

Chapter 1 ~ Strategy: Building a Sustainability Plan



Cut it out!

Guide for controlling
expenses through
environmentally
friendly practices

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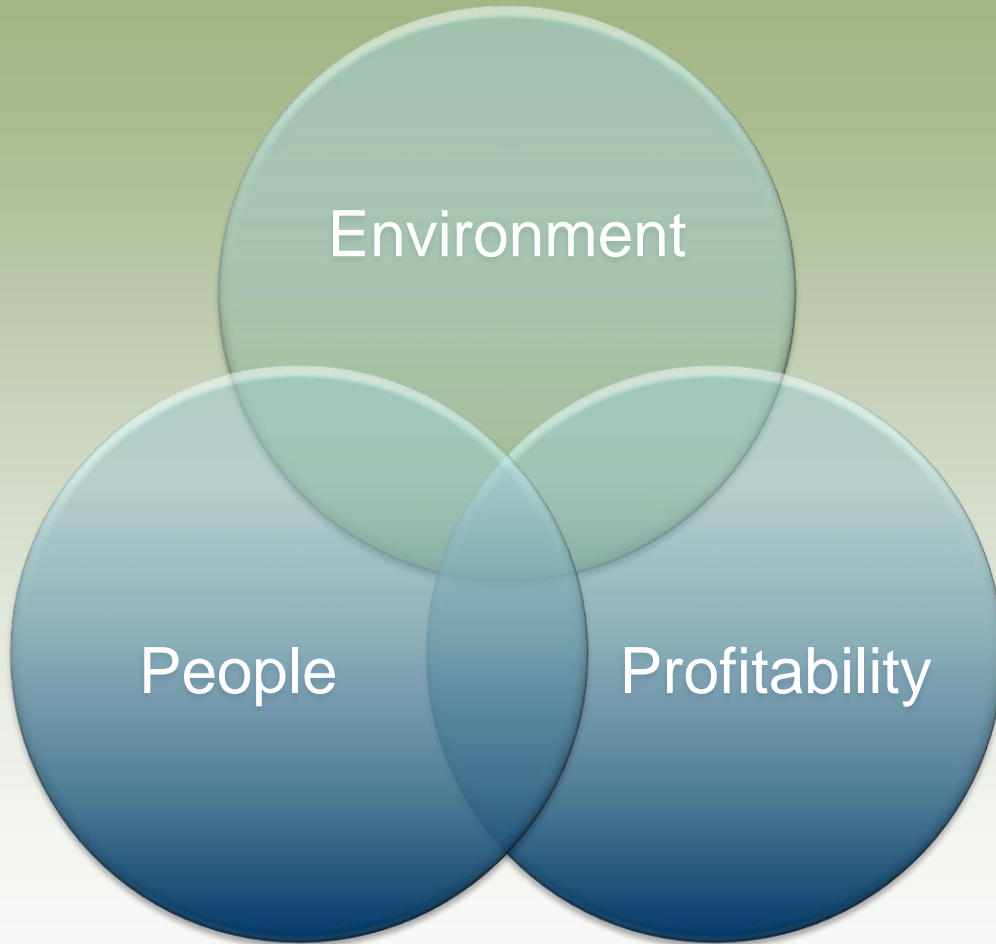
We'll discuss

- The purpose of a Sustainability Plan and its value to your organization
- How to implement a Sustainability task force within your organization
- Some quick tips on actions that you can take to get some short term cost savings

What is a Sustainability Plan?

- An approach for evaluating all of the activities in an organization based on their impact on the people in the organization, the profitability of the organization and the environment
- An enterprise-wide undertaking
- A living plan that's re-evaluated annually

The Triple Bottom Line



Evaluate every decision by

- Its impact on the people in the organization
- The affect it will have on short-term and long-term profitability
- The ability to sustain or improve the global environment

What is the value to your organization?

Decisions are not made in a silo

Decisions are not based on short term

Decisions support the long term sustainability of the organization

Resources are allocated on a consistent basis

The plan changes as conditions change

Model for developing your plan

Identify cost saving ideas

- Form a Cross functional team
- Get a management champion
- Define criteria for ideas
- Generate potentially cost-saving ideas

Evaluate Ideas

- Conduct first level evaluation based on quickest benefit to the organization
- Evaluate the business case

Develop Sustainability Plan

- Develop a “Sustainability Plan” based on the business cases
- Present recommendation to management
- Based on budget approval level, develop Implementation plan

Your Sustainability Task Force

- Your role will be to facilitate the formation of a cross-functional team of people who “know” the organization
- Start with your own sphere of influence and expand as opportunity presents itself
- Select people who are “connected and engaged” within the organization – people will listen to them and give them feedback



- Select people from all levels in the organization – this is merely an advisory group

Who's involved

Start with
representatives of
organizations who
are willing to
participate; add as
interest develops

Suppliers

Senior
Management

Facilities

Management
Champion

Real
Estate

Landlord

Tenants

Marketing/
Sales

Legal

Service
Providers

Utility
Providers

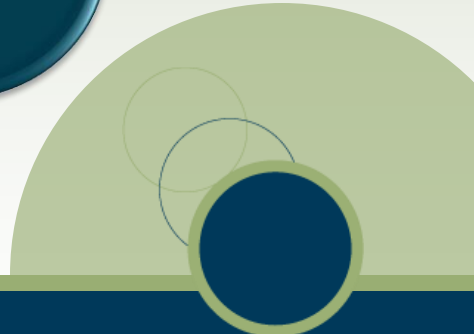
Information
Technology

Human
Resources

Finance/
Accounting

Operations

Local
Authorities



Sample Timeline

Week 1

- Introductory Meeting

Week 2

- First idea list
- Brainstorming

Week 3

- Continue brainstorming
- Add ideas

Week 4

- Evaluate ideas against criteria
- Develop list of top XX
- Assign ideas for evaluation

Week 6

- Further review of ideas
- Assign responsibility for business case development

Week 10

- Review Business cases
- Develop Cash Flows

Week 12

- Review updated business cases
- Develop preliminary Plan

Week 13

- Develop Plan document
- Circulate for feedback

Week 15

- Review feedback
- Update Plan

Week 16

- Management champion presents plan to decision makers

Groundrules

Every project needs to be evaluated by a consistent set of ground rules

- Have a payback that exceeds the cost to implement
- Produce a payback in less than 2 years
- Up-front cost less than \$10,000
- Continue to accrue benefits for more than 5 years
- Not violate any of your contractual agreements
- Have the approval of your landlord
- Have approval by all affected departments prior to implementation
- (for ideas related to energy/water usage)
Reduce the amount of energy/water usage from current levels

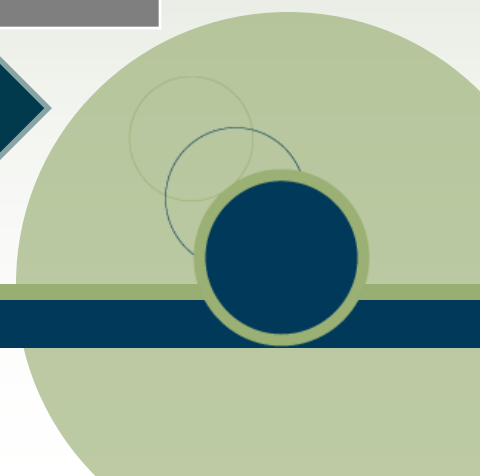
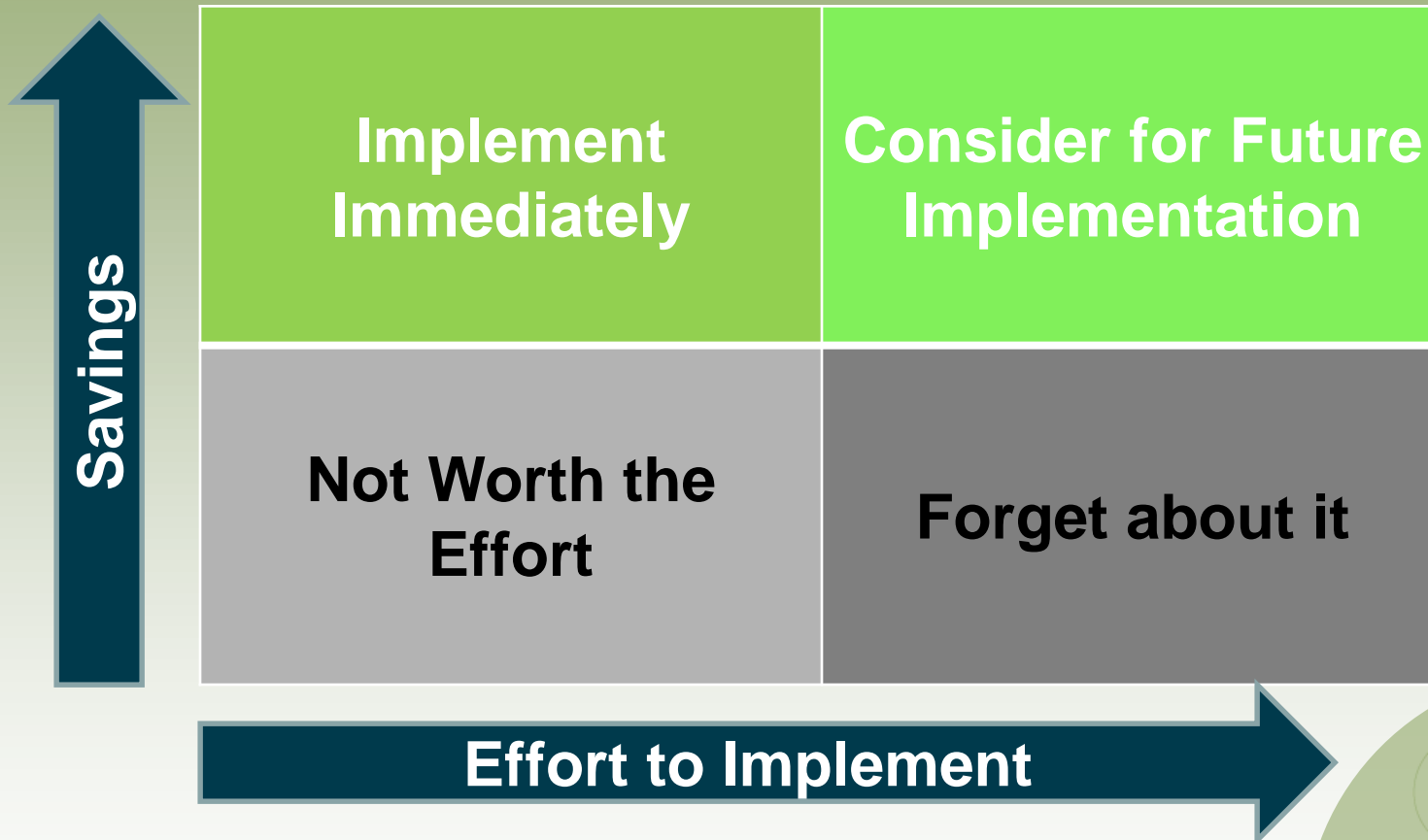
Evaluating projects by payback

Idea 1 - Quick Payback	0	1	2	3	4	5	Total
Cost	\$ (2,000)	\$ (500)	\$ (500)	\$ (600)	\$ (700)	\$ (800)	\$ (5,100)
cumulative cost	\$ (2,000)	\$ (2,500)	\$ (3,000)	\$ (3,600)	\$ (4,300)	\$ (5,100)	
Savings	\$ -	\$ 4,000	\$ 3,000	\$ 3,200	\$ 3,400	\$ 3,600	\$ 17,200
Cumulative Savings	\$ -	\$ 4,000	\$ 7,000	\$ 10,200	\$ 13,600	\$ 17,200	
Cumulative benefit	\$ -	\$ 1,500	\$ 4,000	\$ 6,600	\$ 9,300	\$ 12,100	\$ 12,100
Payback (years)	NA	0.63	NA	NA	NA	NA	1.48
Payback (months)							18

Where the cumulative benefit turns positive, this is the (cumulative benefit / cumulative savings) plus the number of prior years

This is a better metric when the costs and savings vary each year; but reflects straight line costs and savings

Initial Evaluation Matrix



Idea Ranking matrix

for each box, compare the idea with the top number to the idea with the lower right number. Circle the preferred idea of the two

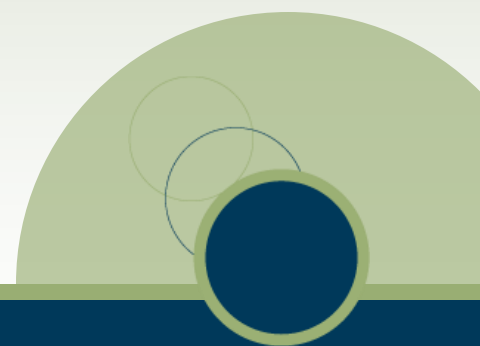
	Idea 1: [describe]	Idea 2: [describe]	Idea 3: [describe]	Idea 4: [describe]	Idea 5: [describe]	Idea 6: [describe]	Idea 7: [describe]	Idea 8: [describe]	Idea 9: [describe]	Idea 10: [describe]
1	2									
2	3	3								
3	4	4	4							
4	5	5	5	5						
5	6	6	6	6	6					
6	7	7	7	7	7	7				
7	8	8	8	8	8	8	8			
8	9	9	9	9	9	9	9	9		
9	10	10	10	10	10	10	10	10	10	
10										

Item #

enter the number of times that the item # was circled

Rank: the highest number entered is #1, 2nd highest is #2, etc.

Item #	1	2	3	4	5	6	7	8	9	10
	This becomes your priority list									



Quick hit ideas: Low hanging fruit

Lighting – change out all bulbs to T8

HVAC Maintenance; change out filters; insert filter sensors

Faucets – replace to low flow

Motion Sensors – use for all lights

Quick Hit Ideas: Quick Payback

Convert to daylight cleaning

Change temperature settings;
higher in summer, lower in
winter

Install Waterless urinals

Recycle/shred to reduce waste
hauling

Quick Hit Ideas – need to involve others

Eliminate personal printers

Adopt policy to turn off all equipment at night

Use recycled paper

Eliminate inventories of office supplies

Eliminate warehousing

Quick Hit Ideas – for future consideration

Implement Computerized Maintenance Management (CMMS)

Outsource Landscaping

Eliminate or Outsource Fleet

Reduce building operating hours

**Increase number of HVAC zones;
provide individual controls**



Where should you begin?

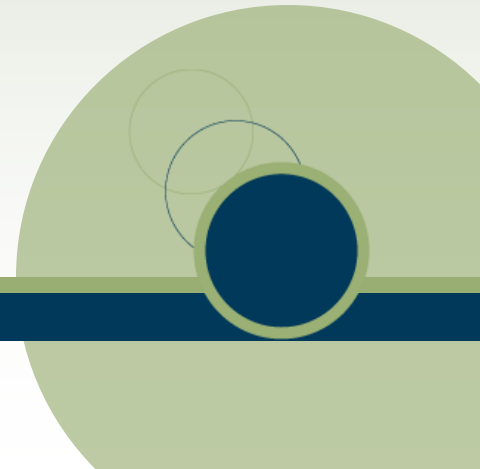
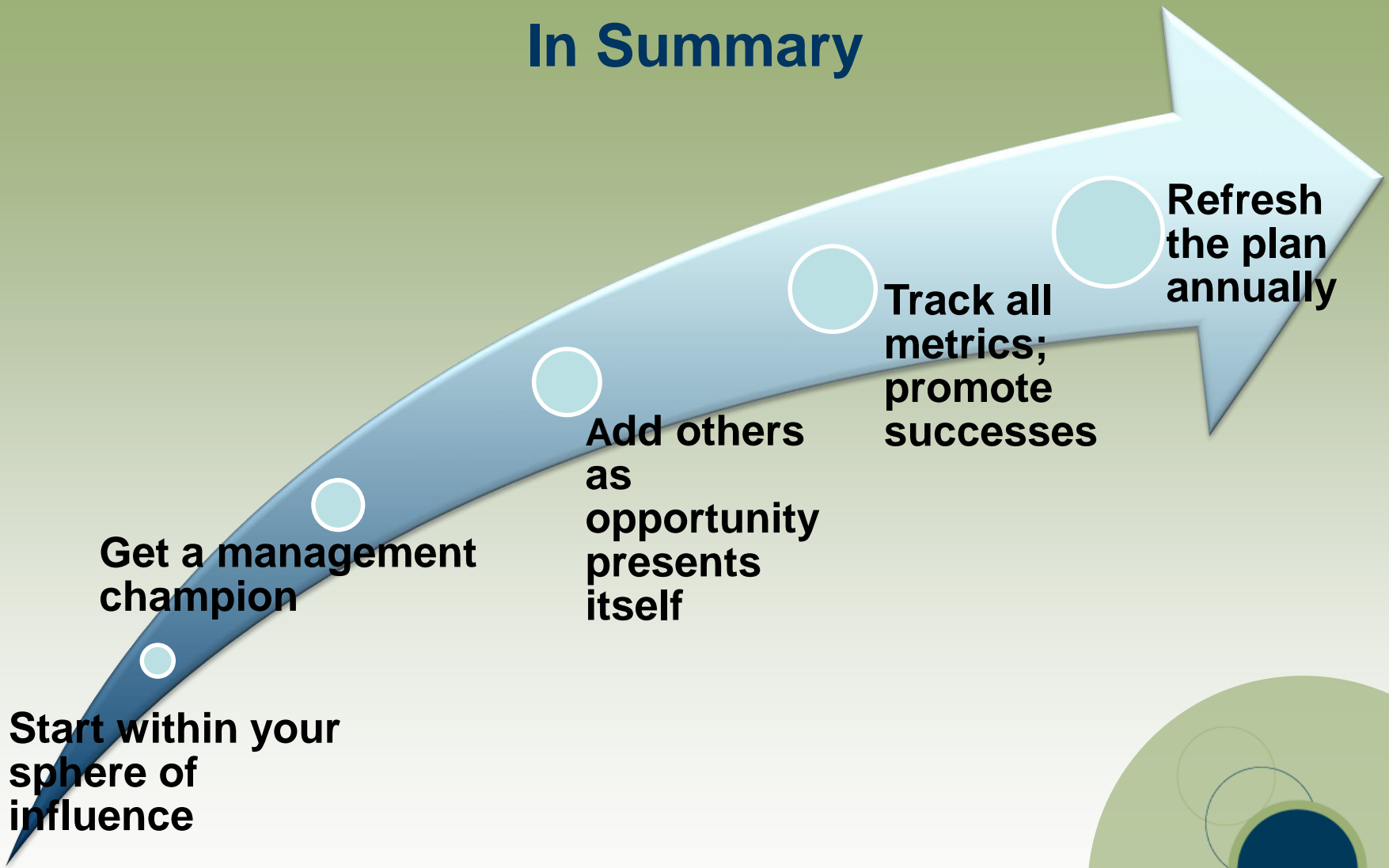
- Start within your own organization
- Get management commitment
- Ask management to help you get a management “Champion”
- Invite other departments to participate
- Include others as projects affect them
 - HR will need to be involved with office hours
 - Legal will need to be involved in contracts
 - Finance may need to help with cost/benefit analyses

Challenges for tenants

- You are constrained by your lease related to CAM charges
- Discuss options with Landlord
- Use Model Green Lease* as model for future lease negotiations
- Meet with other tenants to apply pressure to landlord to introduce energy saving ideas

• www.squarefootage.net/TMGL.html

In Summary





Cut it out!

Guide for controlling expenses through environmentally friendly practices

This was just Chapter 1 – more great ideas in the book

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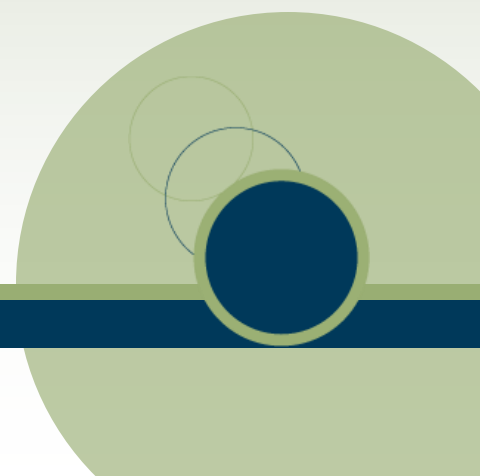
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