



# Sustainability Change Management:

## We've Had the Green Audit...Now What?

Once an organization has had a green audit depicting the current sustainability status, leading the change initiative can be overwhelming. Change requires a lot of time, planning, and management. Because the people are the key to successful organizational change, business leaders must take appropriate steps to involve and engage employees in the sustainability vision and implementation process. This paper offers the framework for business leaders to successfully lead their organizations through a sustainable change to an eco-conscious culture. This paper accomplishes the following:

- Identifies the change curve cycle and key indicators for each level
- States a properly framed message to employees
- Applies key factors to create a shared vision
- Demonstrates how to develop a proper communication plan
- Employs techniques to engage employees in the change
- Creates meaningful metrics to measure change
- Provides effective rewards and recognition
- Applies methods for continuous improvement

© 2010 Strategic Sustainability Consulting  
Cynthia Way





# Contents

|  |           |
|--|-----------|
| <b>INTRODUCTION .....</b>  | <b>1</b>  |
| <b>GREEN AUDIT RESULTS OVERVIEW .....</b>                          | <b>2</b>  |
| <b>THE CHANGE CURVE – HELPING OTHERS BREAK FROM THE PAST .....</b> | <b>3</b>  |
| <b>LEADING CHANGE.....</b>   | <b>5</b>  |
| Establish the Sense of Urgency.....                                | 5         |
| Frame the Sustainability Message.....                              | 5         |
| Create a Shared Vision.....  | 6         |
| Create a Coalition – Involving Others in the Change .....          | 7         |
| Communication Plan .....   | 8         |
| Create a Supportive Learning Environment.....                      | 9         |
| Model the Behavior.....  | 10        |
| Empower Others to Act.....   | 10        |
| <b>MEASURES AND METRICS FOR CHANGE .....</b>                       | <b>12</b> |
| <b>REWARD AND RECOGNITION.....</b>                                 | <b>13</b> |
| <b>CONTINUOUS IMPROVEMENT .....</b>                                | <b>15</b> |
| <b>ORGANIZATIONAL CHANGE PROCESS EXAMPLE.....</b>                  | <b>16</b> |
| <b>CONCLUSION.....</b>   | <b>19</b> |
| <b>BIBLIOGRAPHY .....</b>  | <b>20</b> |
| <b>GLOSSARY.....</b>   | <b>21</b> |



# Introduction

The **green audit** for your organization is complete; congratulations on taking the first step to a sustainable business! Regardless of the nature of an organization, there are similarities for sustainability change and implementation strategies. This white paper offers techniques and guidance on how to successfully lead your organization through a sustainable change to an **eco-conscious** culture.

The green audit overview shows the organization's current sustainability status so as to launch the change initiative. This paper offers a framework for leading successful change. Business leaders must be aware

of the change curve which employees will journey each time a new initiative is introduced. For change to be successful, leaders must engage employees in the sustainability vision and implementation process through a series of techniques discussed throughout the paper. Measures and metrics are necessary to determine the success of change efforts; with the successful changes, employees should be recognized and rewarded. Metrics are also important in determining future goals and facilitating continuous sustainability improvements. However, above all, the people in the organization are the keys to effective change.



# Green Audit Results Overview

The Strategic Sustainability Consulting (SSC) green audit contains a comprehensive look at an organization through identifying key environmental impacts, challenges, and opportunities, as well as determining the overall **carbon footprint**. Reporting results consist of an environmental **SWOT analysis** (strengths, weaknesses, opportunities, threats), carbon footprint data including benchmarks against competitors, employee assessment results, and recommendations for improvement.

The office and building survey results are derived from the collection and analysis of data from the office and/or building's environmental impacts such as square footage, utility bills, and information technology (IT) equipment. This information is added to the carbon footprint data, resulting in a comprehensive look at the business' green-house-gas emissions.

The environmentally-based SWOT analysis evaluates the internal and external organizational green strategic factors. Specific green elements examined are based on the needs of each business, but will incorporate aspects of the following: economic, social, cultural, demographic, political, legal, governmental, technological, and competitive trends.

The employee survey results determine the employees' stance towards environmental issues. The survey is able to assess the employees' attitudes and awareness towards environmental issues including personal eco-conscious behavior, perceptions regarding the organization's eco-awareness and behavior, and opinions on potential top green priorities for the organization.

The carbon footprint analysis illustrates how environmentally-friendly the office is regarding marketing, technology, energy usage, purchasing, and general office habits. The employee survey asks basic questions of the employees in reference to their commuting, business travel, and other office practices which are integrated into the carbon footprint results. The overall carbon footprint which demonstrates the organization's annual tons of carbon emission is, then, calculated. Results consist of key carbon metrics which include, but are not limited to, employee commuting via car and public transit, local business travel, air travel, utilities, overall waste, and paper waste.

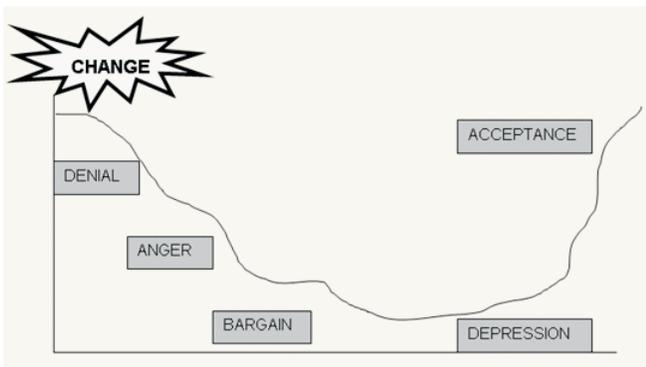
The future of any business will rely on renewable energy, green materials, organic and recycled products, and green building (Hitchcock & Willard, 2008). The green audit results suggest methods specific to each business on how to minimize the environmental impact and carbon footprint. For example, some methods to green an office include installing motion sensors for the lights, plugging equipment into a surge stick which can be turned off when not in use, creating paperless environments or if paper is needed, using only 100 percent post-consumer recycled paper. Purchasing green office supplies, using sustainable technology, and reducing hazardous materials are other aspects of greening to consider. SSC offers additional assistance and guidance to help determine how and where the business should begin the greening process.



# The Change Curve – Helping Others Break from the Past

Change in any organization can be challenging due to a normal resistant response. People become comfortable, safe, and accustomed to business as usual and like to maintain normal routines. Anything affecting these routines can cause stress and anxiety. Fear of the unknown will increase resistance because a person cannot yet determine if and how s/he will be affected (Kotter, 1996). People will also only hear what they want to hear; they may hear that changes are going to be made, but do not listen to all the reasons for the change or how the organization will benefit from it. The goal of **change management** is not to eliminate the resistance, but minimize the impact of the resistance.

A person's journey to acceptance of change is patterned like the stages of grief (Beckhard & Harris, 1987). After all, change equals loss which equals grief. The Five Stages of Receiving Catastrophic News, later titled the Five Stages of Grief, were defined by Elisabeth Kubler-Ross in 1976. The concept presented five stages of coping mechanisms through which terminally ill people go through upon learning of their illness. The five stages are: denial, anger, bargaining, depression, and acceptance (Ross, 1976).



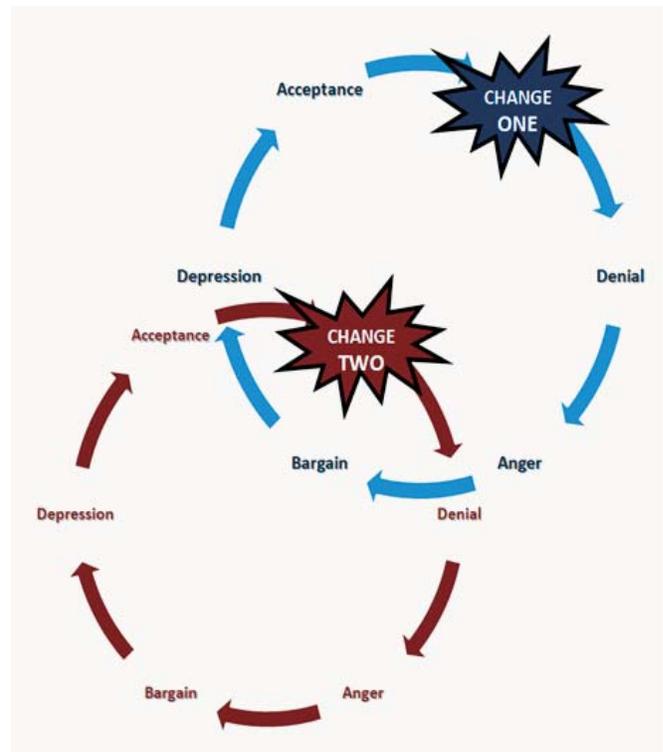
According to Ross (1976), in denial, common emotions are disbelief; one might think, “This isn’t happening to me!” Anger’s common emotions have a feeling of betrayal such as “Why is this happening to me?” Bargaining can result in an identity crisis, for example, “I promise I’ll be a better person if...” When depression sets in, apathy is rampant, “I don’t care anymore.” Finally one searches for resolutions in acceptance, “I’m ready for whatever comes.”

It is important to remember that these five stages do not necessarily have to happen in a precise order or for a specific amount of time. Rather each person’s journey will be different along the way, and with each new change people may move backward or forward within the change curve process.

Often in organizations, each person will be at a different place in the change curve. Most commonly, management will be at the acceptance stage because they have had the time to process the change before it is revealed to the employees, who then start out at the denial stage upon first hearing the impending change (Beckhard & Harris, 1987). Leadership support is crucial during the change process because leaders determine the depth and duration people spend in each phase. If each phase is managed with knowledge and respect, people can move quickly through the phases. If mismanaged, people will get stuck in one phase, with lethal effects to themselves, their customers, and the company.

Based on the results of the employee eco-awareness section of the green audit, leaders of the organization will be able to gauge overall where employees are

in the change curve toward becoming a sustainable organization. Efforts to bring employees to acceptance with the changes can then be addressed based on their current phase. Be aware that each time a new process for sustainability is introduced, the employees will journey back through the change cycle, because at that point, the initiative is directly affecting them. Some people will travel faster than others through the cycle, so remember to be patient and support the employees as they shift through phases in the curve.





# Leading Change

The process for change is as critical as the outcome because the process is where the organizations and the people will grow and advance. As per John Kotter (1996), change is a journey, not a destination. Business leaders must view change as a positive innovation. This is especially important in smaller businesses because if the leader is not sold on the change, everyone will feel it and the change will not occur.

Business leaders must be change agents and seek other influential people in the organization's informal network to also be change agents. In a small business, find one key change agent to help influence the other employees and facilitate the transition.

## ESTABLISH THE SENSE OF URGENCY

When leading an organization through transition, first establishing the sense of urgency is crucial to a successful process (Kotter, 1996). Organizational leaders need to determine what is changing, what will actually be different because of the change, and who's going to lose what because of the change (Hiatt, 2006). For the change to be effective, at least 75 percent of the population must feel this sense of urgency and be compelled to change (Kotter, 1996). This sense of urgency will help employees transition through the change curve because they will understand the organizational vision and needs.

When becoming a green organization, creating the sense of urgency should be fairly basic. From ensuring a sustainable future, to minimizing the carbon footprint, to reducing energy costs, business leaders can choose the urgencies most applicable to their mission, vision, and values to inspire the people to act and change. The green audit will offer

direction as to initial areas on which to focus and create the sense of urgency. The green audit evaluates employees' perspectives, awareness, and attitude regarding green issues. If the results of the audit demonstrate a high initiative for environmental responsibility, leaders will have an easier time moving the company forward through the change process. However, if the results reveal a low eco-conscious belief or understanding, leaders will need to take extra efforts to motivate the employees toward an environmentally conscious vision and thereby, to choose environmentally responsible options.

## FRAME THE SUSTAINABILITY MESSAGE

Remember to frame the message appropriately for the audience when communicating the sense of urgency and need for change. The key factors for message framing include the following, based on the audience: determining the specific objective; examining their perspectives and "what is in it for them"; and taking into account their core values (Sussman, 1999). Upon evaluating the key factors, incorporate them into a simple, evaluative statement. Using this framing technique ensures the message for sustainability change is clear and engaging for audience members. The speaker will have a better chance of obtaining buy-in if the audience understands the message as per it pertains specifically to them.

For example, a company's **green team** seeking methods to reduce the company's waste must frame a message to the business leaders, who are not entirely sold on green initiatives. They want to request \$250 to replace all disposable cutlery and dishware in the employee break room with permanent cutlery,

dishes, and cups. The ultimate objective is to reduce waste. The green team determines the perspectives and core values of the business leaders include managing a lean business with methods to save money. They examine “what is in it for the business leaders” in which reducing waste reduces the cost of removing the waste; the return-on-investment for the initial investment is one-year.

Framed message presented to the business leaders by the green team: “As a green team for a lean business, we propose a method to reduce waste. We would like to eliminate the purchase of plastic cutlery and Styrofoam cups for the employee break room and replace them with permanent dishware and cutlery. This will save our business money as well as increase efficiency by reducing the amount of trash leaving the office and the time it takes to remove the abundance of trash. After an initial investment of \$250 for the dishes, the time for the return-on – the-investment will be one-year. Help us take a step forward for our business.”

## **CREATE A SHARED VISION**

Business leaders must inspire change through creating a shared vision of the future of the organization based on the factors from the sense of urgency (Kotter, 1996). Imagine how the business will look in the long term as well as the short term; based on these goals, craft a picture or story through which to walk the employees. This technique enables each person to visualize and experience a glimpse of what the future can be or, in the case of the organizational leader’s goals, will be. Include why the upcoming change is needed so employees understand the purpose as opposed to thinking it is change just for the sake of change (Hiatt, 2006).

For example, to inspire the eco-conscious shared vision, a business leader might discuss that the purpose for the change is to improve business operations, stay ahead of the competition, and balance the triple bottom line, which is necessary for sustainable business success. This leader would want to discuss a short-term goal (typically 1-3 years) of reducing the organization’s carbon footprint by 20 percent and a long-term goal (typically 5-10 years) of being the greenest in their industry with a zero carbon footprint. A vision should be communicated regarding offering the company’s products or services with full customer engagement because the company is contributing to the well-being of the earth and its future.

Consider engaging employees into the shared vision by soliciting their green vision for the organization and incorporating their ideas into the final vision statement. This method presents an opportunity for employees to take ownership of their green organizational behaviors and will increase their buy-in into the sustainability change process. After all, when incorporating their ideas into the vision, it truly becomes their vision too.

One example of this includes the sustainability plan for the State of Hawaii. Hawaii’s 2050 Sustainability Task Force (2007) engaged their stakeholders, which included over 10,000 residents, into their sustainability planning process by soliciting their ideas via web surveys, community meetings, and public opinion polling. Although involving the stakeholders was time consuming, the public input was crucial for creating a shared vision to be executed. The final sustainability plan includes a list of nine priority actions with interim benchmarks with a sustainability council as the accountability measure (Hawai`i 2050 Sustainability Task Force, 2007).

## CREATE A COALITION – INVOLVING OTHERS IN THE CHANGE

The next step in the change process is to create a **coalition** of environmentally enthusiastic team members (Kotter, 1996). Ideally, the coalition will consist of eco-conscious change agents from all levels of the organization who align with formal and informal leaders in the organization. Both informal and formal leaders play a critical role in organizational change through their influence. Cultural change is about people choosing to engage in more effective behaviors (Beckhard & Harris, 1987). Both formal and informal leaders influence buy-in by helping people understanding the purpose for the change and what is in it for them for the present and future.

Formal leaders consist of executive leadership and management. They must model and demonstrate the proper sustainability behavior to other leaders and followers within the organization. Formal leaders help bridge the department gaps by persuading other management personnel to embrace the sustainability vision. They, also, may have organizational connections that informal leaders do not and therefore, can buffer and smooth political pathways. Formal leaders know where the organization is headed and specific outcomes on which they need to focus (Beckhard & Harris, 1987). However, formal leaders often live in “management land” and may not comprehend where the employees in the organization really lie in the change process, such as their honest feelings, truly shifting behaviors, and where employees’ feel efforts are futile.

Therefore, informal network leaders are imperative to an effective change process. Informal leaders can be either powerful allies or sources of resistance in overcoming the inevitable resistance to cultural

change (Beckhard & Harris, 1987). Informal leaders are the employees’ trusted leaders because they are often easier to talk to than formal leaders; consequently, having their support makes them an asset to the organization and a source of learning (Kotter, 1996). Informal leaders must be encouraged to influence the change process by becoming change agents for sustainability.

A green team should be created with a cross-functional combination of these key organizational influencers. This type of approach immediately aids in creating buy-in from all organizational levels as opposed to a top-down or grass roots approach (Hitchcock & Willard, 2008). Green team members can directly educate their co-workers and departments on forthcoming green initiatives and their importance. They can also discuss potential green strategies and ideas with their departments to determine how the changes will affect the daily operations, so as to make the best possible decisions.

According to a green workplace survey conducted by the Society of Human Resources Management, organizations with an environmental responsibility policy reported that 32 percent of their companies had a senior management team in place that was responsible for creating and implementing sustainability programs (Hatch Woodward, 2008). Therefore, ideally an executive or management level person should be on the green team to help lead the organization through change as well as assist in obtaining endorsement from the **C-suite** and/or Board of Directors. Another option is to hire a Chief Sustainability Officer to address investment options, fiduciary responsibility, risk management, compliance issues, and the return on investment of sustainability.

Consider partnering with a sustainability consultant to lead or serve as advisor for the internal green team. A consultant can offer an expertise in sustainability implementation, which can facilitate a smoother and more effective process for the organization. By regular participation in the green team meetings, the consultant will ensure that the sustainability plan stays on track and will offer advice to ensure the most effective sustainability implementation methods. Partnering with a consultant will save the organization significant time and money regarding sustainability research, process development, and implementation strategies.

The purpose of a green team is to create and catalyze sustainable initiatives. As per the Idaho Department of Environmental Quality (2009), green team responsibilities should include the following:

- Creating a waste management policy for the facility.
- Establishing environmental goals and objectives.
- Helping ensure that the facility is complying with waste management laws and regulations.
- Collecting baseline data on amounts of solid, medical, and hazardous waste generated monthly.
- Reducing the quantity of waste generated including solid, medical, and hazardous waste through medical waste segregation, environmentally preferable purchasing,
- Diverting as much waste as possible from the landfill to recycling and/or reuse.
- Identifying cost saving opportunities that will also reduce waste.
- Identifying, inventorying, replacing, or labeling mercury-containing equipment or instruments.
- Reducing energy and water consumption.
- Implementing more sustainable practices and tools.

- Assisting with setting up waste management training sessions for staff members.
- Generating awareness among patients, visitors, and staff.
- Serving as a sounding board to other staff members to express their concerns or share their ideas.
- Marketing your facility as environmentally friendly.

## COMMUNICATION PLAN

When undertaking any change, the agenda should be communicated to all levels of the organization to some degree. A communication plan for change reduces anxiety and stress for employees and helps them thorough the change curve. Throughout the process, address known areas of resistance for employees in the communication plan.

When creating the communication plan, review the basic questions who, where, what, when, why, and how (Hiatt, 2006). First determine who specially will need to know versus who should know and who will want to know. For example, if a company's brand-labeled bottled water will no longer be available at the company's on-site gym, decide who will need to know first, so as to reduce the impact of the change. Consider the method of communicating the change such as, person-to-person, manager-to-department, or at an all-hands meeting.

For the question of "what", determine what has already been accomplished in the change process, what processes will be affected, and if there will be an impact to the structure of the organization. Regarding the bottled water example, employees who frequent the gym and take advantage of the water will be impacted. Also, the marketing

department, who produced the water as a marketing promotion, will be affected.

Determine when each area or department should find out about the change, either immediately or waiting until there is more information. Keep in mind, news travels fast in organizations; chances are, upon telling one person, the entire organization will informally know in about three to five days. With the water bottles, do not tell the employees immediately because they will resist the change until a replacement is in place. Consider waiting until the metal reusable bottles with the company name arrives to offer an alternative solution.

Why is the change important? Help employees understand the reasons for the change, while being as fair and honest as possible in what is communicated. For example, explain to the personnel that the water bottles are not fulfilling the marketing objective, not economical for the business, and causing a dramatic impact on the organization's carbon footprint. Therefore, as per the new environmental policy for the businesses, every employee will receive a reusable metal water container with the company logo, and the new marketing strategy will incorporate the reusable bottles also.

## **CREATE A SUPPORTIVE LEARNING ENVIRONMENT**

Change is effective when it becomes business-as-usual within an organizational culture (Kotter, 1996). Therefore, the corporate culture needs to fully integrate eco-consciousness. Increased awareness levels and desire to change will often be useless without the necessary knowledge of how to change to accomplish the organizational goals (Hiatt, 2006).

The foundation of green **knowledge management** is transparency, access to information, and understanding (Hitchcock & Willard, 2009). Allowing employees transparent access to information is an integral part of their personal eco-conscious growth and facilitates successful organizational change. Pertinent education teaching the employees what green means, why it's important, and what it specifically means to the future of the organization should be provided (Hiatt, 2006).

Sustainability training can be created by the training and development team, by partnering with subject matter experts such as the green team and the SSC consultant. The goal of training is to educate and change behaviors. Darcy Hitchcock and Marsha Willard (2008) suggest the following concepts be addressed in the curriculum development:

- Explain why employees need to learn the information
- Link sustainability information to concepts they already know within the company
- Offer just-in-time training to deflect information overload
- Base training on stakeholders needs
- Provide specific opportunities to allow employees to apply what they have learned

Another option, which will save the training and development team and green team substantial time and money, is to have the SSC consultant perform the training sessions. After the green audit, the SSC consultant can create a specialized training session or workshop as per the needs, strategy, and goals of your organization. Examples include topics such as the following: "10 Ways to Save the Earth from Your Office Cubicle," "Reducing Your Carbon

Impact at Work,” or “Understanding Sustainability.” These basic courses supply the employees with the fundamental knowledge necessary to expedite the organization towards its sustainability goals. The training illustrates to the employees an understanding of green operations, as well as offers the chance for employees to express any concerns or discuss areas of particular enthusiasm under the guidance of a sustainability expert.

## MODEL THE BEHAVIOR

Organizational leaders must model the expected behavior. Green language, terminology, and metrics should be used by organizational leaders daily to reinforce the concepts and keep them in the front of employee minds. This will encourage a sustainable change in the organization because employees will have an understanding of what is expected by seeing the leaders’ example of how to act responsibly on green issues.

An example of this is Ray Anderson who was appointed Time Magazine’s Greenest CEO in 2007 due to his sustainability efforts (McDonough, 2007). Anderson, the founder and chairman of the carpet company, Interface FLOR, read a book on the environment in 1994 which brought to light that his wasteful, pollution intensive, and fossil fuel dependent business practices were destroying natural resources (McDonough, 2007). Anderson assembled a green team within his company to change the processes and behavior into a sustainable business and publically committed to eliminate the company’s environmental footprint by 2020 (McDonough, 2007). Within one year they reduced their average fiber consumption by 10 percent per square yard and by 2007, sales had increased by \$200 million (Interface FLOR, 2010). Interface has reduced

their dependence on fossil fuels by 45 percent and both water and landfill by 80 percent (Interface FLOR, 2010). Anderson continues to discuss the importance of sustainability in organizations with business leaders world-wide.

## EMPOWER OTHERS TO ACT

Empowering others in the organization to act on the vision is a critical step in the process for a sustainable change. Leaders should eliminate obstacles to change by altering systems, structures, people, or processes that undermine the vision (Kotter, 1996). Obstacles to change can be a variety of areas such as the organizational structure, performance-appraisal systems that do not align with organizational sustainability goals, managers who refuse to ally with the eco-conscious change and make demands inconsistent with the overall sustainable strategic vision, or lack of necessary resources.

Here is an example of an impediment to change. Call center employees are only supposed to take one five-minute break every three hours. They want to recycle their aluminum cans but the only recycle bin is two floors up in the break room. Because the five minute break is not enough time to deliver the cans for proper recycling, the employees request a bin for their floor. The manager states his personal beliefs regarding the new organizational “fad of sustainability” and does not request a bin for their floor or allow extra break time for the employees. This scenario presents a conflicting message for the employees and inhibits them in living the sustainability vision in the workplace.

Encourage participation by all members of the organization (Kotter, 1996). Find methods to involve employees in the change, such as allowing them to make eco-conscious changes in their

departments or their workspaces. Permit employees to take the initiative by planning and trying new eco-conscious ideas. The successful ideas and results should be shared with the entire organization by the person or team who originated it. This demonstrates company support of innovation and risk as well as their commitment to the sustainability vision. Consider establishing a sustainability leader for each department who can collaborate with the green team to ensure department sustainability goals are met.

Accountability measures should be put in place so that colleagues are holding other colleagues responsible for turning off lights or putting their bottles in the recycle bin. Reinforcing the positive repeatable behaviors of all employees will improve the success and longevity of the changes made so that it does become business-as-usual (Hiatt, 2006).



# Measures and Metrics for Change

Measuring the change will be imperative to assure the change is an enduring one (Beckhard & Harris, 1987). Hitchcock and Willard (2009) suggest creating related metrics meaningful to all stakeholders, such as the reduction of energy use, which in turn reduces the overall carbon footprint.

Keep the following concepts in mind when creating metrics. Metrics should be used as a learning tool as opposed to a punishment if not achieved; a tirade, if the change does not occur within the designated time, can be very de-motivating to employees, which will inhibit the change process. Balance the metrics to ensure nothing is missed or traded. For example, adding emphasis to eliminating solid waste can lead to decision in which water becomes the waste factor (Hitchcock & Willard, 2008). Limit the number of metrics needing simultaneous attention because people cannot focus on 50 goals at one time; psychologists have shown that 7 items at one time is the maximum the human brain can manage (Hitchcock & Willard, 2008). Measure what matters by measuring things that make a difference; have the people using the data be the ones to gather it to ensure a more immediate and meaningful response. Determine ongoing metrics so that results can be tracked and compared regularly.

Some example metrics include increased brand recognition from customers, setting waste reduction targets, or benchmark results against competitors. Other metrics can be reducing green-house-gases 50 percent in 10 years; reduce packaging weight by 10 percent; purchase at least 30 percent renewable energy; move toward a zero-waste facility; eliminate exposure and emissions of toxic chemicals (Hitchcock & Willard, 2009).

Resources to examine when creating metrics include the Global Reporting Initiative ([www.globalreporting.org](http://www.globalreporting.org)) which offers a list of core indicators useful for any business. The World Business Council on Sustainable Development ([www.wbcsd.org](http://www.wbcsd.org)) presents sustainable development reporting guidelines. The Corporate Register ([www.corporateregister.com](http://www.corporateregister.com)) has sustainability reports from companies world-wide as well as current reporting trends information.

The SSC consultant will assist in determining specific measures and metrics aligned with the organizational strategy for eco-conscious change.



# Reward and Recognition

Plan for and present short term wins for employees, teams, and the organization (Hiatt, 2006). Viable organizational culture transformation takes time. Because most people need compelling evidence that their efforts are noticed and making a difference, rewarding and recognition achievement propels the change momentum (Beckhard & Harris, 1987). Recognize those in the organization who model the behavior; reward teams who reduce their department's waste by ten percent; recognize and reward an initiative that was a direct result of employee efforts at all levels of the organization.

According to a Gallup Consulting (2008) poll, the top employee motivators are as follows:

- Praise and recognition
- Customer feedback that s/he made a difference
- Additional paid time off
- Personal development
- Respect as an inherent part of the organization
- Being requested for special teams or projects

When creating rewards and recognitions, keep the top motivators in mind in conjunction with the two types of motivation, intrinsic and extrinsic.

Extrinsic motivation is when a person uses a transactional approach to get another person to do something; I'll give you this if you do that for me. Intrinsic motivation is when someone does something because s/he wants to for his/her own edification. Generally, employees function most effectively when they are intrinsically motivated by the interest, enjoyment, satisfaction, and challenge of

the work itself, as opposed to with external pressures or inducements (Baron & Byrne, 2000).

Presenting extrinsic rewards is a great method for motivating employees who are not quite engaged in the sustainability vision or processing slowly through the change curve. The outside incentives for behavior change will help to stimulate and maintain the eco-conscious change in individuals and teams. For example, a West Coast property management company, Ashforth Pacific, used cookies to promote their sustainability efforts. They implemented a transactional approach where each employee received cookies in exchange for agreeing to give up their trash cans in lieu of a centralized trash bin (Oregon Natural Step, 2002). The result saved 9000 plastic trash can liners per year (Oregon Natural Step, 2002).

Employees who have a high eco-awareness and are eager for sustainability change will have intrinsic motivation to ensure a successful change for the organization. The reward to them is the results of the change. These are the people to leverage as sustainability change agents within the organization as members of the green team and promoters of sustainable efforts. Publically recognize the efforts of these change agents and their successes. For example, eBay encouraged employee involvement through ideas on how the organization could become more environmentally conscious (eBay Green Team, 2010). The eBay Green Team (2010) at its conception had only a few members, but quickly grew to a team of 100,000 intrinsically motivated members.

In successful change, organizational leaders actively plan and achieve short-term tangible victories for everyone in the organization to celebrate. This evidence is necessary to prove to the employees their efforts are effective, which maintains motivation to continue the change process. According to Hiatt (2006), commitments to produce short-term successes help maintain the sense of urgency so as to encourage detailed analytical thinking and empowerment to take a change risk.

Consider seeking planning advice from the SSC consultant on implementing a pilot project to begin the sustainability change process. For example,

provide every employee with a kick-off tool kit which contains a power strip and an ENERGY STAR qualified compact fluorescent light bulb. Encourage everyone to replace their incandescent light bulb desk light with the one from the tool kit. Also, encourage employees to plug all devices into the power strip so that at the end of the workday, they can shut down their computers and turn everything off at the flip of the power strip switch. Track and inform employees how much energy they saved by performing these two small acts. With every \$5 of watt usage saved due to their initiative, put \$1 in a pool to be used to reward the employees with a “green party.”



# Continuous Improvement

Sustainability is a perpetually continuing process focused on continued improvement (Pojasek, 2009). Creating a sustainability culture should incorporate risk, innovation, and empowerment to encourage employees to continuously seek new and innovated ways to reduced their personal carbon footprint and the organization's carbon impact. Dr. Robert Pojasek (2009), a member of the SSC consultant network, suggests ongoing targeted goals and audits to sustain the momentum for continued improvement over the long term.

General Electric (2010) founded a venture called “Ecomagination” designed to drive innovation and environmental solutions. The company invested in research and development efforts to promote sustainability innovation which resulted in products which stakeholders could reduce their emissions

(General Electric, 2010). General Electric ensures continuous improvement through targeted goals and continual investments. They established goals for 2008, 2010, and 2012 to reduce their green-house-gas emissions; the 2008 goal to reduce emission by 30-percent was met and they are now focused on the 2010 and 2012 goals (General Electric, 2010). General Electric (2010) perpetuates the continuous improvement cycle by reinvesting profits into environmental solutions.

The SSC consultant can help the green team devise an action plan and methods to ensure the continuous improvement process as well as perform annual audits and analysis based on the needs of the organization.



# Organizational Change Process Example

Now that you understand the basic steps in implementing change in your organization, we will walk through an overview of the process for organizational change to reduce paper waste.

## CARING HOSPITAL

Due to pressure from their customers and the Board of Directors, the leadership at Caring Hospital completed the green audit with Strategic Sustainability Consulting. The results determined their overall carbon footprint was high as compared to other benchmark hospitals. Their highest three carbon drivers were paper, utilities, and waste. The employee results showed they have a basic eco-awareness, but want to gain more knowledge so as to have a high personal commitment to environmental responsibility.

Because the highest carbon driver was paper usage, the leadership decided the hospital should become paperless by switching to a computer-based medical records software. The SSC consultant and the executive team determined a strategic plan for implementation with a goal of becoming 90 percent paperless over a period of one-year.

The CEO knew that to engage the employees in the process, she needed to establish the sense of urgency for the change and therefore, planned to announce the sustainable initiative at the next all-hands meeting. To appropriately frame the message, she carefully determined the specific objective. The CEO, then, evaluated the perspectives and core values of her audience and took into account what was in it for them.

At the all-hands meeting, she relayed her carefully crafted communication regarding the initial paperless initiative. “In order to dramatically reduce our carbon footprint and make our hospital more efficient so that we can offer enhanced patient care, Caring Hospital will become a paperless hospital over a one-year period. Using the medical records software will save time so that the nurses can spend more time with the patients to ensure their every need is met. Administration will save time creating new patient charts and locating former patient charts. Doctors will be able to spend less time searching for pertinent information in a patient’s written record because the easily searchable database allows for quick searching. The finance personnel will have fewer problems with billing mistakes because with the software, there is less room for error, misinterpretation, or sloppiness. Becoming paperless will also save record keeping space which will eventually be converted into a new employee break-area.”

As per the green audit, the leadership teams knew the employees had a basic eco-awareness and wanted a change toward sustainability. However, they expected the change curve and knew to help each

### Establish the Sense of Urgency

#### Frame the Message

- Determine the specific objective
- Examine the audience’s perspectives and core values
- As per the audience, determine “what is in it for me”

### The Change Curve

- Denial
- Anger
- Bargaining
- Depression
- Acceptance

person on their team break from the past. Some of the responses the managers received after the CEO's announcement were on varying places in the change curve.

Denial: "Why are we going paperless? I don't want to go paperless! I like having something the medical record in my hand!" Anger: "Why is this happening to me? Management just wants to make our lives more difficult. This is wrong! Besides, what if the power goes out and we can't access the patients' records? How I am supposed to do my job!" Bargaining: "So I understand that going paperless is a good idea for some companies, I just don't think it's good for our company and especially my job. If I work harder and faster maybe they will continue to let us to use paper records." Depression: "Whatever. Who cares? I don't like working here anymore. I'm going to start looking for another job." Acceptance, "Ok, I am willing to go paperless in steps. I think I can make this work!"

### Create a Shared Vision

The executive team had the sustainability vision of what they wanted the hospital to become. However, in order to create a shared vision throughout the hospital, the CEO had the organizational development team create a focus group comprised of employees from all jobs and levels in the hierarchy to determine their perspectives and ideals. She incorporated the focus group results into Caring Hospital's Sustainability Vision Statement.

### Create a Coalition

The executive team decided to form a cross-functional green team led by the SSC consultant to initiate and implement the paperless process. The SSC consultant and the green team discussed various methods, alternatives, and strategies for implementation. The green teams solicited employee opinions regarding the implementation options via on-line surveys and department meeting discussions. They asked how employees would be directly affected by each option so minimize negative impact and foster a smoother transition.

The green team and the SSC consultant created a step-by-step action plan for paperless implementation. After approval from the executive team, they developed a communication plan based on the six key questions, who, what, when, where, why, and how to be presented at the next all-hands meeting. "The first initiative in the change

### Communication Plan

- Who
- What
- When
- Where
- Why
- How

to becoming a paperless hospital will be putting the SOAP (subjective, objective, assessment, and plan) into the online patient chart. The nurses and doctors will have to become proficient at locating and typing in the SOAP area of the record. We will install five mobile laptop stations per floor unit to ensure each attending nurse has immediate access to records; the stations will be mobile so that nurses can perform their duties in the room with the patient or outside the room so as to not disturb the patient. This initial change is important to start doctors and nurses

becoming accustomed to the new medical records system. Software training will begin in team shifts next week.”

**Create a Supportive Learning Environment**

**Model the Behavior**

The green team determined the software company should train all personnel on how to use the medical records system. In order to

promote a behavior change in employees, the SSC consultant and the green team decided the SSC consultant should provide a progressive sustainability training series to all personnel which will take place at each all-hands meeting over the next year. The first session will launch with “Understanding Sustainability” to provide an eco-friendly foundation of knowledge. Based on this knowledge and understanding, executives, managers, team leaders, and the green team were expected to model the sustainable behaviors so as to provide an example for all employees to follow.

There were a few obstacles to change that the SSC consultant and green team identified. One key area was the performance management system which did not incorporate sustainable initiatives or the medical records software key competencies into the employee evaluations and individual development plans. Human Resources partnered with the green and executive teams to redevelop their talent management programs.

**Empower Others to Act**

The emergency room nurses realized they were in need of

additional laptop stations and requested the additional resources. The maternity ward nurses developed a

streamlined process in which they only needed two laptops. The ward nurses asked to reallocate their two additional laptops to the emergency room. This saved the hospital \$5000 in laptops; the maternity ward nurses’ process for maintaining records saved two hours per nurse per day.

**Measures and Metrics**

One of the successful change measures for the paperless process was one saved hour of record writing per nurse. The green team alerted the executive team of the success.

**Reward and Recognition**

The maternity team nurses were rewarded with one day of paid-time-off each and were asked to share their process with the other hospital nursing teams at the next nurses meeting.

**Continuous Improvement**

The hospital culture fostered innovation and employee empowerment. Employees at all levels were encouraged to find new ways to reduce their own carbon impact as well as the hospital’s carbon footprint. The SSC consultant and the green team determined the next steps and assessments in the process of carbon footprint reduction would be tackling the water and energy audits. To ensure the hospital’s continued success for a carbon neutral goal, the SSC consultant will provide annual green assessments.



# Conclusion

Change requires a lot of time, planning, and management. However, following the elements in this white paper will offer a more fluid and sustained change into an eco-conscious culture for your organization.

Ensure everyone in the organization understands the process of grief associated with change so that they understand and can recognize the progression through which they are journeying. Management should be aware of the signs of each level of change and ready to assist their teams through the process.

When leading the organization through change, establish the sense of urgency so that everyone understands the immediacy for the needed change. Carefully frame the sustainability message to the people by incorporating the specific objective and the audience's perspectives, core values, and "what is in it for them."

Involving everyone in the change is crucial to facilitating the change. Create a shared vision by soliciting ideas, thoughts, opinions, and perspective of the employees to be combined with the leadership's vision. Establish cross-functional green teams with members at all levels of the hierarchy. Empower everyone to take immediate action to improve sustainability in their jobs and work-lives.

When communicating the change, take into account who needs to know, who wants to know, and who is affected by the change. Everyone should be involved in the communication on some level. Offer transparent access to information regarding pertinent change efforts. Support this effort by also offering

necessary education as to what green means, why it is important, and what it specifically means to the future of the organization. Leaders must then model the eco-conscious behavior to ensure the employees understand what the expectations are.

So as to measure the success of the changes, create metrics meaningful to all stakeholders which can be used as learning tool. Metrics should be balanced to ensure nothing is missed or traded. Because people have a hard time focusing on multiple objectives, limit the number of metrics needing attention at any given time. Measure what matters by measuring things that make a difference.

Rewards can be either intrinsic or extrinsic. The eco-conscious change agents are those that have the internal drive for sustainability change; these are the people to focus on helping the organization reach its sustainability goals. Extrinsic rewards can be used to get the ball rolling for those not quite aligned with the sustainability vision. Plan for short-term tangible victories for all stakeholders to celebrate as evidence proving their efforts are effective.

With sustainability comes continuous improvement by creating a culture which incorporates risk, innovation, and empowerment. Encourage employees to always seek new and innovative methods to reduce both their personal and the organization's carbon footprint.



# Bibliography

- Baron, R., & Byrne, D. (2000). *Social Psychology*. Needham Heights, MA: Pearson Education.
- Beckhard, R., & Harris, R. (1987). *Organizational Transitions: Managing Complex Change*. Boston: Addison Wesley Publishing Company.
- eBay Green Team. (2010). About Us. Retrieved March 18, 2010, from [www.ebaygreenteam.com](http://www.ebaygreenteam.com)
- Gallup Consulting. (2008). Employee Engagement. Retrieved March 18, 2010, from Gallup: [www.gallup.com/](http://www.gallup.com/)
- General Electric. (2010). Ecomagination. Retrieved March 18, 2010, from <http://ge.ecomagination.com/>
- Hatch Woodward, N. (2008). New Breed of Human Resource Leader. *HR Magazine* , 52-56.
- Hawai`i 2050 Sustainability Task Force. (2007). Hawai`i 2050 Sustainability Plan. Retrieved March 17, 2010, from <http://hawaii2050.org/>
- Hiatt, J. (2006). *ADKAR: a Model for Change in Business, Government and our Community*. Loveland, CO: Prosci Research.
- Hitchcock, D., & Willard, M. (2008). *Sustainability Planning*. London: Earthscan.
- Hitchcock, D., & Willard, M. (2009). *The business guide to sustainability*. London: Earthscan.
- Idaho Department of Environmental Quality. (2009). Creating a healthcare green team. Retrieved February 25, 2010, from [www.deq.state.id.us](http://www.deq.state.id.us)
- Interface FLOR. (2010). Interface FLOR Environmental. Retrieved March 18, 2010, from [www.interfaceflor.com](http://www.interfaceflor.com)
- Kotter, J. (1996). *Leading Change*. Boston: Harvard Business Review.
- McDonough, W. (2007, October 17). Heros of the Environment. Retrieved March 18, 2010, from *Time Magazine*: [http://www.time.com/time/specials/2007/article/0,28804,1663317\\_1663322\\_1669929,00.html](http://www.time.com/time/specials/2007/article/0,28804,1663317_1663322_1669929,00.html)
- Oregon Natural Step. (2002). Oregon Natural Step Network Tool Kit. Retrieved March 18, 2010, from Ashforth Pacific Case Study: [www.ortns.org](http://www.ortns.org)
- Pojasek, R. (2009, Spring). Sustainability Reports: An Alternative View. *Environmental Quality Management* , 85-92.
- Ross, E. K. (1976). *On Death and Dying*. New York: Macmillian Company.
- Sussman, L. (1999). How to frame a message - the art of persuasion and negotiation. *Business Horizons* , 42, 2-6.



# Glossary

***Carbon Footprint:*** the total set of greenhouse gases emissions caused by an organization

***Change Management:*** the processes of effecting change

***Coalition:*** alliance of people working towards a common goal

***Cross-Functional Team:*** a team comprised of people from multiple areas/ departments within an organization

***C-Suite:*** executive team usually representing the CEO, CFO, CIO, and CLO

***Eco-Conscious:*** aware of environmental issues and concerns

***Green Audit:*** a process to determine and measure a company's environmental footprint

***Green Team:*** a team whose purpose is to promote eco-conscious initiatives

***Knowledge Management:*** the creation, storage and collaborative sharing of employee information within the business environment

***SWOT Analysis:*** a framework for strategic analysis which observes both internal and external factors in a company