

# Director

BUSINESS WISDOM MAKING EXCELLENCE A HABIT



## Achieving sustainability

How your business can save money, energy  
and the environment

In association with

**bsi.**



## Let's be clear, ok is not ok. Especially not for BSI who help organizations make excellence a habit.

In fact, when it comes to understanding what it takes to achieve and maintain excellence, we're the experts. We uncover, benchmark and understand what makes organizations excellent, day in, day out. With more than 60,000 certified clients globally and the expertise that comes from 110 years of delivering standards, we can help you perform better, reduce risk and achieve more sustainable growth.

So if 'good enough isn't really good enough', or your organization is already excellent and you want to help keep it that way, talk to us on 0845 080 9000 or go to [www.bsigroup.com/iod](http://www.bsigroup.com/iod).



<b>FOREWORD</b>	<b>3</b>
Sustainability has never been more important, says BSI chief executive Howard Kerr	
<b>SETTING STANDARDS</b>	<b>4</b>
How BSI can help you minimise your impact on the environment, save energy and cut costs	
<b>FEELING IN CONTROL</b>	<b>6</b>
A leading university used a BSI framework to ensure an environmentally friendly future	
<b>ENERGY EXCELLENCE</b>	<b>8</b>
Embracing BSI standards helped a manufacturer trim its fuel bills – and scoop awards	
<b>LEANER AND GREENER</b>	<b>10</b>
Companies must be sustainable if they want to succeed. Plus, the government's Green Deal	
<b>A GREENER FUTURE</b>	<b>12</b>
10 energy saving tips	

**Group Editor** Lysanne Currie  
**Writer** Tom Nash  
**Chief Sub Editor** Robert Sly  
**Art Director** Chris Rowe  
**Commercial Director** Sarah Ready  
**Advertising Director** Jo McGraw  
**Client Sales Manager** Fiona O'Mahony  
**Head of Commercial Relations** Nicola Morris  
**Production Manager** Lisa Robertson  
**Chief Operating Officer** Andrew Main Wilson

**Editorial** 020 7766 8950  
 director-ed@iod.com  
**Advertising** 020 7766 8900  
 director-ads@iod.com  
**Production** 020 7766 8960  
 production@iod.com  
**Institute of Directors** 020 7839 1233  
 www.iod.com

IMAGES: SHUTTERSTOCK

## How to grow your business sustainably



Businesses across the world are facing challenging times from both an economic and an environmental perspective. Sustainability – in all its guises – has never been more important.

At the same time

consumers are more sceptical than ever about so-called greenwash marketing claims, and it's almost impossible to turn on the news without seeing stories of oil price rises or environmental disasters. While some of these circumstances are beyond our control, many are not, and how we deal with them will make a huge difference to the future of your business and the planet.

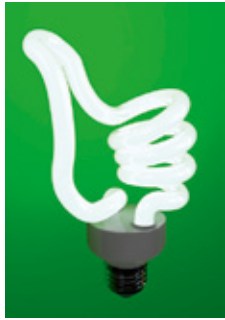
BSI is proud to have produced the world's first environmental management standard BS 7750 back in 1992. Since then we have led the way with ongoing developments in environmental management, energy management, corporate social responsibility, product carbon footprinting and many other areas.

This booklet, the second in a series illustrating how BSI helps organisations embed habits of excellence into their daily processes, gives you the insight needed to develop a sustainable business. Whether your challenges lie in environmental, ethical or economic issues, BSI can help your business grow sustainably. I look forward to hearing your feedback.

**Howard Kerr** *Chief executive, BSI Group*



Published by Director Publications Ltd for the Institute of Directors, 116 Pall Mall, London, SW1Y 5ED. Opinions expressed do not necessarily reflect IoD policy. The IoD accepts no responsibility for views expressed by contributors.



HOW IT WORKS...

# Living up to expectations

For businesses that want to manage their broad environmental impact, ISO 14001 provides a robust framework

With green issues regularly hitting the headlines, businesses around the world face growing calls to minimise their environmental impact. To ignore this pressure is to risk reputational damage, higher financial costs and even commercial catastrophe.

The internationally accepted standard sets out how to put in place an effective environmental management system. Widely adopted by organisations of all sizes since its inception in 1996, it enables you to: identify the various ways in which your

**WHERE BUSINESSES SEE BENEFIT...**

- 63% attribute direct cost savings to ISO 14001
- 81% report improvements to their corporate reputation
- 79% improve their compliance
- 36% report higher morale among staff

Source: BSI Excellerator survey among BSI customers certified to ISO 14001

**USE IT TO...**

- Identity and establish the significance of all your environmental impacts
- Understand which legislation applies to your activities
- Implement effective operational controls to manage your environmental impacts
- Improve the efficient use of natural materials
- Improve waste management
- Reduce operational costs
- Sharpen your environmental performance
- Protect and enhance your reputation

business impacts on the environment; understand the environmental legislation that affects you; and seek efficiency savings.

“Many businesses have a lot of environmental impacts, for example using energy and water as well as generating waste and pollution. This standard provides a structure for managing all of them,” explains Nonn Reynolds, BSI’s technical product manager for both ISO 14001 and the energy management standard, ISO 50001 (see opposite).

To get the most out of ISO 14001, companies choose to be independently assessed. As Reynolds says: “It demonstrates your commitment to reducing your environmental impact and to being legally compliant.” In fact, for many business and public sector tenders, supplier certification to ISO 14001 is a pre-requisite.



HOW IT WORKS...

# Save energy and cut your costs

Adopting ISO 50001 helps you manage your energy to counter rising fuel bills, comply with the law and improve your reputation

Every organisation I know of that has implemented ISO 50001 has cut its energy consumption and made savings,” says BSI’s Nonn Reynolds. “For businesses, it’s a real no-brainer!”

Such a powerful claim is justified because this standard represents the latest best-practice tool in energy management – “and when energy is saved, money is saved. It’s as simple as that,” adds Reynolds.

The scope of this standard helps organisations gain a deeper understanding of energy consumption in order to drive continual improvement of energy performance. “Such a large

“Energy prices are not going back down and in difficult times businesses must make savings”

**USE IT TO...**

- Establish energy use and predict future consumption
- Monitor energy consumption and spot anomalies
- Identify how your energy consumption and costs can be cut
- Put operating controls in place
- Ensure staff are aware of their role
- Reduce greenhouse gas emissions
- Demonstrate your compliance with the CRC Energy Efficiency Scheme
- Embed energy management into all aspects of your business
- Protect and enhance your reputation

proportion of business expenditure is on energy that many find that this standard is an invaluable addition to ISO 14001,” explains Reynolds.

Martin Fry, visiting professor at City University in London and a leading energy management expert, stresses the urgency of the issue. “Energy management is being driven up the agenda by worries about security of supply and rising prices,” he says. “Energy prices are not going back down, and in difficult times businesses must make savings – they must manage the resource.”

The standard provides a framework to help – whatever your size, sector or geographical location. It outlines what your business needs to consider to develop and implement a robust energy policy, establishing objectives, targets and action plans to control energy use.



## CASE STUDY

# "Practising what we teach"

Sheffield Hallam University has embraced management systems standards to make light of its size and complexity and to ensure it has an environmentally friendly future

Sheffield Hallam is one of the UK's largest universities, with around 35,000 students and some 4,000 staff.

Its vision is to be renowned as a forward-thinking, enterprising and business-engaged university. In keeping with its progressive culture, it is becoming a beacon of best practice in the field of sustainability, having recently achieved certification to ISO 14001 and ISO 50001.

Sheffield Hallam faces complex environmental issues. It is a huge and diverse organisation, comprising four sizeable academic and research faculties supported by several central directorates. It is located on two sites: a modern campus in the heart of Sheffield and an expansive site in the leafy suburb of Hallam, complete with listed buildings and conservation-area status.

In 2010, Sheffield Hallam's quest to achieve ISO 14001 began with a major information-gathering exercise. Marie May, its sustainability manager, takes up the story: "We conducted interviews across a wider variety of staff to record every activity and process that we do. We already had a decent reputation for sustainability and had achieved notable accolades, with sound policies in place for things such as energy

### TOP TIPS

#### Marie May's advice for businesses seeking to acquire certification:

- Put effort upfront into the programme's design – it will save time later on
- Centralise processes early on and as much as possible – it reaps efficiency rewards
- Explain the benefits to all, including customers and suppliers – it brings people together
- Consider how to communicate to keep people updated and maintain momentum

efficiency and recycling, but this research gave us the full picture for the first time."

Sheffield Hallam created an aspects and impacts register, a key part of the ISO 14001 requirement. "People tend to think of a university as students just being taught in lecture rooms, but there are hundreds of things going on here," says May. "At last, we could see the whole story, and it became clear that we practise what we teach in terms of environmental management."

The register shows activities ranging from food testing and biomedical research to engineering, climate simulation and conferencing. As well as teaching rooms, facilities also encompass laboratories, nursery facilities, kitchens, a print unit and medical centre, the list goes on."

The register reflects the scale of Sheffield Hallam's environmental challenge: some 20,000 pieces of IT equipment are logged, for example, while its ongoing construction and refurbishment programme involves a £120m budget – easily sufficient to warrant ISO 14001 on its own. The register was then refined into a list of priorities, using a scoring system. "Staff became much more aware of polluting processes that we deal with," says May. "There continues

to be a lot of debates, but one of the most pleasing aspects of the project is getting buy-in from so many staff."

Last October, with BSI's help, Sheffield Hallam achieved certification to ISO 14001. Benefits are already apparent, including...

- Stronger credentials when tendering. For many customers, including international and public sector bodies, certification is a must.
- Increased attractiveness to potential students.
- Improved environmental management systems and processes.
- Better internal communication – including an online hub and a simple staff intranet site.
- Enhanced administration – some 120 separate pieces of environmental legislation and regulation with which the university must comply are now updated and communicated via a SharePoint site.
- Enhanced environmental performance.

### BEST OF BOTH

Sheffield Hallam derives great benefit from having both ISO 14001 and ISO 50001, which it sees as being very distinct from each other. Gillian Wright, the university's energy carbon manager, says: "ISO 50001 enables us to hone in and concentrate on the energy aspect of sustainability. We spend £2.5m on electricity alone, so there is enormous scope for us to both cut our carbon emissions and reduce our costs."





## CASE STUDY

# "We've cut carbon ... and our bills"

Manufacturer Camfil Farr has won recognition for the excellence of its energy management – and trimmed its costs

Camfil Farr is a global manufacturer of air filtration equipment and clean-air solutions. Its products are found everywhere, from office buildings and factories to hospitals, mines and nuclear power stations – anywhere, in fact, where the air has to be clean.

The company has been involved with BSI since the early days of BS 5750, and now holds certification to ISO 9001 (quality management), ISO 14001 (environmental management) and ISO 50001 (energy management). It was the first UK manufacturing company to achieve registration to BS EN16001, from which it successfully transitioned to ISO 50001 last year.

Bill Wilkinson, above, managing director of Camfil Farr, explains the rationale behind the early adoption of standards more than a decade ago: "Putting an environmental management system in place enabled us to practise what we preach as a responsible and sustainable organisation, particularly since a core part of our business is energy-

### TOP TIPS Bill Wilkinson's advice to others considering ISO 50001:

- Ask the simple question: Do you want to save money?
- If the answer is yes, appoint an energy expert
- Establish what is being spent now on energy and what future targets should be
- Work with BSI towards developing a structure that engages and involves everyone from top management downwards

saving air filters. Implementing the environmental management standard meant we could show our customers that we were striving to improve in all areas of waste productivity – from minimising our carbon footprint to making all staff aware of what they can do to help."

Where ISO 14001 helps a company identify and manage its environmental impact in the broadest sense, ISO 50001 is a more specific standard, focusing on the continual improvement of energy performance, efficiency, use and consumption.

Since certification, Camfil Farr has not looked back, achieving impressive cost savings and winning five awards last year, including the Carbon Reduction Award for SMEs awarded at the EMAP Energy Awards 2011, and Best Engineering Plant of the Year presented by Cranfield School of Management.

Wilkinson describes the energy management standard as a no-brainer because, as he says, "it is the only one that directly points to saving money". From a base of

£500,000 energy costs in 2008, the company has now cut its energy bill to less than £300,000, which represents an improved saving every year. Those savings are linked to wider goals, as Wilkinson explains: "You save energy, you save carbon, you hit sustainability targets, simple."

Endorsement of this success for Camfil Farr came when it was awarded the Kitemark for Energy Reduction Verification (ERV) by BSI in 2010, the first company in the world to achieve this registration. Undergoing an independent assessment like this has proved an invaluable marketing tool. Wilkinson says: "We can make

energy-saving claims, but when they are backed up by a tried-and-trusted superbrand like Kitemark, that message is absolute."

As well as cost savings and improved brand awareness and exposure, the adoption of ISO 50001 has had a galvanising effect on staff. "It has changed the culture in the company and we use it to drive other sustainability projects such as waste reduction," explains Wilkinson. "Everyone here is encouraged to come up with ideas, and our reward recognition strategy can affect individual pay reviews, which is a real incentive."

As well as being able to use the BSI Kitemark on all packaging, the standard enhances the bidding process for commercial activities and government tenders. Says Wilkinson: "Lots of internally led initiatives start well, but lose momentum. Using BSI gave us a structure to work with, and invaluable coaching and mentoring during the process."

### DID YOU KNOW...

- 70% of building costs are related to energy
- 60,000 UK buildings need an air-conditioning inspection
- If all installations were fitted with low-energy air filters, it would save the UK economy £500m on electricity





## How to achieve a sustainable future

Businesses must demonstrate sustainability to be successful – and standards can really help

The pressure on companies to be eco-friendly is not about to go away, while in future the need to be seen to be green will only rise in commercial importance.

“Whether you’re trying to convince your board or show your green credentials externally, it’s vital to have a commonly recognised benchmark,” says Katherine Hunter, BSI’s head of market development for sustainability standards. Hunter cites the example of businesses

“It’s vital to have a commonly recognised benchmark”

making claims of carbon neutrality: “There was no recognised standard to underpin that until we developed PAS 2060.”

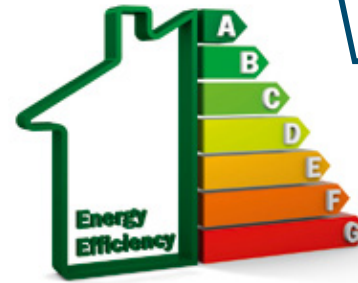
BSI is currently developing numerous new sustainability standards, driven by the twin engines of legislative requirements and industry needs. Hunter adds: “Traditionally, the focus has been on environmental management, energy and carbon, but now we’re taking in areas such as biodiversity and water footprinting. We’re also seeing the development of new standards to help organisations to manage their social impacts.”

Another trend is for new and innovative standards at a sector level, for example the horticulture and fisheries industries projects, to develop a common approach to product carbon footprinting. A new breed of sustainability standards is now emerging to help manage impacts at a community level – for instance, a new standard to assess greenhouse-gas emissions at the city level – as efforts to reduce greenhouse-gas emissions enter a new phase.”

### FLY THE KITEMARK



Research shows that many consumers do not trust environmental claims unless they have been independently verified, so businesses must ensure their carbon reductions are checked to overcome greenwash scepticism. BSI’s Kitemark scheme for Energy Reduction Verification (ERV) can be used to present clear, independent information on energy use, helping to win the trust of investors, employees and customers. Kitemark ERV has been designed to meet the requirements of the CRC Energy Efficiency Scheme, but can be used by businesses to help prove their energy credentials.



## Why the Green Deal is a great deal

This government initiative offers businesses a golden opportunity to upgrade their premises and reduce costs

The Green Deal initiative to be launched in October has been described as the biggest home improvement programme since the second world war. But for businesses, too, it represents a chance to improve their energy efficiency – and the bottom line.

The Green Deal is a major initiative by the government to cut carbon emissions and improve the energy performance of domestic and commercial buildings by fitting them with energy-efficient products. At a macroeconomic level, the scheme is vital in helping the UK meet its climate change commitments; at the grass roots, it is a once-in-a-lifetime chance for businesses to upgrade their premises.

As Ian Kitchin, BSI’s global commercial director product certification, says: “Businesses – whether they are landlords or tenants – will be able to make improvements without having to pay anything upfront, but will simply pay for them through their energy bills over the lifetime of the

“We think the Green Deal is a win-win for all”

products. And the ongoing liability for the debt lies with the property, not with them.”

The Green Deal will also stimulate the economy, with demand expected to soar for new energy-efficient products – from low-emission boilers to loft insulation.

To ensure that businesses and consumers receive correct advice and that products actually reduce energy bills, the government is insisting on the use of authorised Green Deal assessors, installers and products. BSI has been closely involved in the development of a new specification, PAS 2030, which requires all installers to be independently assessed.

Chris Lewis, certification director at BSI, says: “Ensuring that equipment, installations and operation are done correctly is vital to the Green Deal, which we believe is a win-win for all.”

For the latest news and information on the Green Deal, how you can benefit from the initiative, and how BSI can help you, visit [www.bsigroup.com/greendeal](http://www.bsigroup.com/greendeal)

# A greener future

10 top tips for making your business more **energy efficient**

---

- Install smart meters
- Know how to read and understand your energy bills
- Know where you use your energy – it may not be where you think
- Turn down energy thermostats
- Insulate wherever possible
- Only use air conditioning where and when you really need to
- Talk to your staff – get them on board with an energy reduction programme and listen to their ideas
- Where practical, replace old equipment with newer, energy-efficient versions
- Fit occupancy and motion sensors to major lighting circuits
- Replace traditional lightbulbs with low-energy or LED alternatives

**bsi.**