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An interview with leading sustainability strategist, Dr. Chris Laszlo

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Sustainability may seem like a passing fad, but most likely only the word will be erased by time. The concept of sustainability is becoming embedded in our daily routines. As a result, companies are reaping benefits from making environmental stewardship part of their core competencies. While extreme environmentalists are still busy making moral arguments about spending less, building less, and conserving more, businesses are beginning to act in smarter ways.

In the following interview, Dr. Chris Laszlo, author of three books on sustainability, highlights how businesses can use technology and innovation as tools to solve environmental problems and meet social and regulatory constraints in ways that also increase sales and profits. Among his examples is a roofing product that uses fewer ingredients but lasts longer.

Many people seem to struggle with defining the concept of sustainability. How do you define sustainability – is there one definition or are there many, depending on the context of the question?

Sustainability has different meanings for different people. There are definitions that serve the environmentalists' purposes and various social causes. The framing that I give the definition is a more strategic one for business. In business, the most useful way to define sustainability is "the incorporation of environmental health and social performance into the core of a business without trade-offs." This means that from a customer's perspective, they shouldn't have to pay a higher price because the business or its products are "green". Further, the customer shouldn't have to accept poor performance from a green product. Innovation, in fact, often ends up allowing companies to come up with products that are better for the environment and better for the customer.

As an example, one of GE's Eco Imagination products is a hybrid, state-of-the-art locomotive. The case they make for it is that it saves the CFO of the railroad company 15% on fuel costs. Otherwise, it behaves the same in performance, durability, etc., as their more traditional models. But, because it's a hybrid, it's also good for the environment. These kinds of "win-wins" are at the heart of sustainability in the business world. It's not about saving the polar bears or just keeping various stakeholders happy.

Sustainability has been a buzzword for a while now. Some people are embracing the concept; some are tired of hearing the word. How do you feel the concept has evolved over time and what can we expect to see in the future – is this a passing trend?

The concept of sustainability has changed a lot in the last 30 to 40 years. The most widely accepted definition of sustainability has to do with meeting the needs of present generations without compromising the ability of future generations to meet their needs.



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This is a moral definition to inspire us to act today so we don't take away opportunities from our grandchildren.

However, people are beginning to feel fatigued by the word "sustainability". Today, sustainability is easier to accept when it's about doing business in a smarter way. While it's possible that the concept of sustainability is actually going to go away, the underlying forces are not going to go away. In 10 to 15 years, the word "sustainability" may still be used, but it won't be thought of as a separate concept. Rather, it will become part of an expanded approach to value creation in business. As a normal part of day-to-day operations, businesses will be aiming to create value for investors and build their reputations by better meeting environmental, social and regulatory constraints.

It is no longer acceptable to harm the environment, the way it was possible 50 to 100 years ago. It is no longer okay to dump waste in rivers and shoot harmful gases into the environment through smoke stacks. Being good environmental stewards is becoming the norm.

Comment on the relationship between environmentalists and their view of sustainability versus what has been happening in the business world around sustainability. Historically, these two groups seemed to be in opposite corners of the ring. Do you think these groups are now on the same page?

Environmentalists have often made businesses the enemy by focusing their messages on stopping progress, encouraging society to build less, spend less and conserve more. By being moralistic, many environmentalists haven't helped their cause. This new wave of sustainability is about innovation. Businesses are finding creative ways to meet market demands by doing good.

**What makes a product "sustainable"? Is it the ingredients/ materials, the manufacturing process, or the product's performance?
It can be all of the above.**

I understand that environmentalists are causing a big fuss in the building and construction industry over the use of PVC and oil based polymers in building materials. The application of roofing products, however, such as [FiberTite Roofing Systems](#) or Seaman Corporation's XR-5 geomembrane products offer solutions that help customers solve their environmental problems. There are performance characteristics in Seaman Corporation's products that provide uniquely valuable solutions to customers who face various environmental challenges. So, in this case, sustainability is about product performance, versus product ingredients.

On the other hand, we can look at one of the early innovations in Seaman Corporation's roofing business, the [FiberTite 36 mil](#) product. This is a product that competes with and even outlasts other products in the market that are 45 to 60 mils thick. In this case, technology and engineering has yielded a more sustainable product because it uses less

material, but provides more benefit and lasts longer than thicker, alternative products. This is exactly the kind of sustainability that innovation can drive.

Your latest book is titled, *Embedded Sustainability: The Next Big Competitive Advantage*. Explain the idea of embedded sustainability. What does this mean and why is it important?

I contrast the term “embedded sustainability” with “bolt-on sustainability”. Bolt-on sustainability is when a company will choose a single product line and make it their symbolic green product. For example, a few years ago Nike® introduced Nike Considered, a sustainable line of footwear that utilizes materials found primarily within 200 miles of Nike’s factory, involves less solvents than typical Nike products, and uses leather dyed with vegetable and plant-based dyes from a tannery that recycles wastewater. The shoe’s outer sole includes rubber made from recycled factory rubber waste. At the time of introduction, all of Nike’s other footwear products did not incorporate these sustainability practices, so it was more an isolated case.

Every company has something that they have to address. Too many leaders are afraid to tackle the hard stuff so they go for the easy stuff, like reducing waste and recycling. Another good example of bolt-on sustainability is a cigarette company that comes up with a biodegradable package, but ignores the harm of cigarettes.

This is not where the leading companies are in terms of embedding sustainability. Embedded sustainability is when sustainability is part of a company’s core business, part of everything that the company does. It is driven by innovation. As a result, products are not more expensive because they are part of the company’s core business.

What are the marks of an organization that is successfully integrating sustainable practices in their operations vs. one that makes claims to sustainability based on a single product offering?

Companies that practice embedded sustainability with success are doing all of the following things, plus many more:

- The CEO and the top leaders are on board.
- Sustainability is part of everyone’s job at the company; not just the concern of an appointed “sustainability manager” at headquarters.
- With regards to strategy, these companies are talking about how sustainability can enable their business strategy; not how the business can deploy a separate sustainability strategy.
- These companies demonstrate openness to working with their stakeholders in a collaborative process. They are examining how they can work with customers, trade associations, critics and even competitors to come up with solutions and business models that are better for the environment.

What advice would you give to a company leader who is curious about sustainability, but feels it may be a waste of time and resources?

I would recommend that the senior team begin by looking at their business' value chain through the lens of this more strategic definition of sustainability. They should focus on opportunities and not on problems or the costs. If a team can spend a small amount of time reviewing all the activities in the value chain, business opportunities will become apparent that haven't been noticed before. Then, once the company finds a couple of quick wins, the merit will become apparent. In many businesses, embedding sustainability is actually helping the business better meet demands and sell more products.

Chris Laszlo, PhD, is an Associate Professor teaching strategy and sustainability at the Weatherhead School of Management, Case Western Reserve University, in Cleveland, Ohio, where he is also the Faculty Research Director of the Fowler Center for Sustainability Value. He is the co-author of Embedded Sustainability: the Next Big Competitive Advantage (2011), Stanford University Press. His earlier books include Sustainable Value (2008), Stanford University Press and The Sustainable Company (2003/ paperback 2005), Island Press. His work over the last decade has helped launch mainstream management approaches to sustainability for value and profit. Chris is the managing partner and co-founder of Sustainable Value Partners, a sustainability strategy consulting firm.

Additional Resources on Sustainability

Defining A Sustainable Roof: Seaman Corporation helps shape definition of a sustainable roof by tracing the stages and environmental impacts of a roof's life cycle. [Read about it in our Document Library.](#)

Current Standards for Sustainable Roofing Neglects Importance of Durability: Expert roof consultant Curt Liscum shares his opinion of how the U.S. Green Building Council neglects the importance of product durability in LEED program. [Read about it in our Document Library.](#)

Stories of Long Life: Testimonials from owners, maintenance managers and contractors who have experience with a 36 mil FiberTite Roofing System that is more than 25 years old and still performing. [Watch the video at our website.](#)

For more information about FiberTite Roof Systems, please call Seaman Corporation at 800-927-8578, [or click here.](#)



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