



THE EVOLUTION OF SUSTAINABILITY INITIATIVES IN EMPLOYEE ENGAGEMENT

Executive Summary

Sustainability in the workplace is a strategic objective for many companies today. The integrated reporting of a company's bottom line and its impact on society and the environment is becoming more transparent and measurable, as reporting standards are requiring more quantifiable metrics across key performance indicators. By measuring these impacts, companies are able to manage resources more effectively and to achieve greater resiliency, both in the marketplace and the environment.

Employee engagement has also become a key element for companies that want to attract and retain a highly skilled workforce. The benefits of an engaged workforce are wide-ranging. They not only have the capacity to increase productivity, but also can instill company loyalty and trust, which can trickle down to customers as well.

Building on the strategy of creating a sustainable workplace, many companies have been focusing their efforts on developing a sustainable workforce. This approach to combining sustainability initiatives and employee engagement creates a value chain that has positive impacts for employers and employees alike and the communities they live in.

Historically, many sustainable workforce engagement programs have focused on gaining employee participation in activities, events, and volunteerism initiatives that sometimes have only loose connection to corporate sustainability programs. While these “participation” programs produce a tally of employee hours expended, it is often difficult to extract quantitative and reportable impact metrics. This strategy has left companies to use primarily qualitative approaches to communicate their progress — making the return on investment and alignment with the mission of these programs difficult.

A new generation of sustainable employee engagement programs is emerging. These programs have the capacity to provide quantitative metrics for employers to meet the needs of modern reporting requirements and to deploy them in a manner that results in meaningful impact for company stakeholders and the environment.

1 Trevor Houser, Robert Kopp, Solomon Hsiang, Michael Delgado, Amir Jina, Kate Larsen, Michael Mastrandrea, Shashank Mohan, Robert Muir-Wood, DJ Rasmussen, James Rising, and Paul Wilson. *American Climate Prospectus: Economic Risks in the United States.* (Prepared as an input to the Risky Business Project.) New York: Rhodium Group, LLC, 2014.

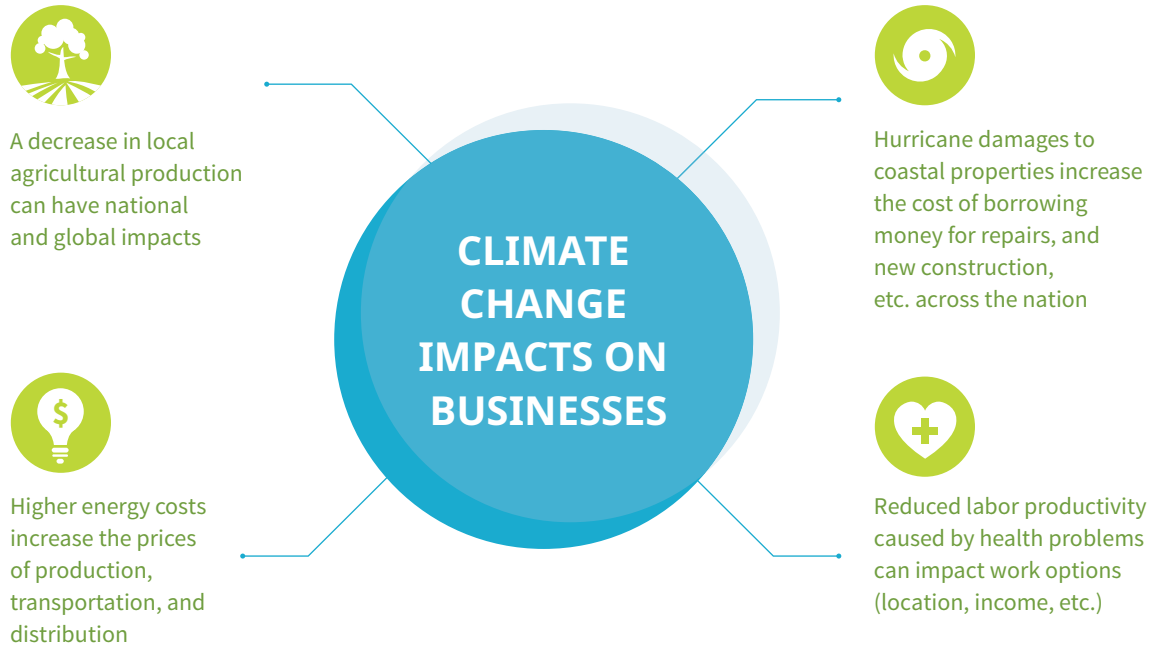
Business and the Challenge of Climate Change

Regardless of one’s position on the scientific debate, climate change has emerged as a critical risk factor for business. Far beyond a simple rise in temperature, the warming of the planet is creating far-reaching environmental effects, which in turn are creating significant disruptive impacts on business. Owing to the systemic nature of climate change, direct impacts in one sector or region can ripple throughout the national economy.¹

“The American economy is already beginning to feel the effects of climate change. These impacts will likely grow materially over the next 5 to 25 years and affect the future performance of today’s business and investment decisions...”

— Houser et al., 2014.

Climate Change Impacts on Businesses



The simple truth is that climate resiliency and adaptation has become a strategic business imperative that companies cannot afford to ignore. Organizations’ approach to climate change challenges is constantly evolving, shifting from risk management and bottom-line protection, to the advancement of top-line enhancements through high-impact collaborative strategies. Forward-looking business leaders recognize that tackling change of this scale cannot be driven solely from the top. Rather, this quest must be propelled by strategic engagement with those closest to the core: the workforce.



Employee Engagement in Sustainability Initiatives

- 2 E.R. Willins, Ph.D. and P. Bernthal, Ph.D. "Employee Engagement: The Key to Realizing Competitive Advantage." Center for Applied Behavioral Research, 2007
- 3 Gallup Consulting Group. "Q12 Employee Engagement Score Meta-Analysis," 2006
- 4 R. Vance, Ph.D. "Employee Engagement and Commitment: Measuring and Increasing Engagement." Society for Human Resource Management, 2008
- 5 The Conference Board. "Linking People Measures to Strategy," 2003
- 6 GreenBiz Group and National Environmental Education Foundation (NEEF). "The Engaged Organization: Survey Results," 2014

Employee engagement has emerged as a powerful tool for driving sustainability initiatives. The overall value of engaged employees to an organization has been well documented, with studies demonstrating the competitive advantage associated with attracting and retaining employees who are engaged and committed to their employers.^{2,3,4,5,6} Leveraging employee engagement allows corporations to not only achieve their own organizational objectives, but also to magnify their positive impact. Engaging employees in internal sustainability actions, such as reducing the organization's use of energy and water, can be a practical first step in extending best practices back to the community at-large.

Several companies have already paved the way for developing sustainability initiatives that engage their employees. These efforts focus on three main categories of engagement. The first type of engagement is a **pledge-based approach**, encouraging employees to commit voluntarily to a sustainability program. This approach tends to focus on behavioral changes. Often these programs will use a model called "gamification" to encourage competition among employees aimed at reducing their individual carbon footprint through an interactive social network platform. The second type is **volunteer actions**. These are usually event-based activities such as Earth Day events, neighborhood cleanup days, and other community interactions that generate some type of positive sustainability impact. The third type of engagement involves **workplace sustainability programs**. These engagements can range from environmental education programs, to office recycling programs, to green teams, to efficient lighting programs, to campaigns to power down electronic equipment when not in use.

Case Studies: Best-In-Class Strategies

The case studies shown here highlight several best-in-class examples of organizations that have already successfully leveraged employee engagement for sustainability objectives.

Duke Energy Corporation



Duke Energy Corporation is the largest electric power holding company in the United States, supplying and delivering energy to about 7.3 million domestic customers. Recognizing the importance of its 28,000 employees, Duke Energy's sustainability plan addresses employee engagement as a key focus area. The in-house Sustainability Corps was created as a way for like-minded employees to get connected, trained and empowered. Members attend a day-long workshop that equips them to adopt sustainable practices at work and at home. The program delivers tangible benefits to the company, including reduced costs and environmental impacts.

In recent survey results, 89 percent of Duke Energy employees said they would like to be working at the company one year from now, and 79 percent of respondents said they believe that their actions play a part in helping the company do business in a manner that benefits people, the planet, and profits.

Duke's Latin American arm, Duke Energy International, launched a similar campaign in 2014. Sustainability awareness training was provided on an interactive portal that guides its 1,300 employees through energy reduction measures that can be performed at work and at home. The program resulted in an impressive participation rate of 77 percent.



MGM Resorts International (MGM)



MGM Resorts International employs 62,000 people at 23 resorts worldwide, including the well-known Las Vegas properties such as Bellagio, Mandalay Bay, Mirage, Luxor, New York-New York, and Circus Circus. In 2001, MGM was the first company in the gaming and hospitality industry to voluntarily adopt a formal diversity and inclusion policy, and their corporate social responsibility and environmental efforts grew out of their reporting efforts on that policy.

MGM's strategic plan for environmental responsibility, Green Advantage, is designed to reduce consumption of the planet's limited resources within the core areas of:

- Energy and water reductions,
- Green building practices,
- Recycling, waste management, and supply chain management, and
- Outreach and education.

MGM's comprehensive sustainability platform has fostered the integration of environmentally responsible practices and the collective reduction of nearly 300 metric tons of CO₂e.

MGM sees a major part of its mission as working with employees to educate them about important social and environmental issues. The company aims to strengthen its overall corporate culture by embracing diversity and motivating employees to excel in guest services while making positive contributions to their communities. In this way, MGM drives employee engagement and shares the message of sustainability, linking their work and everyday lives in an exciting and meaningful way.

Bupa International (Bupa)



Bupa International is a leading international healthcare group, with 52,000 employees worldwide, offering a variety of health insurance, hospital, and medical products to its 29 million customers in more than 190 countries. In 2012, Bupa launched the global Well World campaign, with stated goals of enabling 60 million people to make positive changes in their health and well-being through walking, and cutting its company carbon footprint by 20 percent.

The challenge emphasized the health benefits that walking can bring to Bupa staff, their families, and their communities. Event organizers who were provided with key messages, a report on the benefits of walking, and a guide encouraging employees of other companies to also take part.

Since inception, 100,000 participants (employees and their families, friends, and communities) in 16 countries left behind the car or bus to support 450 walking events. In a follow-up survey, two-thirds of Bupa employees agreed that the Well World campaign encouraged them to build walking into their daily lives.

7 *Governance & Accountability Institute. 2012 Corporate Analysis of S&P500 Companies' ESG Reporting Trends.* <http://www.ga-institute.com>

8 *Jones, Christopher, and Daniel Kammen. "Quantifying Carbon Footprint Reduction Opportunities for U.S. Households and Communities." Cool Climate Network. Accessed April 1, 2015.* <http://coolclimate.berkeley.edu/resources>

The Need for a New Generation of Engagement

The business landscape constantly changes, and many organizations are currently faced with challenges to achieve greater transparency, measurability and financial justification for their sustainability actions. This can be seen in the impressive annual rise in public corporate social responsibility or sustainability reporting: in 2014, more than 72 percent of the S&P 500 companies published sustainability reports, up from 53 percent in 2012 and 20 percent in 2011.⁷ Of these, a clear majority used the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines, taking advantage of the new G4 Framework, which focuses on materiality and on identifying those issues that are most important to an organization and its stakeholders.

The previous models of employee engagement are likely unable to meet the demands of current employers for several reasons. As organizations look for ways to deepen their sustainability objectives through employee engagement, measurability becomes a critical component for quantifying the value of any potential program. Many of the previous models often lack reliable measurability of their impacts, and have trouble achieving consistent performance owing to the one-time nature of many of the activities. This can place these programs in direct contention with the company's own finance department that will likely find it hard to assign an ROI for these types of programs, which makes their value difficult to measure.

This measurability gap also creates problems for organizations seeking transparency in their sustainability reporting metrics. As new reporting protocols, such as the GRI G4 Framework, call for greater measurability and transparency, these prior models will inherently fall short in meeting industry reporting standards. Pledge-based programs are especially susceptible to this problem owing to the lack of verification, where participation rates do not necessarily translate to measurable impact.

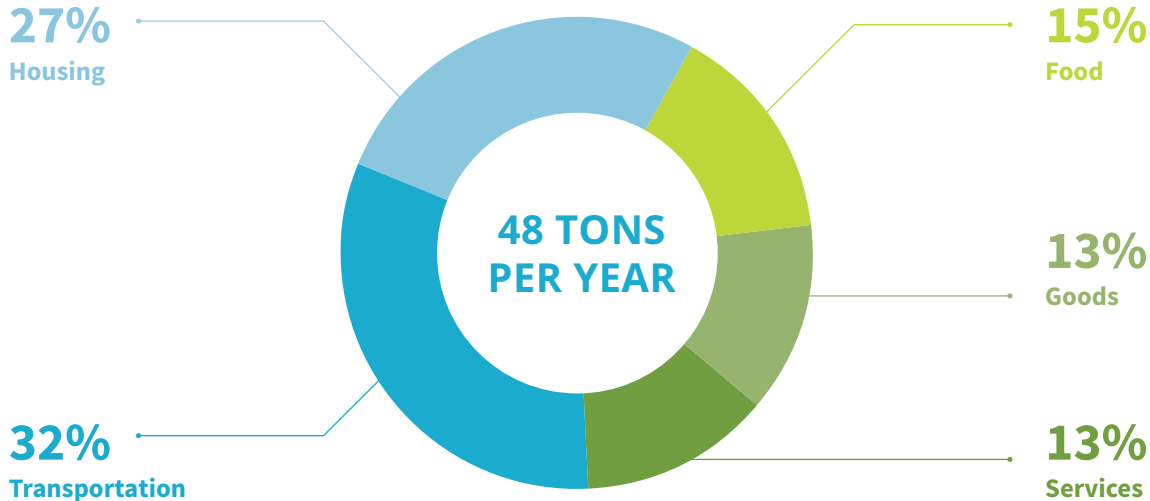
These earlier models of engagement also do not take into account a systems approach to emissions reduction. By focusing on a single action, pledge, or event, they do not take into consideration the most material sources of emissions from individuals, which typically come from residential and personal transportation. While these earlier models provided a unique way to bring sustainability into the workforce, a new generation of engagement programs is needed to meet the demands of today's businesses.

An Innovative Systems Approach: The Employee Energy Benefit Model

The Bill, Hillary & Chelsea Clinton Foundation pioneer the use of innovative systems approaches for combating climate change. In 2009, the Clinton Climate Initiative (CCI) created and launched the Home Energy Affordability Loan (HEAL) program, now referred to as an Employee Energy Benefit (EEB) model. This model is the basis of turnkey benefit programs delivered in a manner similar to voluntary benefit offerings, such as a 401(k) or a flexible spending account. Through the EEB model, employees are able to take advantage of a variety of sustainability impacts that help reduce both energy expenses and greenhouse gases.

The EEB model is unique because it focuses on keeping employees on the highest energy reduction path possible. This strategy helps maximize the program's measurable impacts. Supported by research conducted by the University of California, Berkeley,⁸ the EEB Model developed five core areas of impact. The core areas stem from the largest sources of greenhouse gas emissions for the average individual: residential housing and personal transportation.

Carbon Footprint of Typical U.S. Household



Source: : "Cool Climate Network: Smart Tools for a Cooler Planet," at coolclimate.berkeley.edu/footprint

Employees enrolled in programs based on the EEB model have access to an online platform that helps find the largest, most verifiable emissions reductions for their individual needs. There are options for both homeowners and renters as well as for traditional and alternative transportation commuters. Homeowners can receive a home energy audit from a qualified contractor, along with a personalized energy plan with recommendations for cost-effective home energy improvements and financing assistance. Commuters can receive assistance in accessing more fuel-efficient or alternative forms of transportation. This model provides employees with an effective means to reduce their overall energy use through a comprehensive employee benefit program.

In addition to the noteworthy environmental gains, the EEB program also offers financial benefits to both employees and their communities. Homeowner benefits include direct utility cost savings estimated to be between \$350 and \$450 annually, and increased real estate values worth an estimated additional \$10 to \$25 for every \$1 decrease in annual energy costs.⁹ Residents may see improved health as a result of energy upgrades with co-benefits of reduced absenteeism and lower medical costs. Community benefits include the direct economic impact resulting from the money paid to local home auditors and contractors, estimated at \$8 million for every 1,000 employees enrolled in the program.¹⁰ The cumulative impact of these home energy efficiency co-benefits can add up to a significant economic stimulus at the individual and community levels.¹¹

Since inception, the EEB program has been piloted with over two-dozen employers in eight states, resulting in an average savings of 2.5 metric tons of CO₂e annually per home retrofit.¹² In a 2013 program participant survey, 84 percent of employees responded that they perceived their employers as being more progressive in engaging the local community, and 72 percent indicated they would likely recommend their employer to others as a result of this program offering.¹³

9 Nevin, Rick, and Gregory Watson. "Evidence of Rational Market Valuations for Home Energy Efficiency." *The Appraisal Journal*, 1998, 400-09. Accessed April 1, 2015. <http://www.ongrid.net/AppraisalJournal/PVValue10.98.pdf>

10 HEAL Organizational Impact Calculator. April 2015.

11 Cost estimates from the Clinton Climate Initiative report, "Employee Energy Benefit Program Overview," March, 2015.

12 HEAL Impact Summary Page. March, 2015.

13 HEAL. "2013-2014 Program Results for the University of Arkansas for Medical Sciences". 2014.



The EEB Model

THE EEB MODEL FOCUSES ON FIVE DIMENSIONS



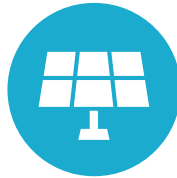
Home Energy Efficiency



Commuting, Low Carbon Transportation



Water Conservation



Solar/Clean Energy



Home Health and Safety

Employees have access to an online platform to identify and tailor opportunities, thus driving custom improvements for themselves and their communities.

BENEFITS FOR EMPLOYERS, EMPLOYEES, AND COMMUNITIES:



Direct **utility cost savings**, estimated at an average of \$447 a year.



Increased real estate values, estimated at an additional \$10 to \$25 for every \$1 decrease in annual energy costs.



Improved health, potentially resulting in reduced absenteeism and lower medical costs.



Direct economic impact resulting from the **money paid to local home auditors and contractors**, estimated at \$8 million for every 1,000 employees enrolled in the program.

PROGRAM BENEFITS INCLUDE:

EMPLOYERS

- Increased Productivity
- Improved Sustainability Metrics
- Enhanced Brand Reputation
- Locally Sourced Carbon Offsets

EMPLOYEES

- Reduced Utility Costs
- Increased Real Estate Value
- Improved Health

COMMUNITIES

- Direct Economic Impact
- Reduced GHG Emissions



Clinton Climate Initiative Success Stories:

L'Oréal USA's North Little Rock Plant



In 2009, L'Oréal USA's North Little Rock Plant became the first employer to offer the Home Energy Affordability Loan program (HEAL) EEB Program. Nearly one-third of their eligible employees participated, seeing average annual savings of \$447 per employee and 2.4 tons of CO2 per home.

Duke University



Duke University partnered with CCI to customize the HEAL-EEB Program through their Duke Carbon Offsets Initiative. The Initiative is working to develop many partnerships in the region to finalize the details and to scale residential energy retrofits into a cost-effective carbon emissions tool.

University of Arkansas for Medical Sciences (UAMS)



The University of Arkansas for Medical Sciences (UAMS) became the nation's first employer with over 1,000 employee participants in the HEAL-EEB Program. Employees received free energy audits, customized energy plans, rebates, and a low interest financing (3.75%) repaid through a payroll deduction.

Arkansas Children's Hospital



The Arkansas Children's Hospital offered the HEAL-EEB Program to a pilot group of its employees, with a participation rate of 86%. After completion of the home assessments and upgrades, participants had an average annual savings of \$447, the equivalent of 21.4% of the average annual utility cost in Arkansas.



Programmatic Advantages for Employers

The EEB model offers corporations an innovative way to expand their influence in combating global warming — by tapping the power of the workforce. A model of this kind can add value to an employer by delivering the following benefits: verifiable carbon offsets, enhanced nonfinancial reporting metrics and other communication opportunities, and enhanced employee engagement and loyalty, and increased organizational reputation and brand trust.



Verifiable carbon offsets

Verifiable data improves the credibility of corporate sustainability disclosures, and creates a higher overall impression with stakeholders regarding a company's climate change commitments and actions. The EEB model offers an employer the ability to claim the amount of employee greenhouse gas emissions saved under the company program as verifiable, self-generated carbon offsets. The savings these measures create offset an equivalent amount of emissions created by the organization that is paying for the offset. To be credible, companies must first undertake all reasonable in-house energy conservation measures before supporting offset projects. In addition, any supported projects must be verifiable and be able to prove that they would not have happened without the EEB model. Survey results from the HEAL-EEB pilot demonstrate that the program is highly influential, with 64 percent of participants saying they would not have made improvements without the program.¹⁴ Emissions reductions through the EEB model can be calculated from utility bill tracking for companies to report on, and can even be customized to achieve actual verified carbon offsets by working with third-party verifiers.

Carbon offsetting is the delivery of financial support to projects, such as renewable energy, forestry, energy conservation, or other projects, all which generate reductions in greenhouse gas emissions.

15 U.S. Energy Information Administration, *Monthly Energy Review*, March 2015.

16 Rockefeller Foundation report. "U.S Building Energy Efficiency Retrofits: Market Sizing and Financing Models." March, 2012.



Enhanced non-financial reporting metrics and other communication opportunities

The Global Reporting Initiative (GRI) and the Carbon Disclosure Project (CDP) are two of the most widely used sustainability reporting frameworks. Both of these systems include energy use and greenhouse gas emissions as key performance indicators, broken down into the following three categories depending on the source of the emissions:

- **Scope 1:** Direct emissions arise from sources that are owned or controlled by an organization
- **Scope 2:** Indirect emissions result from the energy purchased by an organization
- **Scope 3:** All other indirect emissions are from sources not owned or directly controlled by the organization but related to its activities, such as business travel and employee commuting

The EEB model targets Scope 3 emissions, which, depending on the organization, can represent a large source of overall emissions. Buildings represent a major source of greenhouse gas emissions, with the residential sector consuming roughly 24 percent of primary energy consumption in the United States.¹⁵ This presents a significant opportunity for savings, as documented in a recent Rockefeller Foundation study that estimated the size of the home retrofit market at more than 380 million metric tons of CO₂e per year (a number roughly equivalent to the annual emissions from 82 coal-fired power plants).¹⁶

To help navigate the many codes, frameworks, and standards that inform corporate non-financial reporting, we are providing a useful linkage table is presented on the next page. The table shows how some of the most widely used reporting approaches align with each other on several reporting aspects. No matter which reporting system or approach an organization selects for reporting its non-financial metrics, each provides the opportunity to plug in to EEB associated metrics.

Making the connections: Showing alignment in non-financial reporting disclosures

	Relevance and Materiality	Policy, Strategy and Targets	Risks and Opportunities	Environmental Impacts	Labor Impacts	Economic Impacts
Employee Energy Benefit Model EEB	<ul style="list-style-type: none"> Stakeholder engagement (employees, local communities, policy makers) 	<ul style="list-style-type: none"> Climate change integrated into the business strategy Risk management procedures with regards to climate change Engagement with policy makers on climate change 	<ul style="list-style-type: none"> Risks and opportunities associated with climate change impacts 	<ul style="list-style-type: none"> Energy use Indirect greenhouse gas emissions (Scope 3) Carbon offsets Water conservation Waste reduction Transportation Environmental compliance Emission reduction initiatives Emission reduction targets 	<ul style="list-style-type: none"> Employee recruitment Employee retention Employee health and safety 	<ul style="list-style-type: none"> Direct economic impact Indirect economic impact on local communities
CDP Climate Change Questionnaire CDP	F1.1, F1.2, W3.1, W3.2	CC2.2, CC2.3, CC3.1, CC3.2, CC4.1, CC7.1, CC14.4, F8.1, F8.2, F8.3, F8.4, F9.1, F9.2, F9.3, F9.4, F9.5, F9.6, F10.5, W6.2, W6.3, W7.1, W8.1, W9.1	CC2.1, CC5.1, CC6.1, F2.1, F2.2, F3.1, F3.2, F3.3, F3.4, F4.1, F4.2, F4.3, F7.2, F10.1, F10.2, F10.3, F10.4, F11.1, F11.2, W1.1, W2.1, W2.2, W2.3, W2.4, W2.5, W2.6, W2.7, W2.8, W3.1, W3.2, W4.1	CC7.1, CC7.2, CC7.3, CC7.4, CC8.1, CC8.2, CC8.3, CC8.4, CC8.5, CC8.9, CC9.1, CC9.2, CC10.1, CC10.2, CC11.1, CC11.2, CC11.3, CC11.4, CC13.1, CC13.2, CC14.1, F0.5, F0.6, F1.1, F1.3, F5.1, F5.2, W1.2, W1.3, W1.4, W5.1, W5.2, W5.3, W9.1		
GRI G4 Sustainability Reporting Guidelines GRI	G4-18, G4-19, G4-20, G4-21, G4-24, G4-25, G4-26, G4-27	G4-1, G4-2, G4-15, G4-16, G4-27, G4-EN13, G4-EN29, G4-EN31, G4-EN33, G4-DMA	G4-2, G4-EC2, G4-EN3, G4-EN9, G4-EN33	G4-2, G4-EN1, G4-EN2, G4-EN4, G4-EN5, G4-EN8, G4-EN9, G4-EN10, G4-EN11, G4-EN12, G4-EN13, G4-EN14, G4-EN15, G4-EN16, G4-EN17, G4-EN18, G4-EN20, G4-EN21, G4-EN22, G4-EN23, G4-EN24, G4-EN25, G4-EN26, G4-EN30, G4-EN33	G4-LA1, G4-LA2, G4-LA3, G4-LA6, G4-LA7, G4-LA8, G4-LA9, G-LA10	G4-EC1, G4-EC7, G4-EC8, G4-EC9
IIRC Framework <IR>	3.10-3.16, 3.17-3.20, 3.21-3.23, 3.24-3.27, 3.28, 3.29, 4.50-4.53	3.3, 4.4, 4.30, 4.34	4.23-4.26, 4.45	4.14-4.15, 4.19-4.20, 4.30-4.33, 4.54-4.55	4.14-4.15, 4.19-4.20, 4.30-4.33, 4.54-4.55	4.14-4.15, 4.19-4.20, 4.30-4.33, 4.54-4.55

In addition to the specific environmental reporting metrics described above, the EEB model also provides the social and community benefits described earlier, which can be used to supplement non-financial content in company sustainability reports. This could include narrative descriptions of the overall benefit to employees, in terms of utility cost savings, increased real estate values, and reduced medical costs resulting from health and wellness improvements. Corporate sustainability reports can also address the additional economic stimulus impact of the EEB model to the local community.



Enhanced employee engagement and loyalty

The EEB model offers companies the ability to provide employees with a valuable benefit, and can also serve as a visible demonstration of the company's commitment to climate change action. Both of these features can lead to greater workforce trust and loyalty, because employees feel their employer values them and cares about doing the right thing for the community and the environment. In a survey conducted by CCI,

“ Nearly 86 percent of employees said they believed employers offering EEB show that they care about their employees; and 89 percent reported their participation in EEB was beneficial to them or to their family. In this way, the EEB program can foster greater employee engagement while delivering valuable gains back to the employer. ”



Increased organizational reputation and brand trust

A company's public disclosures demonstrate its transparency and commitment to climate change action. External financial analysts and investors examine sustainability reporting information closely to look for verifiable emissions reduction data. Non-profit organizations and customers evaluate corporate environmental commitments and performance, and make decisions about future partnerships or purchasing decisions based on credibility and the reliability of claims.

While intangible qualities such as reputation and brand trust are difficult to measure, it is widely acknowledged that the value of any company is far greater than the price of its physical assets alone. Preserving or increasing these intangible assets can add a great deal of value to a company wishing to be perceived as socially and environmentally responsible.

Collaborative Action for Sustainability

Employees and employers are more likely to take action when they know where their impacts lie. This begins with the ability to monitor, set reduction goals and deploy sound mitigation strategies. This list shows methods for collectively minimizing environmental impacts.

Item	Collective Objectives	Corporate Action	Individual Action
Energy Efficiency	To reduce consumption and increase efficiency.	Monitor usage, institute lighting, heating, and cooling retrofits and set reductions for facilities, IT and manufacturing operations.	Home energy retrofits, including air sealing, duct sealing, and insulation. Behavior change actions such as adjusting heating/cooling settings, unplugging, and making conscious decisions to use less.
Renewables	To stimulate the supply and demand of renewable energy options in the marketplace.	Disclose percentage of renewables in the energy mix sourced from vendors and generated on site versus total consumption to institute retrofits for scaling usage of renewables.	Taking advantage of incentives for renewable retrofits, including for solar power. Renewable energy purchasing programs through utilities.
Transportation	To promote transportation optimization and resource savings.	Track fleet mileage, examine travel routes and load to determine where reductions can be made. Consider moving to natural gas, hybrid and electric alternatives. Determine methods for tracking employee commutes and promote ride shares, public transport, or work-from-home options.	Purchase of electric vehicle or plug-in hybrid electric vehicle. Behavior change actions such as alternative transportation (e.g., consolidate trips, walk or bike to nearby destinations, and join others by carpooling or onboard public transport).
Health and Wellness	To improve indoor air quality and public health.	Survey impacts on health, and then intervene and evaluate productivity savings.	Improve indoor air quality and respiratory health issues through a healthy homes assessment.
Water Conservation	To reduce consumption and to increase efficiencies and the quality of water emitted back into the system, by placing focus on the water/ energy nexus, (i.e., saving water can save energy).	Evaluate usage, identify inefficiencies, institute low-flow retrofits, and change behaviors.	Purchase tank-less water heaters, aerators, low flow shower heads, and high efficiency appliances (clothes washer and dishwasher). Behavioral actions include leak repair, low-flow fixture installation, minimal the use of water-heavy equipment, and adaptation to water-resistant plant life,

Action taken in the areas of energy efficiency, renewable energy, transportation, health, or water management can present substantive steps for addressing global climate change.



Programs based on the Employee Energy Benefit (EEB) model, led by the Clinton Climate Initiative, present a practical employer-sponsored “energy benefits” model, that may be offered as various options and program areas tailored to particular pillars.

Conclusion

As companies continue to evolve their approach to climate resiliency, they are increasingly shifting their focus to include opportunities for collaborative engagement with stakeholders. The case studies presented in this paper highlighted examples of companies that have successfully leveraged employee engagement for sustainability objectives. Through the power of an engaged workforce, companies not only achieve their own organizational objectives but also magnify their positive impact.

The EEB model offers several unique advantages to companies seeking to engage their employees and pursue environmental and financial benefits. This model is able to provide verifiable carbon offsets, along with other nonfinancial information, that can be included in company sustainability reporting. This is in contrast to traditional, employee pledge-based or behavioral measures, where impacts and emissions reductions have proven more difficult to quantify.

Another distinct advantage of the EEB model lies in its ability to maximize the measurable impacts of the program by seeking the highest energy reduction path possible. Employees enrolled in programs based on the EEB model have access to tools that help them find the largest, most verifiable emissions reductions that fit their lifestyle. This strategy provides an effective means for employees to reduce their overall energy use in the five core areas of home energy efficiency, transportation, renewable energy, healthy homes, and water conservation.

In addition to noteworthy environmental gains, the EEB model also offers financial benefits to employers, employees and their communities. Employers are able to engage their workforce and achieve greater productivity, loyalty and trust, while also improving their sustainability reporting metrics. Homeowners benefit from direct utility cost savings and increased real estate values as well as from potentially lower medical costs. The community benefits include the direct economic impact resulting from local spending on home auditor and contractor services. The cumulative impact of these co-benefits can add up to a significant economic stimulus at the individual and community levels.

Progressive companies seeking sustainability leadership would do well to consider adopting proven models for engaging employees around collective action to reduce environmental impacts.

“ Using a model like the EEB model, could result in positive change for employers, employees and their communities, and for society at-large. ”

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About ISOS Group

ISOS Group is a pioneering corporate responsibility and sustainability firm that helps drive strategic value creation for the world's most innovative brands. We guide clients in enhancing their competitive leadership through business practices that deepen the committed engagement of all of their stakeholders and the global community at-large.

Our team of technical specialists and business strategists transforms accountability and reporting into operational advantage through improved management practices and credible, transparent disclosures. As the leading provider of sustainability management services in North America, ISOS has monitored, assessed and facilitated initiatives for an array of Fortune 500 companies and other private enterprises. In challenging assumptions about what has to be, we navigate organizations and their leaders into the future they want to see.

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