

# Going Green at Outdoor Designs

Recommendation Report

## Overview

At Outdoor Designs, we create products that help people enjoy the great outdoors. To be true to our core values, it is important that the products we produce, the processes by which we produce them and our day-to-day business practices minimize harm to the planet. Taking steps to make our business more environmentally friendly makes good business sense, too. By embracing green practices, we can lower our costs, develop products that more customers will want to buy, and win more customers by promoting the Outdoor Designs brand as a trusted partner in helping to sustain the environment. This report summarizes global sustainability initiatives, reviews the benefits of going green, and provides recommendations for green initiatives at Outdoor Designs.

## Global Economic Conditions

In today's economic climate, with high unemployment and industrial jobs disappearing, the biggest hope for economic growth in the United States and throughout the world is the opportunity to transform our global economy to one that is green. The United States government, as well as China, South Korea, and Japan have invested billions of dollars to research and develop clean energy solutions. [ CITATION Atk10 \l 1033 ] Because of the rising costs of raw materials and a heightened concern for preserving the environment, conservation and recycling initiatives are being embraced. Consumers are also more aware of the benefits of recycling and conservation. Increased energy costs have affected people at every

level of society who face higher prices on their utility bills, at the grocery store, and at the gas pump.

## Benefits of Going Green

Businesses today are embracing green initiatives to stay profitable in a time of increasing costs and increased awareness of global warming. “Recent studies have indicated that companies that score well on various environmental metrics also demonstrate above-average return on investment and stock performance.”

[CITATION Ros10 \l 1033 ] Wal-Mart has led corporate America on green initiatives. For example, Wal-Mart drastically cut costs by creating a more concentrated laundry detergent formula that allowed them to ship the same product in smaller containers. This change reduced the amount of water needed to produce the detergent by 50%, reduced the materials needed to produce the laundry containers, and also significantly reduced the cost of transporting the detergent from the manufacturing plant to stores. [CITATION Ste09 \l 1033 ]Wal-Mart also requires that their suppliers meet certain environmental standards and that supplier product labels disclose information about how products are made. By requiring suppliers to provide this information, suppliers have been pressured to change their manufacturing methods to meet environmental standards. [ CITATION Ros10 \l 1033 ]

In addition to saving costs and increasing profitability, there are other financial benefits for corporations to embrace green business practices. A current banking trend is to provide lending incentives for green business initiatives, such as launching green products. There are also tax incentives to motivate companies to produce clean energy and produce green jobs. [ CITATION Joh10 \l 1033 ] There are

resources that businesses can tap into to help them become more energy efficient. For instance, the Environmental Defense Fund created an Innovation Exchange to encourage businesses to share best practices about energy, water, and other resources and technologies. [ CITATION Joe10 \l 1033 ]

## Customer Perception

Customers who purchase Outdoor Designs products love the outdoors. Results from our recent customer survey indicate that there is room to improve customer perception about our efforts to produce eco-friendly products. More than half of customers surveyed were unaware that Outdoor Designs' building materials were made from wood harvested from responsibly managed forests. In the January 2016 issue of *Build-It Monthly* magazine, longtime customer Max Michaels from Boise, Idaho wrote an editorial expressing his concern about Outdoor Designs packaging: "I am outraged by Outdoor Designs' packaging. They need to do their part to preserve our planet by using packaging made from recycled materials.[ CITATION Max162 \l 1033 ]"

## Recommended Initiatives for Outdoor Designs

There are many steps that Outdoor Designs can take to reduce our carbon footprint and make our practices and products more eco-friendly. Doing so will require the combined efforts of the entire organization. If we inspire our employees to embrace a green mindset and involve all employees in cross-functional groups to brainstorm, attack problems, and offer solutions, we will create a stronger corporate culture. Infusing the values of sustainability and green business practices into the mindset of our workers will make our practices and our products more earth-friendly,

strengthen our brand, ensure our long-term success, and reduce our carbon footprint.

## Green Teams

It is time for our organization to get serious about energy conservation<sup>1</sup> and sustainability, so we can thrive as a business and do our part to preserve the great outdoors. In order to achieve success, every employee in the organization must participate. Senior management has identified green priorities for the company and assigned leaders to head up teams focusing on each. The table below summarizes the team organization.

Green Team	Team Leader	Job Title	Department
Customer Awareness	Jose Vasquez	Director	Public Relations
Recycling	Erica Li	Senior Associate	Customer Service
Sustainable Package Design	Rochelle	Vice President	Product Development

### Outdoor Designs Vision

Our vision is to produce eco-friendly products that help people enjoy the great outdoors, and inspire people to take care of the planet.

### Outdoor Designs Mission Statement

At Outdoor Designs, our mission is to be the most respected product developer of build-it-yourself products used for outdoor recreation.

Our goal is to create products in a responsible way to minimize our

<sup>1</sup> This year's efforts resulted in a 15% reduction in energy cost.



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carbon footprint, and to inspire our employees and customers to act in ways to protect and preserve the great outdoors.

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