

Contents

<i>Foreword</i> by John Elkington and Oliver Dudok van Heel	xv
<i>Introduction</i>	1
• External Pressures	4
• Clarifying the Terminology	4
• The Need For a Business Case	11
• The Intent of This Book	13
The Proposal	15
• The Problem	15
• The Proposal	16
• SD Inc.: A Hypothetical Company	17
• The Education Investment	20
• The Seven Bottom-Line Benefits	21
Benefit 1: Easier Hiring of the Best Talent	23
• The War For Talent	23
• Attracting Top Talent	24
• The Cost of Recruiting	25
• The Potential Hiring Benefit of a Sustainable Development Image	26
Benefit 2: Higher Retention of Top Talent	28
• The Cost of Turnover	28
• Why Employees Stay	34
• The Potential Retention Benefit of a Sustainable Development Vision	37
Benefit 3: Increasing Employee Productivity	40
• The Vision – Commitment Relationship	41
• The Involvement – Commitment Relationship	47
• The Commitment – Productivity Relationship	49
• The Bottom-Line Benefit From Higher Individual Productivity	52
• The Innovation Factor	53
• The Bottom-Line Benefit From Higher Team Productivity	54
• The Bottom-Line Benefit From Improved Working Conditions	56

Benefit 4: Reduced Expenses in Manufacturing	60
• Waste = Squandered Corporate Assets	60
• Savings From Materials and Energy Substitutions	61
• Savings From Reducing the Materials, Energy, and Water Used Per Product	68
• Savings From Redesign	72
• Savings From Reducing, Reusing, and Recycling Scrap Material	73
• Savings From Reusing and Recycling Returned Products	77
• Savings From Packaging, Transportation, and Approval Cycles	79
• Tracking Environmental Costs	79
• The Potential Benefit From Reduced Manufacturing Expenses	81
Benefit 5: Reduced Expenses at Commercial Sites	83
• Savings On Employee Discretionary Consumables	84
• Savings From Improved Waste Handling	86
• Savings From Energy Efficiencies	87
• Savings From Water Conservation	95
• Savings From Lower Landscaping Costs	96
• Savings From Reduced Office Space and Less Business Travel	97
• The Potential Benefit From Reduced Expenses at Commercial Sites	98
Benefit 6: Increased Revenue/Market Share	100
• Increased Mind Share From Endorsements by External Agencies	101
• Increased Mind Share From “Noise” About Environmental Products	107
• The Funnel: Differentiate or Die	108
• Increased Market Share From Attraction of “Green” Consumers	110
• Increased Revenue From Higher Customer Retention/Loyalty	114
• New Markets	114
• Increased Profits From “Dematerialization”	117
• New Revenue Opportunities From Environmental Services	119
• The Potential Benefit From Increased Revenue and Market Share	120
Benefit 7: Reduced Risk, Easier Financing	121
• Lower Market Risk	122
• Lower Balance Sheet Risk	126
• Lower Operating Risk	128
• Lower Capital Cost Risk	130
• Lower Sustainability Risk	131
• Lower Cost of Capital: It’s Easier to Attract Investors	131

• The Potential Benefit From Reduced Risk	135
<i>Conclusion</i>	139
• Real Bottom-Line Benefits	139
• “Yeah, but ...”	141
• The Sustainable Development Profit Center	147
• Changing the Rules of the Game For Your Advantage	151
<i>Appendix: Sustainability Advantage Worksheets</i>	154
• Assumptions about the “SD Inc.” Hypothetical Company	155
• Education Investment Required to Achieve Benefits	156
• Attracting and Hiring the Best Talent	157
• Retaining the Best Talent	158
• Increased Productivity	160
• Reduced Manufacturing Expenses	161
• Reduced Expenses at Commercial Sites	162
• Increased Revenue and Market Share	163
• Reduced Risk	164
• Total Bottom-Line Benefit	166
<i>Endnotes</i>	167
<i>Bibliography</i>	191
<i>Index</i>	195
<i>About the Author</i>	203