



# Making Sustainable Businesses Work:

## Some Lessons from Massachusetts Leaders

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# Executive Summary

On May 2, 2005, a roundtable dialogue was convened among businesses (mainly from Massachusetts) that are leaders in sustainable business practice, and key government leaders from US EPA and Massachusetts state government. The idea behind this dialogue was to learn from those leaders who are successfully incorporating sustainable practices into their businesses enabling the group together to identify practical and effective ways in which these efforts could be aided and expanded to create a healthy environment, a strong economy, and vibrant communities.

**Business Leader Case Studies.** To this end, the Roundtable began with the business stories: each of the 12 businesses who attended talked about what led them and their companies to move in the direction of sustainability and highlighted the various strategies and practices they have adopted, such as energy conservation, green buildings, green chemistry, new technologies to make products from recycled materials, educating their markets about environmental issues, helping their suppliers implement environmental management systems, and more. The companies highlighted the various challenges and opportunities they face, such as the loss of government grants that help fund recycled product innovation, the challenges of improving energy conservation and renewable generation, and government policies that are not suited to their new business models.

Judging from their evaluations (summarized in Attachment 6), this was a very powerful learning experience for the participants and set the stage for an engaged and open discussion. The discussion was guided by a process of “Strategic Questioning,” which the facilitators introduced to the participants in preparation for the dialogue in the afternoon.

## **High-Leverage Ways that Business and Government Can Foster Sustainable Practices.**

Drawing on the common themes that emerged from the morning’s dialogue, the participants spent the afternoon in small group conversation to brainstorm how business and government could foster sustainable practices in four principal action areas:

- 1) Promotion of markets for environmentally-preferable products and services;
- 2) Government procurement of environmentally-preferable products and services;
- 3) Energy conservation, efficiency and renewable energy; and
- 4) Promotion, recognition, product labeling, and leveraging business leadership.

**Recommendations.** Sustainable Step New England, the facilitators, synthesized the many good ideas that emerged from the dialogue into some targeted recommendations for “quick hits” and long-term actions as follows:

### **“Quick Hits”**

Since it is important that some action be taken to continue the momentum generated in this discussion, we recommend a number of actions that are readily undertaken.

*Recognition/leadership/labeling*

1. EPA New England synthesize this dialogue's results and communicate its recommendations into other forums.
2. Expand recognition activities, such as EPA's Environmental Merit awards, to focus on sustainability.
3. Research successful green best practice/product labeling programs for products and services that meet high sustainability standards.

#### *Energy*

4. Develop a business leaders "Ambassador" program where business leaders help politicians, citizens and utilities understand how renewable energy and co-generation can help business and support job creation.

#### *Promote market development*

5. Develop a strategy to restore funding for Massachusetts recycling grants.
6. Expand workplace employee environmental education programs to influence their employees' consumer buying habits and grow markets for environmentally-preferable products and services.

#### *Continue the conversation*

7. Continue the conversation by having each participant commit to calling at least one person from the dialogue to follow up on one sustainability issue and/or idea of interest. Government re-convene this group of businesses in six months to follow up on actions and continue networking.
8. **Make preparations to convene a similar round table dialogue in New Hampshire.**

#### **Longer-Term Actions**

One way that government can focus on activities with the greatest leverage is to incorporate sustainable concepts into initiatives that are underway, thus taking advantage of ongoing momentum and avoiding the time and expense of starting something from scratch.

1. EPA New England and the six New England state environmental commissioners review current initiatives that may be leveraged for sustainability, select the most promising, and develop a strategy for action, engaging leading businesses and other stakeholders.
2. Review current government "stewardship" programs (see Attachment 5) using a vision of sustainability principles. Combine or eliminate the programs that are not contributing very much, and look to synthesize and streamline the ones that are useful.
3. For companies enrolled in Performance Track, explore using Environmental Management Systems (EMSs) as the "one door" criterion to access government stewardship programs.
4. Share best practices from successful environmentally-preferable product procurement programs.
5. Incorporate objectives on environmentally-preferable procurement into government agency environmental management systems.
6. Convene additional dialogues to develop practical action plans to address the priorities that emerged from this discussion, such as how to spend energy efficiency dollars or how to expand the business benefits of extensive research funding for green chemistry.
7. Massachusetts revive the Massachusetts Environmental Stewardship Program, or develop something similar along the lines of EPA's Performance Track Program and/or other initiatives aimed at developing an ongoing network of leadership companies.