

Developing a Sustainability Strategic Plan

Minnesota Healthcare Engineering
Society

September 16, 2010

What is sustainability?

- A ***continuous*** effort to meet the needs of the present generation without compromising the ability of future generations to meet their needs

Why have a Sustainability Strategic Plan?

■ Political forces

- Increasing local, state, federal and international legislation
- Increasing pressure on the political process by environmental activists
- Demonization of corporations
- Competitors use of sustainability as a differentiator

■ Economic forces

- Cost advantages related to technological advances
- Risk reduction

What makes up a Sustainability Strategic Plan?

- Defined changes in corporate behavior
 - Leadership: Demonstrate action and innovation
 - Operations: Designing, implementing, measuring, and improving processes
 - Education: Developing awareness and changing behaviors
- Concrete goals and actions
 - Short term
 - Intermediate
 - Long range

What makes a good plan?

- It is optimistic and creates achievable aspirations
 - It is not playing defense or reactive
- Each version can be achieved in 5 – 10 years
- It applies to all organizational activities
- Every employee can **actively** play a role
- It is related to your core business
- It uses the strengths of your organization
- It has a higher purpose than saving money – although saving \$\$\$ is also “Green”

What are the benefits of a plan?

- Lower costs through reduced resource use
- Lower risk
- Better use of capital
 - Lifecycle costs
- A healthier work environment
- Potential for turning waste streams into revenue

Who develops the plan?

- Community leaders
 - Business
 - Political
- Hospital leaders
- Hospital staff
- Someone who has done it before

How do you start?

- Conduct energy audits
- Conduct waste audits
- Use an experienced consultant or hire someone with sustainability experience
 - Some corporations have created a position called Chief Sustainability Officer

The world economic landscape

- Three world economies
 - Market economy
 - Developed and emerging nations
 - 1/6th of world population
 - 75% of energy consumption
 - Low pollution levels
 - Survival economy
 - Needs met directly from nature
 - Depletion of local resources creates “environmental refugees” who lack employable skills who migrate to cities
 - Nature’s economy
 - Renewable and non-renewable resources
 - Depletion and over use of renewable resources are critical threats

Social and Environmental Challenges of Sustainability

- Pollution
- Resource depletion
- Poverty
- Inequality

Major Challenges to Sustainability

	Pollution Sources	Product Stewardship	Utilization of Clean technologies
Developed Economies	<ul style="list-style-type: none"> Green house gases Use of toxic materials Contaminated sites 	<ul style="list-style-type: none"> Scarcity of materials Insufficient reuse and recycling 	<ul style="list-style-type: none"> Wind and solar Natural gas Pollution abatement systems Product life cycle management
Emerging economies	<ul style="list-style-type: none"> Industrial emissions Contaminated water Lack of sewage treatment 	<ul style="list-style-type: none"> Overexploitation of renewable resources Overuse of water for irrigation 	<ul style="list-style-type: none"> Rapid development using old fuel sources Use of industrial revolution driven technology One time use in production methods
Survival economies	<ul style="list-style-type: none"> Use of crude fuels Poor sanitation Ecosystem destruction related to economic development 	<ul style="list-style-type: none"> Deforestation Overgrazing Tillable soil loss 	<ul style="list-style-type: none"> None

The Current Pressure Points

- U. S. Law addressing climate change
- Corporate risk
- Corporate citizenship
- “Green” Issues
 - Pollution reduction or elimination
 - Waste reduction or elimination
 - Adverse effects on health and well-being
 - Unsupported claims of “environmental” effects
 - Eco-activitism

U. S. Law Addressing Climate Change

- Potential enactment of “cap and trade” carbon emissions related laws and regulations
- Enactment of a mixed bag of state and local environmental building standards legislation
- EPA imposed regulations
 - Clean air
 - Clean water
- Use of courts by activist groups when legislative and regulatory efforts fail or fall short

Corporate Risk

- Legal challenges
 - Environmental pollution
 - Adverse health effects
- The “Knew or should have known” doctrine
 - Asbestos
 - Tobacco
- Risk management strategies
 - Open communication
 - Acknowledgement of potential harmful effects
 - Proactive work to identify ways to minimize harmful effects

Corporate Citizenship

- Increasing public demand for action
- Competitors claims of stewardship and action
- Better use of resources
 - Reductions in use of energy and water
 - Reductions is non-reusable waste
- Acting as a source of knowledge
 - Community education

“Green” Issues

- LEED
- Recycling
- Water use reduction
- Carbon emission reduction or offsets
 - Transportation
 - Building related
- Water use reduction
 - Energy related uses
 - Waste water
 - Storm water management

Key Sustainability Strategy Requirements

- A clear definition of sustainability
 - There are many most are similar to the definition used as part of this presentation
 - Most include a statement about social justice or equality
- A present condition statement
- A roadmap to the foreseeable future
- A commitment to integrating sustainability thinking into the organizational culture at all levels

Key Sustainability Strategy Requirements

- Present condition statement
 - Energy metrics
 - Waste production and recycling
 - Water usage
 - Planning, design, and construction practices

The Roadmap

- Role of leadership

- Encourage action and innovation

- Specific actions

- Carbon emission reduction
 - Reduction in water use
 - Defined changes in planning, design, and construction
 - Concrete changes of behavior
 - Measurement and understanding of potential negative environmental impacts
 - Providing financial, time, and content expert resources even when general financial conditions are weak

The Roadmap

- Leadership
 - Specific objectives
 - Levels of change
 - % Carbon emission reductions
 - % Non-reusable waste reductions
 - Education
 - Changes of behavior

The Roadmap

- Operations
 - Planning, design, and construction
 - Use of sustainable criteria
 - LEED, Green Star, Minnesota B3 Sustainable Building Guidelines and Benchmarking
 - Use of performance based guidelines
 - Lifecycle vs. first cost project analysis
 - Capital
 - Maintenance and operations

The Roadmap

■ Operations

- Environmental impacts
 - Energy consumption and emissions
 - Waste production
 - Water run off and consumption
- Health impacts
 - Health care costs
 - Well being
- Community Impacts
 - Social and economic
 - Infrastructure demands and costs

The Roadmap

- Education
 - Integrate sustainability into orientation and training
 - Visibly promote sustainability
 - Recycling
 - Report card
 - Internal
 - Community

Becoming a Sustainability Leader

■ C Suite support

- At least one member of a “Green Team” must be from the highest level of the organization
 - Same idea as having administration represented on the Safety Committee – Direct access
- Support and guidance toward real action plans
- Realistic expectations for the role of the team and resource availability - \$\$\$\$ is always a factor
- Acceptance of ideas
 - Killing suggestions will kill the effort

Becoming a Sustainability Leader

- Broad based input
 - Don't limit inputs to ideas from true believers
 - You need skeptics to maintain a balance
- Move beyond piecemeal efforts to control or prevent pollution
 - Product stewardship
 - Evaluate the lifecycle of products rather than looking only at the leftovers
 - Breakthrough technologies
 - Cleaner alternatives
 - Higher efficiency alternatives

Becoming a Sustainability Leader

- Set achievable expectations
 - Walk before running
 - Identify quick wins that result in real cost savings
- Understand the key sustainability impacts of your organization and identify the opportunities and risks related to them
- Quantify the opportunities
 - Know your baseline for all action plans
 - Without measurement there is no management

Becoming a Sustainability Leader

- Be an authentic leader
 - Define your principles of sustainability
 - Pursue them relentlessly
 - Measure and promote achievements
 - Develop relationships within your organization and the local community
 - Cover the entire value chain for the services your hospital provides

Becoming a Sustainability Leader

- Don't try to be perfectly "Green"
 - The rules are continuously evolving and changing
- Don't try to be green all at once
 - Develop a long term view and strategy
 - It is called sustainability for a reason – It goes on forever