

Is Green Enough?

By Mal Warwick

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Who would have believed it, even ten years ago?

All across America, and increasingly in other parts of the world as well, the people who run businesses, both large and small, are discovering that green is their favorite color. Green is in.

There's no mystery about this. The public is rapidly coming to appreciate the severity of the threat posed by global climate change. A younger generation that learned about ecology in grade school is coming of age, changing attitudes from within the business world. And evidence continues to mount that consumers favor companies that are environmentally sensitive. Is it any wonder, then, that corporate executives and small businesspeople alike are scrambling to integrate ecologically sound principles and practices into their business operations?

It's no wonder—we agree. But most of us involved in business have been far too slow to ask a second and equally important question:

Is green enough?

The words “sustainable” and “sustainability” have come to be equated with the ecological perspective summed up by the label “green.” But is that equation fair? If a company—or, for that matter, a society, or the planet as a whole—is run on the basis of green principles, is it sustainable?

I believe the answer is a resounding No. The planetary burden of nearly six billion poor people is sufficient to prove the point, without even exploring the economic implications of the profound gulf between Earth's rich and poor. But let's set aside these larger questions until there is an opportunity for us to discuss them at length. For now, let's just focus on the *business case* for running our companies not just as environmentally sound enterprises but as what I term “values-driven businesses” grounded in the assumption that collaboration is the path to sustainability.

Values-driven business is based on five fundamental premises:

- Employees work more productively and pay more attention to a company's profitability when they're working for something they believe in, are treated with respect, well-paid, and receive a share of the profits. They also tend to feel better if the owner or top managers aren't making out like bandits by comparison.
- Customers are more loyal and willing to forgive errors when a company's dedication to quality products and services is obvious and when they deal with highly motivated employees—especially when employees are allowed to take the initiative to apologize and make things right.
- Consumers often show a strong preference to do business with companies that demonstrate a commitment to their community—and are sometimes disinclined to patronize those who don't. Values alignment between a company and its customers builds loyalty. Customers are more forgiving of mistakes and less apt to buy from a competitor when its goods are on sale.
- Your business will be better prepared for the future and more likely to survive its inevitable disruptions if you build stronger relationships today with your employees, your customers, your suppliers, and your community. And the planet we share will be more likely to survive the ravages of the human race if you do everything in your power to lighten your footprint on the environment. In other words, to use the contemporary jargon, your business will be more *sustainable*.
- You—as the company's owner or manager—will live a less stressful and more fulfilling life if you look on your employees, customers, suppliers, and the community as partners rather than adversaries.

In a values-driven enterprise, an ecological perspective is central. But the same logic that leads us to understand the interdependence of all living things helps us grasp the inescapable truth that a collaborative approach to our customers, our employees, our community, and our suppliers is equally important.

Running a green business is a great start—but it's only a start. To gain purchase on that elusive goal of sustainability, take a step backwards and look over The Big Picture. If you haven't already done so, check out the "living wage" (<http://www.acorn.org/>), employee ownership (<http://nceo.org/>), community engagement, appreciative inquiry, and other tools you can put to work today to make your business more rewarding, more profitable, and more sustainable.

Mal Warwick's latest book is Values-Driven Business: How to Change the World, Make Money, and Have Fun, co-authored with Ben Cohen, the first volume in the Social Venture Network Series. (See www.svnbooks.com for more information.) Mal has spent the last three decades starting and running successful small businesses. He serves on the board of Social Venture Network, where he recently completed four years as chair. Mal can be reached at mal@malwarwick.com.