

Business Sustainability in the Great Lakes Region: Pathways for Forging Greater Collaboration



Prepared by Meridian Institute and The Piñero Group, with support from the Charles Stewart Mott Foundation, the Fred A. and Barbara M. Erb Family Foundation, and the Consumers Energy Foundation.



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About this Report

Business Sustainability in the Great Lakes Region: Pathways for Forging Greater Collaboration presents the findings of a yearlong assessment of the state of business sustainability in the Great Lakes region. The report defines key business sustainability concepts and practices; describes priority issues of concern to Great Lakes businesses; spotlights illustrative actions individual businesses in the region are taking to address those issues; and suggests how they might accomplish greater impact through collaboration. Finally, the report identifies opportunities to forge greater collaboration within and with the business sector to advance sustainability and foster long-term prosperity in the Great Lakes region.

[Meridian Institute](#) and [The Piñero Group](#) prepared this report with the help of the Council of Great Lakes Industries, Council of the Great Lakes Region, and support from the Mott, Erb, and Consumers Energy Foundations. It reflects the project team's synthesis and interpretation of a broad array of information and inputs but is not intended to be a comprehensive assessment of the business sustainability landscape in the Great Lakes region. Rather, the intent is to catalyze further exploration, dialogue, and action.

See Appendix A for background on the project team and Appendix B for details on the assessment methodology.

Table of Contents

	Introduction	4
	Defining Business Sustainability: Key Concepts and Common Practices	7
	Priority Issues of Concern	12
	▪ Availability of Clean Energy	14
	▪ Circular Economy	17
	▪ Workforce Development and Talent Attraction	20
	▪ Water Quality in the Great Lakes	23
	Collaboration Opportunities to Advance Regional Sustainability	26
	Conclusion	40
	Sources	43
	Appendix A: About the Project Team	44
	Appendix B: Methodology	45
	Acknowledgements	48

Introduction

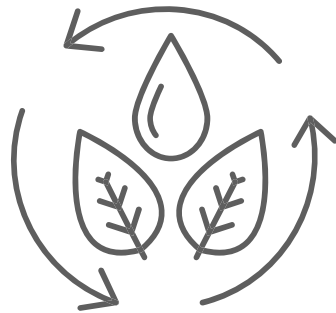


A Unique Region

The natural characteristics and complex network of human and economic activities in the Great Lakes region offer a unique context for exploring and promoting healthy, sustainable relationships between environmental quality, economic vitality, and social values. The diversity of players in the Great Lakes also presents opportunities for collaboration.



A Region of Abundant Assets



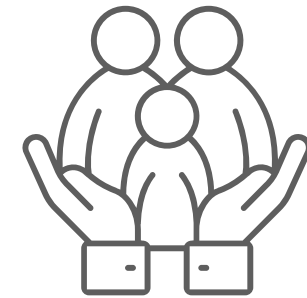
Environment

- One-fifth of the world's fresh surface water supply
- More than 10,000 miles of coastline
- More than 3,500 species of plants and animals
- Abundant raw materials



Economy

- 3rd largest economy in the world
- 30% of the economic activity of the U.S. and Canada
- Nearly 30% of the combined U.S. and Canadian workforce
- Highly-integrated supply chains



Society

- Home to more than 100 million people
- 19 research universities
- Skilled and educated workforce
- Culturally diverse

Defining Business Sustainability: Key Concepts and Common Practices





Defining Business Sustainability

The most frequently quoted definition of sustainability is from [Our Common Future](#), also known as the Brundtland Report: “Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs.” Sustainability consists of three pillars – social equity, environmental protection, and economic prosperity – sometimes referred to in the private sector as “triple bottom line” or “people, planet, and profit.”

Companies adapt and apply concepts of sustainability to their business operations in various ways, but comprehensive sustainability strategies take an integrated approach to the three pillars. Comprehensive strategies aim to mitigate risks to the long-term prosperity of the business as well as risks to its workers, customers, and the communities in which the business operates.

Some entities consulted for this report refer to Corporate Social Responsibility (CSR) and sustainability interchangeably and there are differing views on which is a subset of which. Generally, however, sustainability tends to have a stronger environmental component whereas CSR puts more emphasis on social aspects. The definition underlying this report is broad and should be understood to encompass CSR.

Business sustainability is the range of activities a company undertakes – both internally and externally – to enhance environmental, economic, and social prosperity.

How Do the United Nations SDGs Inform Business Sustainability?

In 2015, the United Nations issued the [Sustainable Development Goals](#) (SDGs). The 17 SDGs represent global goals, and each includes a series of environmental, economic, and social targets.

The SDGs are visionary and aspirational, which makes them difficult for individual companies to translate into practical actions. The SDGs often serve as a useful “true north” on issues businesses care about.

Practical efforts directed toward achieving the SDGs generally focus on the SDG’s specific environmental, economic, or social targets, not the SDGs themselves. This approach is conducive to designing and implementing real projects that collectively but incrementally achieve SDGs.

Of the 25 diverse Great Lakes companies whose sustainability plans the project team reviewed, 63% referenced the SDGs in their public business sustainability materials in some manner. Companies drew on the SDGs to inform vision statements, shape strategic priorities, and/or craft specific goals (see Appendix A for a list of company sustainability plans reviewed).



Source: [UN Sustainable Development Goals](#) (2019)



What Are Great Lakes Businesses Doing on Sustainability?

Companies in the region recognize the value proposition associated with addressing environmental, economic, and social factors in an integrated and visible fashion. The business case for sustainability is motivating a range of companies with operations in the Great Lakes to act, which manifests in a variety of ways.

- **Benchmarking:** Using external standards and evaluations such as [Leadership in Energy and Environmental Design](#) (LEED) green building certification or [International Water Stewardship Standards](#) to guide business sustainability efforts.
- **Community engagement:** Initiating or participating in community engagement efforts around social, environmental, or economic sustainability.
- **Company practices:** Establishing standard company policies for product development, maintenance, management, supply chain management, and other critical activities that incorporate sustainability considerations.
- **Peer-to-peer engagement:** Participating in peer-to-peer information sharing and learning forums, whether regional or industry-specific, that mobilize companies around shared metrics and sustainability goals.
 - Example: SC Johnson became a charter member of the American Cleaning Institute's (ACI) [Charter for Sustainable Cleaning](#).
- **Production or distribution:** Innovating production or distribution processes to increase energy efficiency, reduce water use, and decrease waste.

What Are Great Lakes Businesses Doing on Sustainability?

- **Philanthropy:** Contributing financially to social and environmental organizations.
- **Public policy:** Engaging in the creation or modification of public sustainability policies.
 - Example: ArcelorMittal chairman Lakshmi Mittal has written extensively on global carbon trading policies, including [advocating for global implementation](#) of Europe's emissions trading system or introducing border carbon adjustments to protect competitiveness of their product while contributing to global carbon reduction schemes.
- **Sourcing:** Shifting procurement toward more sustainable materials or energy sources.
- **Sustainability solutions:** Selling products that support a more sustainable lifestyle.
 - Example: Ecolab has incorporated innovative [3D TRASAR technology](#) into its water systems to accurately monitor and control water cooling systems to ensure water and energy savings in its product lines.
- **Volunteering:** Organizing corporate volunteering events or providing incentives for staff to volunteer independently.



These actions taken by Great Lakes businesses are not unique to the region. However, the way they are operationalized in the Great Lakes is based on the characteristics of the region and the challenges it faces.

Priority Issues of Concern



What Issues Are Great Lakes Businesses Concerned About?



The Great Lakes business community is complex and diverse and the regional economy continues to evolve, now with more industry sectors than ever. Companies range from major multinational corporations to mom-and-pop retailers, product manufacturers, and service providers. Some companies work solely with local suppliers; others work with multinational companies with deeply integrated supply chains. Individual Great Lakes companies commonly focus their sustainability goals, strategies, and practices around the following issues: greenhouse gas emissions, energy use, water use, water pollution, waste generation and management, land use, hazardous materials in the environment, the impact of consumer product use, and accrued supply chain impacts.

With an eye toward fostering a more cohesive regional approach, this assessment sought to identify issues that are of priority concern across a diverse range of businesses – those that cut across industrial sectors, business size, specific geographic location – and around which there is noteworthy interest, activity, and therefore potential for collaboration. The following issues emerged as priorities:



Availability of clean energy



Workforce development and talent attraction



Circular economy



Water quality in the Great Lakes

This section characterizes these issues and highlights actions Great Lakes businesses are already undertaking to address them.



Clean Energy: The Challenge

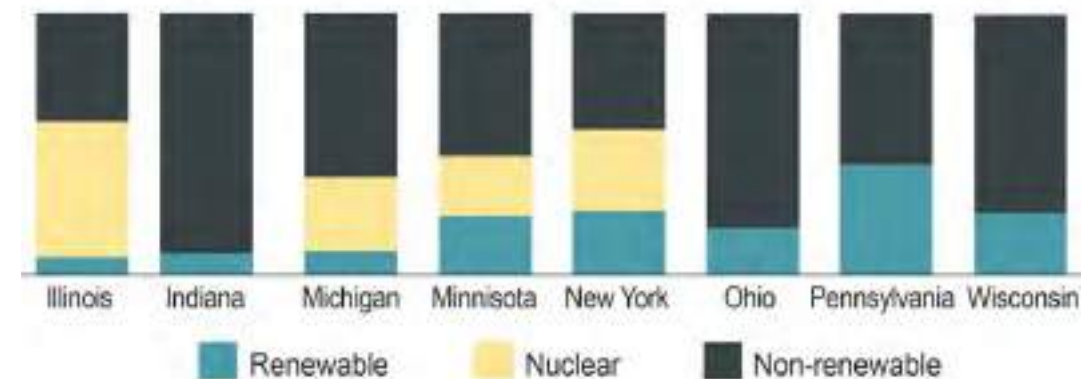
With a range of potential impacts facing the Great Lakes region, mitigating greenhouse gas emissions and adapting to the growing risks posed by climate change is a growing priority for many businesses and industry leaders. The region is already experiencing high temperatures during the growing season and increasing late-season drought conditions, negatively impacting agricultural production. The average surface temperature of the lakes is rising. Outdoor workers are increasingly at risk on high heat days. Warming temperatures are exacerbating the effects of invasive species, pests, and plant disease. Invasive species and pests, such as the zebra mussel and the sea lamprey, have devastated Great Lakes ecosystems, adversely affecting tourism and outdoor recreation businesses dependent on healthy freshwater ecosystems. The increasing likelihood and frequency of extreme precipitation events puts transportation, water, and energy infrastructure at risk.

Many companies and municipalities have made commitments to reduce greenhouse gas emissions or achieve carbon neutrality to mitigate their own contributions to the drivers of anthropogenic climate change. **Ready access to sources of clean energy is critical to meeting greenhouse gas emissions reduction goals.** Yet while clean energy is expanding across the Midwest, as of 2015, coal accounted for 56% of energy production in the region, which translated to 32% of the nation's coal consumption.

“The Midwest is a major consumer of coal...In 2015, the eight states in the region accounted for 32% of the nation’s coal consumption.”

- [Fourth National Climate Assessment](#)

Great Lakes States Energy Generation



Data: [Mapping how the U.S. generates its electricity, Washington Post \(2017\)](#)



Action Spotlight



DTE Energy[®]
Know Your Own Power[®]

DTE Energy is Michigan's largest investor in clean energy sources, primarily wind, solar, and biomass. It generates enough power from clean energy sources to power 450,000 homes. It also offers clean energy subscription services, where business and residential customers can enroll and incrementally increase the percentage of clean energy they use, up to 100 percent. They also allow customers to purchase Renewable Energy Credits (RCEs) to offset carbon emissions.



Owens Corning sources approximately 20% of its facilities' electricity through clean energy sources, including wind, hydro, solar and geothermal. It also developed and installed solar generating energy systems at its Delmar, New York and Toledo, Ohio sites.



Why Collaborate?



Businesses committed to switching to clean energy and reducing their greenhouse gas footprint are more likely to catalyze broader shifts in the energy marketplace of the region by working together and with other stakeholders. While making incremental changes or investments at the facility or individual company scale are important, the scale of the challenge and the private sector's increasing desire to tackle it warrants bolder action across the Great Lakes region. For instance, companies could collaborate to advocate for clean energy-friendly legislation and policies, and/or pressure public and private power utilities to incorporate more clean energy into their portfolios. Businesses could also advocate for innovative solutions, such as large-scale solar battery storage systems or smart distributed energy systems. Because of industry's strong economic influence in the region, close collaboration to advance a clean energy agenda has the potential to significantly move the needle in terms of availability, affordability, and enabling conditions across the region.



Circular Economy: The Challenge

'Reduce, reuse, recycle' has long been a sustainability maxim for companies seeking to minimize waste and their impact on the environment. As conceptions of sustainability have evolved, thinking on managing byproducts and waste has also evolved towards the idea of a circular economy. Circular economies consider ways to minimize waste and reuse materials at every step along the design, production, distribution, and consumption lifecycles of a product. A functional circular economy increases efficiency of resource use through waste reduction and improved waste management. Net-zero waste is one possible goal for a circular economy.

Since companies are responsible for product design, material use and consumption, and waste management and disposal, an effective circular economy model has the potential to reduce waste management costs, improve longevity of production inputs, and maximize material utility and value. **The circular economy is a key 'triple bottom line' sustainability strategy that has the potential to improve profit margins, reduce pressure on diminishing natural resources, and produce societal benefits (e.g., improved environmental quality).**





Action Spotlight



Loop Industries developed an innovative “circular plastics” recycling model, which diverts waste polymers from landfills and chemically deconstructs them into monomers. Using a patented formula, the process takes waste PET and polyester plastics, separates out contaminants, and separates the remaining plastic material into its two monomers without heat or pressure. The monomers are purified to remove color, additives, and impurities, then repolymerized to make new PET plastics. This process decouples polyesters from fossil fuels and reuses the material with no degradation in quality over multiple life cycles.



MolsonCoors installed anaerobic digestion technology at 13 facilities to better manage wastewater and byproducts from the brewing process. Anaerobic digestion is the process by which organic matter is broken down by bacteria in sealed, oxygen-free environments. The process produces biogas that can be used to generate electricity or heat. Incorporating anaerobic digestion into its wastewater treatment process enables MolsonCoors to power its breweries using byproducts from the brewing process itself. The technology produces enough energy to reduce the company’s carbon footprint by 8,623 tons annually, compared to using traditional fossil fuels.



Why Collaborate?

“One key to this new vision of a circular economy is that it is regenerative by design; it is organized to keep products, components, and materials at their highest utility and value at all times.”

- Andrew J. Hoffman,
[*The Next Phase of Business Sustainability*](#)

Operationalizing the concept of a circular economy remains a relatively nascent effort nationally and globally, with nearly endless collaborative opportunities for forging unlikely partnerships, sharing information, and promoting industry-wide innovation in service of a more sustainable future. Complex supply chains require coordinated efforts to change, especially with regard to sourcing raw materials. There are opportunities for data and information sharing around innovations across industries with respect to more resource-efficient product development processes and environmentally-friendly packaging, for example. Furthermore, ineffectively designed circular economies (e.g., poor waste management) can result in negative outcomes for *all* companies and residents in a particular community or region such as degraded water quality, reduced water supply, or lower quality of life. Through collaboration, companies can reshape the system of supply and demand for materials so that it operates at a scale that is more reliable, consistent, and cost-efficient.

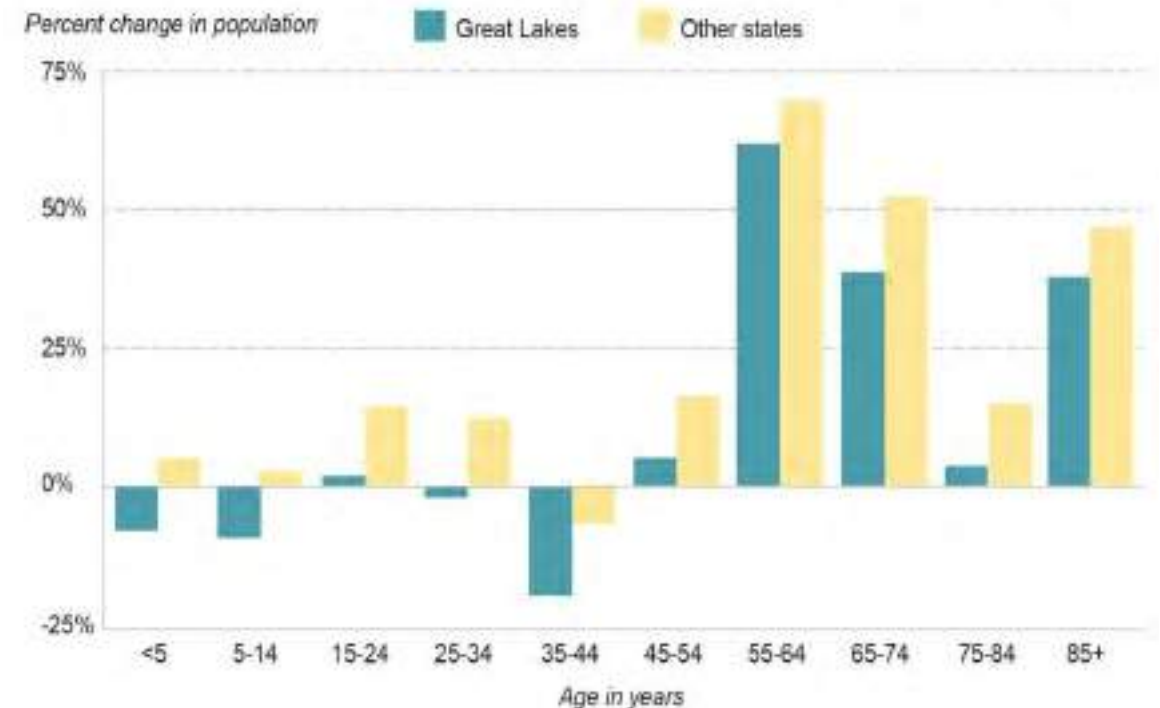


Workforce Development and Talent Attraction: The Challenge

In the Great Lakes region, baby boomer retirements and net outmigration of middle-aged workers means growth in the labor force has slowed to almost zero since 2000. Although companies generally have significant need for blue-collar workers, wages are often too low to boost labor force participation. High-skilled manufacturing jobs in engineering, skilled trades, and production often go unfilled due to: a) gaps in skills and training in the available workforce; b) net outmigration of Generation X high-skilled workers; c) limited ability to attract high-skilled millennial workforce; and d) baby boomer retirement. In addition, middle class workers in many parts of the Great Lakes struggle to maintain a satisfactory standard of living.

Without a strategy to attract and retain workers at all levels, Great Lakes companies will continue to suffer from labor shortages and a lack of qualified candidates to fill vacant positions. **The region's business sector is challenged with reversing negative workforce trends in the face of mounting retirements among an aging workforce.**

Declines in Young People, Slow Growth in Older Groups Combine for Slow Overall Growth from 2000 to 2015 in the Great Lakes vs Other States



Source: [The Future of the Great Lakes Region, Urban Institute \(2017\)](#)



Action Spotlight



Dow's Global Citizenship Program addresses three pillars: workforce, community, and business solutions.

Workforce solutions include supporting educator trainings and professional development goals to bring STEM into the classroom, and a network of STEM ambassadors who conduct outreach into grade schools to encourage STEM engagement. Community solutions encompass investments in communities all around the world with key collaborators such as Habitat for Humanity, Keep America Beautiful, and The Nature Conservancy. Dow also administers a Business Impact Fund, which administers roughly 1,500 business impact grants each year to encourage participation in global citizenship initiatives.



General Motors runs a summer high school internship program, where GM retirees and college students mentor high school students in Detroit, Flint, and Pontiac. These students design and execute community service projects in their communities, ranging from building community garden beds to improving community centers or running at-risk youth programs.



Why Collaborate?



Building a community where people want to live, work, and play requires investment in key services and amenities. Education is at the heart of workforce development. Great Lakes communities and the regional economy can benefit greatly from coordinated private sector investment across all educational levels, from early childhood to university programs. Early STEM education and strong support for local students pursuing technical degrees are effective strategies. Certain individual companies in the Great Lakes are partnering with local schools and colleges in that regard, but a more coordinated approach could pay dividends at a broader regional scale.

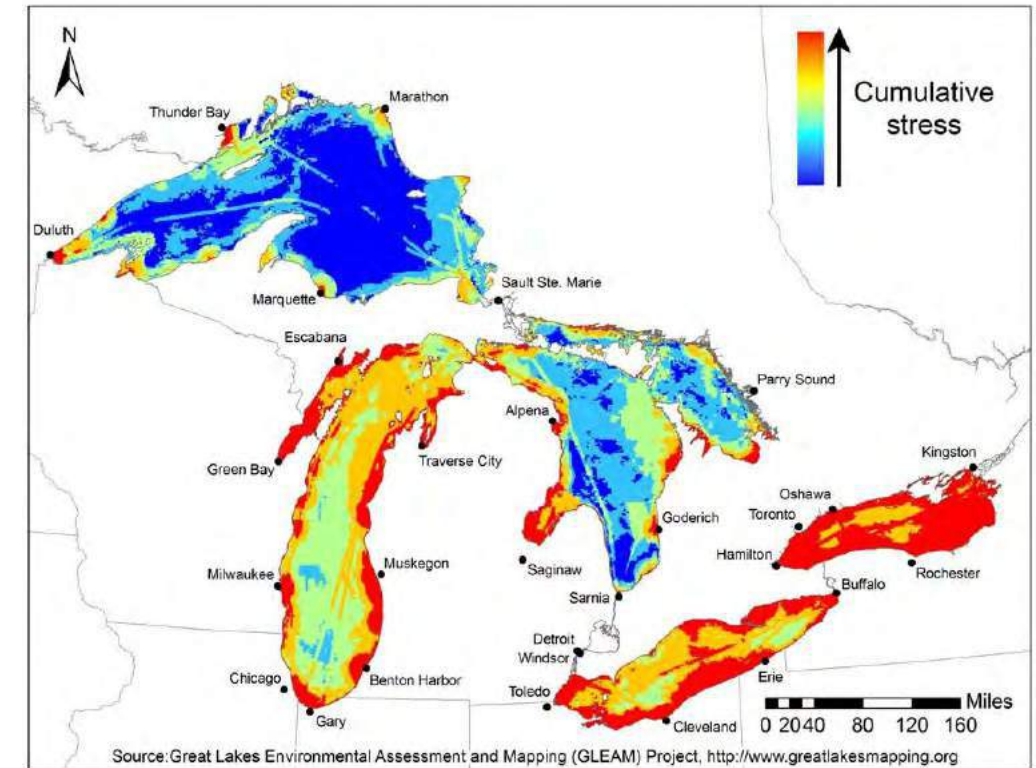
With the region's changing demographics well-understood, investing in low-income communities and communities of color across the region is also critical to building and maintaining a skilled workforce in the Great Lakes. In addition to education, business support for amenities such as recreation centers, parks and open space, and community events strengthen the social fabric and bolster the appeal of local communities for current residents and potential newcomers alike. Companies' activities around workforce development often fall under the umbrella of CSR, which is linked to the social or "people" pillar of sustainability.



Water Quality: The Challenge

The region's most cherished assets – the Great Lakes themselves – are at risk because of ongoing water quality degradation. Many parts of the Great Lakes are increasingly unable to guarantee clean, safe water due to source water pollution, lead contamination, and failing infrastructure. Nonpoint source pollution is a vexing challenge with agricultural runoff, urban stormwater runoff, and combined sewer overflows driving nutrient loading to surface waters. As a result, harmful algal blooms (HABs) in the Great Lakes are becoming an all-too-common occurrence and a warming climate is expected to exacerbate the phenomenon.

Water is a key regional economic driver, with the waters of the Great Lakes directly linked to 2.7 million jobs worth \$150 billion annually. It is critical for many manufacturing processes, the transportation of goods, and the delivery of services. All municipalities and businesses that rely on Great Lakes source water depend on that water being clean enough that it can be treated to meet drinking water regulatory standards. The summer 2014 HAB in Lake Erie crossed that line and effectively stalled Toledo's local economy for three days. Furthermore, water-oriented recreation is a critical quality of life factor that attracts tourists and new residents to the region. Water quality in the Great Lakes is fundamentally linked with quality of life and the challenge of talent attraction that faces the region's business community.



Source: [Great Lakes Environmental Assessment and Mapping Project](#)



Action Spotlight

Nutrien™ Nutrien (formerly Agrium) is a participant in and champion of the 4R Certification Program, which encourages agricultural retailers, service providers and other certified professionals to adopt proven best practices for nutrient application. Nutrient runoff from agricultural usage is a leading cause of water quality issues, such as harmful algal blooms, in the region, and the 4Rs support responsible use: applying the right source of nutrients at the right rate and right time in the right place. Nutrien is developing implementation materials and Great Lakes regional management best practices with industry association and university partners; supporting growers' efforts to develop 4R management plans and selling products that support growers' environmental and social goals; and working with governments to implement the 4R system globally by building and scaling partnerships.



ArcelorMittal

ArcelorMittal partners with the National Fish and Wildlife Foundation and a range of federal agencies on Sustain Our Great Lakes, a partnership with a mission to “sustain, restore and protect the fish, wildlife, and the habitat of the Great Lakes basin by leveraging funding, building conservation capacity, and focusing partners and resources toward key ecological issues.” The partnership awards competitive grants for on-the-ground habitat restoration and enhancement projects, especially those focused on stream, wetland, and coastal habitats. It has distributed \$49 million in grants to date; combined with matched funding from grantees, it has leveraged over \$99 million in conservation investment. ArcelorMittal has contributed \$5.2 million to the partnership. Sustain Our Great Lakes has restored 1,574 stream miles, 34,134 acres of wetland and coastal habitat, 197 miles of stream and riverbank habitat, and removed 199 fish passage barriers, in addition to achieving positive sediment reduction and water quality outcomes.



Why Collaborate

Historically, environmental advocates, regulators, and the general public have assigned industry with responsibility for pollution in the Great Lakes. In large part, that was and remains a fair assessment. Yet today there is a growing understanding of the threats and drivers of water quality degradation, and the solutions that can be implemented to mitigate them. A multitude of local, regional, and national governmental agencies and non-governmental organizations are working hard to protect and restore the Great Lakes. The business sector has a significant role to play in the effort, as water quality poses an increasing material risk to a wide range of enterprises across the region. For instance, many companies use innovative wastewater management practices and/or aim to optimize water use efficiency in their manufacturing processes. However, water quality is a systems-level challenge that requires thinking beyond a company's individual facilities and operations to tackle broader watershed-scale questions and solutions.

With a collaborative approach, companies could help dramatically accelerate and scale up solutions across the region. Together, companies working in good faith with one another and other water quality practitioners and stakeholders have the potential to better assess the broader impact of existing company-level efforts; undertake outreach, communication, and education with consumers about best practices (as with the 4R program); influence water policy; and leverage resources to implement on-the-ground conservation and restoration projects. Such collective action on water quality could not only help sustain the Great Lakes for future generations, it could also influence the reversal of workforce trends in the region by ensuring clean water from “source to sink.” Furthermore, it could reshape the reputation of industry in the Great Lakes with regard to its impact on water quality.



Collaboration Opportunities to Advance Regional Sustainability





A Region Ripe for Greater Collaboration

There is a great deal companies can do individually to advance their own sustainability and that of the communities in which they operate. But to attain the economies of scale necessary to propel the long-term prosperity of the Great Lakes region, a greater level of collaboration within the business community and between businesses and the broader environmental community is critical.

This assessment revealed a broad array of sustainability practices and initiatives in which companies of various sizes and from different sectors are engaged across the Great Lakes region. Meaningful work is happening at specific facilities, in neighboring communities, and within particular sectors and states. **All of this work is important. However, for the most part, it is disconnected and not driven by a common strategy or sense of purpose tied to the region's natural resources, economic power, and governance structure.**

Operating in a unique region with myriad assets – some of which are at serious risk – business leaders in the Great Lakes have an opportunity to work synergistically and create shared value in ways that align with the business case for investment in sustainability.

“Going beyond the supply chain, companies also look to novel partnerships outside standard modes of shifting the market, including nonprofit organizations, the government, competitors, and seemingly unrelated companies.”

- Andrew J. Hoffman, [*The Next Phase of Business Sustainability*](#)



Conditions for Collaboration

Business sustainability strategies are invariably intended to create or preserve value – for the company, for the ecosystem, and for the community. So why do companies agree to work collaboratively with other companies and non-business partners to achieve progress on sustainability goals? This assessment illuminated the following conditions that appear critical to compelling collective business sector action around sustainability issues.:

- **Collaborators share common concerns of special regional significance.** The key to bringing companies together to work collectively toward sustainability goals is to focus on acute and/or systemic issues of regional significance that are of concern to a diversity of companies, either because they pose risk or create opportunity.
- **Issues are “mission-critical” to companies.** Risk mitigation is a fundamental aspect of any company’s operations. Issues perceived to pose mission-critical risk, and that are therefore ripe for collaboration, typically either: a) affect a company’s “bottom line” or a company’s ability to make and deliver products and services in accordance with its business strategy; b) are significant to customers, or influence the potential to serve new customers or develop new markets; and/or c) have significant potential to influence public perception of a company or business sector.
- **Collaborators perceive a realistic opportunity to “move the needle.”** Business sustainability strategies and practices developed through collaboration must be action-oriented and geared toward clearly defined, measurable outcomes. Collaborators must have confidence that the effort involves practical mechanisms for sustained action that will “move the needle” on an important regional issue. For these reasons, companies tend to be interested in specific on-the-ground projects with concrete anticipated outcomes.



Conditions for Collaboration

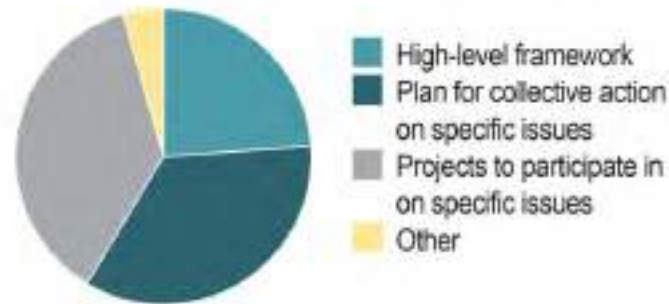
- **Collaborators understand the value proposition for collective action.** Companies must clearly see how partnering with other businesses and stakeholders will enable larger-scale impact than one company can achieve on its own. This may require showing how an endeavor will leverage resources (of various types) contributed by multiple partners. In some cases, collaboration is essential because individual companies cannot produce desired outcomes unilaterally.
- **Collaborative process is “business-driven.”** For companies to engage in collaborative sustainability endeavors, goals and activities need to clearly attend to private sector needs and concerns associated with focal issues. This does not necessarily mean the process must be led or owned by business. By contrast, engagement with government and non-governmental stakeholders and initiatives is critical and desired. But the collaboration should allow for and reflect meaningful business sector influence.

Generally, issues that enable companies to “do good” in the community while simultaneously achieving business objectives, sustainability goals, or other internal metrics are especially ripe for collaboration. Ensuring the conditions outlined here are met from the outset will provide a strong foundation for proactive collaboration and enhance the likelihood of meaningful engagement among companies and with other stakeholders outside the business sector to solve sustainability challenges.

Collaboration Design Considerations

Figure 1

Most Useful Type of Product



In addition to the aforementioned conditions for collaboration, the nature and design of the collaborative process are also important considerations for securing and sustaining participation. In other words, what will participants be working toward? And, how will they work together?

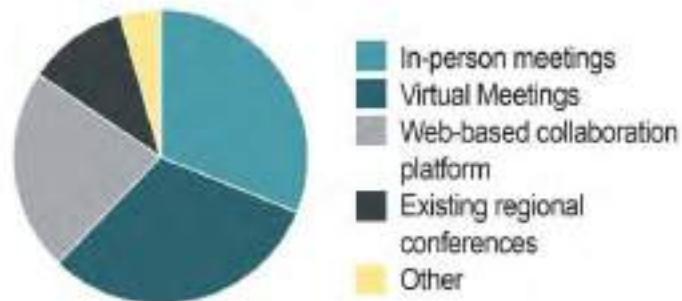
Mechanisms for collaboration must be **focused, efficient, and transparent**. Like all businesses, Great Lakes companies are highly competitive and focused on growth and profit. Financial resources and staff time are limited and applied strategically. Business sustainability initiatives must compete with other strategic business activities for investments of personnel and money.

Successful sustainability collaborations must recognize these business world realities and be designed to be focused and efficient. Participants need to have opportunities to set shared expectations through articulating specific desired outcomes and setting realistic goals.

Respondents to a survey conducted as part of this assessment strongly indicated a preference for developing projects around specific sustainability issues in which companies and others can participate, or plans for other types of collective action on specific issues (see Figure 1). Furthermore, survey respondents indicated that virtual meetings, in-person meetings, and web-based platforms are the most appealing mechanisms for collaborating on business sustainability challenges facing the region (see Figure 2). Any future initiatives aimed at forging greater collaboration around business sustainability in the Great Lakes region would be wise to consider these process design preferences.

Figure 2

Most Appealing Mechanisms for Collaboration



Forging Greater Collaboration: Opportunities

This assessment revealed a number of potential pathways and applicable models for forging greater collaboration within the Great Lakes business sector to address sustainability challenges facing the region. They vary in complexity, scale, and likely level of effort but all have the potential to create greater connectivity among companies and other key players who are committed to fostering the long-term prosperity of the region. The balance of this section describes the following opportunities derived from the research, consultations, and relevant experience that informed this assessment:

- ① Build relationships between existing sub-regional business sustainability networks;
- ② Create new pathways for business engagement in existing regional collaborative forums; and
- ③ Adapt and apply business-oriented collaboration models to the Great Lakes region.



Forging Greater Collaboration: Opportunities

① **Build relationships between existing sub-regional business sustainability networks.** The region is home to several state-based sustainable business forums that are convening and supporting companies in their pursuit of sustainability goals, and in addressing some of the priority issues outlined in this assessment. This includes organizations such as the [Minnesota Sustainable Growth Coalition](#), [Wisconsin Sustainable Business Council](#), [Illinois Green Business Association](#), [West Michigan Sustainable Business Forum](#), [Southeast Michigan Sustainable Business Forum](#), [Ohio Sustainable Business Council](#), [Northwest Pennsylvania Green Economy Task Force](#), [Sustainable Upstate Network](#) (New York), and the [Network for Business Sustainability](#) (Ontario).

While the governmental, economic, environmental, and social heterogeneity of the region warrant organizations operating at the state or provincial scale, the missions and foci of these groups are clearly synergistic. Opening channels of communication for information sharing about programs and practices could lead to stronger alignment and greater impact both within Great Lakes states and across the region. A potential starting point would be to share information about action around clean energy, circular economy, workforce development, and/or water quality.



Forging Greater Collaboration: Opportunities

② **Create new pathways for business engagement in existing regional collaborative forums.** Great Lakes companies have long recognized the value of partnering to achieve social and sustainability goals. Partnerships with other companies, NGOs, or government entities can bring credibility to sustainability activities and help companies engage stakeholders they otherwise may not be able to reach. Regional associations such as [Council of Great Lakes Industries](#) and the [Council of the Great Lakes Region](#) offer existing collaborative forums where sustainability challenges and solutions may be explored across industry sectors. The [Great Lakes Commission](#) (Commission) is an established regional government entity grounded in collaboration among government executives, agency personnel, and legislators focused on protecting and enhancing the region's economic prosperity and environmental health. The Commission has the authority to define policy that could foster enabling conditions for business sustainability initiatives. Additionally, the [Conference of Great Lakes and St. Lawrence Governors and Premiers](#) offers a venue for business leaders to speak directly with influential government decision makers about how to balance economic development and environmental quality.

Creating new and attractive pathways for business interests to engage more deeply on sustainability through these existing forums is a clear need and desire among a range of private, public, and non-governmental stakeholders in the region. To be successful, such engagement must be grounded in common purpose and a recognition of the mutually-beneficial sustainability outcomes that can come from cross-sector collaboration.

Forging Greater Collaboration: Opportunities

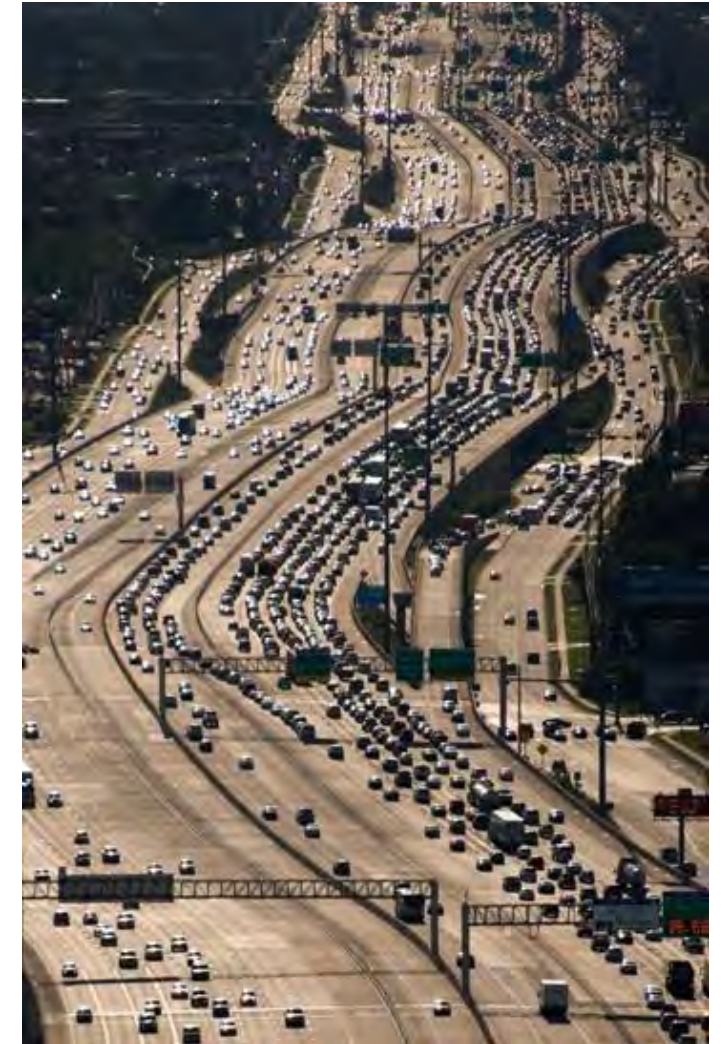
- 3 Adapt and apply business-oriented collaboration models to the Great Lakes region.** While a variety of collaborative forums exist across the region that offer companies opportunities to share information, learn about best practices, and influence public policy, there are few if any focused on coordinating and implementing the kind of collective action necessary to address the most pressing issues of concern to the business community. In addition, companies tend to lack the coordination to develop and use common indicators or metrics to track progress, something which increased coordination has the potential to improve. There are action-oriented private sector models making a difference elsewhere in the United States that could be adapted and applied in the Great Lakes. The balance of this section will highlight models that offer applicable elements or frameworks with the promise to create collaborative, action-oriented forums for businesses in the region to work together and interface with non-business partners and other relevant initiatives focused on priority issues. Highlighted in particular is the U.S. Business Council for Sustainable Development's (US BCSD) synergy platforms, as the model seems most aligned with the attributes preferred by stakeholders consulted through this assessment.

Ten Across



[Ten Across](#) is a platform for information exchange and purposeful construction of strategic partnerships around critical societal issues, including: globalization, land use, water, immigration, mobility, energy, resilience, and governance. Spanning the U.S. Interstate 10 corridor across the southern transect of the nation, the collaborative initiative engages states, cities, landscapes, institutions, corporations, disciplines, and media formats to undertake joint projects and propel systems-level change. The University City Exchange operates Ten Across out of Arizona State University, where the project originated, and the full-time staff with Ten Across are funded out of this project hub.

With a focus explicitly on the U.S. Interstate 10 corridor and companies being a relatively minor player, Ten Across is not *directly* applicable to advancing business sustainability in the Great Lakes region. However, the initiative does model how diverse interests can collaborate effectively across states and disciplines at scale, which could be instructive for the Great Lakes as a comparable cross-state, cross-border region. Since it is housed in an academic institution, establishing a model similar to Ten Across in the Great Lakes would require close partnerships with businesses to ensure corporate buy-in and participation.



US BCSD Synergy Platforms



[US BCSD](#) platforms provide ongoing venues for stakeholders, particularly industry, to collaborate and act on issues of common concern. The model is business-driven. Working under a US BCSD platform, a group of businesses and other interested stakeholders define critical needs for business action in sustainability within a topic and/or geographic area, and then develop and jointly fund the implementation of collaborative projects with the help of US BCSD or contracted facilitators. In essence, the platforms serve as issue-focused think tanks with an action emphasis.

Although the US BCSD model can be applied to any issue, its existing platforms for **water, circular economy, cities, and ecosystems** are easily deployable in a range of geographies. To date, US BCSD has applied the water platform successfully in Louisiana and is replicating the model in the Houston and Saint Louis areas. The circular economy platform offers resources and project opportunities around engaging supply chains; carbon accounting; cross-state regulatory harmonization; and identifying and capturing at-risk resources. It could provide a forum for bringing together diverse players working to advance regional implementation of the circular economy. US BCSD has expressed interest in supporting platform applications in the Great Lakes region for water as well as circular economy. There is also potential to create a platform focused on clean energy.

US BCSD Synergy Platforms



Source: [NASA Earth Observatory](#)

Louisiana Water Synergy Project

The US BCSD model is business-driven, action-oriented, and designed to facilitate collaboration with non-business stakeholders. In Louisiana, the US BCSD works with 20 diverse companies in the lower Mississippi River Basin to address water supply, quality, storm water, and coastal resilience risks through collaborative projects that range from policy recommendations to wetlands restoration to partnerships with state agencies to develop new water quality trading standards. The companies have partnered with collaborators such as the Water Institute of the Gulf, the University of Virginia, and Restore the Earth Foundation to implement projects focused on collaborative funding for coastal resilience risks, technology-based outreach and communications strategies, and land restoration.

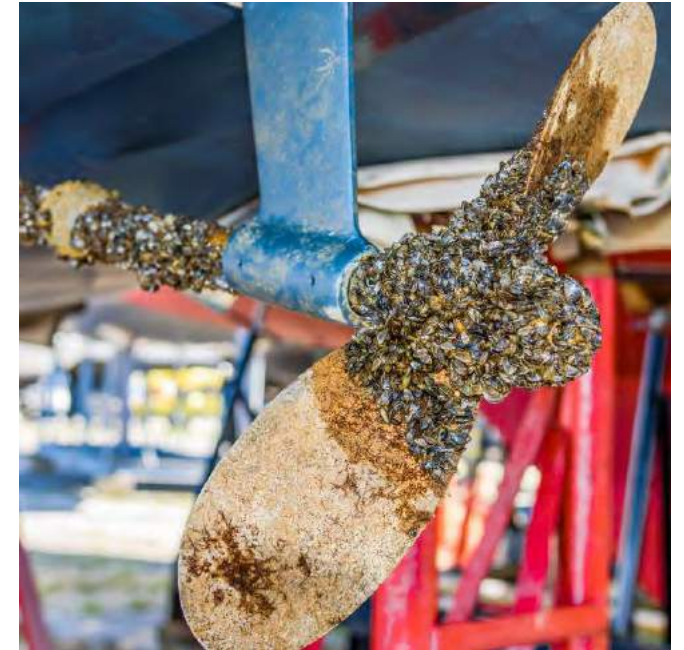
Water Platform Application



Any application of the US BCSD water platform in the Great Lakes region ought to be designed to interface with and complement ongoing initiatives. Myriad opportunities for collaboration exist as the region is home to a highly active and well-organized network of organizations working on water issues. The [Great Lakes Business Network](#) involves business sector participation. Initiatives including [Blue Accounting](#) and the [Healing Our Waters Coalition](#) offer opportunities for greater interaction between government and NGO stakeholders, and business representatives.

In particular, Blue Accounting offers ripe opportunities for synergy with a regional incarnation of the US BCSD water platform because it is also inherently a vehicle for collaborative problem-solving on a regional scale. A joint initiative of The Nature Conservancy and the Great Lakes Commission, Blue Accounting offers a platform for collaborative goal-setting and an open-source approach to tracking investments and monitoring the impact around five key water issues in the Great Lakes – aquatic invasive species, coastal wetlands, maritime transportation, phosphorus control, and source water protection. Presently, participation in the innovative initiative is largely limited to researchers, NGOs, and government, but the desire and opportunities to engage more deeply with the business sector exist.

A US BCSD-led group could interface constructively with Blue Accounting in several ways: a) as a partner in the overall effort; b) by drawing information from the platform to inform project design; c) by collaborating on monitoring and evaluation of implemented projects; d) to gain visibility for projects spawned from the US BCSD group.



Circular Economy Platform Application



A compelling basis for application of the US BCSD platform also exists in the region. The circular economy is a high sustainability priority of many companies, and is also a key focus of organizations like the Council of the Great Lakes Region, Minnesota Sustainable Growth Coalition, and West Michigan Sustainable Business Forum. Currently US BCSD leads the [Michigan Materials Marketplace](#), a collaborative network that connects businesses to develop and scale new reuse and recycling opportunities within the state of Michigan. Approximately 60 companies are already participating to find practical ways to save money, improve supply chain resilience, and generate value through reusable materials. The Michigan Marketplace model could be replicated in other Great Lakes states and provinces, with different instances potentially linked via a circular economy synergy platform for broader, interstate information sharing. Creating such a multi-layer network would facilitate scaling up the circular economy across the region.

Additionally, the [U.S. Chamber of Commerce Foundation Corporate Citizenship Center](#) is partnering with Navigant on an Economic Impact of the Circular Economy research initiative that will highlight the economic and environmental value of the circular economy in the Great Lakes region. The initiative will evaluate how companies operating within the agricultural sector can translate circular opportunities into business best practices that unlock new growth, competitiveness, and innovation. This Great Lakes-focused study has the potential to serve as a model for a broader, national assessment.

Conclusion



Closing Thoughts



As one of the most populous regions in North America, an economic powerhouse, and home to the largest source of freshwater in the world, the bi-national Great Lakes region is truly unique. Yet shifting demographics, an evolving economy, and threats to its natural resources present serious challenges that put the region's long-term prosperity at risk. Many companies recognize the business opportunity associated with confronting such challenges and are doing so proactively. Much meaningful work is happening around business sustainability across the region, but for the most part it is not connected across companies, sectors, and political boundaries. Collaboration within the business sector and between businesses and outside partners has the potential to achieve environmental, economic, and social outcomes at economies of scale individual companies cannot attain working independently.

This assessment shows that the Great Lakes region is fertile ground for greater collaboration around priority business sustainability issues. Opportunities exist to connect ongoing private sector activities and for companies to engage with and strengthen ongoing governmental and non-governmental initiatives. Moreover, business-driven collaboration models applicable to Great Lakes are available for adaptation and implementation.

Closing Thoughts

Important questions remain and much work lies ahead to forge greater collaboration and build a cohesive region-wide business sustainability strategy linked to the region's natural resources, economic power, and governance structure. Hopefully the findings and ideas presented here illuminate potential pathways forward and will catalyze the dialogue and action needed to pursue that vision.

Strategic Questions for the Path Ahead

While the findings of this assessment hint at potential answers, forging genuine, regional-scale collaboration will require further in-depth exploration of the following questions:

- Which companies or other funders are willing to invest in catalyzing further action?
- Which priority issues are most likely to motivate a critical mass of companies to come together?
- Which collaboration opportunities presented resonate and have the most potential for implementation?
- Which businesses are willing to pioneer on regional-scale collaboration?
- What role can state and regional government leaders play in creating an atmosphere for greater collaboration around business sustainability?
- What entity is best positioned to serve as a convener to facilitate future dialogue and collective action?

Sources

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- [Great Lakes Environmental Assessment and Mapping \(2019\)](#)



Appendix A: About the Project Team



Meridian Institute
Connecting People to Solve Problems

[Meridian Institute](#) is a 501(c)(3) organization that helps people solve complex and controversial problems, make informed decisions, and implement solutions that improve lives, the economy, and the environment. We design and manage collaboration, providing facilitation, mediation, convening, and strategic planning services. Drawing from over two decades of experience, we help people develop and implement solutions across a wide range of issue areas, including climate change and energy, agriculture and food systems, oceans and freshwater, forests, and health. As an objective third-party, we bring people together to listen to one another, build trusted working relationships, and forge consensus.



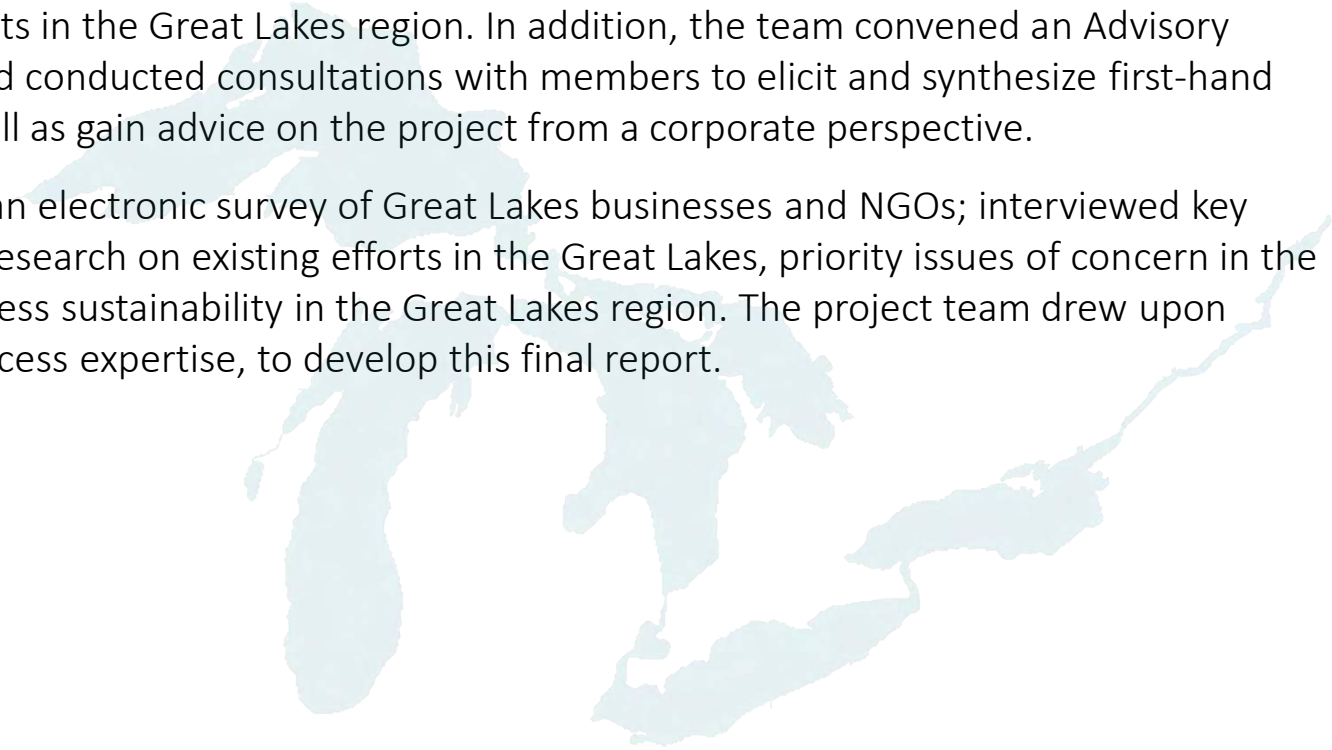
[The Piñero Group LLC](#) provides consulting services in the areas of sustainability and natural resource management. We focus on the strategy and management aspects on how to most effectively make the business, environmental, and social impact case for leveraging sustainability and ecosystem services. Whether it is advising on how to integrate these concepts into organizational strategy, providing ideas on specific best practices, or offering techniques for measuring and reporting performance, The Piñero Group leverages over three decades of experience in the private and public sectors to provide solutions. We are also part of several coalitions of experts, allowing us to draw upon additional decades worth of varied expertise.

Please contact Brad Spangler (bspangler@merid.org) or Ed Piñero (ed.pinero@thepinergroup.com) with inquiries about this report.

Appendix B: Methodology

The project team centered this assessment around companies with headquarters or operations in the bi-national Great Lakes region including the states of Minnesota, Wisconsin, Illinois, Michigan, Indiana, Ohio, Pennsylvania, New York, and the provinces of Ontario and Quebec. The team initiated the project by conducting desk research on the concept of business sustainability and assessing publicly available sustainability plans of a selection of 25 Great Lakes companies. The team developed an initial internal discussion paper characterizing the attributes of corporate sustainability efforts in the Great Lakes region. In addition, the team convened an Advisory Group of key business sustainability leaders in the region and conducted consultations with members to elicit and synthesize first-hand perspectives on the practice of business sustainability, as well as gain advice on the project from a corporate perspective.

For the second phase of work, the project team conducted an electronic survey of Great Lakes businesses and NGOs; interviewed key non-business stakeholders; and conducted additional desk research on existing efforts in the Great Lakes, priority issues of concern in the region, and models that may be applicable to advance business sustainability in the Great Lakes region. The project team drew upon these inputs, and our own substantive and collaborative process expertise, to develop this final report.



Appendix B: Methodology

Companies Reviewed

The project team analyzed publicly-available materials (e.g., webpages, corporate social responsibility reports, and business sustainability reports) from 25 selected companies with operations in the Great Lakes. The companies ranged in size and ownership type (private or public) and represented various industry sectors (utilities, industrial manufacturing, materials development, health care, pharmaceuticals, research and design, and food and agriculture).

3M

Industrial Engineering and Transportation

American Electric Power

Utilities

ArcelorMittal

Metals

The Archer Daniels Midland Company

Food

Baxter International Inc.

Health

Cleveland-Cliffs, Inc.

Mining

Dow

Chemicals

Ecolab Inc.

Materials

Enbridge Inc.

Energy Infrastructure

Kimberly-Clark Corporation

Paper

Kohler Co.

Home Appliances

Mars, Incorporated

Food

Masco Corporation

Personal Home Goods

Nestle Waters North America, Inc.

Beverage

Nutrien

Agriculture

Owens Corning

Construction and Materials

Pfizer Inc.

Health

Rockwell Automation, Inc.

Electronics and Equipment

S.C. Johnson & Son, Inc.

Personal and Household Goods

Suez North America

Water

Tenaska Inc.

Oil and Gas

The Molson Coors Brewing Company

Beverage

TRW Automotive

Automotive

United States Steel Corporation

Metals

The Whirlpool Corporation

Electronics and Equipment



Appendix B: Methodology

Stakeholders Consulted

The project team consulted directly with and benefited greatly from the insights shared by the following individuals:

Joel Brammeier

President and CEO
Alliance for the Great Lakes

Kathryn Buckner

Executive Director
Americana Foundation
(formerly of Council of Great Lakes Industries)

Lindy Coady*

Chief Sustainability Officer
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(retired)

Mark Fisher

Chief Executive Officer
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Davor Grgic*

Consultant, Former Chief Information
Officer and Vice President, Sustainability
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Linda Hilbert*

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Jim Lively

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Groundwork Center for Resilient
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Jessy Servi Ortiz

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Nelson Switzer*

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Loop Industries, Inc.

Helen Taylor

State Director, Michigan
The Nature Conservancy

Emilio Tenuta*

Vice President, Corporate
Sustainability Ecolab

Mark Weick*

Lead Director, Sustainability and
Enterprise Risk Management
The Dow Chemical Company

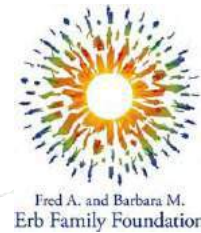
*Advisory Group participant



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Our Advisory Group participants and other leaders in the region who spoke with us and provided valuable guidance and insights during the course of the project.

[Weirdesign](#) for assistance with the design of this product.