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Title: It's Not Easy Being Green

Preventive medicine for business and the environment

Kermit the Frog was right when he sang 'It's not easy being green.' And nowhere is it truer than in the corporate world.

Indeed, the magnitude of the environmental issue has begun to affect the business nervous system. In response, boardrooms are filling with meetings on this all-too-familiar topic. Quite frequently these meetings involve more questions than answers. However, one thing is certain: there is no quick remedy.

With over 50,000 hazardous waste dumps plaguing communities, states struggling with overflowing landfills, massive destruction of the world's natural resources, staggering population growth and 1,000 pieces of environmental legislature introduced in the US, it is evident that environmental concerns will become a mainstay of conversation for all business planning. In fact, business, not environmental groups nor government, will be the major force responsible for solving many of these environmental crises. Power, money and brains reside in the corporate community.

Certainly, these problems would have been easier to deal with in the fat financial times of the '80s, rather than in the recession era of cutback and budget squeezes in the '90s. Companies will have to make various efforts depending on their needs and economic abilities. But when it comes to environmental progress, some is better than none.

It is important to realize that your company does not have to wear an 'environmental halo' overnight. But by following steps, you can help to ensure a productive and profitable future. In order to demonstrate your willingness to be part of the solution, or at the very least your willingness not to add to the problem, it is critical to demonstrate consistent intent.

The following seven steps can assist you in this regard:

Step I: Ascertain your present position in terms of the environment.

- Below compliance: Companies below compliance do *less* than the minimum required to meet current environmental standards. These companies may engage in practices such as the dumping of chemicals into water sources, illegal transportation and disposal of hazardous waste and violating air emissions standards.
- Meeting compliance standards: These companies do the minimum required to meet legislative and industry requirements. They do not demonstrate any active

concern for the environment, merely a desire to avoid litigation and public disdain.

- **Above compliance:** These companies demonstrate a willingness to move beyond mere compliance activities. These companies may engage in activities such as internal recycling programs, the design of environmentally sensitive product packaging, or sponsorships of Earth Day environmental awareness events. However, while moving in the right direction, these activities are often disjointed and lack clear strategic direction.
- **Proactive:** These companies take a long-term view regarding their role vis-à-vis the environment. Environmental issues are addressed throughout the company's operations, not just in marketing or public relations. These companies are participating in the building of infrastructures necessary in the implementation of systems for new national recycling efforts, efficient resource usage, disposal, etc. They are consistently demonstrating industry leadership.

Step II: *Define a corporate environmental policy and priority issues.*

Defining corporate environmental policy is often trickier than it sounds. What level of responsibility do we want to assume? How willing are our stockholders to address this issue? Where do we want to stand on this issue relative to other companies in our industry? Do we want to be a leader? All of these questions, and many more, need to be addressed in order to develop a basis from which to operate. This policy should become a foundation of your corporate culture.

Step III: *Develop a long-term strategy.*

Create goals based on the level of environmental involvement you choose. Map a strategy. This is typically difficult when business is responsible for shareholders every quarter. You must educate your investors to the goals, returns, benefits and rewards of promoting and investing in environmental solutions. Companies like IBM, Dupont and Polaroid are all becoming models of incorporating the environment into management systems by developing *extensive* environmental affairs departments.

Step IV: *Becoming active in all departments.*

This needs to be an across-the-board effort; every department can do something. Procurement should investigate cost-saving lighting, recycled paper and nontoxic office supplies. Put R&D to work on exploring new product alternatives, packaging and resource recovery. Save or create dollars as Continental Can did by down-gauging its cans; it saved the firm millions of dollars each year. Develop outreach programs and sponsorships. Start by prioritizing environmental issues and find related environmental groups or consultants to help you form plans. And *everyone* can turn off lights when not in use.

Step V: *Make the environmental perspective part of every business decision.*

The environment is similar to quality management, or health and safety. Make it a part of your operations, procedures, corporate culture, training programs and financial analysis. You will be surprised by the spirit it brings out in employees and the way in which it encourages corporate pride, productivity, innovation and economic savings.

Step VI: *Let the public know what you are doing.*

Actions speak louder than words. This is why corporate environmental programs are so important. By building a roster of activities, you prove your intent. Wal-Mart is a good example with its request for and promotion of environmentally friendly products. Look at the public value they have received.

Step VII: *Don't stop because it 'might' be a trend.*

Once you begin the green path, continue onward. Nothing looks worse to the public than a patronizing effort. Set a pace of involvement you can commit to. Do it because it is good business. Anything less than a good effort will be selling your business short.

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