

good companies embrace ecodesign-led leadership

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Just like good leaders need good managers, good companies need ecodesign. This article presents the case for all companies, irrespective of size, location or sector to embed ecodesign thinking in the heart of their business strategy.

There has never been a better time for companies to embrace ecodesign. Yes, the traditional approach when the economy begins to slow down is to cut the budget or reduce investment in those 'optional extra activities such as design'. However, ecodesign is not an optional extra. It is paramount to long-term success.

"The only businesses around in 20 years time will be green and sustainable businesses"

Richard Branson, Virgin, 2008

In recent years, the environment has become central to the strategy of many successful global businesses such as Herman Miller and Interface. It is well evidenced that if Wales is to successfully compete in the global economy, the adoption of ecodesign thinking and practices as a sustainable competitive core value within Welsh companies is vital.

So what is design and ecodesign?

Design is the functional means by which the creative assets of a company, which are a necessary condition for innovation, are channelled for competitive advantage. There is a growing body of evidence linking good design to company performance. Designers have a key role in interacting between industry and its clients, and in directly influencing client behaviour.

Ecodesign is a strategic design management process that is concerned with reducing any negative environmental or social impacts over the life cycle of products and services. This involves assessing, prioritizing and then designing out problems and developing new solutions. These can range from specifying renewable materials, reducing the energy during usage to innovating the business model. Crucially ecodesign can directly make a difference to the bottom line through reducing costs, assisting with legislative compliance, increasing innovation, attracting investment, improving brand position and enhancing business communications.

Numerous studies, including a recent one by Envirowise, have consistently indicated that 80% of a products environmental impact is determined at the design stage. By challenging the status quo, ecodesign plays a key role in the global move towards a more sustainable economy.

In simple terms, **ecodesign is good design and good business practice through the adoption of a holistic life cycle thinking approach**, which extends the vision of design beyond traditional boundaries of production and use.

Ecodesign requires strong leadership, across the organisation, both top-down and bottom-up. It requires a strategic perspective that looks beyond the current economic crisis. Companies need to identify and focus on the many opportunities that are being presented now and that will be presented in the long-term.

There are many challenges. Ecodesign needs stronger support from international government on issues such as true life cycle costs, and creating a level playing field, while not everyone or every company embraces change. Yet, the options are to:

- a) change through embracing ecodesign and grow, or
- b) remain the same and fail to compete globally

Life cycle thinking is not just about assigning responsibility to one 'ecodesign champion' – everyone must take personal responsibility. It needs to become inherent to the company culture. This requires moving away from a culture of 'let someone else deal with it', whether that is a fellow employee, government, the consumer or the supplier. Collective responsibility requires collective action. There are parallels with the concept of distributed leadership, with the leadership function being shared amongst those with the skills, ability and experience for the benefit of the wider organization.

Like good leadership, ecodesign requires confidence, trust, integrity, motivation, strong values, willingness to challenge, passion to make a real difference and the competencies and capabilities to get the results. It requires strong knowledge sharing networks, strategic partnerships and a willingness to embrace change.

Who are the industry leaders?

Herman Miller, Interface, Philips, Xerox, Ecover and **Innocent** to name but a few have all reaped enormous benefits from taking a proactive approach to ecodesign and life cycle thinking. In Wales companies such as **howies** have led the way in ethical branding and product development.

Recently the Ecodesign Centre (EDC) designed and delivered an innovative 12-month Ecodesign Support Package (ESP) that directly benefited four SMEs in Wales: **The Knobbly Carrot Organic Food Company, Global Laser, Orangebox and G24 Innovations (G24i)**. The package allowed the companies to successfully embed ecodesign and life cycle thinking in their business activities and the results clearly demonstrate that implementing ecodesign represents good business sense and practice.

Stephanie Bond, **founder of** the Knobbly Carrot Organic Food Company, a micro-SME, believes the ESP has brought vast benefits to her company: **“Now we really walk the talk”**, Stephanie says. **“Now everything we do is organic and as eco-friendly as possible. We have reduced waste, packaging, energy use and food miles. We want to communicate this to our customers, and our new branding reflects what we do and think.”**

Through the ESP, the Knobbly Carrot developed a new lightweight packaging for their existing range of organic soups alongside an overhaul of their brand and communications strategy and greener logistics. The company’s new pouches will shrink the containers carbon footprint by **44 per cent** and represent a **57-percent reduction** in the total environmental impact in comparison with their old packaging. They aim to become the market leader for fresh soup in Wales and significantly raise their profile across the UK.

Global Laser, a small-sized SME, was selected as the representative from the electrical and electronic equipment sector. During the project they focused on creating a new energy efficient laser diode that uses **50 per**

cent less energy than other products in their range. They have also developed a new communication strategy around this green flagship product to differentiate from their competitors. Chris Price, Design Engineer from Global Laser explains the link between the implementation of ecodesign and the new company strategy: **“Global Laser's strategy is currently under review which makes it a perfect time for this program to happen. Applying the ecodesign philosophy can only benefit the company as environmental attitudes within our markets change. This proactive approach helps us gain a competitive edge until our competitors embrace the same principles in their designs and concepts”**.

Orangebox, a medium-sized SME who design and manufacture contemporary office furniture, represented the manufacturing sector. As a forward thinking business, they aim to become the first UK company in their sector to obtain the **Cradle-to- Cradle** (C2C) accreditation. They have developed an environmentally superior “task chair” and have also initiated a program of research and capacity building with support from EDC around the potential for an end-of-life (EOL) system to support any C2C activity in the company.

Luke Palmer, Designer from Orangebox describes how the ESP enabled the development of critical environmental policies and practices in the company: **“The ESP has enabled the development of our proactive end-of-life policy and this has already visibly changed the way we do business. We now have dedicated recycling plant with qualified staff, WAMITAB certificates, a waste carrier’s license and recycling permits, and we’re engaging our customer upfront on issues that deal with future product ownership. React, recycle, re-use = end-of-life”**.

Completing the successful list of companies was solar panel manufacturer G24i. As part of a capacity building exercise, training on **life cycle assessment (LCA)** was delivered for key staff at the company. The ESP activities have put G24i in a better position to communicate to strategic manufacturing partners along with supporting their current and future ecodesign activity. **“Ecodesign is at the very heart of G24 Innovations’ strategy. Our goal is to produce products which are environmentally friendly to manufacture, more effective in what they do and easier to dispose of at the end of their life”** said Eliot Abel, Sustainability Programmes Manager at G24i.

The future for these companies is bright. They have started their journey into putting ecodesign and sustainability at the heart of their strategy

and embraced a cultural change. They are now communicating these ecodesign benefits internally and externally to suppliers, customers and wider stakeholders. The direct benefits in terms of revenue will become clearer in the coming years.

EDC hope that these SMEs will inspire the next generation of ecodesigned Welsh companies.

About the Ecodesign Centre (EDC)

Established in 2006, EDC is an **Applied Research Organisation** that aims to build capacity and capabilities to enable effective **ecodesign**. Based in Cardiff, EDC was recently designated a Centre of Expertise by the Welsh Assembly Government (WAG) and is recognised as the 'voice' of, and knowledge base for, ecodesign in Wales.

For more information please visit www.edcw.org.