



Hannah Grimes Sustainability Education Program

Jeremy Donovan
Marc Duquette
Sarah Maine
Mandy Ruest
Jennifer Visitacion

December 14, 2008



Table of Contents

Introduction.....	3
What is Sustainability?	4
Benefits of Pursuing Sustainability.....	5
Threats if You Don't Pursue Sustainability.....	5
Risks in Pursuing Sustainability	5
Web Resources.....	5
Values and Mission.....	6
What are Values?	6
Why Identify and Establish Values?.....	6
What is a Mission Statement?.....	6
Mission Statement Examples.....	7
More Than Profit.....	8
Corporate Social Responsibility	8
Social Entrepreneurship	8
Corporate Responsibility	10
Sustainopreneurship.....	10
Web Resources.....	10
Sustainability--Marketing	11
Challenges.....	11
Practices	11
Web Resources.....	11
Sustainability--Accounting & Finance	12
Sustainability--Operations & Efficiency.....	14
Energy.....	14
Other Considerations	15
Web Resources.....	15
Waste.....	15
Employee Engagement	16
Web Resources.....	16
Sustainability--Logistics & Supply Chain Management	17
Examining Your Design Process	17
Web Resources.....	18
Managing Raw Material Resources & Suppliers.....	19
Other Considerations	19
Web Resources.....	20
Additional Resources & References	21



Introduction

The mission of Hannah Grimes is to create a supportive environment in which new and emerging businesses can be launched, developed, and graduated to create a new generation of entrepreneurs that add to the vitality of the Monadnock region.

The Hannah Grimes Center, located at 25 Roxbury Street in Keene, NH provides affordable office space, workshops, professional services, technical assistance, an extensive business resource library, high-speed internet access, networking opportunities and shared business resources to the small businesses of our region. To teach you the skills and to provide you with the resources and support you need to reach your business and personal goals, The Hannah Grimes Center offers *The Entrepreneur Project*, a twelve month educational program.¹

THE ENTREPRENEUR PROJECT

In today's business environment it is important to understand sustainability and how to incorporate sustainability into the vision and operations of your business. This manual is designed as an introduction to sustainability, to provide simple ways to integrate sustainability into your business, and highlight resources that can provide further assistance and education on the topic. The manual is designed to complement The Entrepreneur Project's existing curriculum yet can stand alone as a workshop or web-based tool for entrepreneurs.

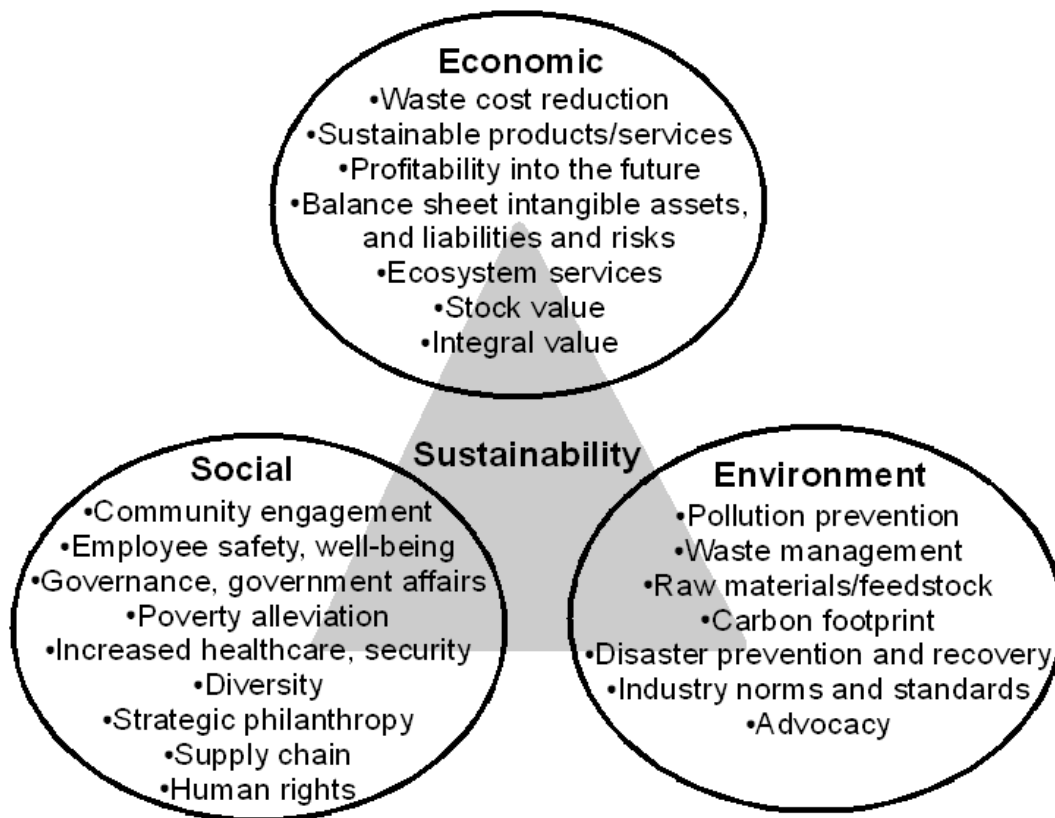
By no means is this manual an in-depth study of sustainability nor is it designed for larger, more mature businesses. For this, we provide numerous references to enable you to dive deeper into the topic depending on your interest and level of knowledge.

This manual was developed in a collaborative effort with graduate students from the Organization & Management Department of Antioch University of New England.

¹ For more information about The Entrepreneur Project visit the Hannah Grimes website at www.hannahgrimes.com.

What is Sustainability?

The word 'sustainability', in its literal interpretation means: the ability to remain in existence. A business-oriented definition is: “a company's ability to achieve its business goals and increase long-term shareholder value by integrating economic, environmental and social opportunities into its business strategies²”.



²Wirtenberg, Jeana PhD, Russell, Willam G. and Lipsky, David PhD (Ed.) (2009). *The Sustainable Enterprise Fieldbook: When it all comes together* UK: AMACOM Books.



Benefits of Pursuing Sustainability

- Reduce energy, waste and cost
- Differentiate yourself
- Be prepared for future regulations
- Create innovative new products or processes
- Open new markets
- Attract and retain the best employees
- Improve your image with shareholders and the public
- Reduce legal risk and insurance costs
- Provide higher quality of life

Threats if You Don't Pursue Sustainability

- Liability for pollutants
- High energy costs
- Health risks
- Increased raining costs
- Supply problems with raw materials and energy
- Attacks on your image
- Legal risks
- Bad-mouthing of your product
- Being closed out of certain markets

Risks in Pursuing Sustainability

- “Greenwashing” or not walking the talk
- Cannibalizing your own business by discovering your product is harmful and needing to change it before someone else recreates it
- Raising unrealistic expectations that that feel impossible to meet

Web Resources

http://www.unitil.com/green/articles/Primer_Glossary.pdf Sustainable term definitions



Values and Mission

What are Values?

Values are traits or qualities that are considered worthwhile; they represent an individual or organization's highest priorities and deeply held driving forces.

The following are examples of values. You might consider some of these as a starting point.

The following are examples of values. You might consider some of these to start.

- Responsibility
- Individuality
- Respect
- Enjoyment
- Honesty
- Efficiency
- Sustainability
- Integrity
- Dedication
- Loyalty
- Optimism
- Accuracy
- Ambition
- Service
- Diversity
- Credibility
- Quality
- Influence
- Competency
- Accountability
- Improvement
- Innovativeness
- Dependability
- Empowerment

Why Identify and Establish Values?

Effective organizations identify and develop a clear, concise and shared meaning of values/beliefs, priorities, and direction so that everyone understands and can contribute. Once defined, values impact every aspect of your business.

You must support and nurture this impact or identifying values will have been a wasted exercise. People will respect your business if they see your actions follow your stated values. Studies show that customers prefer to do business with companies who uphold ethical values³.

What is a Mission Statement?

A mission statement is a brief statement of the purpose of a company, organization, or group. Companies sometimes use their mission statement as an advertising slogan, but the intention of a mission statement is to keep members and users aware of the organization's purpose. In the case of public commercial companies, the primary purpose must always be to uphold the interests of shareholders, whatever the mission statement.

³<http://sloanreview.mit.edu/business-insight/articles/2008/2/5028/does-being-ethical-pay/>



Mission Statement Examples

Hannah Grimes Center

“The mission of Hannah Grimes is to create a supportive environment in which new and emerging businesses can be launched, developed, and graduated to create a new generation of entrepreneurs that add to the vitality of the Monadnock region.”

Badger Balm

“Our mission: To create fabulously pure and effective products of the highest natural quality, based on simplicity and thoughtful preparation, with the intention to soothe and heal. To run a business that is fun, fair and profitable; where money is fuel, not a goal; and where our vision for a healthier world finds expression through the way we work and through the way we treat each other and the people we serve.”

Stonewall Farm

“Stonewall Farm is a nonprofit working farm and educational center whose mission is to connect people to the land and to the role of local agriculture in their lives.

Monadnock Paper Mills, Inc.

“Monadnock Paper Mills, Inc. consistently meets the needs of our global customers with high performance papers for the printing, packaging and technical specialty markets. We support our mission with the continuous rapid development of new value-added products, high levels of customer service and continuous operational improvement. We accomplish our mission with an uncompromising commitment to the health of our employees, the environment and the communities in which we operate.”



More Than Profit

“The ultimate purpose of business is not, or should not be, simply to make money. Nor it is merely a system of making and selling things. The promise of business is to increase the general well-being of humankind through service, a creative invention and ethical philosophy.”⁴

-Paul Hawken

Corporate Social Responsibility

In the early 1980s, Corporate Social Responsibility (CSR) arose in efforts to improve society. Businesses often advertise their CSR efforts as a way of enhancing their image. There has been controversy around CSR initiatives and business ethics. Is it right to pay employees minimum wage and then advertise that the company has raised millions of dollars to fight poverty?

Examples of CSR initiatives include:

- Community volunteering
- Cause awareness/fundraising
- Disaster relief
- Education support

Social Entrepreneurship

The social entrepreneur is someone who sees a social need in society and fills it by way of business, governance, or non-profit or “more-than-profit” organization.

Examples of social entrepreneurship include:

- Community health centers
- Soup kitchens
- Food banks
- Safe houses
- Homeless shelters
- Public transportation
- Vocational rehabilitation
- Daycare

⁴Hawken, P. (1993). *The Ecology of Commerce: A Declaration of Sustainability*. New York: Harper Business.



- Cause advocates



Corporate Responsibility

In recent years, companies have broadened the scope of “responsibility” to also include the environment along with social concerns.

Examples of corporate responsibility include:

- Adopt-a-Highway
- Wildlife habitat preservation
- Recycling programs
- Renewable energy sourcing
- Buying local products
- Reducing energy consumption.

Sustainopreneurship

Sustainopreneurship is a concept that has emerged from earlier conceptual development social entrepreneurship and sustainability entrepreneurship. The concept means to use creative business organizing to solve problems related to the sustainability agenda to create social and environmental sustainability as a strategic objective and purpose, at the same time respecting the boundaries set in order to maintain the life support systems in the process. In other words, it is a “*business with a cause*” - where the world problems are turned into business opportunities by deployment of sustainability innovations. In short - *entrepreneurship and innovation for sustainability*⁵

An example of Sustainopreneurship:

Guayaki Yerba Mate—organic tea grown by the indigenous people of central South America. Guayaki claims that the planting of the Yerba Mate trees reforests the rainforest, while creating high-paying jobs and good working conditions for the society. The processing plant is run on solar energy and minimal waste is produced. The product is also claims to be healthy for consumers.

Web Resources

<http://www.coopamerica.org/pubs/greenpages/index.cfm> Features list of sustainable businesses.

⁵Abrahamsson, A. (2006) Sustainopreneurship – Business with a Cause. in Science for Sustainable Development – Starting Points and Critical Reflections, Uppsala: VHU – Föreningen Vetenskap för Hållbar Utveckling (Swedish Society for Sustainable Development), pp. 21-30.



Sustainability--Marketing

Are you concerned about your image and your brand? Sustainability can enhance both!

Marketing provides the connection between your product or service and the customer. It is a critical link that is used to educate the customer and to attract their business. In addition to price, customers are increasingly making buying decisions based on a company's reputation and actions. By integrating sustainability into your marketing efforts, you can increase customer awareness; attract top talent, and fire-up employees.

Challenges

- Sustainability is best when it is embedded in your business, from product design to product delivery, and not as an afterthought at the end of the process.
- **Using sustainability as a marketing ploy will fail if you do not back it up with action.**
- Keep your message simple.
- Keep your message accurate.

Practices

- Encourage your customer to choose the more sustainable option
- Look for ways to increase the sustainability of your product or service.
- Educate employees about your sustainability efforts.
- Create marketing materials that are consistent with and enhance your sustainability message.
- Engage the customer by inviting feedback and developing long-term relationships.

Web Resources

1. "The Four Simple Steps to Pitch-Perfect Green Marketing | GreenBiz.com," <http://www.greenbiz.com/feature/2008/11/24/the-four-simple-steps-pitch-perfect-green-marketing?page=0%2C0>.
2. "Seed to Shelf: Marketing for Sustainability," <http://www.seedtoshelf.com>
3. "Drew McLellan - The Marketing Minute: The best way to grow your business," <http://www.drewsmarketingminute.com/2008/11/the-best-way-to.html>



Sustainability--Accounting & Finance

Accounting and finance is an area of business that has been slow to adopt sustainability practices. How do you measure and account for the social and environmental performance of your business? How do you use this information to make good sustainability decisions? Although there is much new activity in this area, currently there is no clear standard. Regardless, remember the old adage “what gets measured gets managed.”

As you develop your business’ finance and accounting infrastructure, consider how you might also account for (measure) your social and environmental activities--developing metrics that will help you measure your sustainability performance. Internally, this information is useful for encouraging changes in behavior and for making decisions. Externally, the information is useful for seeking investors, for public reporting and to support your sustainability claims.

When establishing sustainability metrics consider the following:

- Choose a framework that fits the culture and mission of your organization
- Select the most important elements to measure; do not get bogged-down trying to measure everything
- Look to similar businesses for ideas and consistency; this will help you to benchmark your performance
- Report gross totals (e.g. total Kwh) and relative data (e.g. pounds of solid waste per unit produced)
- Do your best. Some of the data is difficult to gather and may at times be imperfect but if it tells a story and the trends are accurate then it is worth the effort.

Once you’ve established meaningful metrics, consider how you can use this information for decision making:

- How does sustainability fit into the approval of capital expenditures or investments?
- What is the return on investment for sustainability initiatives?
- What is the environmental or social risk involved with this decision?



By measuring your sustainability efforts you enable your business to...

- Set realistic goals
- Make good decisions
- Back up claims with real data
- Meet obligations under governance standards
- Evaluate program outcome and effectiveness
- Plan ahead and budget future programs

Here are some metrics you might consider:

Natural Capital

- Use of energy and renewable resources
- Pollution
- Recyclability

Human Capital

- Training and development
- Diversity and equal opportunity
- Workplace safety and relations

Social Capital

- Community engagement
- Corporate philanthropy
- Costs/benefits to local economy



Sustainability--Operations & Efficiency

In the United States buildings consume about 70% of the nation's electricity and generate 30% of waste⁶. Reevaluating energy efficiency and waste disposal at your business can uncover opportunities to cut costs and make your organization more sustainable.

Energy

Energy efficiency is an area where small changes can make a big difference in the long run. One of the most important things to remember is that the least expensive option up front may not be the best option for your business over time. Strategic investments in the areas of equipment and materials can add up to big savings. Tools such as Life Cycle Costing and Energy Audits can be useful when deciding about new investments in your business.

Life Cycle Costing (LCC) examines the true costs over the entire life cycle of a product. This process can be very helpful when you are thinking about improvements to your manufacturing process or equipment/facility upgrades. Conducting an LCC can help to determine the best overall return between several options. For example: comparing the performance over 5-10 years of a cheap machine with that of a more expensive but more efficient alternative may reveal that the machine with the higher up-front cost actually costs less over time.

An Energy Audit is another tool that can help you identify energy and money saving opportunities. Many power companies offer free energy audits. When the audit is done you will be issued a report that will include recommendations for energy efficiency improvements. This can help you decide what to tackle first.

Here are a few ideas of things to do to reduce energy usage:

- Lighting is a great place to start – replacing incandescent bulbs with more efficient compact fluorescent bulbs will give you instant gratification on your next electric bill.
- Make sure that all equipment is turned off or set to sleep mode when not in use and post signs to remind your employees to do the same.
- Install occupancy sensors in offices, meeting rooms, etc. that turn off lights when not occupied.

⁶ Hitchcock, D. and Willard, M. (2006) *The Business Guide to Sustainability*. UK" Earthscan.



- Consider efficiency specifications when upgrading to new equipment.
- Keep up with changing energy conservation technologies.
- If your business uses a lot of water to manufacture its product you might consider conducting a water audit. You may be able to streamline your process and bring down your water bill at the same time.

Other Considerations

- You may be eligible for grants to subsidize your energy efficiency measures. For example, National Grid will pay up to 70% of the installation costs for energy efficiency equipment; you are then responsible for the remaining 30% which you can pay off interest free for the next 24 months. Researching other grant programs could help finance a large portion of your efficiency upgrades.
- Energy efficiency improvements may make you eligible for tax credits from state and federal governments.

Web Resources

National Grid Small Business Program:

https://www.nationalgridus.com/granitestate/business/energyeff/3_small.asp

National Grid free energy audit registration form:

https://www.nationalgridus.com/granitestate/business/forms/4_small_form.asp

Axis Performance Sustainability Series (booklets for sale):

<http://axisperformance.com/publications.html>

Waste

Waste can be defined as something that you bought but are not able to sell, and that you have to pay to dispose of. Considering this, waste is unusable material that you pay for twice. Elimination of waste can lead to reductions in carting and landfill costs. Innovative thinking can help businesses find ways to turn waste from a liability into an advantage. For example: you may be able to find a market for some of your waste by-products, creating a new revenue stream for your business.

How can you eliminate waste? Some simple rules can help cut your waste production right away:



- In the office, try to go paperless as much as possible. If you have to print, use both sides of the paper.
- Adopt responsible recycling practices. With a little research you may be able to sell your recyclables. Look for materials exchange programs in your area.
- Start composting – it’s easier than you think. Your garbage bags will be lighter and less stinky. You may have an avid gardener in the office who would be willing to help set it up.
- Eliminate disposable items (paper towels, paper cups, and plastic utensils).
- Purchase equipment from manufacturers who have a product take-back plan (e.g. HP printers, Xerox copy machines).
- Pre-cycle. When designing new products try to reduce the amount of material needed to create the finished product. Less material in means less waste out.

Employee Engagement

The more you think about ways to increase efficiency and reduce waste, the more opportunities you will see. Efficiency measures must be accompanied by changes in behavior in order to reap their full benefits. Employees should be encouraged in their involvement in efficiency programs. As they become more aware and begin to understand more about sustainability, they will be able to contribute their own ideas and innovations.

Web Resources

Zero Waste Alliance: The Case for Zero Waste

<http://zerowaste.org/case.htm>

Recyclebank:

<http://www.recyclebank.com/>

Grass Roots Recycling Network:

<http://www.grn.org/>

National Electronics Product Stewardship Initiative:

<http://eerc.ra.utk.edu/clean/nepsi/>

Xerox tips for creating a green office:

<http://www.xerox.com/about-xerox/environment/green-office/enus.html>

EnviroSMART recycler of printer cartridges, toner cartridges, batteries:

<http://enviroSMART.org/>

Cartridge World – sells refilled printer cartridges:

<http://www.cartridgeworldusa.com/>



Sustainability--Logistics & Supply Chain Management

The manufacturing sector is among the first to have been affected by the sustainability movement. If your business is involved in manufacturing products, chances are you have received questions from your customers about how your products are made and where the materials come from. This does not have to be a scary thing. Examining your supply chain and production process can lead to innovations that improve your product and decrease environmental risks associated with production.

Examining Your Design Process

A good place to start is by looking at your product. Does it include toxic materials that could be avoided? Reducing toxins in your product and in the manufacturing process leads to a safer working environment for you and your employees. By eliminating toxins you may also be able to reduce training and equipment costs. You can look at many aspects of the product, such as recyclability and embodied energy, to see what other changes can be made. Here are a few examples of different design frameworks can help you increase the sustainability of your product:

Life Cycle Assessment (LCA) examines and quantifies the environmental impact of a product over its entire life cycle (e.g. materials, transportation, use by customer). This enables you to see where the greatest environmental impacts occur. It may be that your assembly of a product has very little impact but the manner in which your supplier manufactures a component is very damaging to the atmosphere. It may be that your product has the most impact while it is being used by the customer. An LCA can identify the problem areas so that you can start to work on them. Engaging with your suppliers is crucial for a successful LCA, ideally both you and your suppliers can benefit from the analysis. If a supplier is not willing to participate you will have to do the best you can with the information that is available to you.

Creating a Grey List and a Black List can help delineate clear guidelines for what ingredients can be used in making your products. A Grey List is a list of chemicals you want to phase out of your production process. A Black List is a list of chemicals you will not permit to be used in the making of your products. For example: a cosmetic company that wants to phase out any parabens in their products, on the grounds that they may be carcinogenic, can put parabens on their Grey List. Once parabens have been eliminated from their product they can be moved over to the Black List.



Design for the Environment (DfE) practices encourage you to think about the end use of your product. What happens to the product when the customer is done with it? How can you help to keep it from ending up in a landfill? In order to incorporate DfE practices consider the following while you are designing: what is the recyclability of the product? What percentage of the product can be made from recycled content? What is the embodied energy of the product (how much energy was needed to make the product from start to finish)? How were the materials for the product harvested?

Another design process that can help to increase efficiency and sustainability of your product is Design for Disassembly. When a product is designed to come apart at the end of its life for easy recycling it can also speed up the manufacturing process. You may also be able to partner with another business that can use the dismantled parts of your product to produce something new.

Web Resources

IDSA Ecodesign Principles & Practices:

<http://www.idsa.org/whatsnew/sections/ecosection/principles.html>

IDSA Ecodesign Selected Links:

<http://www.idsa.org/whatsnew/sections/ecosection/selectedlinks.html>

The Designers' Accord:

<http://www.designersaccord.org/>

Coop America Green Business Profiles:

<http://www.coopamerica.org/greenbusiness/profiles/2008.cfm>

The Natural Step:

<http://thenaturalstep.org/en/usa>

Green Biz.com:

<http://www.greenbiz.com/>



Managing Raw Material Resources & Suppliers

Once you know how you want to make your product you need to look at your supply chain. You may find out that your suppliers are already working to increase the sustainability of their own product, partnering with them could make the process move much faster. If your suppliers are not interested in sustainability you can try to educate them about it. If you hit a brick wall you may want to do some research into alternative suppliers. Many large companies carry sustainably sourced materials even though they may not publicize it. For example, since 1999 The Home Depot has pledged to give preference to wood harvested from forests managed in a sustainable way. They are now the largest retailer of wood certified by the Forest Stewardship Council. Increased communication with your suppliers and a little extra research can put you well on your way to a sustainable supply chain.

Another good way to manage your supply chain is to buy locally. Buying locally can strengthen the local economy while helping you to cut your transportation and fuel costs. Buying locally will also give you increased access to your suppliers allowing for better communication and transparency. Look for local business groups committed to sustainability and get involved.

If you cannot communicate directly with your suppliers, try to use third-party certified product whenever possible. Certifications such as Green Seal, Fair Trade, Forest Stewardship Council, and Certified Organic are a few that are well known. It can be expensive for small businesses to pursue certification of their own. You may want to concentrate on building a strong sustainable brand and then get certified as soon as you can afford it.

Other Considerations

- Thinking about your product in a new way can unleash creative thinking and uncover innovation. You may be able to rejuvenate a tired product by upgrading its sustainability profile.
- Customers are becoming increasingly savvy about the contents of their products and how they are made. Making something that makes your customers feel good about themselves and the environment will strengthen your relationship with them and build their loyalty to your brand.



- Regulations involving green house gases and recycling will become increasingly stringent due to the pressures of climate change and resource scarcity. Staying ahead of the regulations will give you a competitive edge when other companies are scrambling to catch up. By waiting to act you may risk losing your market share.
- Insurance companies are increasingly taking sustainability and climate change into consideration. By incorporating sustainable practices now you may be eligible for reduced insurance premiums down the road

Web Resources

Coop America National Green Pages:

<http://www.coopamerica.org/pubs/greenpages/>

Consumer Reports Greener Choices:

<http://www.greenerchoices.org/home.cfm>

EPA – Environmentally Preferable Purchasing:

<http://www.epa.gov/epp/index.htm>

Whole Building Design Guide:

<http://www.wbdg.org/>

American Center for Life Cycle Assessment:

<http://www.lcacenter.org/>



Additional Resources & References

Textbooks

The following textbooks provide a wealth of information about creating and running a sustainable business:

Cradle to Cradle: Remaking the Way We Make Things: William McDonough, Michael Braungart

Green to Gold: How Smart Companies Use Environmental Strategy to Innovate, Create Value, and Build Competitive Advantage: Daniel C. Esty, Andrew S. Winston

The Business Guide to Sustainability: Practical Strategies and Tools for Organizations: Darcy Hitchcock, Marsha Willard

The Sustainability Handbook: The Complete Management Guide to Achieving Social, Economic and Environmental Responsibility: William R. Blackburn

The Sustainable Enterprise Fieldbook: When it All Comes Together: Jeana Wirtenberg, David Lipsky, William G. Russell

The Triple Bottom Line: How Today's Best-Run Companies Are Achieving Economic, Social and Environmental Success -- and How You Can Too: Andrew W. Savitz, Karl Weber

Financial Incentives in NH to go Green

<http://www.goodtobegreen.com/financialincentives.aspx#nh>

<http://www.dsireusa.org/library/includes/map2.cfm?CurrentPageID=1&State=NH&RE=1&EE=1>