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OXFORD CONSULTANCY FOR SUSTAINABILITY

SUSTAINABILITY GUIDE FOR SMEs

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INTRODUCTION

What is sustainability?

Sustainability is defined as:

Meeting the needs of the present without compromising the ability of future generations to meet their needs.

In 2015 the UN developed 17 goals for sustainable development which are the blueprint to achieving a sustainable future. These are outlined below:

SUSTAINABLE DEVELOPMENT GOALS



SMEs (small and medium-sized enterprises) form the backbone of national economies and the global supply chain of large companies. SMEs account for about 90% of all businesses and as such have a crucial role to play in building a sustainable future and achieving Sustainable Development Goals.

The guidelines set out in this report focus on environmental sustainability over economic and social sustainability. However, the implementation of environmental sustainable practices should not be at the expense of either economic or social sustainability. Importantly, these factors are not mutually exclusive rather they are mutually beneficial and they act as a virtuous circle*.

*Virtuous circle refers to a complex chain of events that reinforce themselves through a feedback loop which has favourable results.

How does sustainability benefit your business?

Becoming sustainable can benefit your business in many ways. Here we highlight four key benefits:

- **Improved brand image and competitive advantage**

In the U.S. the Natural Marketing Institute discovered after surveying more than 53,000 consumers that 58% of consumers consider a company's impact on the environment where to purchase goods and services from and are more likely to purchase from companies that practice sustainable habits [1]. Furthermore, according to the 2015 Nielsen Global Corporate Sustainability report, consumer goods from companies that demonstrated a commitment towards sustainability have growth by over 4%, while those without have only grown 1% [2].

- **Increase productivity and reduce costs**

Development of sustainable business practice lends itself to efficient operation that streamlines effort and conserves resources, which enhances employee productivity and reduces costs.

- **Improved financial and investment opportunity**

Financial and investment analysts have recognized companies who have developed sustainability plans with regards to energy efficiency and reduction of environmental impact as an important evaluator criterion. According to the report U.S. Sustainable, Responsible and Impact Investing Trends [3], the market size of sustainable, responsible and impact investing in the U.S. in 2016 is \$8.72 trillion, or one-fifth of all investments under professional management.

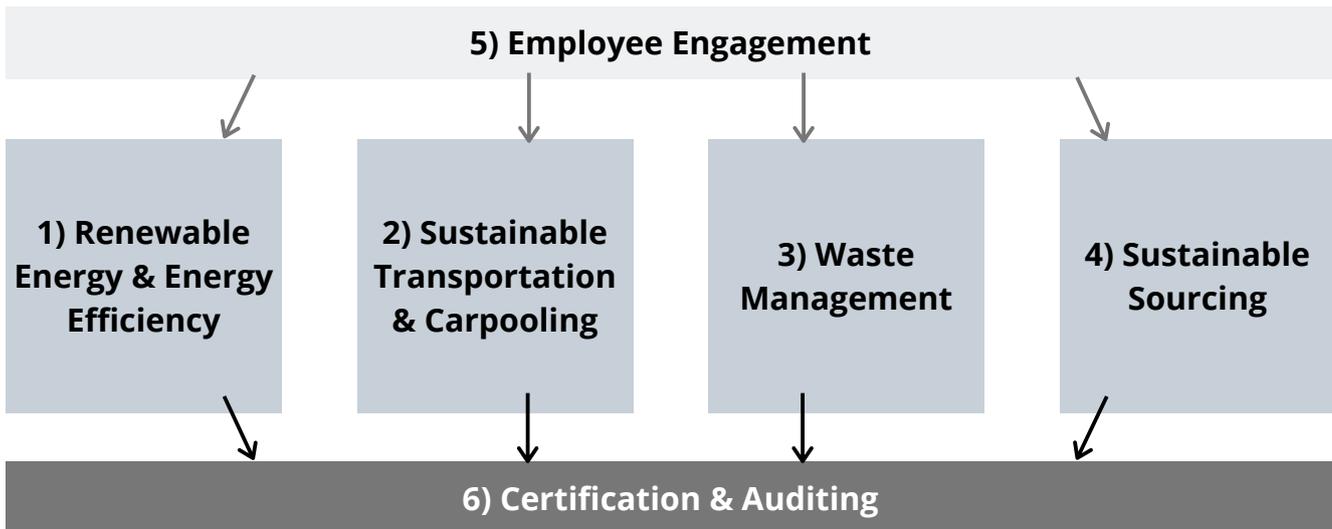
- **Increase employee retention and recruitment**

Employees want to work with companies who are 'doing the right thing' and being proactive with corporate environmental and social programs. According to the report Advancing Sustainability: HR's Role by the Society for Human Resource Management [4], companies with sustainability programs report 55% better employee morale, 43% more efficient business processes and 38% improved employee loyalty.

Becoming sustainable is possible for any SME. The dedication and commitment put into it will pay itself back with a morale and productivity boost along with an increase in sales and a decrease in costs.

RECOMMENDATIONS

We have chosen a broad set of six implementable recommendations to help your business become more sustainable. These are:



Why have these been chosen?

Currently some of the most pressing environmental issues are:

- Climate change
- Resource depletion
- Pollution
- Environmental degradation

The first four recommendations are included as they cover ways in which businesses can reduce the negative effects they have on the above environmental issues. Of course there are other ways that a business can do this such as water management, divestment and carbon offsetting. However, the six proposed solutions are even more implementable and effective than divestment, water management and carbon offsetting.

Employee engagement has been included as one of the recommendations, because to implement and maximise the effectiveness of the other recommendations, the employees need to be engaged. SMEs might consider engaging their employees to: 1) Set goals and targets 2) Choose what practices to prioritise 3) Act on them.

Green certification has been included as one of the recommendations, because getting green certified complements the other recommendations as many of the other recommendations are required to become green certified, as well as providing a goal for the employees and organisation to work towards.

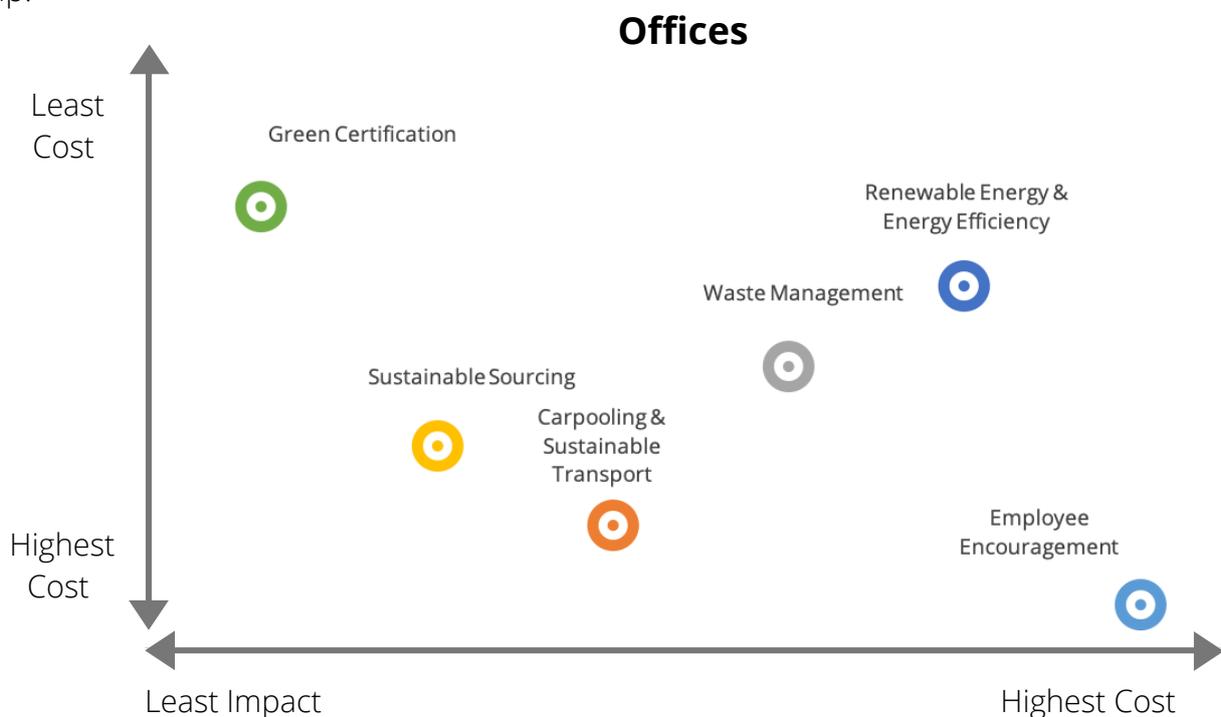
Cost/Effectiveness Analysis

For a few broad business types we have ranked the relative cost in both effort and monetary terms of implementing each recommendation and their positive impact on the environment. We have plotted the recommendations with cost on the vertical axis and impact on the horizontal axis, such that the lowest effort/cost and highest impact recommendation is in the top-right hand corner. These plots are presented as a guide to prioritise the recommendations.

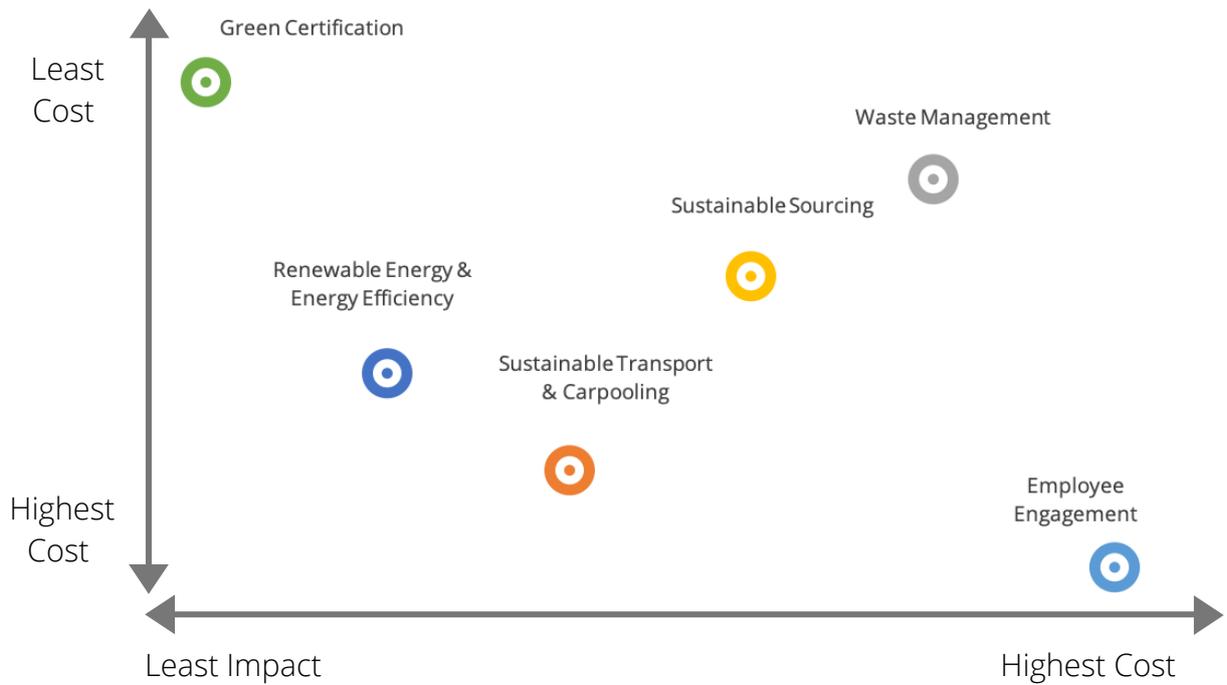
Employee encouragement appears in the bottom right i.e. most impactful and highest cost. This has been placed here because the effectiveness of the other recommendations depends upon engaging employees to find creative solutions in their areas of expertise. However, it is a high effort recommendation as it requires long term commitment and a bottom-up shift in the business's fundamental ways of thinking. Due to its potential for wide impact, this recommendation should be a priority for businesses.

For each broad business type green certification appears in the top left i.e. the least impactful but lowest cost. This has been placed here because the process of getting green certification does not require much effort from the organisation and produces no direct environmental impacts. However, in achieving certification many of the other sustainable practices from the other recommendations would have been implemented. As a result it is an indirect indicator of positive impact on the environment. This recommendation should be viewed as a priority for businesses to help set a goal to achieve.

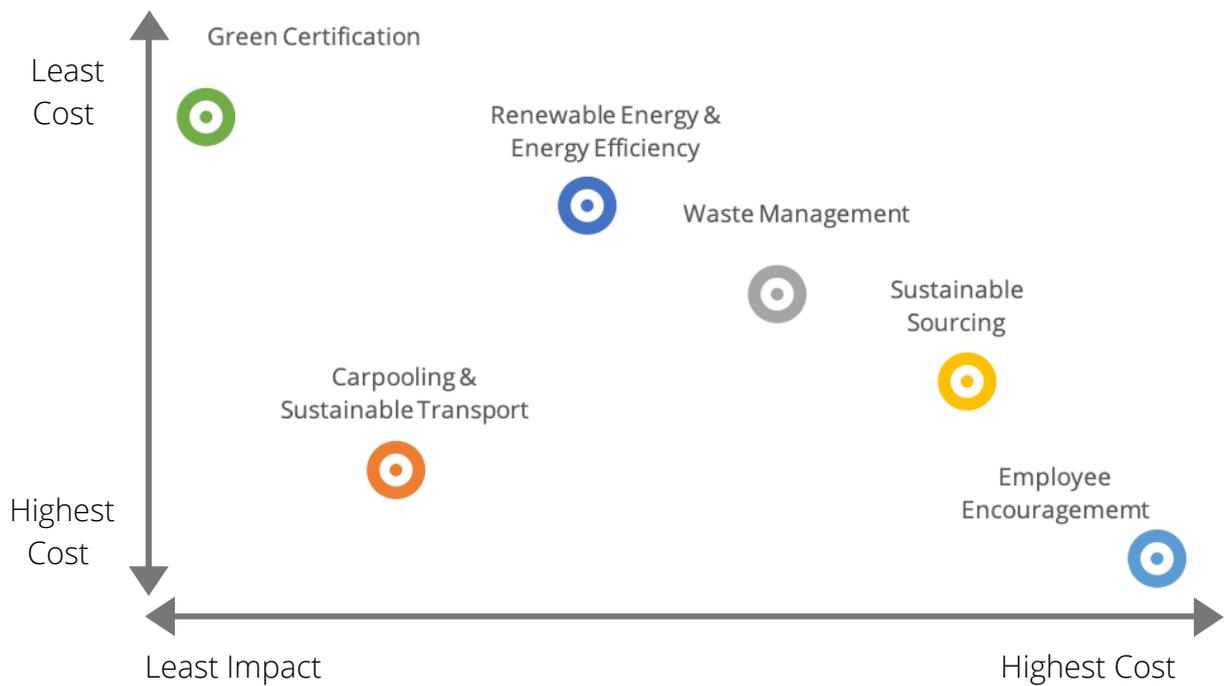
The cost and impact of the remaining four recommendations is different for each of the business types. We recommend that you prioritise these recommendations by giving higher weight to the recommendations which are furthest to the top right i.e. highest impact and lowest cost if your business is not in a position where there is an obvious recommendation to take up.



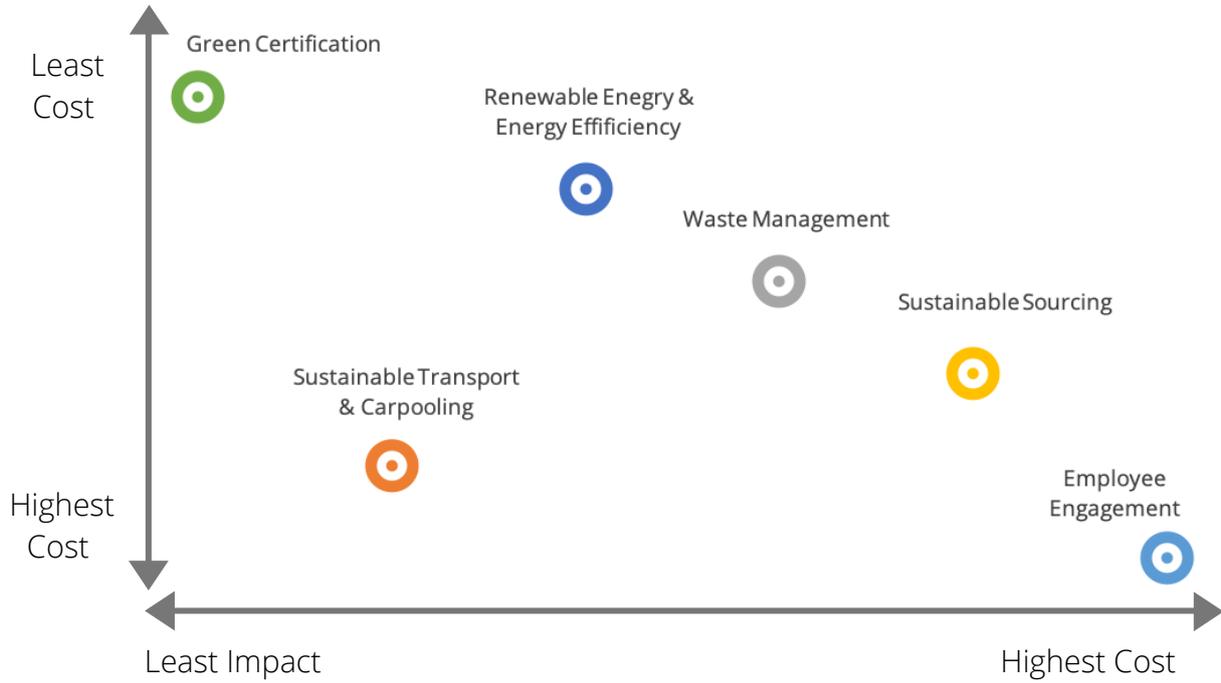
Construction



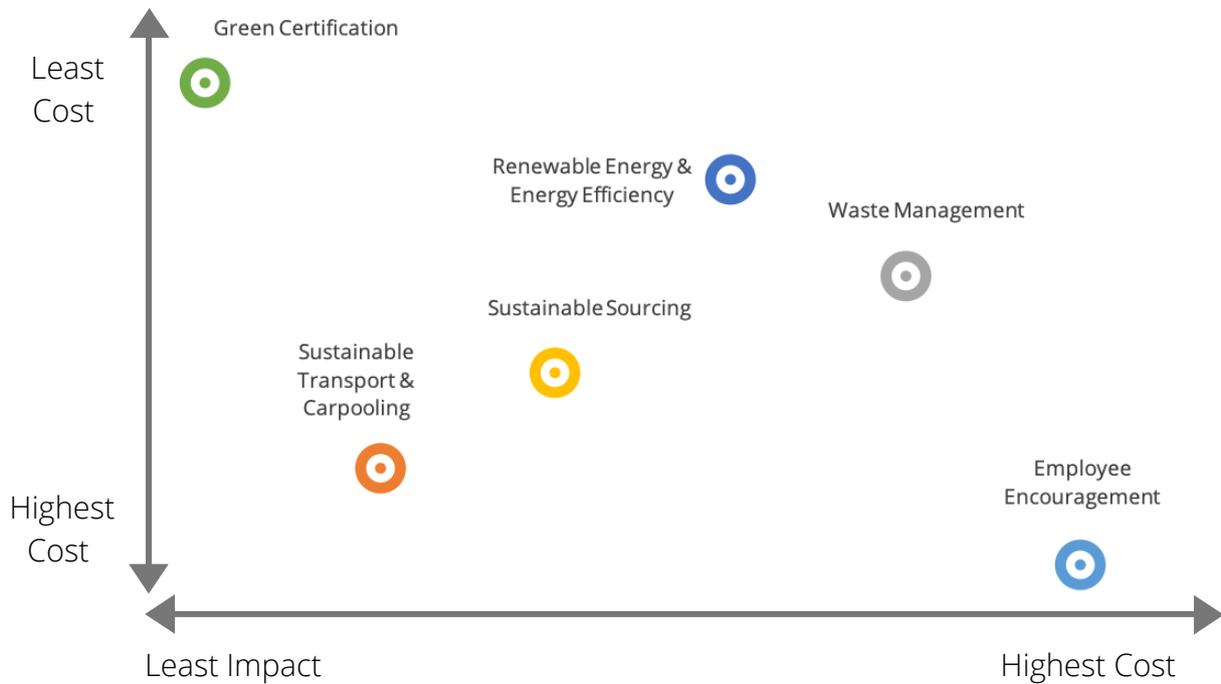
Retail



Manufacturing



Leisure/Tourism



The rest of the report has a section for each of the six recommendations. Each section outlines: what is this recommendation, how does this recommendation benefit your business, how to implement the recommendation as well as providing further resources and additional information.



Recommendation #1

RENEWABLE ENERGY & ENERGY EFFICIENCY

What is it?

Renewable energy (also referred to as clean or green energy) refers to energy that comes from naturally replenishing sources such as wind or the sun, rather than non-renewable sources like oil or coal [5]. UK renewable energy comes primarily from solar panels, wind turbines, hydroelectric run-of-the-river plants and large dams. These facilities are designed to capture clean energy from the sun, wind, moving water and geothermal sources and convert it to electricity that can be used in businesses nationwide.

How does it benefit your business?

Almost 60% of small businesses see energy as a significant cost to their business [6]. Being proactive about energy efficiency measures and taking steps to reduce your consumption could result in bills that are 19-25% lower, usually getting back the money you invest in less than 18 months [7].

What can you do?

Switch to a green energy provider

Comparing and switching energy suppliers is a free, quick and easy way to become more eco-friendly as well as save money.

Take these steps to make the change:

1. Find out how much electricity you currently use each month and how much you are paying.
2. Visit the website of a green energy provider such as: *Bristol Energy, Bulb, Cooperative Energy, Ebico, Ecotricity, Good Energy, Green Energy UK, Pure Planet, Octopus Energy, Opus, Ovo Energy, So Energy, Tonik* (click on the logos for each website)
3. Navigate to the "For Business" section.
4. Input your business' details and postcode and get a quote.
5. Compare the quote with your current rate.
6. Pick the best provider for you and make the switch!















Become more energy efficient

If you are already using a green energy provider, there are still plenty of ways to reduce your energy consumption. Read below for our industry-specific recommendations:

Offices

- Turn off equipment at the end of the day
- Reduce AC settings by 1°C [8]
- Ensure furniture isn't obstructing heating or fans
- Install motion sensor lights

Retail

- Limit an "open door policy" to peak hours
- Turn off external flood lights outside of business hours
- Replace conventional bulbs with CFL (Compact fluorescent lightbulbs)

Food Service

- Keep commercial kitchens between 16-18 °C
- Match pots and pan size to heating ring
- Leave a 5 cm gap around refrigerators and freezers for ventilation

Looking forward

Smart Meters

Smart meters are next-generation gas and electric meters that automatically track usage and send that data to the supplier. Smart meters improve accuracy and transparency by charging users exactly what they use, and allowing users to monitor their usage in real-time. [9]

While your eligibility for smart meters depends on whether your supplier is installing them in your area, be sure to ask your energy provider if it is an option for your business now or in the future.



Image Credit: British Gas

Success Stories: Chinese Contemporary Arts Centre

By installing a £100 timer to its existing heating system, the Chinese Contemporary Arts Centre in Manchester is saving £4,363 and 17.6 tonnes of CO₂e a year. [10]

Success Stories: DJS Research

DJS Research, a market research company, installed timer switches to turn off its two water coolers out-of-hours, saving £144 a year (paying back in 35 days). [10]

Additional Resources

- [Brighter Business](#) an SME advice hub from Opus Energy
- [Energy Efficiency for Small Businesses](#) from FSB
- [Energy Efficiency Support for SMEs](#) from the Carbon Trust
- [SME Guide to Energy Efficiency](#) from the Department of Energy and Climate Change

Recommendation #2

COMMUTING & CARPOOLING

What is it?

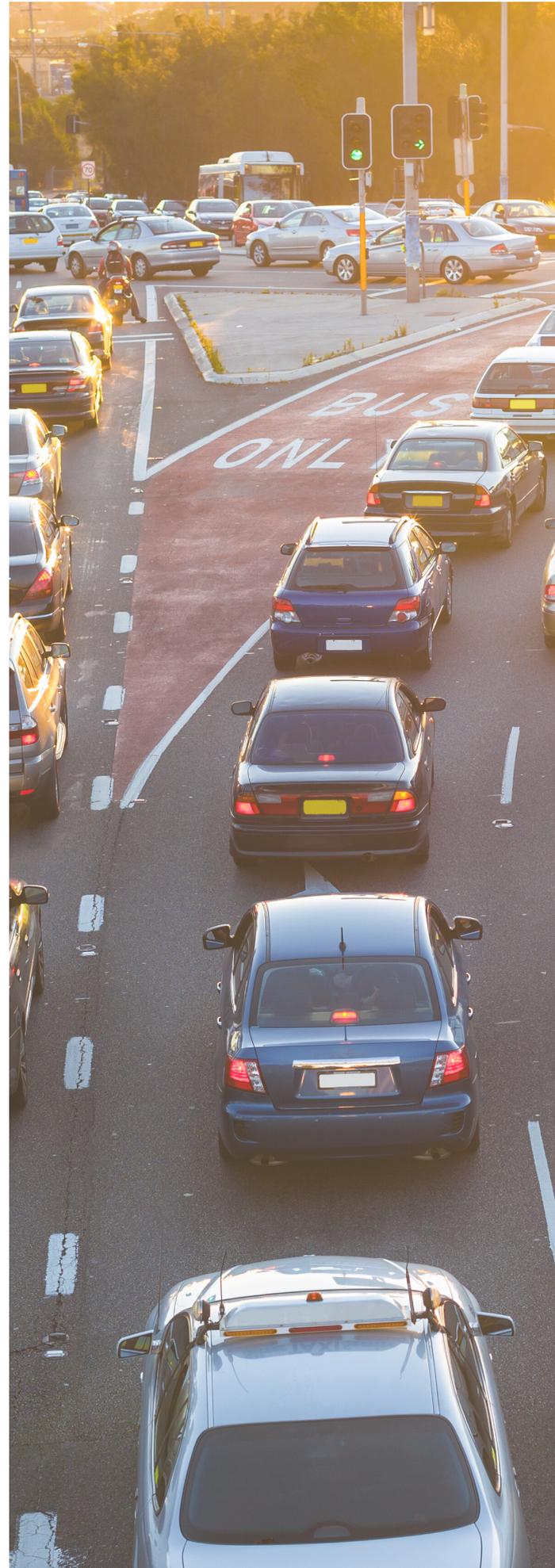
The greenhouse gas emissions produced by staff commuting for an average office-based business account for 24% of the business's emissions [11]. This is the second largest source of greenhouse gases for an average business; as such, staff commuting has a significant effect on the environment. There are many alternatives to minimise driving, one of the best being a carpooling programme. It is worth noting that the success of a carpooling system is highly dependent on the geography of the city; for smaller sized cities like Oxford, it might be better for employees to cycle instead of drive due to heavy traffic and a relatively short commuting distance.

How does it benefit your business?

Carpooling has the potential to increase productivity and morale within the workplace. This is a result of:

- Money being saved by the employees on petrol, parking, maintenance, and carbon taxes in certain cities.
- Alleviation of stress on the commute with colleagues resulting in more refreshed employees.
- Employees feel more responsible for picking up/dropping off each other which would lead to more consistent arrival times and punctuality

As the employees carpool, there would be freed up parking space which can be used for a "green space" to be part of the company's carbon offsetting initiative.



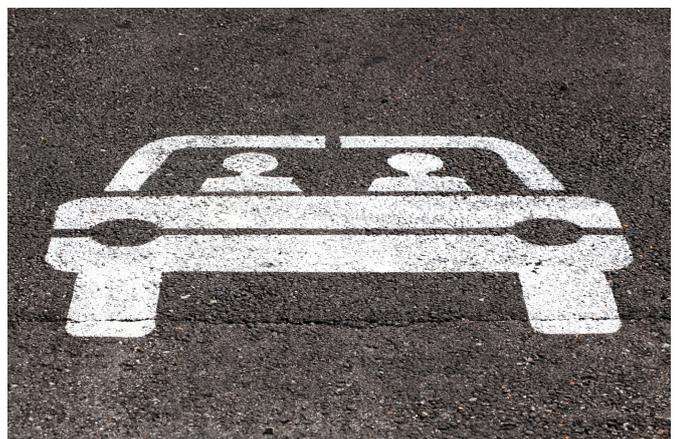
What can you do?

Here are some ways in which a business could encourage carpooling among the workers:

- **Help group employees** based on the areas where they live.
- **Help employees set up a rotor** where the employees take turns driving and picking up and dropping off others which could alternate every day/week.
- **Match employee schedules** - A lack of matching schedules among employees can be a major barrier to carpooling, the company could try to make all employees come at the same time or least those in the same car (or allow employees to arrive slightly later)
- **Introduce financial incentives** - The company could offer to reimburse the petrol money for the employees to and from work if they are willing to carpool. Since a lot of employees will ride in a single car, the costs wouldn't be as significant. Furthermore, another source of reimbursement could be in the form of parking fees. Obviously the company has complete discretion over the amount of reimbursement they choose to give.
- **Parking incentives** - The company could offer special "green" priority parking spaces for the carpool drivers which are closer to the entrance and therefore more desirable than the other spaces.
- **Appointing an environmental representative/officer** - Nowadays in a small/medium business it is usual to find at least one employee who is passionate about the environment. It would be very beneficial for the company to speak to this person or appoint them as an environmental officer/representative to ask for their advice and for help with implementing the carpool system. The employee would be able to gauge their co-workers' attitude towards carpooling more accurately and can help package the new carpooling system in a positive beneficial light.
- **Setting up a company run shuttle service** - The company can hire buses to take employees to and from work, and employees can pay a fixed fee for a year of transport. If this were to be implemented, the fixed fee can be made to be mandatory (e.g. deducted from wages) which will further incentivize employees to use this service.

Success Stories: Intel Ireland

Intel started a carpooling scheme at its complex in Leixlip, Co Kildare. With more than 4,000 employees, the company set up a special carpool section on its internal intranet, where those interested could match their journey needs with others and provided dedicated carpool parking spaces near the entrances to various buildings. After one year, Intel estimates between 10-15% of employees carpool to work. [11]



Alternatives to Carpooling

Although there are numerous benefits to carpooling, it is unreasonable to apply this practice everywhere. Like mentioned earlier, for a town as small as Oxford there is no need for a car and driving through a fixed route dropping people off might take an unreasonable amount of extra time so carpooling should not be implemented. In cities like London where congestion is very serious carpooling is also very impractical as a lot of the journey would be stuck in traffic.

Here are some alternatives to carpooling if the business deems carpooling to be unsuitable:

- **Public Transport** - This applies to cities like London where congestion is heavy. The companies could provide incentives for their employees to use public transport instead of taking their car.
- **Cycling as a form a Transport** - This applies to towns like Oxford where driving is unnecessary. The company could provide incentives for workers to bike to and from work. (E.g. Installing bike racks or a bike shed, gifting free lights, reimbursing bike repairs). Another reason to bike even in cities where carpooling is possible is if a particular employee were to live very close to the work.
- **Remote Working** - The remote working alternative is relevant for those employees whose job doesn't necessarily require them to be in the office (e.g. IT workers). Remote working bypasses travel emissions and costs entirely and there are numerous studies showing that remote working leads to increased productivity of the workers, better health, and higher employee satisfaction. Furthermore, by hiring remote workers, there is an expanded talent pool. The company could hire employees from around the world which could provide insights and experience from different parts of the world. Finally, employees who work remotely save a lot on food, transport, work clothes, etc. and in return are more likely to agree to do a particular job for less money.





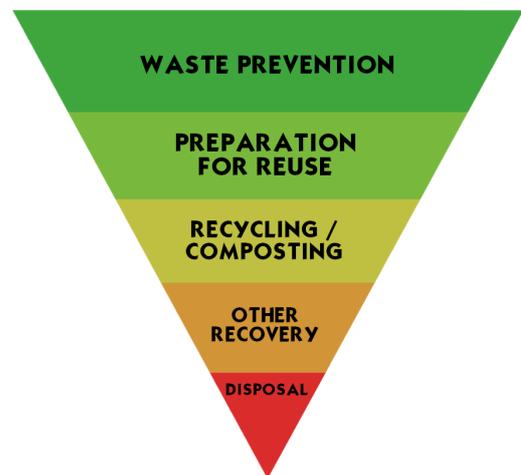
Recommendation #3

WASTE MANAGEMENT

What is it?

Waste management are the activities and actions required to manage waste from its inception to its final disposal intended to reduce adverse effects on people and the environment.

There are generally 5 actions an organisation can take to manage waste. These are shown in the waste pyramid hierarchy which also highlights the priority of each action.



For each waste stream generated by a business, the first step is to look at ways to prevent that waste stream. This could be done by reducing the amount of materials used or eliminating the material entirely. Next, look at ways to repair or recondition devices or parts for reuse, or prepare waste for reuse by another organisation. Then, determine if/how the waste stream can be recycled or composted. Then, determine whether the waste stream can be used to recover energy from it. Finally, if there is no other possible solution from the above 4 actions send the waste to landfill.

How does it benefit your business?

The Chartered Institute of Procurement and Supply have estimated that waste disposal costs account for 4-5% of the turnover of a business [13]. Businesses can reduce these costs [14] by improving their waste management. This will be especially important for businesses as both landfill tax and costs associated with waste disposal are expected to keep on increasing.

Prioritising reduction and reuse of waste is of most benefit for both the environment and for businesses because reduction and reuse of waste has the potential to reduce costs of supplies and energy.

What can you do?

Reducing Paper and Cardboard

For the majority of SMEs, the largest waste stream is Paper/Cardboard. The main way to reduce the paper waste stream is to reduce the amount of printing done. This has the added benefit of reducing the cost of supply of paper and ink as well as reducing energy costs associated with running a printer.

- Encourage employees to print only when necessary and to distribute documents electronically for viewing.
- Setting all printing by default to double sided (a.k.a. duplex printing). For businesses that do not own a printer with automatic duplex printing capability and do not have the funds to buy a printer outright consider leasing one. See this comprehensive [guide](#) for leasing printers.
- Instead of printing documents for the purpose of printing use e-signatures to sign documents to prevent printing. You can sign PDFs in Adobe Acrobat Reader and a guide for this can be found [here](#).

A few other easily implementable solutions to reduce and reuse paper/cardboard:

- Ask your suppliers to reduce unnecessary packaging and/or take back packaging for reuse.
- Reuse single-sided printed paper by either binding single sided printed paper into notebooks for employees (take to a store like Ryman's with [binding services](#)) or encourage employees to reuse single-sided printed paper for note taking.
- Shredding paper or cardboard and use as protective packaging. A [video](#) demonstrating this.
- Reuse incoming packaging for outgoing deliveries.



Success Stories: Unilever

Between 2010 and 2018, Unilever cut paper use per employee by 70% by switching to paperless billing, using digital signatures, encouraging employees to print less, and setting all printing by default to double sided. [15]

Effective Recycling

It has been estimated that 60% of waste that has gone to landfill could have been recycled [16]. If SMEs setup an effective recycling program they can reduce the landfill tax cost. This [guide](#) by the eco experts outlines how what you can recycle, why you should do it, how to manage it, how much it costs and tips to increase recycling. The key easily implementable recommendations for effective recycling from the guide are to:

- **Set up a waste contractor to collect recycling:** Contact your waste contractor or council about what you can recycle or contact the top 5 waste management contractors in the eco expert guide.
- **Manage your recycling:** Have separate bins for each recycling stream which are clearly labelled for ease of use by employees as well as being strategically placed around the workplace i.e. paper recycling bin next to printers and food waste recycling bins in the staff canteen.
- **Increase the amount of recycling:** removing personal bins from employees has the potential to increase the use of recycling facilities around the workplace.



Industry-Specific Recommendations

Offices [17]

- Provide staff with reusable glasses and mugs rather than disposable cups. In the long run this will reduce costs.
- Contact senders of unwanted mail and ask to be removed from their mailing lists.
- Donate old office furniture to charities or take to a company that can upcycle* it.

Retail [18]

- Use concentrated cleaning products in refillable containers.
- Only provide customers plastic bags when requested.

Food Service [19]

- To reduce food waste consider offering choices of portion size.
- Have your used cooking oil collected and turned into an eco-friendly biofuel. The following companies collect cooking oil and most of these services are free and some even pay your business to collect:

- [Arrow Oils](#)
- [Proper Oils](#)
- [Olleco](#)
- [T. Quality](#)
- [Bioukfuels](#)
- [Cateroils](#)
- [WasteCare](#)
- [Keenan Recycling](#)
- [Waste Vegetable Oils](#)

Additional Information

- [How to reduce your business's plastic waste & save money](#) from Forge Waste and Recycling
- [How can you reduce plastic in your business?](#) from Open Access Government
- If you are in the hospitality industry, consider using [Winnow](#) - a startup using technology to monitor food waste and gives advice on how to reduce it.
- A **waste audit** is a method for analysing an organisations waste stream. This gives organisations data on what type of waste and how much waste is being produced. From this an organisation can use the waste management hierarchy to determine how best to manage the waste stream in the future.
 - A comprehensive and easy guide to conducting a waste audit can be found [here](#).
- [8 Ways to Go Paperless in Your Small Business](#)
- Investing in a **baler or compactor** - a baler/compactor compress waste into bales which reduce the volume of your waste and thus reducing your costs. Research companies which sell these in your area.
- A **waste certification checklist** to understand how well your business is managing its waste as well as finding out more ways to improve waste management can be found [here](#).
- This trade waste [guide](#) by the eco experts has a number of implementable solutions for a more industries that were not mentioned such as Manufacturing, Construction and Leisure & Tourism.
- [Information on the circular economy](#)

*Upcycle - to reuse (discarded objects or material) in such a way as to create a product of higher quality or value than the original.



Recommendation #4

SUSTAINABLE SOURCING

What is it?

Supply chain sustainability is defined as “the management of environmental, social and economic impacts and the encouragement of good governance practices, throughout the lifecycles of goods and services.” [20]

How does it benefit your business?

Generally, a consumer company’s supply chain incurs far greater environmental costs than its own operations. By focusing on your sourcing, you can significantly reduce these costs. You secure your capacity to meet emerging legal and reporting requirements and mitigate the risk of climate-driven scarcity interfering with your supply chain in the future. Building a resilient supply chain offers competitive advantage by stimulating innovation and meeting customer demands.

Sustainable sourcing practices are a requirement for many sustainability certifications schemes which make your business more attractive to customers and partners. Often, sustainable products are no more expensive than non-sustainable equivalents, and sometimes they can be cheaper.

What can you do?

First Steps

Wherever possible, buy from certified sources. Ecolabels are a quick and easy way of finding products meeting minimum standards, but further research is encouraged.



- **Timber products:** FSC is the preferred certification for products from sustainably managed forests. Do buy products which contain at least 30% Post-Consumer Waste (PCW). Avoid misleadingly advertised “recyclable” paper which may seem as if it’s recycled but probably isn’t.



- **Commodities:** Fairtrade is awarded to products priced to cover the cost of sustainable and ethical production, appearing on products including coffee, fruit and cotton.



- **Organic food:** Food sold as “organic” is legally required to be produced in accordance with regulations limiting artificial chemical fertilisers and pesticides.



- **Seafood:** MSC labeled seafood comes from fisheries which pass standards on their impact to wild fish populations and ecosystems.

Over 450 ecolabels are in use worldwide, but not all of them are created equal. Often the details of an ecolabel’s rule structure are inaccessible, so a helpful rule of thumb in evaluating the usefulness of an ecolabel is to look up its sponsor.

- Independently sponsored ecolabels, ie by non-profits, tend to have the strictest rules and highest value as indicators of sustainability.
- Government sponsored ecolabels have moderate rules and varying value as indicators.
- Industry sponsored ecolabels have the weakest rules and the least value as indicators, requiring fewer environmental assessments and third-party audits, and being less likely to monitor performance over time.

Success Stories: Restaurants

Many restaurants have successfully implemented sustainable sourcing and communicated their ethical practices to customers. Michelin-starred Portland buys vegetable produce from OrganicLea, a workers’ cooperative farm, via bicycle, while Hood in Streatham maintains a corkboard map on one wall tracing the origins of its ingredients.

Step-by-Step

The UN Global Compact encourages participants to engage with suppliers in promotion of [Ten Principles](#) meeting fundamental social responsibilities.

Understand the key environmental issues along your supply chain. If anything you are sourcing is in short supply or is the subject of media concern, consider further investigation. Additionally, there are many free tools to help you gain a better grasp of the risks behind your products. For example:

- The Sustainability Consortium has a ProductFinder tool that helps you identify the major issues for each type of product. A free Snapshot gives you a brief overview of the main challenges.
- International Trade Centre's Standards Map enables users to identify and compare more than 150 sustainability standards

Prioritise and **devise** a plan given information from suppliers and relevant trade associations to manage upstream supply chain risks. Visit the [UN Global Compact Portal](#) for initiatives, resources and tools to assist in developing sustainable supply chains. Questions you may like to think about and ask include:

- Who supplies your immediate suppliers? Can you visually map your supply chain back to its original sources?
- Are suppliers embedding green transport practices? Do they transport by rail and ship rather than air or truck cargo, where feasible? Do vehicles comply with the latest EU emissions standard?
- Are there any local suppliers who could deliver suitable supplies with minimal delivery emissions?
- Have your suppliers identified supply chain risks and potential opportunities, and formed plans to mitigate or capitalise on them?

Set up meetings to communicate the risks and opportunities you have identified. Where relevant, integrate them into existing contracts or codes of practice for new suppliers. Buy-in from employees at all levels and functions of your business is essential for effective implementation and enforcement. Refer to the next section for strategies to engage employees.

Monitor suppliers to ensure that they follow through by agreeing on a timetable for implementing improvements and regularly checking that it is on track. Communicate clear benchmarks and establish incentives for consistently strong performance.

Collect data on measurable performance indicators standardized across the company.

- Consider exploring information technology platforms that help collect and manage comprehensive information on performance such as Sedex and EcoVadis.

Report and be prepared to share it externally, including in the form of public reporting where concerns are raised by affected stakeholders. Many companies report using the [Global Reporting Initiative](#) framework.

- *Best practice sharing* diffuses knowledge about approaches that businesses have found to be successful.
- *Joint standards* create consistency amongst companies' requirements, reducing the burden for suppliers who would otherwise have to work on unique approaches for each client.

Recommendation #5

EMPLOYEE ENGAGEMENT

What is it?

For employees to be fully absorbed by and enthusiastic about the sustainability objectives of the company and take positive actions to further the sustainable practices.

Three emerging trends driving today's engaged workforce [21]:

1. *Good Managers* - Having managers that care about them makes employees feel like they are contributing to their teams in meaningful ways
2. *Transparency* - Provide greater visibility into company initiatives
3. *Choice & Collaboration* - Provide a choice in the types of programs employees can positively impact or have the ability to collaborate on company outreach activities

How does it benefit your business?

Streamline business processes, creating less waste and using less energy

- In the absence of a framework, most businesses will generally take a one-off or ad hoc approach, which is unproductive. To maximise the effectiveness of all the above suggestions, a strategic and comprehensive approach is desirable. This can minimise the cost and time in implementing sustainable policy and at the same time maximise the reward. Hence, it has an overarching effect in all other areas of sustainable practices with an objective to "sustain" the practices.





Improve workplace culture as a whole

- A study has shown that 71% of employees want their company to provide opportunities for them to help make a positive impact on the company's social and environmental commitments, and 77 percent say it's important their employer provides them with hands-on activities around environmental responsibility [22]. Establishing a positive culture in the workplace, employees may be more likely to enjoy their jobs and have a sense of satisfaction as the new generation is looking for more than merely salary and status but also meaningful work that has positive impact on the planet and its people*. This will contribute positively to the retention of workers and also attract talents [23]. This can help employees to build up their own sustainable habit and bring impacts into their private lives.

What can you do?

Broad Approach: Green Champions [24]

- Structure: A senior manager or environmental specialist identifies a small group of enthusiastic volunteers. In a larger organisation, the Green Champions will in turn recruit teams from amongst their colleagues – just like any other diversity team or pro bono team.
- Duty: The Green Champions will implement schemes drawn up by the manager, doing their best to engage with staff and encourage compliance with new initiatives. They will also feedback information and views from staff, e.g. on practical barriers to recycling.
- A general list of duties:
 - Set clear, achievable goals and objectives for teams
 - Set realistic timescales for project activities
 - Identify and plan resource needs, e.g. equipment
 - Monitor progress and hold team meetings
 - Report progress to management
 - Collate information in a standard format for analysis and summary
 - “Stand back” from the detail of day-to-day activities to reflect
- Examples of initiatives:
 - Launching of campaigns e.g. Green Monday
 - Group purchasing service for green products
 - Sharing of sustainability information on intranet
 - Organise environmental volunteering activities

*After implementing sustainable programs and zero-waste practices the company Earth Friendly Products, saw an 18 percent decrease in health insurance premiums and a 30 percent drop in employee sick leave.

Success Stories: Royal Mail

The company developed a recycling programme based on maintaining regular communication with internal staff across all levels. Green Champions (known as frontline staff) were involved in the design of waste posters and were provided with regular reports on each site's progress which they could in turn share with other staff members. By July 2016, 48% of Royal Mail's sites had diverted 100% of waste from landfill.

Alternative Solutions

- Provide employees with a policy guideline
- Identify the main sustainability goals and policies of the company holistically to make sure that every daily decision is made under the framework.
 - This can also be uploaded to your website in order to cultivate a sustainable image. Defra is one example, publishing its policy statement online. [25]
- Conduct an assessment
 - Compare your existing practices with established best practices.
 - Evaluate and quantify the effectiveness of current practice e.g. keep record of electricity and water bills.
 - A good assessment will provide you with a roadmap for your business so that you can work on short-term, medium-term, and long-term projects. This can also further motivate the employees recognising the harvest of their effort
- Provide incentive for employees



Recommendation #6

GREEN CERTIFICATION

What is it?

Getting green certified or an environmental accreditation is a straightforward way to ensure that sustainability practices are introduced and maintained while providing your business with a marketing tool that can offer a competitive advantage. The process of getting an environmental accreditation complements the five previous suggestions. By working towards any of the five suggestions, SMEs are already working towards environmental certification.

How does it benefit your business?

Most of the previous five suggestions are required to receive an environmental or green certification. In addition to the benefits from those specific suggestions, SMEs should get green certified because:

- Green certification should be seen by SMEs as a benchmark or measure of a businesses' progress towards better sustainability practices
 - 75% of consumers are more likely to buy a product or service if the company is making an effort to be sustainable. Thus, getting certification credibly shows customers that your business is truly committed towards more sustainable practices as opposed to merely talking about the need for sustainability. [26]
- The process of getting green certification can help reduce costs and eliminate inefficiencies in your business structure
 - Many certification providers require an external audit as a part of the certification process, which can identify areas in which your business can reduce costs, such as changing to energy efficient lighting or changing to a clean energy provider.



What can you do?

While some green certification agencies have different specific steps, the general process to get green certification consists of six general steps:

1. Decide which certification matches your businesses needs and the amount of resources your business is willing to commit to achieving green certification
2. Decide which level of certification that is offered by your green certification provider is the level you want to initially commit your business to
3. Work towards the certification requirements. Some of these may have already been completed as your business worked through the previous five suggestions
4. Register your business online with your chosen green certification provider
5. Complete a self-audit using the checklist provided by the certification provider
6. Request and pass an on-site audit

Success Stories: Russell Press

Businesses in a variety of industries have been successful in getting green certified and reducing costs and gaining a competitive advantage in the process of doing so. For example, through the process of getting certified with Greenmark, Russell Press, a commercial printer, saved £8,000 per year by reducing their paper usage.

Choosing a green certification

			
Number of accreditation levels	3	3	1
Requires on-site audit	Yes	Yes	Yes
Target audience	SMEs	SMEs	All businesses

Detailed breakdown of purpose, requirements of each certification

Green Mark [27] offers an “affordable approach to environmental management for SMEs”

- Entry level certification requires no prior experience
- Annual certification fee ranges from £199 -£499 depending on number of employees
- Three accreditation levels that represent steps in the process to create a full environmental management system
 - Level 1: Starting out and identifying actions
 - Low hanging fruit that does not require much time or effort
 - Identifying opportunities and creating targets
 - Level 2: Developing and demonstrating actions
 - Creating an action plan, implementing and reviewing the action plan
 - Level 3: Full environmental management system
 - Documenting the entire management system

Investors in the Environment (iiE) [28]

- Three accreditation levels with clear and specific targets for each level
- The marginal difficulty in reaching higher accreditation levels after the first level, bronze, is not very large and can be completed with reasonable ease
 - Bronze
 - Includes several of the suggestions given above, such as appointing an environmental champion and monitoring gas, electricity and water use
 - Most of the criteria is relatively low cost, such as appointing an environmental champion or monitoring the use of resources
 - Should be a first target for SMEs
 - Silver
 - Bronze criteria in addition to adopting a travel plan, “undertaking two additional essential actions” and demonstrating progress towards sustainability targets
 - Green
 - Silver criteria in addition to more detailed reporting and monitoring of resource usage and reducing carbon footprint



B Corp [29]

- Internationally recognised certification that has certified over 2,500 companies from 50 countries
- Measures the company’s entire social and environmental performance
- Annual certification fee ranges from \$1,000-\$50,000 depending on volume of sales
- No levels of certification
- Requirements
 - Tracking important metrics
 - Significant suppliers
 - Breakdown of revenue from products and services
 - Resource-use tracking



FURTHER EXPLORATION

The six recommendations given before do not encompass everything that an SME can do towards being sustainable. There are many more ways small businesses can be environmentally and socially conscious. Here we highlight in brief three more recommendations which could be implemented in conjunction with the first six recommendations we have listed.

Divestment

Divestment by definition is the opposite of investment - it is the removal of stocks, bonds or funds from certain sectors or companies. This can prevent many of the aforementioned environmental issues by avoiding investing in unsustainable business models e.g. fossil fuels.

One of the easiest and most impactful ways an SME can essentially divest is to consider impact investing. This has the benefit of generating social or environmental impact whilst making a financial return. 90% of studies have found that environmental, social, and governance factors have had a positive or neutral impact on financial returns [30]. Almost all major banks in the UK offer impact investing; speak with your bank advisor to see if switching to an impact-focused portfolio is an option for your business.

Water Reduction

Reducing water consumption helps towards preventing the depletion of freshwater which has the added benefit of reducing water bills for businesses.

Some easily implementable solutions for reducing water consumption:

- Go low-flow: make sure restroom, break room and/or shower taps are fitted with low-flow restrictors. For example, use low-flow tap aerators, efficient flush toilets, pre-rinse spray valves.
- Purchase water-efficient equipment
- Reduce landscape water use

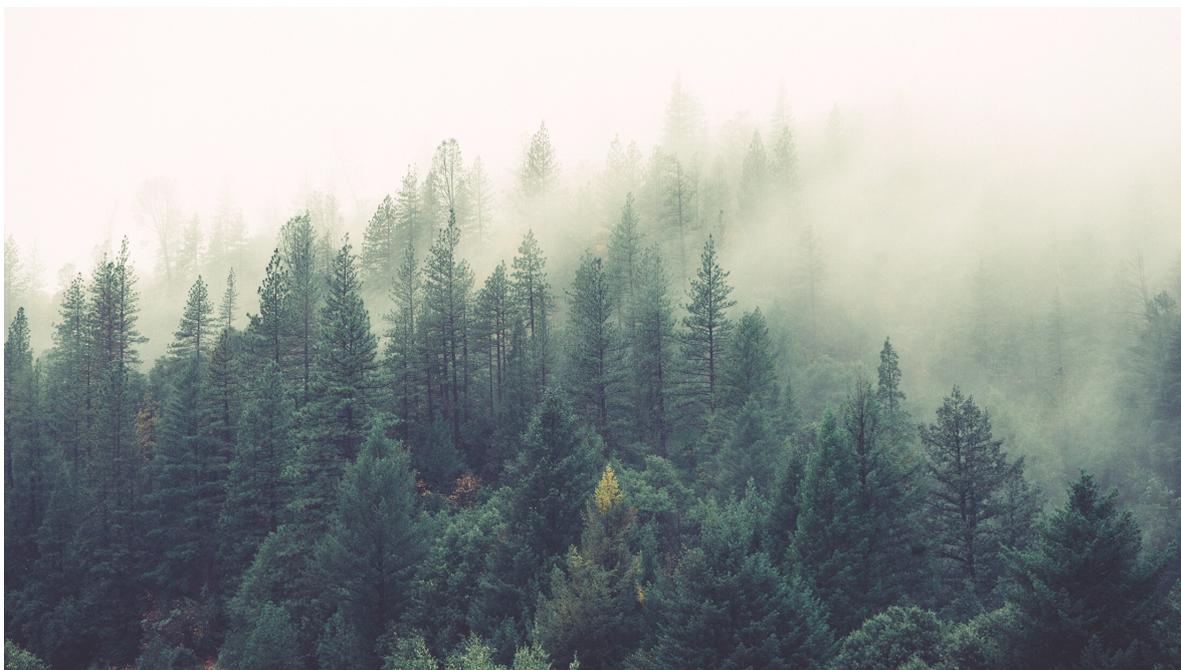


Carbon Offsetting

Carbon offsetting is investing in environmental projects around the world to balance out your own carbon footprint. Because offsetting does not actually reduce your personal emissions, and sometimes is less effective than advertised when projects decrease carbon dioxide in one area but increase it in another, offsetting is recommended as a secondary sustainability tactic when more direct means have been attempted.

In order to implement carbon offsetting, follow these steps:

- Decide what to offset - whether that be business operations, customers use of products and services, your products and services or perhaps the events you host.
- Calculate your carbon emissions from what you are planning to offset.
 - There are many online tools to perform the specific calculations, and Defra recommends the [Carbon Trust calculator](#).
 - The Department for Environmental, Food and Rural Affairs has published a [guide](#) helping small businesses to measure greenhouse gas emissions.
- Choose which programme to invest in.
 - The easiest way to offset is to purchase carbon credits from commercial offsetting providers. The three best-in-class vendors are:



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