

EMBEDDING SUSTAINABILITY: ONE MIND AT A TIME

The Endless Possibilities series

mission



Mission Zero:
*our promise to eliminate
any negative impact our company
may have on the environment
by the year 2020.*

The head of engineering from a big multinational company visited our factory in LaGrange, Georgia, to hear about our approach to **sustainability**. She was highly sceptical during our presentation and couldn't understand why she'd been sent to a carpet mill in Georgia to learn about sustainability.

During a break, she walked onto the factory floor and met forklift truck driver James Wiesner. When she asked him what he did at Interface, James replied, *"I come to work every day to help save the Earth"* and then, after chatting with the visitor for a few minutes, added, *"I don't want to be rude, but if I don't get this roll of carpet to that machine in the next minute, our emissions are going to go out of control. I've got to go."*

Our guest was stunned and returned to the seminar room with a whole new agenda. How could she get her own team that engaged in **sustainability** like this? How could she make sure they understand the vision and know what they as individuals need to do to achieve success for themselves, the company and the planet?

THE CHALLENGE

Engaging employees is critical for any company seeking to embed **sustainability** within their business. Every single employee must understand that sustainability is vitally important for the business.

- How can a large organisation communicate effectively with all its employees about a concept as complex as sustainability?
- How can it motivate employees to buy in to the company's sustainability goals?
- How can it make people think about the environmental and social impacts of every decision they make?
- And harder still, how can it ensure everyone understands how they can contribute towards key sustainability objectives in their day-to-day roles?

These are just a few of the challenges that companies face in embedding sustainability. How they overcome these challenges depends on the authenticity of their sustainability vision, how connected their sustainability goals are to the core business and whether they communicate this effectively to employees.



THE CONVENTIONAL APPROACH

Most **sustainability** communications campaigns and employee engagement approaches are:

- Top-down, with little opportunity for dialogue
 - Celebratory, focusing on sustainability success stories and glossing over tough challenges
 - Emotional (tugging on the heart strings) not rational and fact-based
 - Prescriptive, dictating specific sustainability measures
 - Not relevant to people in different roles
- The conventional approach might include articles on sustainability issues in internal magazines and on the intranet, tips on how to be green and CEO messages highlighting successes. But however well intentioned these approaches are, many companies have found them ineffective. Perhaps some of these experiences sound familiar:
- Setting sustainability targets for all employees but failing to link them to the most significant impacts or mission of the business. Lights and computers are turned off at the end of the day and people are printing double-sided, but no real progress is made in cutting the main environmental impacts of the business
 - Announcing the company's sustainability strategy with a big splash and a commitment from the CEO, but then a new CEO comes in with a different view
 - Communications full of pictures of wildlife on the verge of extinction and poor children in developing countries, suggesting the company is somehow 'making a difference' but failing to mention other negative impacts the company may have through its day-to-day operations
 - The CEO gives a big speech about his commitment to sustainability, then promptly signs a lucrative deal to produce unsustainable products
 - Publishing articles on the intranet about how much employees have raised this month for a certain charity but not mentioning anything about the allegations of unethical conduct in the press
 - Celebrating the thousandth mobile phone recycled, but glossing over the problematic project employees are gossiping about
 - Making token sustainability gestures – covering the visible side of a roof with solar panels, even if it will generate the least power – breeding cynicism among employees
 - Creating a dedicated team of sustainability experts who collect data and fill in investors' questionnaires, but don't speak to people in the core areas of the business that can make a real difference to the company's sustainability goals (e.g. procurement and marketing teams)
 - Dictating which materials engineers should not use and limiting which kind of products they can make, instead of asking them to use their skills to come up with innovative solutions
 - Launching a competition for employees to come up with ideas to cut environmental impacts, but immediately ruling out most of the ideas as too radical or requiring too much investment, resulting in frustration and apathy
 - Inspiring employees to come up with great technical solutions without making clear to them the acceptable rate of financial return

INTERFACE'S EXPERIENCE

At Interface we have been engaging employees on **sustainability** since 1994. We have tried and tested many different approaches – some successful, others less so.

Over 15 years of trying to embed sustainability at Interface, our experience has taught us that the most effective approaches to employee engagement are:

- Two-directional, encouraging questions and seeking suggestions from employees
- Action-oriented, clear about what the company is trying to achieve and how to get there
- Open to creativity, challenging employees to come up with new solutions
- Targeted, communicating in different ways to help employees relate to sustainability in ways that matter to them in their various roles

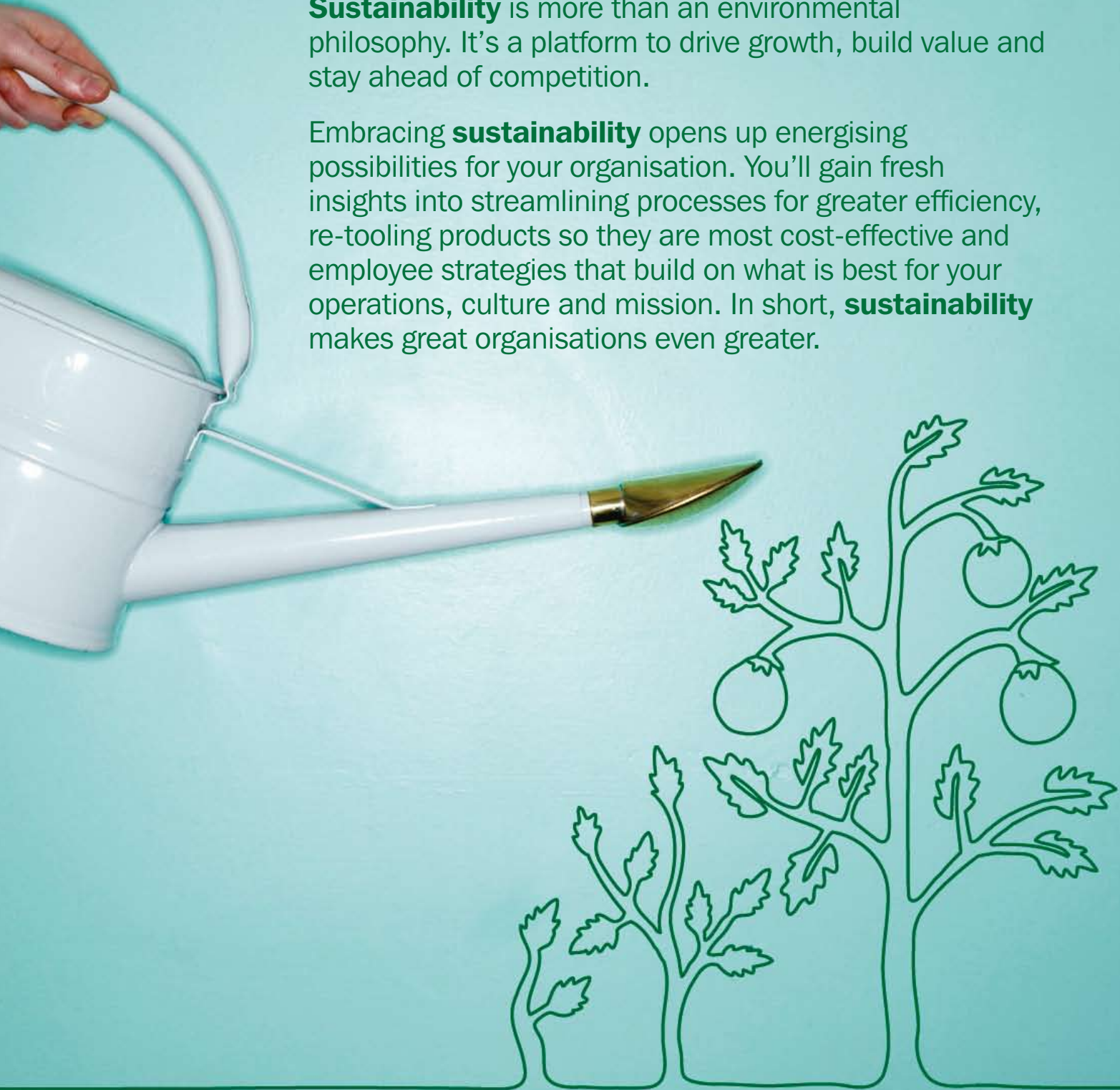
Here we share some of the things we have learned over the past 15 years that through trial and error (or sometimes a bit of luck) have worked well for Interface. We hope others who are struggling with the same challenges might find our experience useful.



GET GROWING WITH SUSTAINABILITY

Sustainability is more than an environmental philosophy. It's a platform to drive growth, build value and stay ahead of competition.

Embracing **sustainability** opens up energising possibilities for your organisation. You'll gain fresh insights into streamlining processes for greater efficiency, re-tooling products so they are most cost-effective and employee strategies that build on what is best for your operations, culture and mission. In short, **sustainability** makes great organisations even greater.



EIGHT THINGS WE HAVE LEARNED

1. Show **sustainability** is part of the CEO's thinking every day, not just in sporadic speeches on green issues

Visible leadership and commitment from the highest level of the company is essential to demonstrate the company is serious about sustainability. But a nod towards sustainability in the monthly CEO message is not enough. The CEO and senior executives must talk passionately about sustainability, not just in speeches about relevant issues but also in their everyday business conversations and communications.

To get buy-in from senior management and at all levels of the company, sustainability must be sold as a business objective and not simply an add-on. The CEO who asks regularly for progress updates on sustainability targets, even when the financials are in the red, will send a stronger message than any celebration of sustainability successes in an internal magazine.

Interface is fortunate to have a long-standing charismatic Chairman, Ray Anderson, who is passionate about sustainability and has been instrumental in the company's steadfast commitment to achieving Mission Zero™. His vision is to climb what he calls 'Mount Sustainability', and when meeting employees, he reminds them to 'Keep on climbing'.

This kind of passion and dedication right from the top of the company provides tremendous inspiration and motivation for employees to keep pushing a little further on sustainability every day. For many Interface employees, it's more personal than just achieving company sustainability goals – they don't want to disappoint Ray.

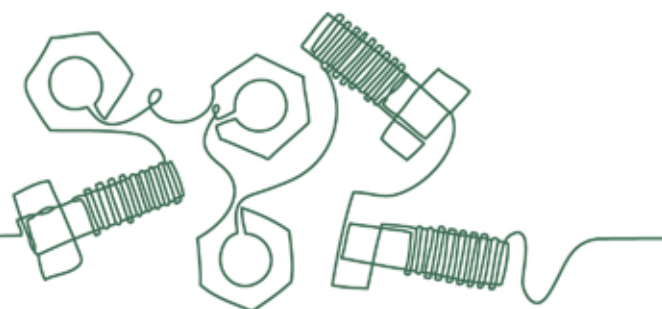
2. Give **sustainability** status in the company

The role of sustainability champion in a big organisation often has the same status as the fire warden. Rather than making it a chore, employees at all levels of the company can be encouraged to become champions by allowing people in this role to earn internal status.

We have seen how powerful this can be through our ambassadors network in Europe. InterfaceFLOR created a network of 'ambassadors' to drive the sustainability agenda within the company. We made this role attractive by:

- Promoting the ambassadors network as an elite club with limited membership that has to be won on merit
- Making senior executives ambassadors to demonstrate the importance of the role
- Giving the ambassadors a valued reward, such as an audience with Ray Anderson

Our ambassadors were not appointed for the role, they chose to compete for a place. To become an ambassador, employees must complete three levels of training and write an essay on a relevant issue which is marked by recognised external sustainability experts at Forum for the Future. We reward their efforts by allowing ambassadors to have access to exclusive sustainability information or direct contact with senior leaders such as Ray Anderson. As a result, our ambassadors have gained a high status within the company, at the same time promoting the status of sustainability. Some of our sales reps have on their business cards 'Sustainability Ambassador' as well as 'Sales Account Manager'.



3. Win over employees one mind at a time using a targeted approach

Company-wide internal communication campaigns can seem like a quick way to reach all employees with sustainability messages. We have found the most productive way to engage employees is to help them apply the concept of sustainability to their own role – so that they can what they are already doing, but better. Communications targeted to specific groups of employees engage people much more effectively and help each employee find their own connection with sustainable values. By making sustainability messages relevant to their roles and their day-to-day work, we can effectively win employees over – one mind at a time.

We have found four magic ingredients to get people motivated: vision, knowledge, constant feedback and recognition. This can be applied to any project. First, people get excited about a sustainability challenge. Then, providing them with the tools and freedom to come up with solutions, the results often exceed expectations. There will always be some projects that don't work, but trial and error is an important step on the way to finding a workable solution. We call this 'successful failure'. Last, they need to have a stake in project so they go the extra mile to make it a success – this can be anything from internal recognition to share rewards or career development.

Different employees are motivated in different ways so it is more effective to give them challenges they can relate to and plays to their strengths:

Engineers

Engineers, for example, get excited by a technical challenge. Motivate them with an ambitious sustainability problem to solve and provide them with the time and resources to do it. They love toys (or machines) to play with. When people are given a great challenge, they can be inspired to come up with ground-breaking solutions. When we asked our engineers to drastically cut waste they came up with solutions that were revolutionary in our industry, such as:

- Ultrasonic cutting: reducing waste trimmings when we cut carpet tiles by 80% by applying NASA technology to carpet manufacturing
- The 'Cool Green' machine: recycling off-quality tiles and carpet trimmings from manufacturing, fed straight back into the process for making new carpet tiles

Together with other waste reduction programmes, these have helped us cut manufacturing waste going to landfill by 80% since 1996 in absolute terms.

Innovators and designers

To promote innovation on sustainability among our designers and product development group, we give them the freedom to experiment and explore new ideas. Innovative new products with reduced environmental impacts have come out of this, including:

- Random Design: carpet tiles installed in a non-directional way reducing installation waste from 3-4% to 1-2%
- FlatWorks: a type of carpet tiles that can be made with up to 40% less yarn (which accounts for half the environmental impact during the carpet's lifecycle)
- TacTiles™: an adhesive-free installation system for our carpet tiles, virtually eliminating potentially harmful VOCs, cutting the carbon footprint compared to standard adhesive by around 80% and making tiles easier to remove and recycle at end of life

Factory workers

Factory workers' jobs can be made more interesting by getting them involved in achieving sustainability goals and recognising their achievements. Many of our factory workers are members of business improvement teams which meet regularly to discuss how to make our manufacturing more efficient and sustainable. Our factory in Shelf, UK, offers a quarterly bonus for teams who achieve a 10% reduction in waste and energy on their production line.

Sales and account managers

Customers are increasingly looking to buy more sustainable products. We offer sustainability as a tool to give our account managers the edge over competitors. To help them do this, we make sure they have the information they need to talk credibly about sustainability and we provide them with appropriate long-term sustainability credentials supported by lifecycle analysis, not just some attention-grabbing claims. Promoting sales of the more sustainable products in the range also encourages them to contribute to sustainability goals.

Tailoring sustainability challenges to get the best ideas and commitment from employees can help to convert even those who might be personally cynical about sustainability. Interface's approach is to engage employees by putting our sustainability goals in a way they can relate to on a very practical level in their day-to-day work, and linking these goals to core business objectives. Adopting an authentic, consistent and visible management commitment to sustainability helps to marginalise cynicism as the body of the workforce get on board.

4. Make people accountable for sustainability goals

Making individuals accountable ensures their commitment to sustainability objectives. Companies can motivate senior managers by:

- Assigning accountability for managing sustainability issues within each business unit
- Requiring those responsible to report progress to the Board every quarter
- Making performance against sustainability targets one of the criteria for bonuses
- Creating a bit of healthy competition between regions or countries on sustainability performance
- Following up when something doesn't go according to plan

5. Invest in employees to let them come up with solutions

Setting targets on specific sustainability indicators can help to reduce impacts in that specific area. But it can also limit people to thinking only about achieving that narrow target instead of thinking about the bigger sustainability picture. We have found that setting people a broader challenge and giving them the space to come up with innovative solutions can achieve wider-reaching reductions in impacts – such as creating a new, better process rather than focusing on how to make the old one slightly more efficient.

At Interface, our people are critical to coming up with solutions to the broad range of sustainability challenges set out in Mission Zero™. We invest in our people to give them the tools and the knowledge to do this through training and exposing them to external thinking.

InterfaceFLOR's Fast Forward to 2020 training is designed to make sure employees understand the concept of sustainability and have the skills to help us achieve our targets. Everyone must complete Level 1 as part of their induction into the company so they understand the basics of Mission Zero™, what we are trying to achieve and how we are trying to get there (through the seven fronts, see box). Level 2 is customised for different parts of the business to explain more about the specific sustainability issues relevant to areas such as operations (with external speakers on renewable energy or waste, for example) or marketing (with detailed information on the impacts of our products so they can talk to customers about this). Employees can also elect to take the most advanced Level 3 course which covers how global issues affect business more broadly.

InterfaceFLOR offers factory employees training to use the Six Sigma system for eradicating waste from our processes and the opportunity to take National Vocational Qualifications in business improvement techniques in the UK. One project by our Six Sigma team at the Shelf factory fine-tuned machinery to ensure accurate quantities of backing compound go into carpet backing, reducing waste by 6%.

We expose our people to external sustainability experts through regular presentations with guest speakers for our Ambassadors and other groups of employees. We encourage any of our people to participate in sustainability initiatives, not just our dedicated sustainability teams. For example, our innovation network puts designers and product developers in touch with experts both within and outside the industry. Many of our sales directors participate in external sustainability networks and one of our engineers is involved in the Climate Group, a coalition of leading businesses and governments committed to tackling climate change. At global level, our 'Eco Dream Team' – a panel of top sustainability experts, set up in 1994 – keeps us up to date on new ideas in sustainability thinking and their advice feeds into our strategy and key projects.



6. Engage with a purpose

'Engagement' – be it of employees or other stakeholders – is a buzz word among corporate responsibility and sustainability specialists. It seems like every company is running an engagement programme of some sort, but many of them lack clarity about what they are trying to achieve.

At Interface, we engage employees with a very clear purpose. We need their ideas and support to achieve Mission Zero™. The challenge is clear and the goals are clearly laid out in the seven key areas (see box on the seven fronts). Every engagement exercise we do about sustainability – from training and internal communications to meetings and attending conferences – deals with one or more of these challenges that we must overcome to achieve Mission Zero™.

7. Reinforce the **sustainability** strategy in every communication

Sustainability messages at Interface are not limited to a brief mention in the corporate values or occasional articles in internal magazines. We remind every stakeholder of our Mission Zero™ at almost every opportunity we have to communicate, including:

- Every letter that goes out from Interface
- Every certificate about our products that we send to our customers
- Posters and labels in factories and showrooms
- T-shirts worn by factory workers
- All internal and external communication materials, including brochures etc
- Every tender document
- Every box of carpet tiles
- All samples sent out to customers
- Technical instructions on how to install carpet
- The coffee mugs used by our employees everyday

In this way, employees and our other stakeholders are reminded of Mission Zero™ every day. It helps to reinforce the company's commitment to it and demonstrates that this is about the way we work and what we do every day. These types of communications are great for raising awareness, but the constant mention of Mission Zero™ must be backed by visible action to prevent internal cynicism.

8. Prevent cynicism

It takes sustained communications and effort to build trust and engage employees in a company's sustainability goals. But it is important to remember that all that effort can easily be undone. Internal cynicism can creep in if the company fails to:

- Support messages with action
- Channel the enthusiasm of employees
- Acknowledge tough challenges
- Seek out and eliminate incongruent messages

Sustainability strategy and communications must be backed by action. If communications say the company believes sustainability is vital to the business, the company must visibly treat it as such. Sustainability risks and opportunities must be considered in every business decision alongside other factors such as cost, time or product quality. The CEO must be consistent in his messaging, and not be seen to contradict sustainability goals in business talks.

Enthusiastic employees who feel they are not being heard will get frustrated and give up. To engage employees in sustainability goals, strong rhetoric must be supported by the resources to enable them to achieve those goals. This is essential to gain their enthusiasm and capitalise on their ideas, without losing their confidence.

When asking employees to come up with solutions to sustainability challenges, it is important to manage their expectations. Interface, like any other company, is run for profit and does not have infinite funds to invest in every new idea that comes up. All projects must be justified with a reasonable return on investment as well as getting us closer to Mission Zero™. We make this clear

to employees, but at the same time they know we will implement their ideas if they offer a sustainable solution that fits within this framework.

As the company's strategy progresses, it is important not to let sustainability messages get ahead of the reality: prematurely celebrating success before the hard work has begun can fuel internal cynicism. We liken Interface's strategy, Mission Zero™, to a mountain and although we celebrate successes along the way, we always make it clear that we have not yet reached the peak.

Acknowledging the toughest challenges builds trust with employees and can stimulate rich discussions with them about potential solutions. At Interface, we recognise that our toughest sustainability challenge is that our two main raw materials are derived from oil. Rather than dodging the issue and focusing only on other areas where we can more easily reduce our impacts, we have asked employees to come up with ideas to help us cut the 'oil umbilical cord' by 2020. Already they have come up with a way to recycle nylon yarn – something Interface was told would be impossible – and have up and running a process that closes the loop by grinding up old carpets to be fed into the manufacturing process to make new ones. Our employees are also investigating biobased alternatives to produce a non-oil based yarn that offers the same performance as our current products.

We don't believe that cynicism is necessarily bad for the business. The problem is when cynicism turns into apathy. We have found that listening to cynics openly and asking them to come up with ways to overcome what they are cynical about can turn their negative energy into positive effort, and make them part of the solution.

OUR TOP TIPS

- Encourage a dialogue with employees on sustainability issues and be open to their ideas
- Use their creativity to come up with solutions to sustainability challenges
- Be clear about company goals and what needs to be done to achieve them
- Target communications so sustainability resonates with each employee in their particular role

We have found the most effective way to embed sustainability is **one mind at a time**.

INTERFACE & MISSION ZERO™



Mission Zero:
our promise to eliminate
any negative impact our company
may have on the environment
by the year 2020.

Interface is a worldwide leader in the manufacture of modular commercial flooring, producing the industry's largest and most diverse range of carpet tiles.

Interface founder and Chairman Ray Anderson pioneered corporate sustainability in 1994 by recognising that the way industry works is fundamentally unsustainable and had to change. It needed to stop having a destructive effect on the natural and social environment, and, instead, work to restore it.

Ray's epiphany revolutionised Interface's business strategy from that day forward. It later transformed into Mission Zero™: our goal to eliminate any negative impact we have on the environment by 2020. We've come a long way since then, but there's still a long way to go.

We liken the challenge of achieving Mission Zero™ to climbing a mountain higher than Everest. With this in mind, we have set out our path to scale 'Mount Sustainability' on seven ambitious fronts.

The Seven Fronts: our goals and progress (at the end of 2009)

1. Eliminating waste – Eliminating all forms of waste in every area of business. Since 1996 there has been a 80% normalised reduction in waste sent to landfill.
2. Benign emissions – Eliminating toxic substances from products, vehicles and emissions. We have cut actual greenhouse gas emissions by 44% since 1996.
3. Renewable energy – Reducing our energy demands while substituting non-renewable sources with renewable ones like solar, wind and landfill gas. In Europe, all factories use 100% renewable electricity and 30% of our global energy comes from renewable sources.
4. Closing the loop – Redesigning processes and products so that all resources used can be recovered and reused, closing the technical or natural loop. 36% of total raw materials are recycled or bio-based materials.
5. Resource-efficient transportation – Transporting people and products efficiently to reduce waste and emissions. 99.7% of the products sold in Europe were manufactured in Europe.
6. Sensitising stakeholders – Creating a community within and around Interface that understands the functioning of natural systems and our impact on them.
7. Redesign commerce – Redesigning commerce to focus on the delivery of value instead of material.



EXPERIENCE IT YOURSELF

Corporate clients, sustainability professionals and academic institutions visit our factories every year to experience the Interface culture of sustainability for themselves. Talking directly to our people and seeing our vision in action demonstrates how deeply embedded **Mission Zero™** is in the company.

That's why we set up **InterfaceRAISE**, a consulting service that helps organisations weave sustainability into the fabric of everything they do, accelerating their learning, while enhancing their value and fulfilling their mission. We run two-day in-house executive training workshops – called '**Cultural Immersion Programmes**' – at our factories. We also collaborate with universities and business schools to enable their students to participate through external presentations or in-house training.

With over 15 years of experience in applying sustainability in competitive markets, our international peer-to-peer consulting service offers a powerful sets of tools, insights and experts to deliver practical guidance at every stage of the sustainability journey. It's a new way for an organisation to plan, manage and excel; raising aspirations while respecting the needs of society and the environment. With **InterfaceRAISE**, the possibilities are endless and the benefits real.

www.interfaceraise.com



WE KNOW THE TERRITORY

When entering into new territory, it's good to have an experienced guide. With more than 15 years of experience putting **sustainability** theory into practice we've been there and got the t-shirt when it comes to **sustainability**. The **sustainability** journey never ends, and our world-class experts can help you pick up the right path for the organisation. Together we can avoid common pitfalls, identify a smart course to improve your bottom line and get your organisation exactly where you want it to go.