

## HR and sustainability: An odd couple?

By Marc Gunther

This Q-and-A with Andrew Savitz explores how the human resources department can be a powerful tool for corporate sustainability programs.

Savitz is the author of a new book called "Talent, Transformation and the Triple Bottom Line: How Companies Can Leverage Human Resources to Achieve Sustainable Growth" (Wiley 2013).

As you can guess from the title, Savitz argues that employees are the key to creating sustainable companies, but that they -- and their colleagues in human resources -- are often overlooked when companies embark on environmental programs. I think he's on to something. I've long thought that the single biggest business driver of corporate sustainability initiatives is the way they help better companies attract better people and motivate the ones they have.

Savitz has spent his career working with companies on social and environmental issues. A lawyer by training (and before that a Rhodes scholar at Oxford), Savitz has been a congressional staffer, the general counsel for the Massachusetts Office of Environmental Affairs and head of the environmental advisory practice at PriceWaterhouseCoopers (PwC). Since 2005, he has led a consultancy called Sustainable Business Strategies.

Here's our online conversation:

**Marc Gunther:** You say that you've written the book "in large measure to bridge the gap between sustainability and HR." HR? Really? Why do we need human resources people to get involved with sustainability? They don't know anything about carbon emissions, say, or LED lighting, do they?

**Andy Savitz:** Well, they might if they use LED lighting at home.

Since you mention lighting, Marc, 95 percent of people shut the lights out when they leave home, yet only 45 percent of employees do so when leaving work. HR professionals know how to motivate employees and empower more sustainable behaviors. In turn, sustainability can be a powerful engine for increasing employee engagement, attracting and retaining top talent, or improving employee health and well-being, all of which are on HR's "to-do" list.

**MG:** I hate to stereotype here but I will. My experience is that most HR departments are mostly about paperwork. Have you really found HR people who know how to motivate and empower employees?

**AS:** Oh yes, and more companies are realizing that they need to have HR departments that are strategic partners. Business and talent strategies are increasingly interdependent, and sustainability can support and link them. There's a huge payoff for companies that recognize and develop the connections between sustainability, employee engagement and business strategy, and a giant opportunity cost for those that don't.

General Electric's HR department, for example, knows how to recruit and develop motivated employees, and they are using their ecomagination and healthymagination initiatives to do so. A high percentage of incoming candidates ask to work on those programs. Beth Comstock, GE's chief marketing officer, says: "The positive impact of sustainability on GE's corporate and employer brands is huge."

GE also has linked its innovative internal health care approach "HealthAhead," with its global healthymagination campaign and sees a common rationale that applies to its employees and its

customers. As John Lynch, the global head of HR, told us: "Give people access to information, empower them with real options, and they'll make choices that are better for both their health and their pocketbooks."

**MG:** That's interesting. GE's Jeff Immelt once told me that the best thing that came out of the ecomagination program was that GE was attracting better people. Any other companies you care to mention?

**AS:** Starbucks' HR department seeks job applicants who share the company's sustainability values. Their business success depends on highly motivated baristas. Starbucks' environmental and social programs help to keep them highly identified with the company and its success. But it starts with hiring. Rick Badgley, Starbucks' vice president for global staffing, says that "if our values aren't in line with yours, I don't care how good you are: This isn't the right place for you." The next time you're in a Starbucks, ask the barista about the company's ethical sourcing program, for example, and stand back!

**MG:** I'll try that. Others?

**AS:** PepsiCo has worked to "create a solid connection between our talent strategies and our sustainability goals," according to a senior executive with whom we spoke, and has used its Performance with Purpose initiatives to attract top talent and increase diversity. IBM has coordinated sustainability and human resources both within the company, in creating corporate values, and also in its "Smart Planet" branding.

**MG:** In the book, you write, "some of today's best-run companies are turning traditional HR into sustainable HR." Can you define "sustainable HR"?

**AS:** To simplify, HR needs to get up and stretch its muscles by incorporating sustainability into its traditional roles of managing HR processes, from recruitment to separation; developing organizational capacity; leading or facilitating culture change; and helping to motivate employees.

Sustainable HR also means that HR leverages sustainability to advance HR objectives such as winning the war for talent, creating diversity in the workforce, developing and ensuring that employees are happy, healthy and productive and that they reach their potential.

The "centerfold" of the book is detailed chart that compares traditional HR to sustainable HR.

**MG:** I hear so much about employee engagement around sustainability. Can you provide a tip or two for either HR or sustainability execs who want to step up their efforts to draw up upon the collective wisdom and energy of their workforce?

**AS:** First, they should team up and take inventory: What's the company doing on sustainability and can it be used more effectively to help HR reach some of its traditional objectives? In turn, how can HR help the company reach its sustainability objectives?

Second, examine the connection between sustainability, employee engagement (in the HR sense of "commitment and motivation") and business results, something I call the "Golden Triangle." This unexplored business case for sustainability could create gains in productivity, customer satisfaction, innovation and other business drivers.

Third, consider a culture assessment to see how your existing culture does or does not support sustainability. Many companies are struggling with how to embed sustainability because some part of the company's culture (often underlying assumptions held by managers) is getting in the way. It's important to have a clear understanding of any gaps between your objectives and the hidden beliefs of your employees. Otherwise you are running into the wind.

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**About the Author:** Marc Gunther writes and speaks about the social and environmental impact of business. He is editor-at-large of *Guardian Sustainable Business* and a blogger at [www.marcgunther.com](http://www.marcgunther.com).