



# CHAPTER 2

# SUSTAINABILITY



BUSINESS BEATS BASICS

# SUSTAINABILITY

## INTRODUCTION

A retail shop trims electricity costs by installing efficient, energy-saving light bulbs. A manufacturing company commits to zero waste, retools its product development, and now saves on materials that were once thrown away. A restaurant recycles its cooking oil for biofuel. An advertising agency puts in a locker room for employees who ride their bikes to work or exercise during lunch breaks.

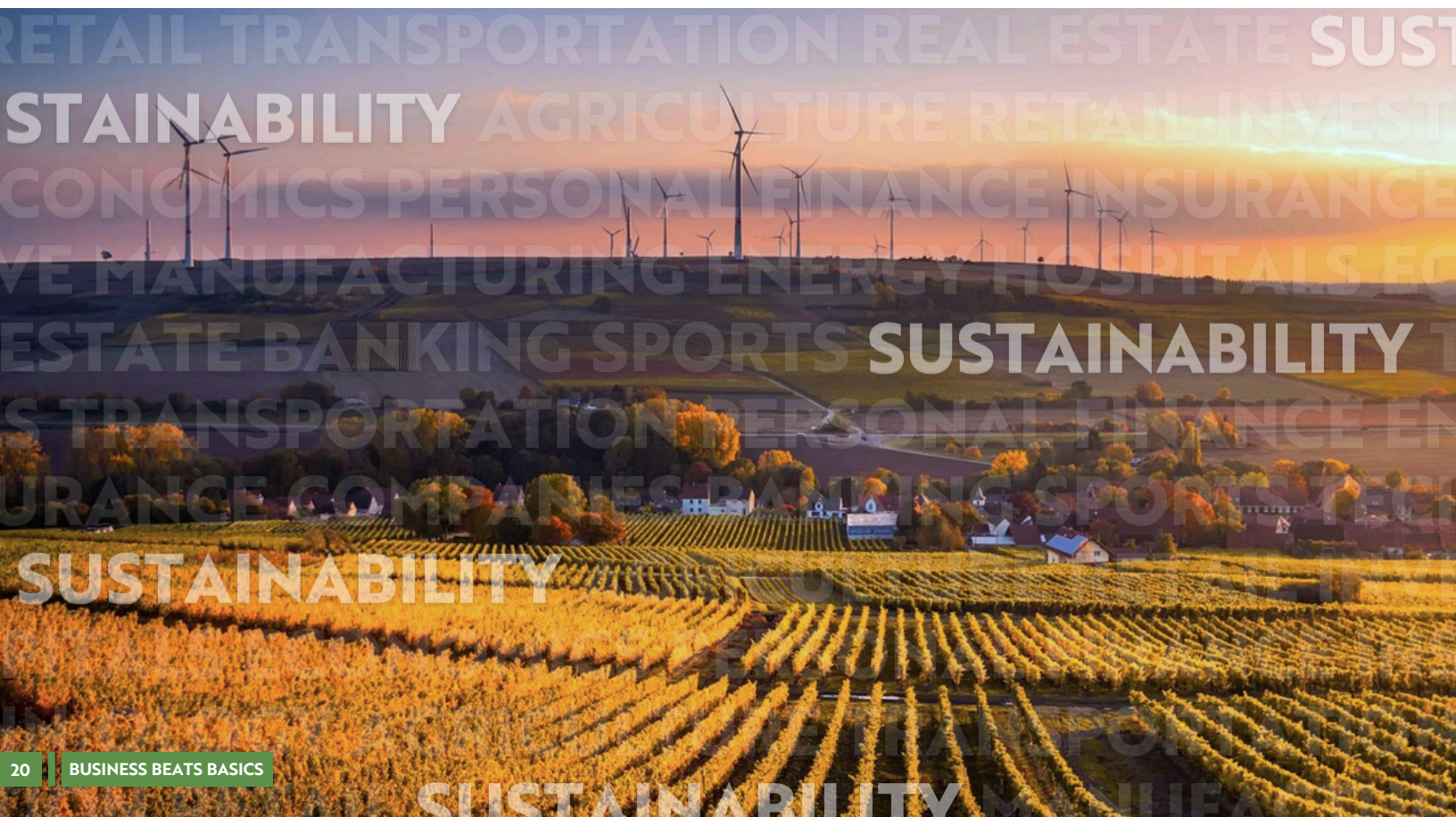
These are just a few examples of the hundreds of sustainability stories that you may cover in your community as a business reporter. With so many options to explore, where exactly do you start your coverage, and what should you know before beginning the sustainability beat?

Let's first tackle the definition of sustainability. Although sustainability is most commonly associated with the natural environment, it is

about so much more than “reduce, reuse, recycle.” A 1987 United Nations report defined sustainability as “meeting the needs of the present without compromising the ability of future generations to meet their own needs.” This remains the most broadly accepted definition today.

Sustainability practices include environmental initiatives such as recycling, reducing waste, and converting to renewable energy. But it also includes social initiatives – the way companies treat their employees, customers, and suppliers – and the rights of leadership and shareholders (“governance”). These three sectors are commonly referred to as ESG (environmental, social, governance) standards.

Generally, if a company adopts sustainability as a business practice, then it has made a



# HELPFUL LINKS

## GreenBiz.com

[GreenBiz.com](https://www.greenbiz.com)

This site is the go-to source for news on business and the environment.

## Triple Pundit

[triplepundit.com](https://triplepundit.com)

A diverse set of contributors writing about business sustainability with a focus on people, planet, and profit.

## Grist

[grist.org](https://grist.org)

Environmental news and opinion website that offers a sideways glimpse of the day's news topics.

## MIT's Sloan Management Review

[sloanreview.mit.edu](https://sloanreview.mit.edu)

This website covers ideas and practices in sustainability and innovation.

## Sustainable Business Forum

[sustainablebusinessforum.com](https://sustainablebusinessforum.com)

Thought leaders offer news and opinion on sustainable business, environmental stewardship, safety, and corporate social responsibility.

## Bloomberg New Energy Finance

[about.bnef.com](https://about.bnef.com)

This website offers data, news, and analysis of the clean energy and carbon markets.

## AltEnergyStocks.com

[AltEnergyStocks.com](https://AltEnergyStocks.com)

High-quality news and analysis for the alternative energy and cleantech sectors.

long-term commitment to have no negative social, economic, or environmental consequences from its business strategies and activities.



Sustainable business practices aren't seen as a tradeoff between environmental regulations and profitability. Rather, businesses have learned that sustainability practices can lead to not only an improved environment, but economic gains, social and community well-being, and a competitive advantage in the marketplace. More businesses than ever are now emphasizing sustainability and even working it into their overall brand strategy.

To make sense of a sustainability story, a reporter should look at it through this lens: Our economy and society are constrained by the environment. Everything we need for survival depends on a healthy natural environment – clean water, clean air, and natural resources. The business sector produces a large share of the world's greenhouse gasses. Therefore, some businesses are making the commitment to produce less waste, use less energy, and reduce their environmental footprint. And they're not shying away from marketing and reporting their sustainability practices, as they are often looking for their work to win over "green" consumers.

# WHERE TO BEGIN

As sustainability practices expand, so too does business coverage of this topic. Put simply, sustainable businesses consider the triple bottom line: planet, people, and profit – and so should you.



## PLANET (ENVIRONMENTAL)

Any story on sustainability will likely have an environmental element to it and how it impacts the planet we live on.

While transportation, fossil fuel, and utility sectors have the largest potential to reduce environmental risks on the planet, every business has the ability to positively – or negatively – impact the environment every day through their products and supply chains. For example, companies may switch to more eco-friendly packaging, work only with certain manufacturers that follow strict environmental standards, or source renewable resources for their products.

## PEOPLE (SOCIAL)

The person element in the triple bottom line is the employee, the consumer, or any member of society who is impacted by the business' activities. Businesses contribute to sustainability among employees and

consumers in a number of ways. For example, some businesses give employees paid time off each year to participate in volunteer activities that “give back” to the local community. They may also host food or clothing drives, donate a portion of their sales to local charities, or partner with an environmental organization. Businesses may also encourage more sustainable travel by setting up company carpools or making it convenient to bike to the office, while others may make a commitment to providing work-life flexibility for their employees to create a healthier work environment.

## PROFIT (GOVERNANCE)

The principal objective of business is to make money. Perhaps that's why sustainable business stories are often tagged with the slang term for money: green, as in green business, green technology, green energy, green innovation. The profit motives for going green and choosing sustainable business practices are far-ranging. This can include competitive advantages, improving efficiencies, reducing operating costs, environmental stewardship, boosting employee morale, retaining workers, and maintaining a good reputation with the public.



# MAKE IT LOCAL

Looking to relate a national or global story on sustainability to your own community? Start by getting a handle on the big issues and then bring them down to the local level. Get started with these simple steps.

## THE WATER FACTOR

While water is a global concern, its impacts are as local as your nearest watershed. Although about 71% of the Earth is covered in water, only 3% of that water is freshwater. How that water is used affects us all and the generations that follow.

Large corporations use billions of gallons of water daily for their operations. For example, large tech companies, like Apple, Google, and Amazon, use water to cool down their large data centers to prevent overheating. And the most sustainable use of water isn't necessarily the most profitable for a company.

## CULTIVATE YOUR KNOWLEDGE OF CLEAN TECHNOLOGY

Clean technology, or simply "cleantech," is a technological process, product, or service that has reduced its negative environmental impacts through engaging in sustainable practices. This could be significant energy efficiency improvements or more conservational use of resources. Examples of cleantech include electric vehicles, bioplastics, renewable energies, and waste management systems.

New buildings and renovated structures alike offer story ideas on cleantech advances, as do companies that offer these goods and services. Ask your business sources about their energy



management practices. More and more companies are practicing demand response, where they consume less electricity during periods of peak demand. From grocery stores to manufacturing plants, businesses are often compensated for doing this. For example, every third light is automatically shut off in a long hallway, or the office thermostat is raised a degree or two in summer.

## FIND THE GREEN JOBS

According to the Bureau of Labor Statistics, the government's official definition of green jobs is "A) jobs in businesses that produce goods and services which benefit the environment or conserve natural resources; and B) jobs in which workers' duties involve making their establishment's production processes more environmentally friendly or use fewer natural resources."

## TALK WITH LOCAL ENVIRONMENTAL GROUPS

In 2006, Greenpeace began protesting against McDonald's for its practices of buying unsustainable soy to feed chickens, which ultimately became McNuggets. The feed came from farmers who were burning down Amazon forests in order to plant soybeans. So what did McDonald's do? Bob Langert, former VP for corporate responsibility at McDonald's, sought input from Conservation International and World Wildlife Fund, and eventually listened to Greenpeace. Other environmental groups have succeeded in changing unsustainable business practices. More recently, in 2024, Greenpeace has been protesting deep sea mining and arctic oil drilling. To localize stories like these, look for trends of multiple stakeholders working together to solve a local environmental problem.

## READ SUSTAINABILITY REPORTS

Similar to financial reporting, sustainability reports assess and disclose business sustainability performance. One person's job that has changed with the advent of the sustainability report is the Chief Financial Officer (CFO), whose role has expanded from financial reporting to also include social and environmental reporting. In the late 90s and

early 2000s, sustainability programs were often considered costly but a boost to marketing. Today, the costs are far less material and in many cases add to the bottom line. A Q&A with a CFO could yield new information on performance goals and metrics for that business' energy efficiency, water usage, and carbon emissions. Also, look for unique ways companies are reporting on human capital and sustainability. One very significant intangible impact of sustainability reporting is employee morale when employees have a strong interest in sustainability.

## CHAT UP THE OPERATIONS MANAGER

Just about every company has a manager in charge of keeping costs down and running the day-to-day business activities. This person will have a direct line to the company's efficiency measures, waste management, recycling, and energy conservation – all good measures of a company's sustainability efforts. It could be a story to compare and contrast the sustainable business decisions of three different companies in your community. What factors affected their decisions to pursue, for instance, energy efficiency over a new waste management practice?

## HELPFUL GROUPS

### US Green Building Council

[usgbc.org](https://www.usgbc.org)

An organization dedicated to supporting the development of energy-saving building design.

### Business for Social Responsibility (BSR)

[bsr.org](https://www.bsr.org)

BSR develops sustainable business solutions with consulting, research, and collaborations with other sectors. The site offers a wealth of information on sustainability practices including publications, case studies, and research.

### CleanTech Group

[cleantech.com](https://www.cleantech.com)

This site provides news and information on clean technology, including smart grid, energy efficiency, energy storage, smart water, and green transportations sectors.

# CHALLENGES AND PITFALLS

Reporting requires more than opening your ears. Errors can occur when business claims go unchecked. Because local businesses and corporations recognize sustainability factors in business decisions, pay attention to the environmental and social issues that can benefit – or put at risk – their performance and brand reputations. The U.S. Environmental Protection Agency (EPA) has been working on guidelines for ecolabels for decades, but standards for products and labeling are not always clear. Smart reporting habits will help you master skills for the sustainability beat. Here are three to try:

## BEWARE OF GREENWASHING

A business can label its products as environmentally friendly, but eco-claims can be misleading or even false. This is known as greenwashing. It's a marketing tactic that some companies use in an attempt to persuade the public that their products, services, or overall operations are environmentally friendly, creating a false image of environmental responsibility. In 2015, it was revealed Volkswagen installed software into some of its diesel vehicles to cheat on federal emissions tests. In reality, the engines of these vehicles were found to emit up to 40 times more nitrogen oxides than regulations allowed.



## GET TO KNOW LABELING STANDARDS

Know the difference between 100% natural and organic, LEED rating and Green Seal. Ecolabeling of consumer products and processes is not standard across sectors, although some groups – such as Fairtrade and the Forest Stewardship Council – are widely recognized for their high standards. The Consumer Reports Greener Choices website is among the best sources for independent guidance on environmental labeling.



## TRACK TRANSPARENCY

A main tenet of sustainable business and corporate social responsibility is transparency, or open communication on how things are done. If a business makes claims to be environmentally friendly, it should be able to back up those claims with independent analysis. Transparency practices were developed to overcome greenwashing. For example, some of the biggest impacts on the environment occur in the making of materials that are used in manufacturing a product. Tracking only the manufacturing impacts of the final product, therefore, can be misleading.



# RESOURCES

Sustainability often makes headlines, but not always for its impact on businesses. Here are four resources to explore when reporting on sustainability from a business perspective.

## GET TO KNOW ENERGY

The United States Energy Information Administration (EIA) should be your first stop when looking for data, since they track U.S. energy sources and how we use them. The EIA collects monthly reports, status memos, and surveys discussing each of America's energy sources in depth — helpful data when digging for story ideas. For example, why are gas prices increasing, and what can consumers expect to pay in the next month? Another unique feature on the site is the downloadable geography section that lets you browse through national and international data. This section can help you to determine things such as how much energy other countries produce and where your state ranks in energy consumption.

## FIND OUT WHY CLIMATE MATTERS

Varying climates can have a ripple effect from an energy and sustainability perspective. [Climate.gov](#) looks into the impact climate change has, including on businesses. The site includes a variety of case studies, which reporters can use to dig up some unique story angles. For example, what effect does limited water from the Colorado River have on farmers and energy producers that live in those areas?

## LOOK INTO EFFICIENT SOLUTIONS

If you want to look into clean energy, as well as the technologies being used to make energy more efficient, [energy.gov](#) will get you started. The site looks into how businesses are reducing their operating costs by implementing more energy-efficient techniques. You also can research what types of federal, state, or local tax credits and incentives businesses in your area may be receiving. For another angle, use the interactive map to pin down the average energy expenditure per person in the U.S. You can localize this data and compare it state-by-state or in historical terms for your readers.

## EXPLORE THE FACETS OF ENVIRONMENTAL ENERGY PROGRAMS

The Bureau of Ocean Energy Management (BOEM; [boem.gov](#)) offers a trove of information related to marine mineral resources and the development of offshore assets. BOEM can help journalists look at energy development research and projects in their state. For instance, how do offshore wind developments affect California's tourism industry? How are infrastructure needs being addressed along the Pacific West Coast? If your state isn't on the organization's list, find out why. BOEM also gives the public a platform to voice their opinion on issues such as environmental programs on gas and oil. These comments could help spark a story about the proposals and programs in your area.

# CONFERENCES

### GreenBiz.com

One-day, regional events covering sustainability issues in business.

### Fortune's Brainstorm Green

Leading conference on sustainability developments among Fortune 500 CEOs, senior government officials, and environmental leaders. Videos from past conferences are free and always available.

### Ceres.org

Annual gathering for business leaders, investors, environmentalists, and policymakers that explores the sustainable economy.



# TERMS TO KNOW

Business has its own language. So, too, does sustainability. Navigating through the specialized maze of carbon and sustainability terms can be confusing. Anytime your subject uses a specialized term, ask for a definition.

Here are a few terms to get you started:

## Biofuels

Fuel that is made from (recently) living matter, such as plants and animals.

## Carbon footprint

Measurement of how many tons of carbon dioxide and other greenhouse gasses are emitted from the consumption of fossil fuel.

## Clean technology

Often called cleantech, any number of technologies that are less harmful to the environment than conventional technologies. Solar power and electric vehicles are examples of cleantech.

## Corporate social responsibility (CSR)

In 2010, the International Organization for Standardization released the ISO 26000 social responsibility standard. It defines social responsibility as: "Responsibility of an organization for the impacts of its decisions and activities on society and the environment through transparent and ethical behavior."

## Green building

A practice of creating structures and processes in environmentally responsible ways, including site selection, design, materials, construction, operation, and maintenance.

## Green supply chain

Measurement and management of environmental impacts and greenhouse gas emissions from producing materials used in a product.

## Life-cycle assessment

An analysis of environmental aspects associated with a product, process or service, all the way from production to usage and disposal.

## Renewable energy

Energy that comes from natural resources such as wind, solar, tidal, and geothermal sources.

## Smart grid

An electrical network that uses technology to manage and monitor the transport of electricity from its generation sources to meet the needs of users.

## Sustainable design

A practice of creating product or building designs in environmentally responsible ways, including using less material or using materials that don't deplete or harm the natural environment.

## Zero waste

When discarded materials are designed to become resources for other uses rather than becoming waste.



This chapter is based on the "Beats Basics" Sustainability section, originally published in 2012 and written by Lisa Palmer, a longtime reporter on science, the environment, agriculture, and sustainability with supplemental material by Lindsey Wisniewski, a former graduate assistant of The Reynolds Center.