



Sustainable Business Practices

Most experts say that companies who map out a thoughtful, long-term strategy to achieve sustainability have the best chance for emerging as leaders. The following checklist offers a launching point for where to begin. By rethinking your company's potential for transformation in each of these areas, your company may discover cost savings or new revenue streams, encourage innovation, and increase staff morale, while also benefiting your community and the planet. For 9 sustainability areas, we provide suggestions for key performance indicators to track; the "low hanging fruit" or a target or best practice that is easy to achieve; and then the questions to ask your colleagues and management to get yourself started down the path of sustainability, with resources to help you find the answers.

Energy Usage

INDICATORS TO TRACK: Determine your company's carbon footprint. Calculators to determine carbon emissions through shipping, commuting, employee travel, office emissions and other energy uses can be found at Carbonfund.org's carbon calculators website.

LOW HANGING FRUIT: Adopt an energy policy that articulates the company's goals and objectives. Areas to target immediately:

- Lighting consumes about 22 percent of all electricity in commercial office buildings, affecting a major portion of operating costs. Generally, retrofits to lighting systems produce savings as high as 40 percent of current costs. For example, switching 20 exit signs to efficient led exit signs costs about \$800 upfront, but can save over \$19,000 in electricity over 10 years.⁷
- Installing a cool roof may provide major savings in air conditioning costs during hot months. A cool roof has a special coating or surface that reflects heat. The Department of Energy provides a cool roof savings calculator that takes in the size and location of your building to estimate what a cool roof may do for your energy costs.⁸
- Commissioning, or creating a strong operations and management (O&M) program reduces annual utility bills by 5 to 20 percent, with no capital invested in upgrading equipment. Focusing on making equipment run more efficiently tends to be no- or low-cost and can be implemented by in-house expertise. The EPA has published a series of reports and assessment tools designed to provide building owners with best O&M practices for saving energy and money.⁹

QUESTIONS TO ASK:

1. Have you ever examined your company's energy bill? Does your facilities team meet with your financial team to identify ways to reduce energy? Verifying your energy usage and creating goals for reducing your energy use and costs requires many parts of your company to work together.

▶ To determine what level of efficiency upgrades your business can support, consider the age and condition of your equipment and facilities, local utility rates, hours of operation, and financing capacity. The SBA provides methods for prioritizing energy efficiency upgrades, including links to the EPA Energy Star's cash flow opportunity calculator, information on federal tax credits, and other tools to help you prioritize your upgrades. Their site also includes no- and low-cost energy saving reminders, such as changing HVAC filters and caulking and weather sealing for businesses.¹⁰

▶ Do you use 200KW or more annually? Pay for Performance is a whole-building approach to saving energy in your existing facilities and earning incentives sponsored by New Jersey's Clean Energy Program.¹¹

▶ Remodeling, renovating, or purchasing new equipment? You may qualify for assistance from New Jersey's New Jersey SmartStart Buildings Program.¹²

Renewable Energy

INDICATORS TO TRACK: Energy produced from renewable sources at your facilities; percentage of total energy use bought from green power sources; purchase of carbon offsets for travel, commuting, office operations, shipping, or other activities.

LOW HANGING FRUIT: if installing or purchasing renewable energy is impractical for your business, consider purchasing carbon offsets, or a credit that represents the avoidance of the emission of one ton of carbon dioxide equivalent. The U.S. department of energy's green power network website provides guidance on purchasing green power or carbon offsets.¹³

QUESTIONS TO ASK:

1. Has the company done everything possible to be energy efficient? While advances in solar panels, wind turbines and geothermal are making these alternative sources more viable, energy efficiency is the first step in reducing your carbon footprint and achieving cost savings. You should only turn to greening your energy supply after you've invested in improvements to your building envelope and equipment to lower your energy usage. New Jersey has a number of renewable energy incentives in the Board of Public Utilities' Clean Energy Program, where companies may find attractive financing for solar and cogeneration (combined heat and power).¹⁴

2. Are the company's buildings or facility a suitable candidate for solar panels or a solar hot water system? Is geothermal a possibility? Wind? Renewable energy resources must be suitable for your needs.

3. Is there potential for third-party financing or a power purchase agreement for a renewable energy? If your real estate or facilities are ideal candidates for a renewable energy project, you may be able to find an investor to enter into an energy services agreement which allows your company to purchase energy from the system, and the investor-owner to assume the cost and risk of installing the system.

Transportation

INDICATORS TO TRACK: Percentage of company facilities within 1/2 mile of public transportation; percentage of employees telecommuting; miles and emissions avoided through telecommuting; percentage of fleet that are hybrid, alternate energy, or electric vehicles.

LOW HANGING FRUIT: Create a business-wide policy for drivers and employees to ensure they employ the most fuel efficient driving practices: driving at the speed limit, parking in shaded areas, tracking fuel usage, employing GPS to create the most efficient routes, and reducing or ending idling can reduce fuel use and lower carbon emissions. Driving behavior accounts for up to 33 percent of fuel consumption and by making safe, efficient driving a priority, companies can also save on fuel costs.¹⁵

QUESTIONS TO ASK:

1. Can you test a telecommuting program with your employees, even if it means just one or two days at home? When Verizon surveyed its teleworking employees, it found that in just six months, 200 employees saved 18,000 gallons of

fuel by working from home or remote locations, and avoided 10,680 hours of commuting time.¹⁶

2. Does it make more sense to rent vehicles from a vehicle-sharing company, such as zipcar, which offers discounts to business clients and have hybrid and other energy efficient vehicles available?

3. Do you maintain your current vehicle fleet to ensure peak efficiency and get better mileage?

4. Do you invest in fuel-efficient and alternative energy vehicles, taking advantage of state or federal tax incentives available for hybrid, alternate-energy, or electric vehicles? For guidance on creating a green fleet, check out evergreenfleets.org, which provides a fleet-emissions calculator and guidance for creating a greener fleet.¹⁷

Water Usage

INDICATORS TO TRACK: Annual water usage for all company activities; bi-annual reduction in water usage; percentage of water harvested on-site or recycled; percentage of low-flow faucets or toilets installed across all facilities.

LOW HANGING FRUIT: Low-cost and easy water conservation methods include harvesting rain-water, landscaping with drought tolerant plants, fixing leaky faucets and shower heads, and installing low-flow toilets and faucets.

QUESTIONS TO ASK:

1. Have you determined your company's water usage? Once you understand your company's water needs, then you can set a practical goal or percentage reduction. Review your company's water bill monthly to be on the lookout for spikes, which may indicate leaks or other problems.

2. Does maintenance regularly check for and repair leaking pipes

and faucets? Have you installed water efficient appliances, shower heads, urinals, and faucets?

3. If your business uses a significant amount of water during production, is it possible for your business to recycle water on site or use a closed-loop or other recovery system? Tips and tools for creating a water efficient and sustainable landscape are offered by landscape for life, a joint effort by the united states botanic garden and lady bird johnson wildflower center.¹⁸

Waste and Recycling

INDICATORS TO TRACK: Total solid waste generated by company activities in metric tonnes; tonnes of material recycled; tonnes of material disposed into landfill; recycling rate.

LOW HANGING FRUIT: Identify containers, packaging, and other supplies that can be reused instead of thrown away. Donate and exchange unwanted materials or goods to community programs and schools. Evaluate your need for packaging, paper, ink, material, adhesives, etc.

QUESTIONS TO ASK:

1. Does your company dispose of hazardous waste, such as batteries, paint, and electronic equipment in a responsible manner? The epa provides a methodology for conducting a waste assessment for your company.¹⁹

2. Have you checked out resources like the Farleigh Dickinson Sustainable Business Incubator and the Mid-Atlantic Regional By-product Synergy Project run by gti environmental services to find partners for your waste products? Your company can potentially avoid using landfill space and create new revenues.²⁰

3. Do you provide education for your customers about what they can do with packaging or products they no longer use?

Supply Chain and Procurement

INDICATORS TO TRACK: Percentage of freight delivered through lower impact transportation (example: not via air transport); percentage of suppliers that have sustainable certifications; percentage of suppliers that use renewable energy.

LOW HANGING FRUIT: Using local suppliers helps lower carbon emissions from transportation.

QUESTIONS TO ASK:

1. Have you conducted an audit of materials and equipment used in the manufacturing process? What percentage of materials used during the manufacturing process have gone through a life cycle assessment? Is it possible to visit your suppliers and vendors in order to ascertain that environmental and social criteria are being followed? Do suppliers use renewable energy?
2. What percentage of materials used in production or packaging are toxic? Can this percentage be reduced? What percentage of materials used in production or packaging are biodegradable or recyclable?
3. Can you apply independent, third party certifications on products you buy, such as fair trade and Forest Stewardship Council (FSC) certifications? When purchasing new furniture, have you shopped for recycled furniture or carpet or furnishings that receive sustainable certifications?²¹ Remember to consider long-term, not just upfront costs—more durable furnishing may be more expensive, but will last longer and have a resale value, rather than just be destined for a landfill.

4. What percentage of your suppliers are women- or minority-owned businesses? Does your supply chain management plan focus on underserved populations or helping to create economic development?

Community Engagement

INDICATORS TO TRACK: Percentage of profits designated for philanthropic efforts; number of volunteer hours donated by employees.

LOW HANGING FRUIT: If cash is tight, identify what your company can donate in terms of products, facilities, or services in lieu of monetary contributions.

QUESTIONS TO ASK:

1. Examine your company's philanthropic efforts and determine what percentage of profits has been designated for contributions.
2. Do you encourage workers to donate their time to volunteer efforts by giving them time off or flexible schedules?
3. Is your company located in an economically-stressed area where jobs are in demand? Are you hiring local workers to help supply some of that demand? Are you using local vendors and suppliers?

Employment Practices

INDICATORS TO TRACK: Start by examining and measuring your company's turnover rates, diversity, growth rate, and your ability to attract talent.

LOW HANGING FRUIT: Consider drafting an employee handbook that provides the mission of your company, along with information about compensation, benefits, training, termination practices, ethics, and work-life balance.

QUESTIONS TO ASK:

1. Do you have merit-based hiring and promotion practices in place? Is there equitable distribution of wages, salaries, and benefits? Is there opportunity for employee ownership in the company?
2. Do employees have access to training or educational assistance?
3. Are you providing the best health care policy you can afford? Dental insurance? Disability?
4. What other benefits can your company afford to offer to employees such as scholarships, discounts, and wellness programs?

Workplace Environment

INDICATORS TO TRACK: Telecommuting hours, percentage

LOW HANGING FRUIT: Consider setting up a performance feedback system with employees that establishes a consistent and formal process providing feedback that identifies personal and professional goals, provides direction for advancement, includes peer review, and allows for employee suggestions and complaints.

QUESTIONS TO ASK:

1. Is your workplace safe and healthy for all employees? Do you have access for employees with disabilities?
2. Is the workplace culture fair and respectful, where employees can trust each other and their supervisors?
3. Are your employees eager to come to work every day? Are they appropriately challenged? Are employees able to concentrate on their work and be free from distractions? Are employees given consistent, formal and informal feedback and allowed to provide input into how things are done?