

Sustainable/Green Business Toolkit

Learn how to evaluate and transform your business for future success

The Power of Three (Triple Bottom Line)

The sustainability or greenness of a business has become a focal point, and not just for social or environmental responsibility reasons. A company's response to issues such as sustainability, corporate social responsibility, climate change or other initiatives has become a strong indicator of its overall ability to adapt and succeed in the long term. Managing the environmental and social impacts (costs and risks) of a business is integral to the future success of any company. The degree to which companies are proactive in the management of these impacts vs. being reactive or caught off-guard, is indeed a measurement of overall performance. This is sometimes referred to as the "triple bottom line" (economic, social and environmental performance).

An important component of evaluating performance and instituting change is benchmarking what other businesses have successfully and profitably instituted to improve their "triple bottom line." Companies practicing sustainability can find new markets, lower their regulatory burden (yes, eliminate the need for some permits) and improve their profitability. If this sounds too good to be true, then the following case studies will definitely be of interest to you.

Shining Stars of Sustainability

Interface Carpet of Atlanta, Georgia, is a leader in sustainability, reducing manufacturing waste by 70 percent since the mid-1990s and saving more than \$300 million while doing it. Interface began its journey to sustainability by focusing on the elimination of waste. At Interface, they define waste as anything that does not provide value to the customer. This includes traditional forms of waste such as off-quality and scrap materials and products, as well as nontraditional forms of waste such as overuse of materials, inventory losses, etc. The cumulative avoided costs from waste elimination activities since 1995 have totaled more than \$336 million.

www.interfacesustainability.com/metrics.html

As of May 31, 2007, **Herman Miller** has reduced VOC air emissions by 87 percent, process water use by 49 percent, hazardous waste by 81 percent and solid waste disposal by 84 percent from 1993 levels. By making process and formula changes to their coating operation, Herman Miller has been able to eliminate the majority of its Title V air permits.

You can find Herman Miller's 2007 sustainability report titled, "Our Journey Toward a Better World" at www.hermanmiller.com/hm/content/environment/shared_assets/files/2007_A_Better_World_Report_print.pdf



Sustainability is about the long-term survival of your business, as well as the community. It is not a short-term "fad."

What is Sustainability?

"Development that meets the needs of the present without compromising the ability of future generations to meet their own needs."

Bruntland Report, 1987

The Bruntland report highlighted three fundamental components of sustainable development: environmental protection, economic growth and social equity.

www.epa.gov/sustainability/basicinfo.htm

Sustainability Keys for Businesses:

- Redesign processes, products and materials to create less waste and use less or non-toxic materials.
- Reduce water use throughout facility.
- Reduce and optimize energy use including: heat and cooling, manufacturing and production energy, etc.
- Re-evaluate purchasing decisions/policies and how they impact waste generation, energy consumption and water use.

Leading the Movement in Ohio

Melink Corporation. Milford, Ohio

Melink designed and constructed its own LEED-Gold certified headquarters in Cincinnati, Ohio in 2005. They lease a fleet of hybrid cars that achieve up to 50 mpg for its national network of employees. Melink provides incentives for employees to buy renewable energy improvements for their homes. They have committed to making their headquarters a zero-energy building by the year 2010. Melink has also committed to reinvesting 5 percent of sales toward new product development in energy efficiency and renewable energy. www.melinkcorp.com/green.html and www.melinkcorp.com/MelinkHeadquartersGreenFeatures.pdf

Heapy Engineering. Dayton, Ohio

Heapy Engineering takes a comprehensive and integrated approach to Sustainable Design and the LEED program. Heapy personnel continuously receive Sustainable Design and LEED Program training. www.heapy.com/services2.asp

Neaton Auto Products. Eaton, Ohio

Neaton Auto Products has made long-term reductions to hazardous waste and solid waste generation. They have significantly reduced energy usage and improved their profitability through cost savings. www.epa.state.oh.us/opp/gov/neaton.pdf

Sustainability as a Capital Investment

How businesses meet the challenges of responding to social and environmental impacts has become an important economic indicator to the investment community. Rating systems and evaluation criteria have become important to many businesses in determining where they are positioned relative to other companies in their sector. These investment evaluation and rating systems illustrate the significance now being placed on social and environmental performance.



Dow Jones Sustainability Indexes (DJSI)

www.sustainability-indexes.com/

Launched in 1999, the Dow Jones Sustainability Indexes are the first global indexes tracking the financial performance of the leading sustainability-driven companies worldwide. According to DJSI, the quality of a company's strategy and management and its performance in dealing with opportunities and risks deriving from economic, environmental and social developments can be quantified and used to identify and select leading companies for investment purposes.

Innovest Strategic Value Advisors

www.innovestgroup.com/

Innovest specializes in analyzing companies' performance on environmental, social, and strategic governance issues, with a particular focus on their impact on competitiveness, profitability and share price performance.

Socially Responsible Investing (SRI)

First Affirmative Financial Network, LLC

<http://firstaffirmative.com/>

“Sustainable business initiatives are driving top line growth by encouraging innovation, increasing sales and improving customer retention. Many companies are now demonstrating how products and services that help customers reduce emissions, save money, lower risks and enjoy more healthful lives create real business opportunities.” — *from its Web site*

Progressive Asset Management (PAM)

www.progressive-asset.com/

“Finding factors (not recognized by the market) having an impact on the enterprise value of a company will add value to a client’s portfolio. PAM’s social screening methodology seeks to expose hidden risks and liabilities while also identifying quality management and governance practices. Our conclusion is that SRI incurs no financial sacrifice and, in some cases, can provide for additional portfolio value.” — *from its Web site*

Sustainable/Green Business Resources

A New Mindset for Corporate Sustainability

www.resourcesaver.org/file/toolmanager/CustomO16C45F96851.pdf

Published by six academics from around the world, this BT and Cisco-sponsored white paper presents a concept of using corporate sustainability to lead innovation and benefit the environment, society and shareholders.

GreenBiz

www.greenbiz.com/

Provides daily updates and resources on green business and sustainable activities. GreenBiz is a comprehensive free Web resource for companies looking to connect environmental business practices with business success.

State of Green Business 2008

www.stateofgreenbusiness.com/

Report from GreenBiz that focuses on how U.S. businesses are doing in their quest to be greener and more environmentally responsible. It introduces a set of 20 indicators to measure and track progress.

Attaining Sustainable Growth through Corporate Social Responsibility

www-935.ibm.com/services/us/index.wss/ibvstudy/gbs/a1029293

Examines three dynamics – impact, information and relationships – and makes recommendations that will help companies develop an integrated Corporate Social Responsibility (CSR) strategy. From IBM Institute for Business Value.

Becoming More Sustainable

Here are some common categories that your company can use to make significant improvements to your “triple bottom line” performance.

Commitment

Re-assess your environmental and social impacts. A fresh look at your business model may identify opportunities or potential new markets. Make an organizational commitment to continuously improve in all areas. Sustainability is about the long-term survival of your business and your community.

Involvement

Involve all employees in evaluating ways to improve your performance and reduce long-term costs/risks. Through staff suggestions, companies have made impressive reductions in areas such as energy use, hazardous materials/wastes, water use, air emissions packaging and a lot more.

By involving all organizational levels, many companies have also experienced increased employee retention and higher productivity.

Measurement

Measurement and accountability are critical to all aspects of successful business. This is especially true of sustainability or green performance. Projects initiated to reduce materials use, emissions, etc., should be managed the same as any other manufacturing or service process. Companies that have achieved significant cost savings and waste reductions have integrated these aspects into their overall management strategies.

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green@work magazine

www.greenatworkmag.com/

"A guide to the business world's growing embrace of sustainability. It covers corporate responsibility from a positive point of view, relating best practices and demonstrating the growing business case for green strategies." — NextStep Minnesota Sustainable Communities Network (www.nextstep.state.mn.us)

Ceres

www.ceres.org/NetCommunity/page.aspx?pid=705

"A national network of investors, environmental organizations and other public interest groups working with companies and investors to address sustainability challenges such as global climate change." — Investor Network on Climate Risk (www.incr.com)

McDonough Braungart Design Chemistry, LLC (MBDC)

Cradle to Cradle Certification

www.c2ccertified.com/

"Provides a company with a means to tangibly, credibly measure achievement in environmentally intelligent design and helps customers purchase and specify products that are pursuing a broader definition of quality. This means using environmentally safe and healthy materials; designing for material re-utilization, such as recycling or composting; using renewable energy and energy efficiency; efficiently using water, and maximum water quality associated with production; and instituting strategies for social responsibility." — ASTM International (www.astm.org)

Zero Emissions Research & Initiatives (ZERI)

www.zeri.org/

"ZERI is a global network of creative minds seeking solutions to world challenges. The common vision shared by the members of the ZERI family is to view waste as resource and seek solutions using nature's design principles as inspiration." — from its Web site

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index.html](http://www.resilience.osu.edu/index.html)

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Recommended Reading

Sustainable Value: How the World's Leading Companies Are Doing Well by Doing Good

By Chris Laszlo

"*Sustainable Value* looks at how businesses are changing as they take on social, environmental and economic issues. The book looks at how businesses are embracing these issues not only because it is the right thing to do, but also because they can lead to competitive advantage and profit. Case studies from companies such as Wal-Mart, DuPont and Cargill, and a Sustainable Value toolkit round out the book." — GreenerBuildings (www.greenerbuildings.com)



Making Sustainability Work

By Marc J. Epstein

"Marc Epstein covers best practices from 100 global companies and examines the latest research on implementing and evaluating corporate sustainability initiatives." — GreenBiz (www.greenbiz.com)

Cradle to Cradle- Remaking the Way We Make Things

By William McDonough & Michael Braungart

"The Cradle to Cradle Design paradigm is powering the Next Industrial Revolution, in which products and services are designed based on patterns found in nature, eliminating the concept of waste entirely and creating an abundance that is healthy and sustaining." — www.mbdc.com/book/index.htm