

"GREEN" YOUR ENTERPRISE



A checklist to help you negotiate the path to sustainability

by Ann Calder

WITH INCREASED awareness about the virtues of going “green,” getting your organization to become more environmentally friendly is a winning strategy. But sustainable business practices are relatively new to many Canadian organizations, with many wondering where to start.

There is no direct “green” path laid out to follow, which means the chances of taking a wrong turn are high; however, with no set roadmap to sustainability there are many places to begin.

Organizations choose to go green for several reasons: environmental concerns, public pressure, cost cutting opportunities, corporate image, and regulatory requirements. In the corporate world, many leading retailers understand environmental and social responsibility and take responsibility and create vision. This vision is typically linked to driving business value. In the public sector both the politicians and the bureaucracy are taking steps to drive business value by taking responsibility for the environment through their efforts to

transform their work spaces and operations and through their procurement of goods and services.

Begin with a vision

Sustainability is central to corporate social responsibility (CSR). However, leading organizations understand that sustainability must ultimately link to business value. Altruism serves no business purpose in a vacuum – it needs to support the bottom line. Once the vision is in place you will need a green champion – a leader who can work across the whole organization with executive support.

And, as the old saying goes, you cannot manage what you can't measure. So determine your current carbon footprint using standard reporting measures such as the Global Reporting Initiative (www.globalreporting.org); then apply scenario-based modeling to help decide what green priorities to tackle first.

Many have found that building design, packaging and the supply chain – including transportation – offer the biggest opportunities to reduce their carbon footprint. Other areas to investigate are marketing and IT (optimize your data centre to use fewer servers, which saves both on power and cooling costs).

To help you identify specific areas to create a greener organization, SAS (www.sas.com) has created The Green Enterprise Checklist.

Green Enterprise Checklist

1. Green governance

With the sustainability vision in place, your green champion – a leader who can work across the whole organization with executive support, and with a goal of integrating green into every facet of the business – will lead the charge internally, pushing for greener practices and policies by

Global Reporting Initiative

Source: www.globalreporting.org

The Global Reporting Initiative (GRI) is a registered not-for-profit organization located in Amsterdam, the Netherlands. It relies on the financial and in-kind support to ensure that GRI can deliver its programs and products. GRI is a large multi-stakeholder network of thousands of experts, in dozens of countries worldwide, who participate in GRI's working groups and governance bodies, use the GRI Guidelines to report, access information in GRI-based reports, or contribute to develop the Reporting Framework – both formally and informally.

GRI pioneered the development of the sustainability reporting framework and is committed to its continuous improvement and application worldwide. The cornerstone of the framework is the Sustainability Reporting Guidelines. The third version – known as the G3 Guidelines, published in 2006, is a free public good. Other components of the framework include sector supplements (unique indicators for industry sectors), protocols (detailed reporting guidance) and national annexes (unique country-level information).

Sustainability reports based on the GRI framework can be used to benchmark organizational performance with respect to laws, norms, codes, performance standards and voluntary initiatives; demonstrate organizational commitment to sustainable development; and compare organizational performance over time.

Sustainability reporting is the practice of measuring, disclosing, and being accountable to internal and external stakeholders for organizational performance towards the goal of sustainable development.

'Sustainability reporting' is a broad term considered synonymous with others used to describe reporting on economic, environmental, and social impacts (e.g., triple bottom line, corporate responsibility reporting, etc.). A sustainability report should provide a balanced and reasonable representation of the sustainability performance of a reporting organization – including both positive and negative contributions. Sustainability reports based on the GRI Reporting Framework disclose outcomes and results that occurred within the reporting period in the context of the organization's commitments, strategy, and management approach.

The GRI Reporting Framework is designed for use by organizations of any size, sector, or location. It takes into account the practical considerations faced by a diverse range of organizations – from small enterprises to those with extensive and geographically dispersed operations. The GRI Reporting Framework contains general and sector-specific content that has been agreed by a wide range of stakeholders around the world to be generally applicable for reporting an organization's sustainability performance.

communicating the benefits of sustainability to everyone in the organization.

It's important to have employees onsite, so finding innovative ways to recognize and reward green accomplishments at the individual, departmental, and organizational levels will inspire everyone to bring forward their ideas and enthusiasm.

2. Your operations

Green architecture is making inroads in both the public sector and the retail world. Public buildings and large companies like Wal-Mart, Best Buy and Home Depot are being built or retrofitted to LEED (Leadership in Energy and Environmental Design) specifications. And where property is being rented or leased, efforts are being made on both fronts to encourage landlords to make changes. Most will be supportive of plans that outline possibilities for savings through energy efficiency.

Data compiled by Platts Research and Consulting shows retail buildings in the US spend an annual average of \$1.21 per square foot on electricity and 14 cents per square foot on natural gas. In a typical retail building, lighting, cooling and heating represent 69-84 percent of total use depending on climate, making those systems the best targets for energy savings. BC Hydro (www.bchydro.com) provides an excellent guide to managing energy costs.

Immediate areas to consider:

a) *Reduce unnecessary lighting*

- Evaluate actual lighting needs – many spaces are over lit.
- Bring in a lighting consultant to review your lighting layout for appropriate light levels, quality, color rendering, colour uniformity and energy efficiency.
- If your building gets plenty of natural light, experiment with turning off lights near your windows.

- Repaint interiors in white or a light colour to increase reflection.
- Install motion detectors in low-traffic areas like restrooms, kitchens, storage facilities and meeting rooms that automatically turn off lights.

b) *Light right*

- Replace incandescent light bulbs with compact fluorescent bulbs.
- If esthetics demand incandescent lighting, reduce the bulb wattage.
- Replace fluorescent tube lighting with energy-efficient T8 tubes, which are 50 percent more efficient than older models.
- LED lights may be appropriate for areas such as display cases or signage. They use only 10 percent of the energy of incandescent and last 10-25 years.

c) *Take control*

- If single light switches control large areas it may pay to wire in more switches to maximize lighting control.
- Install timers or photosensitive units that turn lights on and off based on changes in natural light.
- Consider installing a centralized energy management system (EMS) to manage building components such as lights, heating and air conditioning, and equipment. An EMS can save 5-30 percent in energy costs and pay for itself within two to four years

d) *Optimize heating and cooling*

- Ensure your building is properly sealed including weather stripping and caulking doors and windows, and ensuring that the building is properly insulated.
- Install electronic programmable thermostats, which automatically adjust the building's temperature.

- During winter, heat your building to a maximum of 21°C (70°F) when occupied, 16°C (61°F) when unoccupied.
- Cool your building in summer to no lower than 24°C (75°F) when occupied, and avoid using the air conditioner overnight when unoccupied.

e) Standardize procedures and protocols

- Turn off exterior, safety and security lights upon arrival; leave only necessary lights on after hours.
- Keep energy use to a minimum for early or late skeleton crews.
- Set thermostats to reach optimal temperatures 30 minutes to an hour after employees arrive; set back temperature an hour before closing.
- Turn off lights near windows and doors during daytime, and in unoccupied areas.
- Open your building, if possible, on cool summer nights.
- Adjust thermostats for weekend closings.
- Turn off your water heater if you'll be closed for three days or longer.

3. Purchasing goods

Successful organizations know they need the right product mix. In sourcing green products, you must find a balance between sustainability and economy. Research a supplier's product development philosophy to determine if their values resonate with your green vision, as well as fit the needs of your clients.

a) Sustainable products

Provide sustainable/green versions of products if available. Public websites such as www.terrachoice.com and www.sustainableproducts.com provide information. In many cases, your own organization may have internal websites to help you source these products – everything

from cleaning supplies to vehicles and fuel and more.

b) Recycling programs

Partner with local and national environmental agencies or salvage companies to find creative solutions to increase recycling options. For example, Staples/Business Depot takes back used ink and toner cartridges and recycles them through a patented cleaning and remanufacturing process. For every eligible cartridge dropped off by a customer, the retailer donates \$1 to participating schools across Canada.

c) Buying locally

Educate yourself on when buying locally makes the most business and environmental sense. While buying locally certainly helps the local economy, it is not always the most

www.jupiterimages.com



viable option from an environmental perspective. Buying locally tends to work best for items like fresh produce. Organizations like Greening Greater Toronto (www.greeninggreatertoronto.ca) can provide resources for finding local suppliers that fit your requirements.

d) Classify your waste

Figure out what can be saved and reused. Dispose of waste in a safe and appropriate manner.

- Use rechargeable batteries.
- Standardize the use of reusable crates and totes rather than cardboard boxes.

- Participate in local recycling programs.
- Implement an internal recycling policy using all available recycling options – blue box or bag, green box etc.

4. Packaging

a) Plastic bags

Plastic bags are now seen as environmental enemy No. 1. An estimated 1.2 million barrels of oil are needed to make all the plastic bags used in Canada each year. Retailers – notably grocers – and some provincial liquor boards are responding by charging a fee for plastic bags, which encourages customers to bring their own bags.

b) Recyclable wrapping materials

Source environmentally friendly retail packaging, tissue, merchandise bags and more online. Resources can be found at www.sustainablepackaging.org/index.htm.

c) Eliminate excess packaging

Buy from suppliers who are actively reducing the amount of packaging shipped with products, and encourage non-compliant suppliers to share your green vision by implementing sustainable strategies of their own. For example, Wal-Mart and other major retailers have successfully developed standards and requirements for their suppliers that highlight environmental concerns while controlling product, energy, and waste disposal costs.

d) Limit use of plastics

Stock “concentrated” products from manufacturers that are made with less water as a means of shrinking the size of plastic containers. This also reduces the environmental impact and costs associated with shipping.

5. Your advertising and marketing

a) Printed material

Think about reducing marketing materials using printed material. Defining your target

markets and strive for efficiency when delivering advertising/marketing materials. This saves both money and trees.

Business analytics technology can improve customer relationship management outcomes by making the most of each individual customer communication. You can increase your marketing return on investment by determining the best offers for individual customers, and reduce the amount of print advertising through more targeted and specific offers.

b) Promotion optimization

Forecasting software can model alternative promotional scenarios and assesses their impact. Analytics solutions can predict the best combination of promotional vehicles and determine potential halo and cannibalization effects of a campaign.

c) Eco-friendly print supplies

The Forest Stewardship Council can help you source printers that use recycled or low-impact paper and vegetable-based inks. Visit www.fscscanada.org for more information.

d) Communicate for success

Make your sustainability vision a core element of how and what you communicate to customers and promote your green story where possible using existing means, which includes communication on the Web. Let your internal clients and the public know about how your corporate vision is achieving tangible results.

Consider social media efforts including blogs, wikis, email newsletters, and tweets as a means of disseminating your messages.

6. Your people

To achieve success, employees must understand the corporate green vision, so they will actively participate and share with others what your organization is doing to support a sustainable environment. Organization-wide recognition for employee

green initiatives will help achieve buy-in. The following are areas to consider:

a) Low-carbon transportation

Encourage staff to use public transit or carpool by offering subsidies. The City of Calgary found that driving 15 km a week less saves about 340 pounds of CO₂ per year.

b) Reduce, reuse, recycle

Cut printing and paper costs substantially by setting all internal printers to default to double-sided printing.

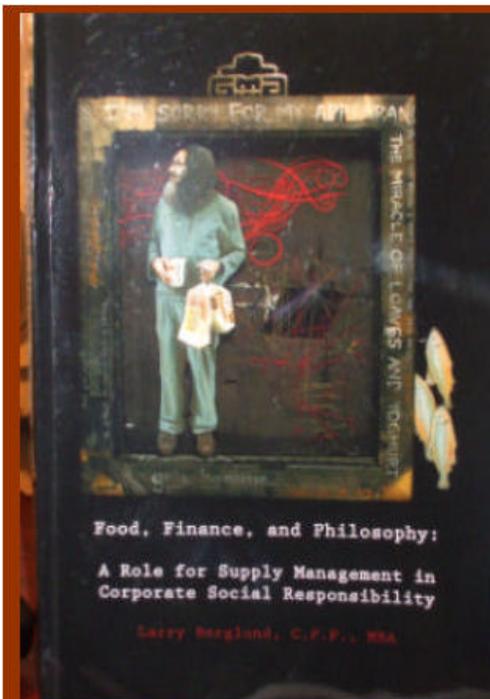
Eliminate disposable cups in the lunchroom in favour of personalized mugs and glassware.

c) Community activities

Sponsor a tree-planting program or municipal gardening initiative and encourage staff to participate.

Recognize staff efforts at company meetings or through internal communications vehicles like blogs, websites or newsletters. 

Ann Calder is a retail solutions specialist with SAS Canada, the leader in business analytics.



If "greening" your procurement is a priority for you ...
this book is for YOU!

Larry Berglund, CPP, MBA – a supply professional for decades – is a champion of "green" procurement.

In this book he outlines the value proposition for making the environment a key consideration when purchasing.

Berglund provides information as well as practical, pragmatic actionable approaches.

Learn how to "green" your purchasing through:

- > case studies
- > stories
- > quantifiable analysis

ORDER NOW

For only \$35* you can have this valuable resource on your desk.

*Shipping and handling is \$6.

Order at: larryberglund.wordpress.com/category/buy-book-here/

Summit: Canada's magazine on public sector purchasing

Summer 2009

www.summitconnects.com