



'Green-ing' Your Business

A Rural Opportunities Network extension note on 'green-ing' your business for small-scale business owners and entrepreneurs in natural resource-based economies

Overview

The "Green" movement has gained much attention in today's society. Through the media, youth awareness programs, and the ever-looming debate of global warming, it is apparent that 'green' is not a seasonal trend but a movement that is solidified in today's market place. For small businesses, this is important to understand the impact we have on our neighbors, our country, and our globe. With the power of the Internet we are becoming more and more global in all aspects of business, even if you are situated in a small rural British Columbian town. The next time you ordering products for your business think about where that product comes from; the same goes for the power out of your outlet and the water from your tap.

This extension note will provide information to help small businesses take advantage of a green philosophy. By exploring reasons why going green is good, steps on 'how to' go green, and some resources to help develop a green strategy, we hope to help small businesses make the shift towards a greener future.

Why Go Green?

CONSUMER TRENDS

In the 2011 ImagePower Green Brand Survey, "the majority of consumers across all countries surveyed [said] it's important to buy from environmentally friendly companies."¹ Consumer perception in the past few years has easily turned attention onto the global trend of environmental social responsibility. "Companies must move 'with the culture,' meaning they need to be transparent and honest about their efforts to conduct environmentally sustainable business practices and genuinely collaborates with their customers."²

*Genuine attempts to conduct responsible business will be rewarded with **loyal customers** and **increased sales**.*

¹ Lisa Swallow and Jerry Furniss, "GREEN BUSINESS: Reducing Carbon Footprint Cuts Costs and Provides Opportunities," *Montana Business Quarterly* 49, 2 (Summer 2011): 2-9, accessed March 15, 2012, http://findarticles.com/p/articles/mi_hb3301/is_2_4/ai_n58261335/

² <http://www.marketingcharts.com/interactive/top-10-consumer-trends-for-2010-11579/>



“Every day more consumers are including environmental factors in their buying equation. In parallel, companies are finding that there is money to be made from meeting the growing demands for green products” and services.³ Furthermore, “as millennial consumers age and have more disposable income, the value of a company having a green image will likely increase dramatically.”⁴

LOWER COSTS

Probably the most tangible benefits of a green strategy for small businesses are the diminished expenses and increased efficiencies. One trend we are affected by is the price of rising commodities, such as energy and water. By focusing on a green strategy, small businesses are able to mitigate the rising costs through the conservation of these inputs. Simple changes such as light bulbs are an easy and cost effective way to lower energy consumption. Another example to lower costs is to implement “a sustainable purchasing policy that will help reduce waste, improve environmental impact and support progressive options.”⁵ A sustainable purchasing policy will help construct a lean business focused on creating solid business habits to succeed in both good times and bad.

Naturally, there are always costs to implementing a ‘green’ business plan. To make good judgments as a business owner, take into consideration the **total costs** and **benefits** of such a strategy; the long-term is just as important as the short-term.

STAY COMPETITIVE INTO THE FUTURE

Planning for the future is really a battle between a short-term attitude and a long-term outlook.

³ Summary of Green to Gold, by Daniel C. Esty and Andrew S. Winston, Soundview Executive Book Summaries, January 2007. www.greenprof.org/wp-content/uploads/2010/.../Green-to-Gold.pdf

⁴ Swallow and Furniss, “GREEN BUSINESS,” 2-9.

⁵ “Waste and Recycle,” last accessed March 17, 2012, http://www.bchydro.com/guides_tips/green_your_business/waste_recycling_guide.html

Do you spend the money now in hope of a larger return later or do you focus only on this year’s budget? This is the question all businesses have to answer to some degree.

Planning for the future for most small businesses is all about mitigating risk. In other words, businesses have to be prepared to face new challenges in order to maintain success. Small businesses in Canada have to be aware of the changing values of their customers, whether they are end-consumers or other businesses. As current market trends focus on ‘green’ philosophies, small businesses must be prepared to align their values to match an environmentally responsible culture in order to stay competitive.



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Likewise, small businesses have to be prepared for the effects of changing government regulations towards environmental issues. Government regulation has continuously increased its focus on business and the effect business has on our environment. For small Canadian businesses, it is always better to plan and prepare for such changes than be caught flat-footed.



Steps to a Green Business...

STEP 1 – Evaluate Your Current Business

The first step in going ‘green’ is to review your business. What are some environmental issues within your business? From the list of 10 top environmental issues below, identify some that you and your business could address. Also, who are your key stakeholders (customers, suppliers, neighbors, or your favorite fishing lake) and what are their values? Think about how your business might affect these stakeholders.

Here is a list of current environmental challenges:⁶

Top 10 Environmental Issues
1.) Climate Change
2.) Energy
3.) Water
4.) Biodiversity & Land Use
5.) Chemical, Toxics, Heavy Metals
6.) Air Pollution
7.) Waste Management
8.) Ozone Layer Depletion
9.) Oceans & Fisheries
10.) Deforestation

STEP 2 – Create An Eco-Culture

Engage your employees to participate. They are a wealth of knowledge on the opportunities and inefficiencies of your business.⁷ When developing a plan of action it is important to have everyone on the same page. Employee involvement is one of the best ways to motivate staff and increase productivity.

⁶ Daniel C. Esty and Andrew S. Winston, *Green to Gold: How Smart Companies use Environmental Strategy to Innovate, Create Value, and Build Competitive Advantage* (New Jersey: John Wiley & Sons Inc., 2009), 34.

⁷ “Ten Strategies Guide Book,” last accessed Mar. 17, 2012, <http://www.metrovancouver.org/smartsteps/bestpractices/Pages/default.aspx>

For businesses looking for outside assistance with creating an eco-culture here is a list of networks and organizations that can help:

- *Climate Smart* is a social enterprise based out of Vancouver, BC that assists small to medium size businesses with education towards a conservation economy. (<https://climatesmartbusiness.com/>)
- *Clarity Green Connections* is an American-based site with useful information on creating a green culture. (<http://www.claritygreen.com/>)

STEP 3 – Develop A ‘Green’ Plan

Develop a plan of action that will tackle some of the environmental issues your assessment has found. Since every business is different there is no set plan, as each business will vary depending on its opportunities. There are several outlines of ‘green’ plans in the Ten Strategies Guide Book: (<http://www.metrovancouver.org/smartsteps/bestpractices/Pages/default.aspx>)

A plan with some important strategies should include:⁸

- ◆ Become energy efficient
- ◆ Conserve water
- ◆ Purchase products or services with a reduced environmental impact
- ◆ Develop or improve a recycling program
- ◆ Maintain or upgrade equipment
- ◆ Minimize unnecessary transportation
- ◆ Put policies and practices into place
- ◆ Review your plan periodically
- ◆ Measure your success

STEP 4 – Implement Your ‘Green’ Business Plan

One effective way to execute a plan is to assign one member of your team to oversee the execution of your ‘green’ action plan. This way there is some form of accountability to your ‘green’ transformation. Once you have your ‘green’ action plan in place remember to revisit it

⁸ “Ten Strategies Guide Book.”



and make changes where necessary. As with business, your plan should be dynamic and flexible enough to maintain its effectiveness.

Resource Guide for a Green Business

Here are several useful resources for businesses to maximize their 'green' initiatives:

BC HYDRO

Helpful solutions to help conserve energy and lower costs.

http://www.bchydro.com/guides_tips/green_your_business.html

LIVESMART BC

Small business program to help BC businesses go green and save!

http://www.livesmartbc.ca/green_business/index.html

METRO VANCOUVER

A ten-strategy checklist for greening your business

<http://www.metrovancouver.org/smartsteps/bestpractices/Pages/default.aspx>

NATURAL RESOURCES CANADA

Tips and trick on reducing energy consumption as well as grants and incentives

<http://oee.nrcan.gc.ca/corporate/1513>

CANADA BUSINESS NETWORK

Resources for greening your business

<http://www.canadabusiness.ca/eng/92/200/>

SMALL BUSINESS BC

20 green tips for small business

<http://www.smallbusinessbc.ca/growing-a-business/20-green-tips-small-business>

interview and ensure you get valuable information. Be sure to incorporate their feedback when planning subsequent events!

Bibliography

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