1987). *Our common future: The World Commission on Environment and Development*. Oxford, U.K.: Oxford University Press.

Sustainability: Critical to survive & thrive into future



Sustainability: A broader stakeholder view



Stakeholders

- Formerly limited in scope & impact
- New reality:
 - Much broader stakeholder awareness & interaction required
 - The environment itself is a stakeholder
 - Affects:
 - » Employee & community health
 - » Raw material / resource availability & costs
 - » Organizational reputation

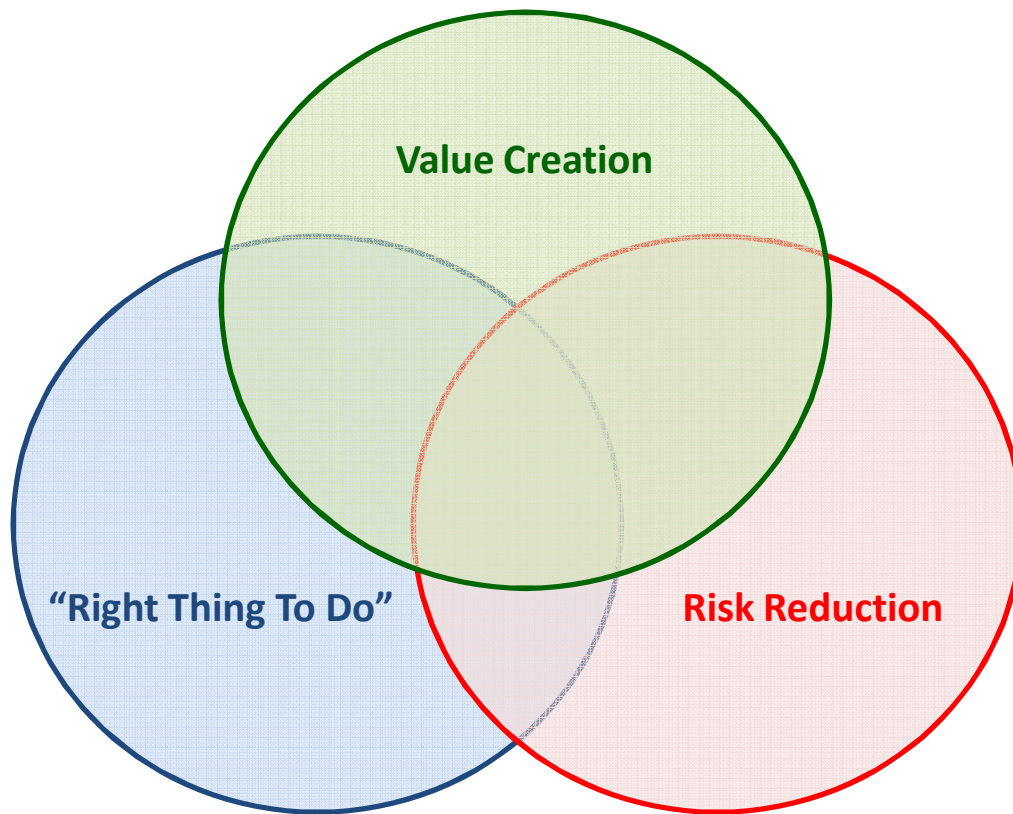
²Esty, D. C., & Winston, A. S. (2006). *Green to gold: How smart companies use environmental strategy to innovate, create value, and build competitive advantage*. New Haven, CT: Yale University Press.

Successfully communicating the business case for sustainability to internal stakeholders



Promoting the sustainability business case internally

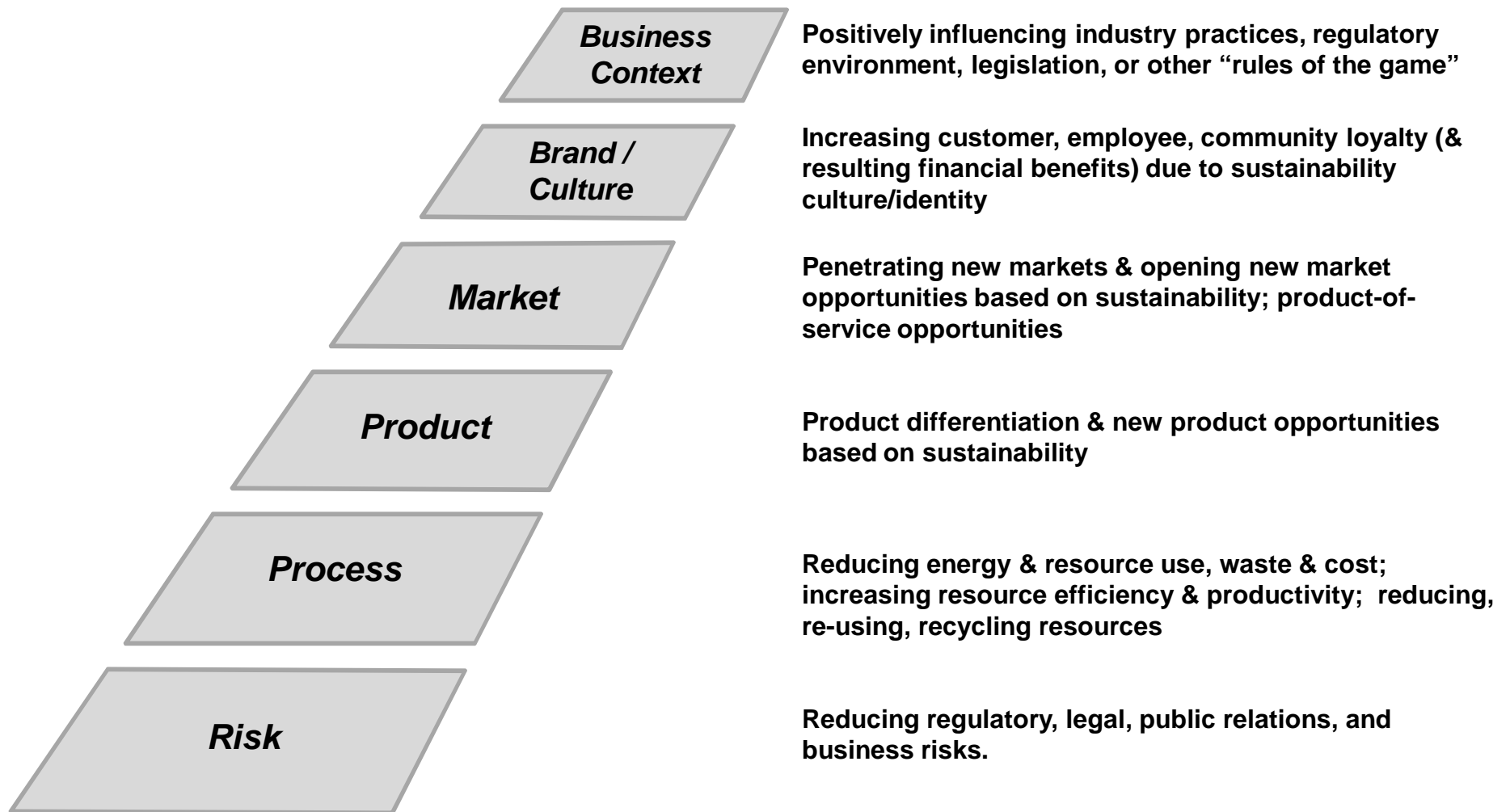
Why should business care?



- Businesses pursue sustainability for any or all of these reasons
- Choose any 1, 2, or all 3
 - Each are valid
- Business tends to prioritize RR & VC over RTTD – *AND THAT'S OK*
- There must be – and is – a business case for sustainability



Six sources of business value³ from sustainability



³Laszlo, C. (2003). *The sustainable company: How to create lasting value through social and environmental performance*. Washington: Island Press.



Risks & impacts of a lack of sustainability focus

Increased business risk & cost

- **Fines / compliance**
 - Pollution
 - CO2
- **NGO / shareholder resolutions**
- **License to operate**
- **Climate / Weather / Environmental damage & insurance risk**

Increased risk of lost revenue

- **B2B Customer demands**
 - Wal-Mart
 - U.S. Government
 - Many others
- **B2C Customer demands**
- **License to operate**
- **Climate / Weather / Environmental damage & insurance risk**

Increased resource scarcity & cost

- **Resource depletion**
 - Oil, water, others
 - Direct cost
 - Substitution cost
- **Forced substitution**
 - Government ban
 - REACH, RoHS
 - B2B customer ban
 - REACH, RoHS
 - Internal list
 - B2C customer ban
 - Demand for alternatives

Decreased ability to compete

- **War for talent**
- **Missed opportunity for 6 sources of value**
- **Lost competitive advantage**



Promoting sustainability UP the chain

Identify the Value

- Understand the sources of value & risk avoidance
- Focus on those that fit your company & situation
- Link to company mission, values, business goals & challenges

Know Your Audience

- Motivators, fears, perceptions; appetite for risk & new initiatives
- Primary/secondary motivators - Upside pursuit (Value Creation) or Risk Avoidance/Reduction? Where does RTTD fit in? Does it fit in?
- WIFM?

Communicate Concisely

- Lead with the conclusion, then provide support
- Top management expects/needs executive summaries
- Facts & data needed, but perfection not required

Go Step by Step

- Be prepared to take small steps to build managerial confidence



Promoting sustainability DOWN the chain

Communicate

- Early, clearly, and OFTEN
- Communicate big-picture vision, goals, benefits, and path to goal
- Use informal communication network as well
- Employees like to know they are part of something that matters

Know Your Audience

- Motivators, fears, perceptions; appetite for risk & new initiatives
- WIFM?
- EQ matters – feelings, emotions, personal impacts more important

Be Inclusive

- Educate and empower employees throughout organization
- Front-line managers are often most critical to new initiatives

Go Step by Step

- Be prepared to take small steps to build momentum, early wins



Sources for supporting data

- Sustainability news sites - GreenBiz, www.businessweek.com/green_business_news/, others
- News sources - web, business press
- Books - see resources slide
- Websites of leading sustainability organizations – public & private
 - EPA, NHBSR, green industry organizations
 - http://www.energystar.gov/index.cfm?c=sb_success.sb_winners
 - Leading private companies like Interface, Stonyfield Farm, Timberland, Patagonia, others
- External support / consultants
 - Often no-charge resources on websites, news blogs, etc.
 - Can also provide full support of sustainability opportunity assessments if budget allows
- Reasonable assumptions
 - Apply learning to your specific organizational situation



Ensuring you achieve the business benefits from your sustainability initiatives



Ensuring sustainability investment pays off

It starts with a mentality:

Consider sustainability as being just as mission-critical as other key business functions, such as:

Strategic Planning

Budgeting, forecasting, financial reporting

Product quality

Customer service

Employee safety

Marketing



Ensuring sustainability investment pays off

Commit

- Top management (CEO, management team) commitment
- Broad, grass-roots buy-in, empowerment, involvement
- Committed core planning & implementation team(s)

Set the Course

- Develop quality sustainability plan; reduce ad-hoc activity
- Set clear, cyclical planning process (calendar)
- Synergize with existing operational strategies/projects/goals
 - Efficiency goals, scrap minimization, EH&S, etc.
 - Leverage existing planning processes
- Prioritize projects based on company-specific criteria



Ensuring sustainability investment pays off

Scale it Right

- Scale sustainability plan and actions to resources available
 - Don't set company / team up for failure
 - Consider pilot, expansion, and full-integration stages
 - Achieve continued success & improvement in stages

Create Strong Linkages

- Regular, open communication – up and down the chain
 - Published goals, plan, metrics, results communication
- Establish & communicate clear roles & responsibilities
- Link sustainability goals/actions to performance review & reward system
- Consider linkage with stakeholders for input on progress



Ensuring sustainability investment pays off

Measure to Manage

- Set, communicate, measure, and report on key metrics
- Ensure metrics are appropriate to goals & actions
- Remain disciplined to tracking, reporting, & responding accordingly
 - Lack of follow-up on metrics is often a key downfall

Continuously Improve

- Hold regularly scheduled progress reviews
 - Review progress vs. goals & metrics and adjust accordingly
- Understand and communicate that it is a cyclical, iterative process
 - Continuous improvement is more important than perfection



Successfully and credibly communicating sustainability results to external stakeholders



The rapidly-changing external stakeholder communication environment

New Stakeholder Expectations

- **Open, transparent communications** – both product and process
- **“More facts, less fluff”** – facts, not platitudes
- **Authenticity & accountability** – take ownership & show results
- **Relationship** – with company, with other users or recommenders
- **More proactive leadership** - not just reaction & response
- **New media savvy** - Ability to adopt to new message expectations and new media for delivering them

New Stakeholder Actions

- **More likely to be more demanding**
- **More likely to switch quickly if expectations not met**
- **More likely to share (good or bad) with others** – social media has made this much easier
- **More likely to trust someone they have a relationship with (person or company) than an unsubstantiated claim**
- **More industry self-policing (competitors)**



Best practices for external stakeholder sustainability communication

Communication

- Open, transparent communication

Factual Support

- Customers tiring of & tuning out unsubstantiated green claims
- But don't need every scientific factoid, either

Authenticity

- Demonstrate results via actions, not just words/claims
- Demonstrate clear understanding that it is a pathway of continuous improvement; clear commitment to improvement

Balance

- Proper combination of assertion/promotion and modesty/humility
- Fair presentation of successes as well as what still needs to be done

Inclusiveness

- Include key stakeholders in process – develop the relationship

Know Your Audience

- Tailor finer points of communication to the given stakeholder group



External communication – methods & media

Use appropriate media & methods to communicate

Do Less

- “Thud Factor” – large, printed reports
- Large, yearly reports with few updates
- Superficial emphasis of positives only



Do More

- More frequent, web-based updates
- Periodic, concise online reports on key sub-topics
- Direct interaction with key stakeholder representatives
 - Appropriate use of social media, web 2.0
 - Live webchat Q&A, input sessions
 - Live discussion panels
- Credible inclusion in promotional materials



External communication – examples of what NOT to do

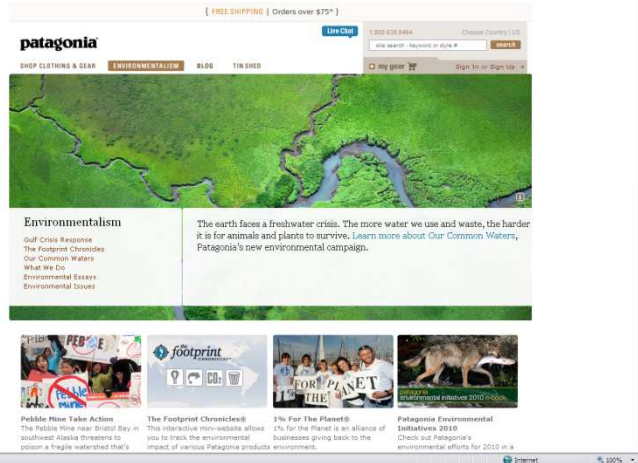
Nike & Gap
*Workplace /
labor
conditions*

Coke
*India water
impacts*

Fiji Water
*Water impacts,
indigenous
impacts,
greenwashing*

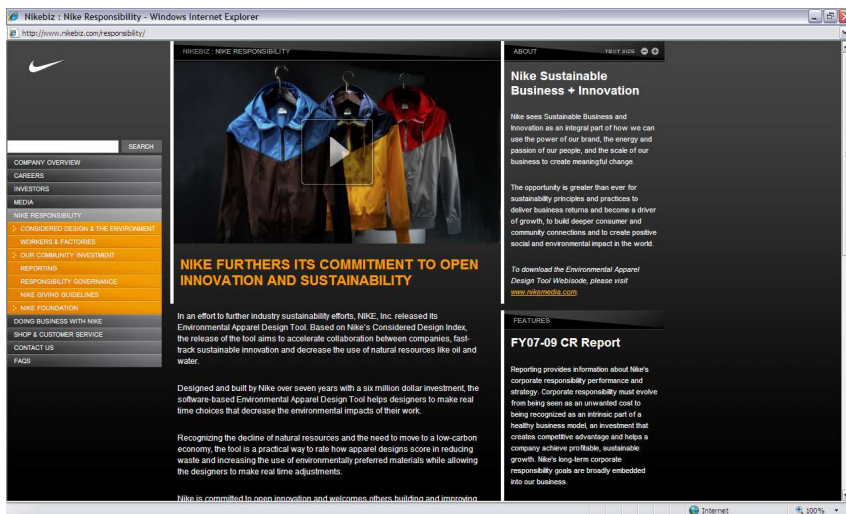
**Some hotels &
inns**
*Linen re-use
programs
(when that's all they do)*

External communication – examples of what TO do



<http://www.patagonia.com/us/environmentalism>

<http://www.nikebiz.com/responsibility/>

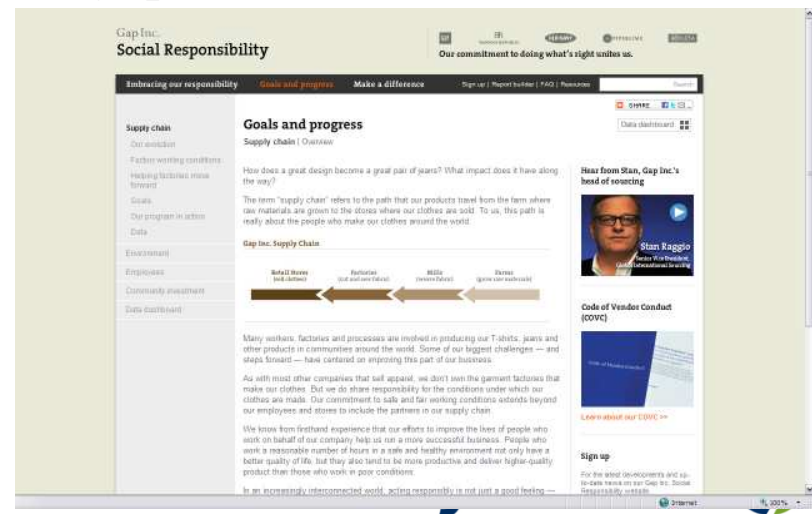


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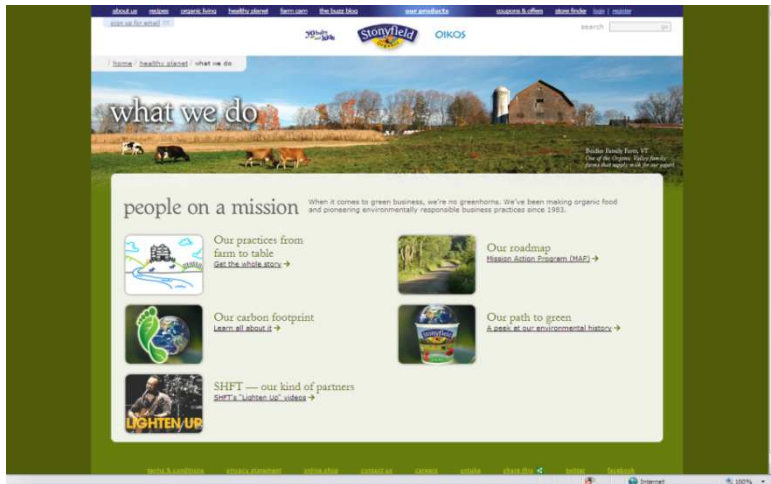
<http://www.interfaceglobal.com/Sustainability/Sustainability-in-Action.aspx>

http://www2.gapinc.com/GapIncSubSites/csr/EmbracingOurResponsibility/ER_Overview.shtml

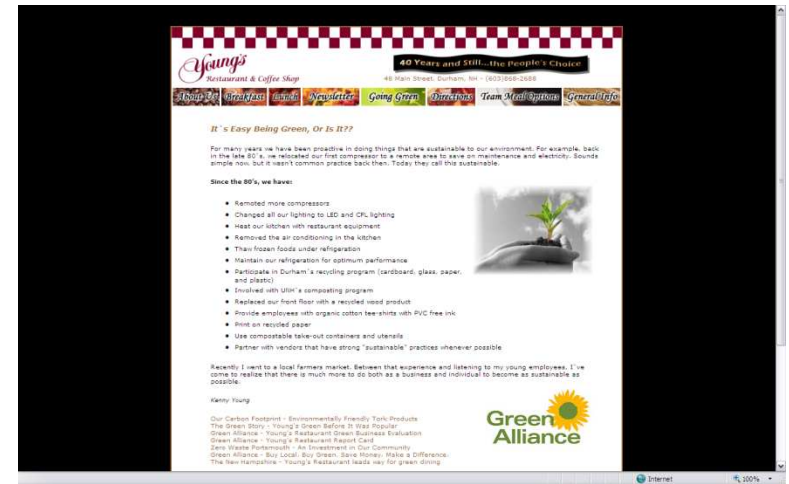


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External communication – examples of what TO do



http://www.stonyfield.com/healthy_planet/what_we_do/index.jsp

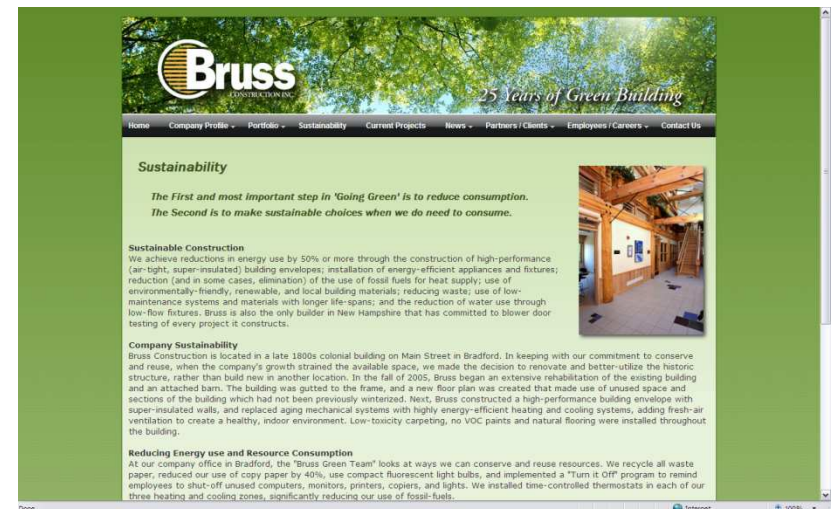


http://www.youngrestaurant.com/going_green.html

http://millfalls.com/about/MF_Going_Green%202010.pdf



http://www.brusscon.com/categories/learn/sustainable_projects.php



Key Takeaways

Situation

- Sustainability becoming more critical, for environmental, business risk, and business upside reasons - all are valid drivers

To successfully promote internally

- Identify, support, and concisely communicate business benefits
- Use open communication, inclusiveness to empower employees
- Understand audience and tailor message appropriately
- Be prepared to go step by step

To implement successfully

- Commit to high-quality implementation just as you would for any other mission-critical function

To successfully communicate externally

- Use open communication of factual information
- Demonstrate authentic commitment and actions
- Maintain balance of assertion/promotion and modesty/humility
- Develop stakeholder relationships



Thank you very much!

Questions / Discussion

For more information:

Reference & resources slides at end of presentation

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www.symbiosus.com

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774-285-6823






















References

- ¹Brundtland, G. H. (1987). *Our common future: The World Commission on Environment and Development*. Oxford, U.K.: Oxford University Press.
- ²Esty, D. C., & Winston, A. S. (2006). *Green to gold: How smart companies use environmental strategy to innovate, create value, and build competitive advantage*. New Haven, CT: Yale University Press.
- ³Laszlo, C. (2003). *The sustainable company: How to create lasting value through social and environmental performance*. Washington: Island Press.



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Additional Resources List

Item / Resource	Provides information related to:		
	Successfully Promoting Sustainability Business Case Internally	Successfully Implementing Sustainability Actions	Successfully Promoting Sustainability Actions & Results Externally
Article: “The Business Case Benefits of Increased Sustainability” http://www.symbiosus.com/cmsdocuments/Business_Case_Benefits_of_Sustainability.pdf			
Presentation: “The Criticality of Sustainability: Why the Small to Medium-Sized Business Can’t Afford NOT to Increase its Sustainability Focus” Webinar version (slides and audio): http://www.symbiosus.com/The-Criticality-of-Sustainability.wmv Slide version (slides only): http://www.symbiosus.com/cmsdocuments/Webinar_Slides_-_The_Criticality_of_Sustainability.pdf			
Willard, B. (2002). <i>The Sustainability Advantage: Seven Business Case Benefits of a Triple Bottom Line</i> . Gabriola Island, B.C.: New Society Publishers.			
Laszlo, C. (2003). <i>The sustainable company: How to create lasting value through social and environmental performance</i> . Washington: Island Press.			
Anderson, R. C., & White, R. (2009). <i>Confessions of a radical industrialist: Profits, people, purpose - doing business by respecting the earth</i> . New York: St. Martin’s Press.			
Esty, D. C., & Winston, A. S. (2006). <i>Green to gold: How smart companies use environmental strategy to innovate, create value, and build competitive advantage</i> . New Haven, CT: Yale University Press.			
Natras, B., & Altomare, M. (1999). <i>The Natural Step for business: Wealth, ecology, and the evolutionary corporation</i> . Gabriola Island, B.C.: New Society Publishers.			
Anderson, R. C. (1998). <i>Mid-course correction: Toward a sustainable enterprise: The Interface model</i> . White River Junction, VT: Chelsea Green.			
Willard, B. (2005). <i>The next sustainability wave: Building boardroom buy-in</i> . Gabriola Island, B.C.: New Society Publishers.			

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Article: “Sustainability: The latest mission-critical business function for the 21 st century” http://www.symbiosus.com/cmsdocuments/Sustainability_-_MCF.pdf			
www.greenbiz.com			
www.epa.gov			
http://www.energystar.gov/index.cfm?c=sb_success.sb_winners			
http://www.sustainablebusiness.com/index.cfm/go/news.main/?CFID=23349964&CFTOKEN=19560731			
http://www.businessgreen.com/			
http://www.businessweek.com/green_business_news/			
http://www.reuters.com/finance/greenBusiness			