ABOUT THE QUICK GUIDE FOR CULTIVATING SUSTAINABILITY WITHIN AN ORGANIZATION

GEMI members have provided the following mini case studies to share the unique experiences that made their approaches to cultivating sustainability internally successful as well as those that presented challenges.

The GEMI Quick Guide for Cultivating Sustainability Within an Organization is designed to provide insights for how corporations can demonstrate the value of sustainability and activate internal resources to achieve key sustainability objectives. Use the information and case studies provided in this guide to help define a strategy that makes sense for your company. In addition, this guide may be helpful to the broader sustainability community.

Table of Contents
Case Study: Smithfield Foods – Addressing Opportunities and Risks .......................................................... 2
Case Study: Union Pacific – Seeking Employee Input Regarding Opportunities and Challenges .................... 3
Case Study: 3M – Understanding Stakeholder Perspectives ............................................................................. 4
Case Study: Perdue Farms, Inc. – Creating Accountability for Sustainability .................................................. 5
Case Study: ConocoPhillips – Employee Awareness ....................................................................................... 6
Case Study: Phillips66 – Mixed Media Brings Small Success ........................................................................... 7
ABOUT GEMI ................................................................................................................................................... 8
Case Study: Smithfield Foods – Addressing Opportunities and Risks

At Smithfield Foods, an integral part of the business strategy is to operate as a vertically integrated company. As a pork processor, that means managing the raw material supply by raising the hogs for processing. This provides opportunities in terms of the quality and quantity of hogs for processing but also provides risks in terms of proper care for the several million animals in hundreds of farm locations.

Smithfield built its sustainability program around the environment, employee health and wellness, food safety and quality, and community outreach. It also became apparent that animal care was important from both a resource and reputational perspective. Programs for animal health, diet, and bio-security that would help ensure supply were well documented and managed. However, even though animal care and handling practices were generally in place, a fully documented program with specific procedures, requirements, accountability and training was not yet at a sufficient level to address all reputational risks.

The company developed programs based on a 'plan, do, check, adjust' process. Additionally, sustainability leaders created a policy with specific procedures and processes implemented to address the policy. Management and employees were trained where they had responsibilities and/or potential impact. Internal and external audits were integrated into the process. Stakeholders and subject matter experts participated to be sure that concerns and latest concepts were included. In addition, the effort included a response plan.

When a mistreatment, based on undercover video, was alleged, Smithfield was able to implement the response plan that was already in place and address the matter quickly and efficiently. Communication with customers and stakeholders took place in a timely and transparent fashion. Afterwards, the program was reviewed for potential improvement and recommendations implemented.

A situation that could have resulted in a significant negative impact on the company's reputation resulted in a positive impact. The transparency, timeliness and completeness of the response and use of a sustainability program model in addressing opportunities and risks showed employees, customers and stakeholders that the company took sustainability seriously.
Case Study: Union Pacific – Seeking Employee Input Regarding Opportunities and Challenges

There is no substitute for employee input regarding a company’s opportunities and challenges, which almost always connect to sustainability. Employees often see the issues first-hand.

Union Pacific has found that Earth Day is a natural way to open a conversation with employees regarding environmental sustainability topics. Each Earth Day, Union Pacific has used an Environmental Quiz to share messages and raise awareness. About 1,000 employees take the quiz annually, opening a sustainability conversation with several thousand people over time.

The company uses the Environmental Quiz to seek employee feedback. Employee responses to the 2013 quiz showed the importance of environmental sustainability concepts to them and measured how well they understood the company’s initiatives. Responses also helped confirm the value of the company’s sustainability focuses and measure employee interest and engagement.

The quiz asked employees to identify the company’s greatest opportunity to reduce its environmental impact. More than a third of employees identified reducing locomotive fuel consumption as the greatest opportunity. Reducing the company’s fuel consumption rate is a key corporate priority. Locomotives account for nearly all of the company’s greenhouse gas emissions, and responses showed that employees understood that.

Another question asked employees to identify the company’s greatest opportunity to reduce waste. Answers covered nearly 20 actions, and paper was identified as the greatest opportunity. Like any large company, Union Pacific has a lot of paperwork, including that required by the federal government to operate trains. Even though the company had reduced paper consumption through employee suggestions, the quiz reinforced potential for further improvement.

Environmental Quiz – Tomorrow's Generation Edition

10) What do you see as Union Pacific’s greatest opportunity to reduce the waste it generates?

Reducing paper waste is easy and can be done by everyone who has access to a printer / copier.

Previous Page  Continue
Case Study: 3M – Understanding Stakeholder Perspectives

In 2013, 3M commissioned an independent research consultancy to advance the company’s understanding of stakeholder perspectives on key social and environmental issues. This materiality assessment process consisted of three consecutive steps, each providing critical information for the next:

- examination of relevant literature on sustainability materiality issues.
- individual interviews with small populations of 3M employees and external stakeholders from academia, civil society, the private sector, 3M suppliers, trade associations, media and 3M customers.
- quantitative online survey of larger populations of internal and external stakeholders, with samples reflecting 3M’s diverse business and inclusive across geography, stakeholder type and function.

The online survey presented a list of significant sustainability-related issues generated from the prior steps in the materiality assessment process. Internal stakeholders were asked to rate the ability of 3M to make a positive difference on significant issues, and external stakeholders, divided into 3M customers and other external groups, were asked to rate the importance of 3M addressing each issue. All stakeholder groups were asked to rate 3M’s performance on actions to address each issue. The estimated impact on 3M’s sustainability reputation was derived through regression analysis to determine the importance of 3M’s perceived performance in each issue area across the three audiences.

The results of the assessment generated an evidence-based sustainability materiality matrix. This matrix plots significant issues related to sustainability along three axes: the degree of importance stakeholders accord to each issue, the ability of 3M to make a positive difference on these issues and the level of impact these issues may have on the company’s reputation.

3M will use the results to define future sustainability initiatives.

3M Sustainability Materiality Matrix
Views of Internal Stakeholders, Customers, and Externals Stakeholders, 2014

Source: 3M 2014 Sustainability Report. www.3M.com/Sustainability
Case Study: Perdue Farms, Inc. – Creating Accountability for Sustainability

Creating an environmental scorecard, integrating an environmental platform into the company goals and linking performance to compensation communicates the importance of sustainability and creates accountability. Based on the success of the company’s quality and safety strategy, Perdue’s Corporate Environmental Services group developed a process and collected data to measure where the company ranked on its environmental performance. The result was an Environmental Scorecard designed to define and quantify what environmental responsibility means to Perdue and provide a baseline for the company to measure continuous improvement and progress.

For each Perdue operation, the Environmental Scorecard has metrics that measure progress in two key areas: environmental compliance and environmental sustainability. These reflect what is important to Perdue – being consistently compliant and reducing the company’s environmental footprint. Regarding environmental compliance, the company reviews the results of audits, regulatory notices, and the timeliness of environmental reporting. Perdue’s sustainability efforts are aligned under three platforms: reuse and recycle, research and innovation, and community outreach. The scorecard includes challenge goals for recycling, green team activities (including energy, utility and natural resource conservation results), associate engagement, and use of an internally-developed Environmental Management System.

Since 1993, Perdue has set annual goals, a shared accountability for all associates, in the areas of People, Products and Profitability. The “3 Ps” as the company calls them, were based on founder Frank Perdue’s belief that if you treat people right and produce quality products, profitability will follow. In 2013, a new company goal was added, a fourth “P” for Planet. The goal, to responsibly manage Perdue’s use of natural resources, has now become a corporate initiative, shared by every associate across Perdue Farms, with each associate accountable for and empowered to achieve the company’s Environmental Scorecard goals. Adding a Planet goal elevated Perdue’s environmental sustainability efforts to the highest level of accountability. The company has gone a step further by incorporating performance against the Planet goal into compensation. It is now a criteria within the Management Incentive Program, Perdue’s bonus program.
Case Study: ConocoPhillips – Employee Awareness

One aspect of cultivating sustainability internally is expanding awareness of the business benefits of social and environmental issues. The ConocoPhillips approach encompasses a broad range of activities and tools. The company has helped create, adapt and apply training materials by IPIECA (the global oil and gas industry association for environmental and social issues) and other best practice groups, and rolled out training to new hires, key functions and leaders. ConocoPhillips has also focused its internal networks on further integration of sustainable development commitments into business planning and processes.

ConocoPhillips developed a video within a larger strategy for employee awareness of sustainability. The corporate sustainability group teamed with a business unit and developed a short, fun video to tie the concepts together with real operational examples. Backed by research that compiled a variety of stories and tested ideas with global internal focus groups in operations and offices, the video was designed to deepen education about the economic, environmental, and social implications of the business and bring to life the company’s successes and challenges. The information and stories clarify the business value of sustainability and encourage everyone to be a leader who includes social and environmental understanding in day-to-day decision-making processes.

The video instills a consistent, global level of knowledge about sustainability. Once employees have an understanding of the concepts, business value, goals and expectations that apply globally, each business unit is better equipped to implement specific actions that relate the global concepts to the uniqueness of the individual operating business unit. This is done through a framework of business unit and company-wide action plans in key sustainability topics.

Thirty percent of all employees voluntarily watched the video in the first few weeks. Leaders at all levels talked about it. Practitioners used the video for “lunch and learn” discussions within work groups. The effort was so popular that employees requested the company to share the video externally. As a result, the company posted two four-minute modules in its online Sustainable Development Report.
Case Study: Philips66 – Mixed Media Brings Small Success

While planning for a regularly-scheduled update to senior management on sustainability, a Philips66 team came across a two-minute video on repairs to one of its facilities that were made after a natural disaster. Once completed, the repairs provided protection for both the facility and the substation that connected with the surrounding community’s power source.

The team suggested that the manager of the facility share the video with executives at the update meeting, in addition to the planned presentation. The video, however, was a departure from the trusted and “normal” communication format, and the Philips66 team could see that the manager was outside of her comfort zone. Having previewed the clip, the Phillips66 team knew the video was relevant, of high quality and concise.

The manager immediately saw the relevance of the videoclip and noted that it punctuated the points in her presentation. In addition, she warmed up to the idea of supplementing the existing slides with the video material – so much so that she sent the video to senior management before the meeting just as “background information.”
ABOUT GEMI

GEMI is a global leader in developing insights and creating environmental sustainability solutions for business. Since 1990, GEMI has captured the vision and experience of global corporate environmental, health and safety (EHS) and sustainability leaders from diverse business sectors through the development of a wide range of 30+ publicly-available, solutions-based tools and Quick Guides designed to help companies and organizations to improve the environment, their operations and add business value. Topics of these tools and GEMI activities focus on renewable energy, alternative energy, climate change, sustainable development, supply chain, water sustainability, environmental management systems, and more.

Through the collaborative efforts of its members, GEMI also promotes a worldwide business ethic for EHS management and sustainable development through example and leadership. GEMI is unique in that it provides a way for companies in a wide range of industrial sectors to work together in a cost effective manner. Members address strategic and tactical issues impacting progressive corporate environmental, health and safety activities in their companies around the world.

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The GEMI Solution Tools Matrix™ is an interactive, web solution for users around the world to access the +30 publicly-available, solutions-based tools designed to help companies & organizations in their own pursuit of EHS and sustainability excellence to improve the environment, their operations and add business value. The Matrix guides users around GEMI’s diverse portfolio of solutions-based tools that the organization has developed since 1990.

FOR MORE INFORMATION

The GEMI mission is Business Helping Business Achieve Environmental Sustainability Excellence. If you would like more information about this Quick Guide, or if you have any questions or suggestions for this guide or future guides, please contact info@gemi.org.

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