

RILA Issue Brief:

The Value of Sustainability for Corporate Communications in Retail



A company's sustainability program helps ensure its products, services, and operations have a positive impact on people and the environment—from the raw materials it uses, practices at its suppliers' sites, modes of transportation, use by consumers, and eventual disposal. Today, employees expect this of the companies they work for. Fifty percent of U.S. employees say they [will not work for a company](#) that does not have strong sustainability commitments and seventy percent want an opportunity to contribute to those commitments.

Keys to Successful Goals in Retail

The priorities of the corporate communications and sustainability departments are tightly connected. Important priorities for communications—increasing employee engagement and building loyalty—are advanced in companies that have strong sustainability programs.

Benefits of Sustainability for Communications

Studies show “a company with purpose” tops the list for engaging employees. Three quarters of U.S. employees say it is important for the company they work for to [share its sustainability goals](#) and progress. The same number of employees feel their job is more fulfilling when they have opportunities to make a positive impact, and to actively participate by providing feedback, ideas, and solutions.

While communicating company progress on sustainability can enhance job satisfaction and productivity, it can also improve retention. Seventy

percent of U.S. employees—and eighty percent of Millennials—say they would be more loyal to a company that helps them contribute to important issues.

“As employees integrate their work and personal lives, they see coming to the office as much more than collecting a paycheck.” Employees “want their employers to give them [opportunities to make a meaningful difference](#), whether that’s providing a platform for supporting personal issues or being an active participant in their company’s corporate responsibility efforts.”

Key to Success

It is important for the communications and sustainability functions to recognize that they define “employee engagement” differently. For communications and HR departments, it is a measure of employee commitment and motivation to the company overall, while for sustainability professionals it is a measure of employee participation in the

sustainability program. There is a growing body of [evidence linking employee engagement](#)—the type communications measures—with sustainability performance and overall business results. At global equipment manufacturer [Ingersoll Rand](#), employee actions on sustainability correlate with direct improvements in overall employee engagement. Using data to establish the connection led to a new working relationship that leverages sustainability programs to support the goals of communications and HR.

To communicate sustainability commitments and invite employee participation, established corporate communication channels are effective. [Forty percent of employees](#) prefer to hear about opportunities to engage on sustainability from their management, newsletters, or internal emails. Thirty percent say workplace events are an important communication channel, and twenty percent prefer employee ambassadors.

Retailer Practices

A number of [retail practices](#) illustrate how the sustainability program supports the goals of the communications department:

- Specific messages for employees in merchandizing, product development, marketing, public relations, and legal help employees link their daily work to the company’s sustainability goals. Messages include the sourcing department’s role in developing green procurement policies and educating vendors about the company’s sustainability goals; building design, construction, and energy managers’ role in reducing building energy usage, water usage, and waste; and store and distribution center managers’ role in communicating with, and gathering input from, associates.

“Employees want to do what they love, and inviting that into the workplace increases engagement. We have been able to do this and prove the value in terms of [engagement scores](#) by enhancing our volunteer Green Teams program as well as increasing opportunities for all employees to get involved in sustainability-related activities” *G. Digby, Director, Ingersoll Rand*

- Formal avenues (such as online platforms and mobile app portals) for employees to review company- and store-level progress, compare across stores, and provide feedback, ideas, and potential solutions on the company’s sustainability priorities ensure employees have the involvement they are looking for.



Figure 1. Employee Groups Engaged on Sustainability (% of RILA members)

- Awards, contests, and events provide formal recognition for employees that contribute to the company’s sustainability priorities, and a venue to share best practices with colleagues.
- Sustainability or green teams at headquarters and stores engage employees across the company. Communications professionals are often key participants in retail [Sustainability Executive Councils](#), which draw on the capabilities, perspectives, and influence of EVPs and SVPs from merchandising, private brands, marketing, HR, legal, and others. With a seat at the table, communications professionals learn how the sustainability program can enhance engagement and loyalty. The Council benefits from communication’s perspectives and insights on employee expectations which help shape the sustainability agenda.

Leadership Steps for Setting Sustainability Goals

RILA and the CRC's [Retail Sustainability Management Leadership Model](#) includes a specific dimension on corporate communications to enable retailers to benchmark their activities:

Corporate Communications	
Initiating	<ul style="list-style-type: none"> • Educates through basic environmental-awareness signage in stores
Progressing	<ul style="list-style-type: none"> • Works with corporate communications team to solicit sustainability suggestions from corporate employees • Hosts events for corporate employees to learn about sustainability in their retail roles and in their home (e.g., Earth Month events)
Excelling	<ul style="list-style-type: none"> • Posts store sustainability performance (e.g., energy consumption, waste/recycling generation) for all store associates to compare their store to other similar stores • With corporate communications team, develops and maintains online platform for employees to review store & company sustainability performance and submit ideas to reduce environmental footprint
Leading	<ul style="list-style-type: none"> • Embeds sustainability into existing HR and corporate communications' roles • Holds highly visible senior leadership meetings on sustainability where store employees, sourcing, merchants, logistics, and other staff are recognized
Transforming	<ul style="list-style-type: none"> • Through existing HR and corporate communications channels, regularly educates employees on company sustainability vision and business case to underscore relevance to employee daily work • Trains in-store employees to educate customers about company's sustainability/eco-awareness efforts

Other resources for communications professionals include:

- [Andrew Savitz "Talent, Transformation and the Triple Bottom Line" 2013](#)
- [United Nations Global Compact, HR & Sustainability Brief](#)
- [Cone Communications 2016 Employee Engagement Study](#)

Visit www.rila.org/sustainability for more tools and resources.