

Why Leading Sustainability Matters More Than Ever

Daniel Goleman, Psychologist, Author and Lecturer

Sustainability has become a key driver of business growth and innovation. So argues C.K. Prahalad, the University of Michigan-based thought leader, in the pages of the *Harvard Business Review* [September 2009]. Writing with Ram Nidumolu and M.R. Rangaswami, Prahalad contends that the tradeoff between sustainable products and financial costs is a false choice, one that fails to see how the pursuit of sustainability can lower costs, raise revenue and drive growth through innovation.

A concrete sign of this happened July 14, 2009, when Wal-Mart announced it will work with an independent, academic consortium to develop a product-rating sustainability index that the retailer will eventually post next to the prices of products in its stores. Other companies, like BestBuy, also are showing interest, and Wal-Mart hopes Target, Costco and other retailers will adopt the index as well.

If so, one day shoppers will instantly see not only that one item is cheaper than the other, but also which has ingredients that do less environmental damage, generate hazardous by-products, require toxic compounds to make, or contain chemicals suspected of being carcinogens. This, in turn, could make winners of those companies that are most nimble in innovating more sustainable alternatives, and losers of those that fail to do so.

The sustainability index is meant to set an industry-wide standard for ecological transparency. And it will no doubt be a game changer, not just for strategy, but also for people decisions. The dawning of ecological transparency in the marketplace propels sustainability leadership to the center of strategic planning. The position leaps from a “nice-to-have” to a “must-have,” putting a new

premium on the ability of executives to lead sustainability initiatives.

The announcement put on notice the more than 100,000 Wal-Mart suppliers that they must be prepared to analyze and divulge the ecological impacts of their products in the rating index. Companies that do not do this preparation will become “irrelevant,” losing their space on Wal-Mart’s and Sam’s Club’s shelves. Coincidentally, China—home to the bulk of Walmart’s supply chain—is devoting five percent of its stimulus budget to innovations in sustainable development.

All these forces for sustainability operate at the B2B level, between retailers and their suppliers. But a parallel force is emerging in the consumer marketplace, where a working

notify their Facebook or Twitter friends why they just switched shampoos. Some major retailers are already in conversation with GoodGuide about posting its ratings next to product prices—getting a jump on the sustainability index that Wal-Mart announced.

These methods for ecological transparency are disruptive technologies in retailing and manufacturing. For one, such ratings lower to zero the mental effort (what economists call the “information cost”) needed to evaluate a product’s ecological impacts. This will make the ecological impacts of products a stronger element of their marketability, along with price and value.

Until now, anyone who wanted to learn the carbon footprint or chemical risks for a prod-

As sustainability proves key to strategy, HR becomes crucial to execution by seeing that the right people are in the critical positions. The big question: What competencies are needed to be effective in leading a company’s sustainability initiative?

model for a sustainability index already exists in GoodGuide.com. This information system, hatched at the University of California at Berkeley, aggregates more than 200 databases on the environmental, health and social impacts of a given product, and summarizes all that for shoppers in a single score on a 10-point scale. GoodGuide offers an instant comparison of the ecological impacts of competing products, and allows users to

product has had to track down a Web site that had the data (if there was one at all), and remember it while shopping for the item in question. Market surveys find that approximately 10 percent of consumers, at best, ever bother. Nearly a quarter of shoppers say they couldn’t care less. The real action zeroes in on the two-thirds of shoppers who say such data would influence their choices if it were easy to get. And Wal-Mart cites surveys showing that

perspectives – point

those shoppers born since the 1980s increasingly are motivated to vote with their dollars for a cleaner, safer and cooler planet.

This development resolves for corporations the long-standing internal debates over sustainability, where voices for social responsibility say practices must change and those for fiscal responsibility counter there is, at best, a lim-

heat water to use its detergent products as a huge negative for global warming. As such, they developed cold-water detergents as more sustainable alternatives.

As sustainability proves a key to strategy, HR becomes crucial to execution by seeing that the right people are in the critical positions. The big question: what competencies

in positions of power to take the sustainability agenda seriously and put it into action.

These findings bring into focus what HR should look for in promoting or recruiting sustainability leadership. The challenges will be both recruiting people with the right skill set for leading sustainability, and sharpening the competencies of those already in the position. An executive's persuasion and cooperation abilities can be honed, as executive coaches will attest.

Business savvy is equally crucial. At every step of the way, leaders must be able to make a strong business case for sustainability if their arguments are to be persuasive.

So what about all those newly minted graduates of "green business" programs? It's well and good that they understand the nuts and bolts of sustainability. But that alone will not be sufficient for them to become effective sustainability leaders. They'll also need those tried and true leadership competencies for getting people motivated, focused and working together. And, as Wal-Mart's Andy Ruben told me, "Graduates of green business programs need first of all to be good at business."

Editor's Note: Daniel Goleman's latest book is *Ecological Intelligence: How Knowing the Hidden Impacts of What We Buy Can Change Everything*. His conversations with thought leaders on ecological transparency can be heard at: <http://www.morethansound.net/ecological-awareness.php>. The book is being reviewed in this issue on p. 61

From the perspective of the social intelligence competencies found among highly effective leaders, the specific people skills that typify the best sustainability leaders are telling: the abilities to persuade and influence, and to cooperate as a team player.

ited business case. "Smart companies now treat sustainability as innovation's new frontier," the Prahalad group writes in the *Harvard Business Review*.

Andy Ruben, who has led Wal-Mart's sustainability initiative and now runs its private brands division, sees great advantage for companies able to create value via ecological innovations throughout the supply chain. "This is the largest strategic opportunity companies will see for the next 50 years," Ruben told me. "This is the most exciting time to be in business, with more opportunity to create change in the world than ever."

That reinvention of industry's most basic platforms, processes and chemical palette can be expedited by another new class of information system, designed to spot innovative opportunities in the supply chain. One prototype is Earthster, supply chain management software that uses product life cycle assessments to highlight the most negative ecological impacts—the points where a positive change will boost a product's sustainability rating the most. Procter & Gamble deployed this very strategy that spotted the customer's need to

are needed to be effective in leading a company's sustainability initiative? Some answers come from a global study of executives leading sustainability at companies in dozens of countries, done through intensive interviews by a worldwide team of 17 partners at Egon Zehnder International, the executive recruiting firm.

The EZI team, led by Christoph Lueneburger, used systematic interviewing to assess the unique competencies displayed by sustainability leaders who had scored successes, and compared them to executives in comparable positions who had struck out or just tread water. Those who succeeded showed strengths in two categories of competencies: social intelligence abilities and business skills.

From the perspective of the social intelligence competencies found among highly effective leaders, the specific people skills that typify the best sustainability leaders are telling: the abilities to persuade and influence, and to cooperate as a team player. That makes sense in terms of the organizational chart. Executives leading sustainability are not in a command position, but rather they must exert their influence laterally by convincing others

Daniel Goleman, Ph.D., covered behavioral sciences and the brain for *The New York Times* for 12 years. He has taught at Harvard University, where he received his Ph.D., and was senior editor at *Psychology Today*. His books include *Emotional Intelligence*, *Working with Emotional Intelligence*, *Vital Lies*, *Simple Truth*, *The Meditative Mind*, and, as co-author, *The Consumer's Guide to Psychotherapy*.

Caveat Venditor: How Sustainability Is Shifting the Balance Of Power

Christoph Lueneburger, Head, Global Sustainability Practice, Egon Zehnder

We are in the early days of a massive transformation of commerce, brought about by sustainability. Daniel Goleman has sketched this revolution along two dimensions. First, he describes how competent leaders with strong commercial orientation will advance this agenda inside corporations. Second, in what Goleman describes as a “parallel force in the consumer marketplace,” consumers are rapidly becoming more sophisticated in their purchasing decisions. Our research and work with global clients aligns with Goleman’s analysis, but—as a counterpoint demands—I will counter that the consumer is the primary driver rather than a parallel force in this transformation.

In his book *Ecological Intelligence*, Goleman introduces “radical transparency” as the enabler of the sustainability revolution. As he previously summarizes, radical transparency

Much as nutritional labeling enables informed choices about food (and the extinction of some substances, like trans fats), this consumer revolution will pull even the most recalcitrant companies into the 21st century or else render them irrelevant.

The motto for what’s ahead is *caveat venditor*—let the seller beware—and in the generational shift to leaders and employees who understand this transformation, companies face some difficult people challenges. At a recent roundtable discussion we conducted with sustainability executives from leading companies, a Chief Sustainability Officer recounted a recent meeting with his CEO. After listening to a detailed presentation, the CEO countered, “Too much information. Tell me the one thing we have to do to get this right.” Without hesitation the CSO responded: “Hire the right people.”

He was not talking merely about hiring a few executives for a sustainability function, but about a substantive culture change that will require the right people with the right competencies across the entire organization. He also was pointing implicitly to a phenomenon

CEOs that recognize the immense commercial power of the consumer revolution are beginning to seek new leaders to profitably map the path rather than wait for it to happen or, worse, rely on a regulatory compass to chart their course. Those who champion this shift in their own ranks have embraced two lessons that are simple but not easy. First: the customer really is always right. Second (and consequently): sustainability, ultimately, is about the sustainability of their own companies.

Christoph Lueneburger leads the Sustainability Practice at Egon Zehnder International and serves on the Duke University Sustainability Council.

Sustainability Rests in the System, Not the Product

John R. Ehrenfeld, MIT Faculty (Emeritus), and Author, *Sustainability by Design: A Subversive Strategy for Transforming our Consumer Culture*

Daniel Goleman is on-target in suggesting that new skills will be critical for companies in the sustainability game. HR needs to be especially careful when selecting and supporting personnel tasked to lead efforts in this domain. Further, what have been conventional performance criteria will need to be expanded to include factors related to sustainability. This is where, I believe, Goleman goes astray.

The first part of his article describes emerging sustainability indices and suggests that shoppers will be able to use them to select items that best satisfy their intentions toward sustainability. The story is not quite so simple and direct. Unlike price, which can be easily played off against some set of satisfying factors, sustainability metrics cannot. Sustainability is not a single-valued function; rather, sustainability is a holistic property of a system. A system, like the economic or environmental system, exhibits sustainability when it pro-

As radical transparency reaches even the most casual shopper at the point of purchase, the pursuit of sustainability will shift from a choice companies make to their license to operate, which masses of consumers won’t hesitate to revoke.

is the result of convenient access to objective information about products that enables consumers to make uncomplicated decisions about complex issues. As radical transparency reaches even the most casual shopper at the point of purchase, the pursuit of sustainability will shift from a choice companies make to their license to operate, which masses of consumers won’t hesitate to revoke.

we, too, have observed: the existence of a “blocking generation” of senior business managers who see that sustainability can’t be ignored but don’t yet relate to it instinctively the way the next generation will. As Goleman observes, the challenge for HR is to help change the mindset of those executives, which is hard. But they will be helped by a change in generations, which is certain.

perspectives – counterpoints

duces desirable qualities, like flourishing or security, over long periods. Sustainability is the result of the interaction of many relationships, each of which may be understandable when looked at in isolation. But it is the intermeshing of these relationships that matters, and in all-important cases, the tangled web that emerges cannot be described by a set of abstractions, formulas or indices.

Sustainability is the result of the interaction of many relationships, each of which may be understandable when looked at in isolation. But it is the intermeshing of these relationships that matters, and in all-important cases, the tangled web that emerges cannot be described by a set of abstractions, formulas or indices.

That is where the indices to which Goleman refers go astray. They make a valiant effort at capturing the impact of diverse factors on environmental sustainability, and to a lesser degree, social responsibility. Product life cycle assessment systems, like Earthster, have been used for nearly 25 years without much effect on the environment. Even if one combines hundreds of separate factors as is done in the GoodGuide system, the result cannot be correlated with any positive image of sustainability. These measures can be useful in the other direction, pointing to products that may create smaller negative effects than others. Even so, the outcome on the world we live in is not likely to be satisfying. As Goleman writes, these indices may be disruptive and, as a result, would demand highly skilled, innovative personnel to maintain corporate leadership.

The significance for HR departments is to realize that they will need personnel with more than analytic skills along with the kind of persuasive powers to which Goleman points.

Systems thinking is the key to sustainability. Today's mess can be blamed on the failure to understand the system within which we are embedded.¹ Unfortunately, systems thinking is given only lip service in most disciplines, especially in MBA programs. HR personnel tend to come from single discipline roots, making sustainability more challenging for them. The usual mantra that guides operations—if you

can't measure it, you can't manage it—doesn't apply to sustainability. The challenge is to attain it and get the system right.

The real winners in the future will be those firms that truly understand this, and are honest and clear in their presentations of their products and services. The shortcomings of sustainability indices will become evident in the future, and firms uncritically adopting them may well lose whatever glitter they have acquired. This situation may be one where the early adopters—the hares—will eventually lose out to the tortoises.

Dr. John R. Ehrenfeld currently serves as executive director of the International Society for Industrial Ecology.

Buyer Beware: The Pathway to Collapse Could Be Paved with the Most Sophisticated Consumer Metrics

Peter Senge, MIT and SoL; Author of The Fifth Discipline and The Necessary Revolution

I agree wholeheartedly with Daniel Goleman that product sustainability indices like GoodGuide.com and the one that Wal-Mart's and other retailers are working to develop are potential game changers in creating a more sustainable industrial system. But they are only first steps. We all must be careful not to be seduced by "being less bad," and continuing to destroy our inherited social and natural capital just a little less rapidly.

The first thing everyone must understand is that most all of these metrics track relative impacts: how one product fares relative to another competing product. But is the product good? That's a much tougher question to answer.

The bottom line is that nature does not care about the relative impact of one product compared to another. Nature cares about our total impact in *absolute terms*. Relative rankings may not only fail to convey our impact in destroying ecosystems, depleting water or soil nutrients or destabilizing global climate, they can distort the speed and scope of changes actually needed.

To illustrate, consider the real (i.e., absolute) changes needed to avoid the dangers of climate change. The growing consensus among climate scientists is that we need to stabilize greenhouse gas *concentrations* in the atmosphere at not much above where they are today—which means we need a 70-80 percent reduction in emissions (given the rate of CO₂ sequestered by the biomass) within three or four decades.²

1. Senge, P. M., B. Smith, et al. (2008). *The necessary revolution: How individuals and organizations are working together to create a sustainable world*. New York: Doubleday.

2. To see why the changes need to be this strong, try the freeware simulator based on the latest in climate science developed at MIT: www.climateinteractive.org.

What does this mean, for example, for the average mileage for cars? Given continued historic growth in cars on the road, a lot. An 80 percent reduction in emissions would require a five-fold increase in fuel economy—for the U.S. fleet, an average of about 100 mpg. But, if the global fleet of automobiles keeps pace with GDP and grows at about 3 percent annually (some expect new car sales to rise far faster with standards of living growing far faster than 3 percent per annum in China and India), the number of cars on the road will double every 20 years, which means a four-fold increase by 2050. So the average fuel economy would need to be 400 mpg to meet the emissions target. (That figure would have to double again if cars on the road double in another two decades.)

This is what happens when relative improvements in eco-efficiency or ecological footprints for individual products collide with unending growth. None of this is revealed by sustainability rating systems that focus only on relative performance of one product compared with another.

Daniel Goleman is correct that sustainability matters more than ever and that when the customer demand starts to lead the changes, a new chapter in the journey will have started.

Peter Senge is a senior lecturer at the Massachusetts Institute of Technology. He is also founding chair of the Society for Organizational Learning (SoL).

Why Leading Sustainability Matters More than Ever

Miriam Hawley, CEO, Enlignment, Inc.

When I read the opening line of “Why Leading Sustainability Matters More than Ever,” Daniel Goleman’s commentary on the research of several thought leaders, I cheered inside. Here was an author I admired quoting from the influential *Harvard Business Review*, saying what I hope for and coach for—leadership from a sustainability perspective.

As I read further about Wal-Mart’s commitment to develop a product-rating sustainability index that will help consumers choose products that cause the least environmental damage, I paused.

While “sustainability has become a key driver of business growth and innovation,” there is an underlying context and conversation

ability is possible only where sufficiency thrives. We need a way to gauge what is sustainable in our personal lives, our business and community lives, and as global citizens. We could say that when sufficiency is cause, sustainability is effect.

While having a measure of ecological transparency is critical, there are other questions we need to ask. It may be less expensive to buy more, but do we need more? What is the impact on the communities whose land is used to build these massive structures? What is the cost to farmers’ markets and neighborhood stores that offer just enough and no more? What about our growing need for sustainable packaging and fair wages for workers?

What is *enough*? What is enough food, love, sex, money, time or business, clothing, housing or support? The answer requires contemplation and can be difficult to discern.

According to Lynne Twist, global activist and author of *The Soul of Money*, we must “confront not only the financial crisis, but also all other crises which stem from the same root—scarcity.” She asserts that we are in a trance fueled by the three toxic lies of scarcity: there is not enough; more is better; that’s just the way it is.

Becoming leaders of sustainability initiatives involves nothing short of a paradigm shift: from not enough to enough, from greed to gratitude, from scarcity to sufficiency, from dominion over nature to partnership with the natural world. For the earth and all species to flourish, we must completely rework, or even create for the first time, our ideas about what is enough.

So what is sufficiency? Buckminster Fuller, one of the world’s greatest futurists and a global thinker, taught that the distinction of sufficiency is not an amount, but an exquisite *experience* of “enough,” like satisfaction. Sufficiency is a shift in mindset, a declaration that *we have* enough and *we are* enough.

Sufficiency is not a point on the scarcity and abundance continuum (which are two sides of

The bottom line is that nature does not care about the relative impact of one product compared to another. Nature cares about our total impact in absolute terms.

But we are, at best, at the beginning of the beginning. Until consumer-facing ratings track the absolute changes needed—not just relative ratings—and the implications of unending business growth, and HR professionals help managers develop the capabilities to do so, the new chapter will turn out to be part of the same old story.

that must be addressed for sustainability to be possible, let alone flourish. The context is *Sufficiency* and the conversation is *What is Enough?*

In my last decade as a professional and activist, I have discovered that sufficiency is present when nothing is wasted, and sustain-

perspectives – counterpoints

the same coin) or a destination. Sufficiency is a lively, ongoing process, practice and conversation discovered in the context of community.

The dilemma is that Wal-Mart encourages us on one hand to be conscious consumers and on the other to consume more than we need. The size of Wal-Mart stores alone exemplifies “more is better and that’s just the way it is.” Is it? The bottom line is that we can’t achieve sustainability without considering sufficiency.

Nancy Miriam Hawley, LICSW, is a co-founder of Enlignment, Inc., a coaching, consulting and training company.

Making Sustainability Part of Everyone’s Job

Daniel C. Esty, Chairman, Esty Environmental Partners, Hillhouse Professor of Environmental Law and Policy, Yale University and Director, Yale Center for Environmental Law and Policy and the Center for Business & Environment at Yale; and Sandra Lauterbach, Managing Consultant, Esty Environmental Partners

Over the last decade, we have seen a dramatic increase in the number of companies that view sustainability as a “key driver of business growth and innovation” as Daniel Goleman discusses in “Why Leading Sustainability Matters More Than Ever.”

As sustainability consultants for leading corporations, we argue that sustainability should be “an essential component of business strategy.” But in reality, companies that align business and sustainability strategies are rare. Many executives see sustainability as non-core to the business, forcing sustainability officers to rely on persuasion skills, as EZI identified. To connect sustainability and business advantage, companies need to drive change throughout the enterprise. In this response, we offer examples of leading companies who are tackling this challenge.

The importance of integrating sustainability into strategy will only intensify as stakeholders, including supply chain partners, pressure companies to reduce environmental footprints. Companies also need to address resource constraints, rising energy prices, more stringent regulations and changing consumer expectations—all of which pose business risks and opportunities.

We agree that an effective sustainability strategy begins with recruiting executives with skills to “persuade and influence.” The right leadership is essential.

Yet reducing a company’s footprint, using sustainability to drive innovation and redesigning products and processes require the commitment of the entire organization. With the logic of sustainability growing daily, the stakes are too great to leave these issues to a select few or to informal processes.

In the new sustainability context, integration and execution matter. By implementing processes, systems and metrics, executives can ensure that all employees have the capabilities and incentives to capitalize on emerging opportunities. How do sustainability leaders accomplish this?

issues and sharing best practices help build competencies and a sustainability-oriented culture. Some companies, such as Clif Bar, encourage commitment and enthusiasm by educating employees on work- and home-related issues.

- **Increase accountability** – Using its “Session E” process, GE formally reviews the environmental performance of all business units. Plant managers—not environmental managers—provide the updates, and GE uses reviews to hold managers accountable for continuous improvement. Several companies have integrated sustainability into compensation. For example, Shell calculates bonuses based on a performance evaluation scorecard, which includes a sustainable development component.
- **Track and report metrics** – Environmental management systems can track metrics and improve decision making. At Herman Miller, each designer can access a database that categorizes materials’ environmental impacts. This enables smart decision making throughout the company. Linking environmental efforts with business metrics, such as cost savings or revenue

Becoming leaders of sustainability initiatives involves nothing short of a paradigm shift: from not enough to enough, from greed to gratitude, from scarcity to sufficiency, from dominion over nature to partnership with the natural world.

- **Include sustainability in planning processes** – Dow ensures that business managers include sustainability goals and plans in their annual planning cycle. Sustainability and business plans are better aligned because the business unit develops and owns both.
- **Educate employees on strategy and issues** – Training employees on environmental

growth, and reporting these metrics also can drive change.

As new business realities and opportunities emerge, the stakes are higher to integrate sustainability thinking throughout an organization. The right leadership—and the right processes and systems—can move the

entire company toward creating business value from sustainability.

Daniel C. Esty is the Hillhouse Professor of Environmental Law and Policy at Yale University. Sandra Lauterbach is a managing consultant with Esty Environmental Partners.

Sustainability Leadership & The Real Value of Brands—At the Core

Sophie Constance, Societal Business, Melbourne, Australia

Daniel Goleman focuses on the attributes needed for sustainability leadership. This means not only inculcating the values needed to drive a sustainability culture, but making sustainability an integral part of your business and core brand value. Alignment of Sustainability/CSR with your core business strategy creates organizational, brand and business value. This also engages your employees with the brand and has the potential to unleash their value as human capital. It is the efficient lynchpin to aligning your internal and external stakeholders and business into a cohesive whole, creating a more significant impact.

A “core brand” (or “core organizational brand”) must stem from the main business strategies and focus on the total corporate image as a synthesis of all its products and services. This follows the assumption that consumers will select a product or service based on their perceptions of trust in—and the credibility of—that business, as it has been incorporated into the core brand.

Several examples of global companies help illustrate the point. Marks and Spencer (M&S), a major British retailer, has gone through a transformation to become a company demonstrating a holistic integra-

tion of values, embedded in their business operations—both internally with staff and externally through their supply chains. In 2007, they launched a high-profile ‘Look Behind the Label’ advertising campaign—“Plan A,” under which they committed to

life” was its core brand message. Unilever was one of the first to use the Global Reporting Index (GRI) framework that sets out the principles and indicators organizations can use to measure and report their economic, environmental and social performance. They

Alignment of Sustainability/Corporate Social Responsibility (CSR) with your core business strategy creates organizational, brand and business value. ...It is the efficient lynchpin to bring internal and external stakeholders and the business into a cohesive whole, creating a more significant impact.

a string of social and environmental targets. It was the first major campaign wherein a retailer concentrated on the way products are sourced and made. Its success reflects the consumer trend for a more ethical way of living, combined with a healthier lifestyle.

The process begins with a thorough employee-engagement strategy that mobilizes shoppers and their expectations through the employees’ experiences. Fifteen months after launching their “Plan A” program, M&S said it achieved 17 out of the 100 targets it set for itself, results were positive across the board and focus groups showed consumers were behind it. ‘Look behind the Label’ is considered the most successful and well-embedded concept of a responsible retailer: In a poll by *The Times* in London, (March 2008), Marks & Spencer was nominated the “the greenest supermarket” and the one most popular with socially and environmentally aware consumers.

When Unilever streamlined its global operations in 2004, it identified a unifying purpose of vitality for its employees and products. “Feel good, look good and get more out of

delivered the ‘execution’ or expression of this core brand message via an interactive guide on their Web site—showing their environmental impacts at every stage of the lifecycle of their products—from concept to consumption, e.g., sustainable fisheries created with the Marine Stewardship Council.

Further to the notion of ecological transparency that Dan Goleman proposes, the way to enable it more effectively is through refocusing on citizenship. People should not be defined primarily just as “consumers.” People are first and foremost citizens who happen to consume. Employees are citizens, too. This *citizenship* frame creates a better link to engaging with ecological transparency across the entire value-chain process, as employees with a citizenship perspective can advance the organization’s purpose by influencing all its stakeholders.

Sophie Constance is the director of Societal Business-Corporate Social Leadership.

Sustainability: Harnessing the Collective Innovation of All Employees

Shari Aaron, Author and Expert in Sustainability and Market Research

Daniel Goleman makes a very strong case that we are finally coming to a point of convergence where data can be harnessed to support the transition to a more sustainable economy. We see governments moving toward new regulations and citizen consumers seeking out products made in a less toxic, more just and earth-friendly fashion. According to McKinsey, 95 percent of CEOs report that businesses must address the social and environmental pressures of society (McKinsey & Co., July 2007), and evidence shows that employees will drive companies' efforts to address sustainability (MIT Sloan Management Review, Sept. 2009).

Increasingly, companies understand that they can strengthen their competitive advantage and reach new heights through innovation and sustainability. Increased collaboration and cooperation among all sectors will accelerate the pace by which companies can achieve sustainability.

My experiences help me understand why sustainability is one of the hardest issues for business and society. Sustainability calls on business leaders to rethink so many aspects of their businesses and re-evaluate current systems. It implores us to have a sense of moral courage and unwavering conviction. This applies directly to employees who, given our recent financial crisis, face such difficult working environments today. So while it may very well be true, as Daniel Goleman states, that certain employees will have a greater ability to bring forth more sustainable solutions for their companies, I firmly believe that we need to support and encourage all employees to get engaged.

The time is now to empower more employees who work inside corporations to champion sustainability. We could be facing a brain drain where the best and brightest seek alternative career paths away from the corporate

sector. We are seeing an unprecedented interest in careers that involve social good, particularly those from the younger generation that Daniel Goleman cites in his article. One of the most popular student clubs at Harvard in 2009 is Social Entrepreneurship. It rivals the ranks of those who join the finance and investment student clubs.

Over the past few years I have been conducting research regarding employees and sustainability. My 2008 Corporate Employee Sustainability Study reveals that 75 percent of employees report that their firms are not investing in sustainability training. This research reveals that many employees want training, as only one in 10 employees feel they have the tools and training needed to help their workplaces become more sustainable. In 2009, for *Climb the Green Ladder: Make Your Company and Career More Sustainable*, my co-author Amy Fetzer and I interviewed 80 sustainability leaders and hundreds of employees who brought successful sustainability strategies to their workplaces. I was amazed by what creative, smart and courageous employees at many organizations—in government, academia, non-profit and business sectors—were able to achieve. Many employees try to live responsibly in their home lives by recycling, composting, buying fair trade and organic, and flying, driving or buying less. They explain that it can be uncomfortable and distressing to feel that during their work lives, they are contributing to wasteful, disrespectful or environmentally damaging behavior—often on a scale that dwarfs one's personal life. Many say they want to do something to impact their company or organization's unsustainable practices, but often don't know where to start.

Companies such as HP and Wal-Mart have active, well-branded employee-engagement programs where they work to bring education and awareness about sustainability to their employees. The theory is to train employees to think like sustainability champions and empower them to find practical, business-building solutions for their workplaces.

The research for *Climb the Green Ladder* uncovers the six key principles that underpin

all successful sustainability strategies so that employees can benefit from this knowledge. These include:

1. Get the mindset
2. Make the business case
3. Get your colleagues on your side
4. Have two-way conversations
5. Work together
6. Make it part of the culture

Kristen Thomas from the Phelps Group, Martin Blake from Royal Mail, and Coral Rose from Wal-Mart are all clear examples who bring these six principles to life. Kristen Thomas was concerned about the mound of disposable dishes that was piling up at her firm's holiday party. Her investigation into how to solve this issue led to a tidal wave that greened her company and won new business. Martin Blake helped to show Royal Mail how to save £20 million a year and wipe up to 100,000 tons off its carbon footprint. Coral Rose wanted to help Wal-Mart develop new products and was instrumental in persuading this corporation, now the largest buyer of organic cotton, to first introduce organic clothing.

I have seen firsthand that employees—in any industry and with any job title—can make a difference. The more we learn and share with each other, the more we inspire others to action. So while I agree with Daniel Goleman that some people may be inclined to be more effective in championing sustainability strategies, I vote for using an all-hands-on-deck approach to allow all employees to engage in the process. The more we provide the tools and training and inspire them to action, the quicker we can accelerate the pace to viable solutions. HR departments, focused on employee career development, can champion employee training on sustainability and harness the collective innovation of their employees. **P&S**

Shari Aaron, executive director, *Climb The Green Ladder*, is a market researcher, sustainability consultant, author and strategic thinker