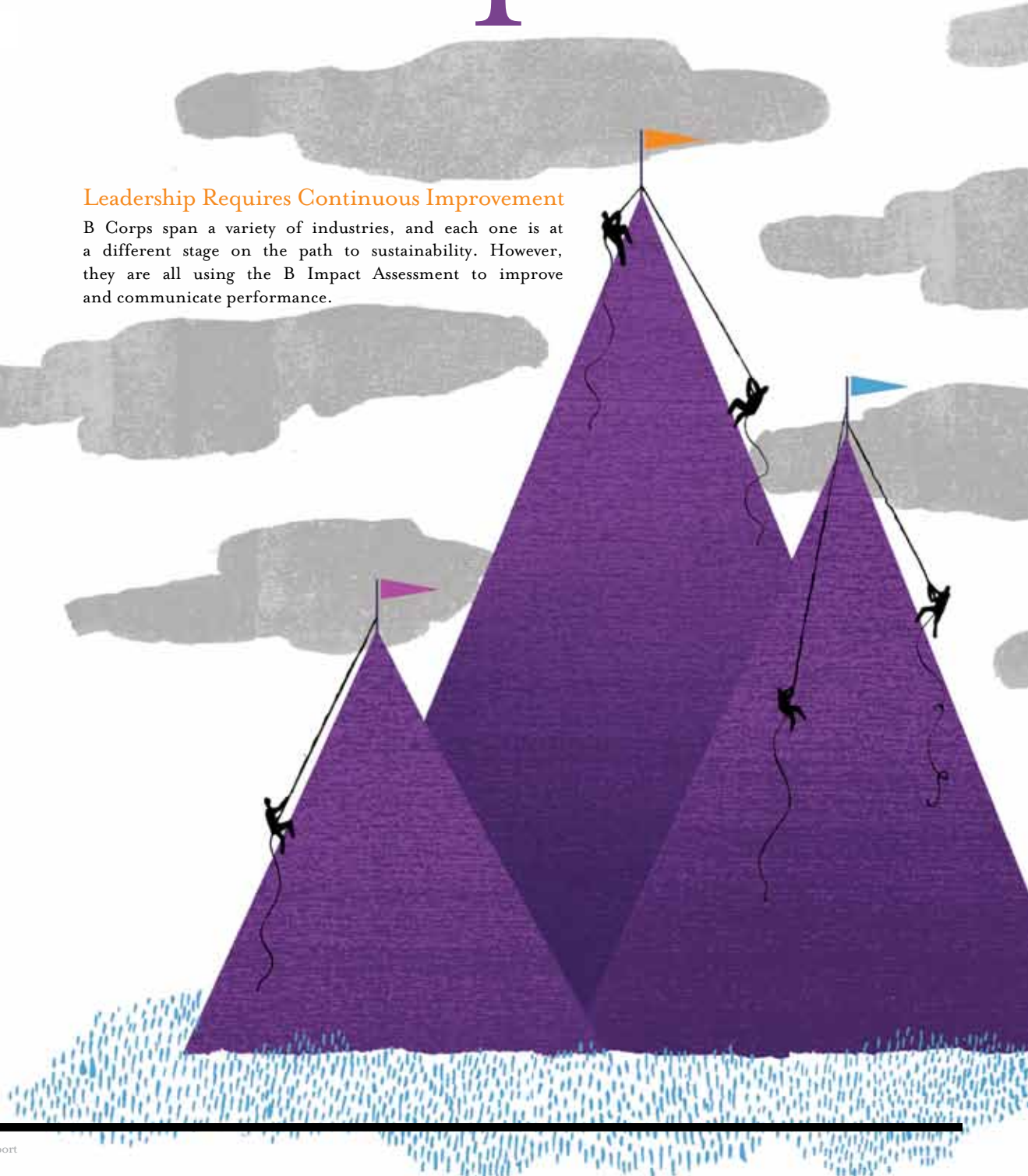


Race to the Top

How Benchmarking Performance Leads to Continuous Improvement

Leadership Requires Continuous Improvement

B Corps span a variety of industries, and each one is at a different stage on the path to sustainability. However, they are all using the B Impact Assessment to improve and communicate performance.



Reaching to Achieve Certification

Norwood Marble and Granite provides residential and commercial stone and tile fabrication and installation in the Mid-Atlantic region. When Norwood first applied to become a B Corp, its B Score of 72.9 fell short of the minimum (80) required for certification. However, the company was committed to becoming certified. Using the B Impact Assessment as a guide, it implemented several key changes over the course of a year, increasing its score by 13 percent. Today, Norwood and its 35 employees are proud members of the B Corporation community with a score of 82.4.

Improving water efficiency in its manufacturing process was a triple winner for Norwood. The company uses thousands of gallons of water per hour in its manufacturing process, but only a fraction was being recycled because of an inadequately sized system. Norwood invested in a second-hand system with three times the capacity and resold the previous system, which offset the cost. Today, Norwood recovers 98 percent of the water used in its manufacturing process. The more efficient system saves \$500 per month in electric bills and \$10,000 per month in water bills. The change boosted Norwood's B Score, getting it halfway to certification, and more importantly, now prevents 1 million gallons of surface run-off monthly, creating savings for the municipality and the company.

"We found the assessment tool even more valuable than a measure. It reads like a manual; in every section there are lessons that a company can learn."

To earn the remaining points needed for certification, Norwood worked with B Lab's Standards Team to implement several other policies and programs to improve its overall social and environmental performance. These included creating a community service program that gives employees time off to volunteer, extending maternity leave, and creating an employee working group to identify further areas for improvement. These changes, which earned the company a 3.6-point B Score increase, will preserve Norwood's values as it grows and its management changes over time.

According to Executive VP John King, the increased focus on sustainability has improved employee morale. Sharing goals and becoming involved in the greater Washington, D.C., area has brought new energy to the work environment. "Immediately there was a team emphasis on, 'What can we do as a company to conserve and further protect the environment?'" says King.

Norwood is still in the early stage of improvement, and it has big plans for the future. "We're looking at every single aspect of the company," King says. Next up is minimizing machinery's energy consumption. The goal is to simultaneously lower costs and Norwood's carbon footprint. These savings will be reflected both by a 2-point increase in their B Impact Score and a marked improvement in the financial and environmental bottom line.



Starting Score **72.9**

	Point Increase	Total Score
Redesign corporate mission to include commitments to social and environmental impact; create specific instructions on it during employee training and establishing an employee working group to oversee social and environmental performance	+2.1	75
Write and implement policies to give employees time off for community service, paid time off to vote, and a minimum bar for corporate charitable giving	+1.8	76.8
Support local economies by implementing a Local Purchasing Policy and engaging current suppliers on their purchasing practices	+3.0	79.8
Start offering 3-5 weeks maternity leave and up to 2 weeks paternity leave	+0.9	80.7
Write and implement official Employee Handbook, including a Discrimination & Harassment policy	+0.6	81.3
Create an official corporate environmental policy, and implement plastic, glass and metal recycling and energy conservation techniques throughout the facilities	+1.1	82.4

Total Score After Changes **+9.5 82.4**

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Setting Goals



iContact, a North Carolina-based email marketing firm delivering on-demand software to help companies and nonprofits communicate more effectively, has invested considerably in sustainability. Falling about 10 percent short of a qualifying score on its first attempt, the company reassessed its entire social and environmental policy. After implementing several changes over the course of a year, iContact earned a score of 85 and was certified as a B Corporation in June 2010.

"In our pursuit to be as socially and environmentally positive as possible, we decided B Corp certification was something to aspire to," Matt Kopac, iContact's corporate responsibility manager, says. "We found the assessment tool even more valuable than a measure. It reads like a manual; in every section there are lessons that a company can learn."

Using the assessment as a guide, iContact found key knowledge gaps in its organization. A comprehensive and transparent environmental audit, itself worth 2.4 points, identified energy usage and travel as the two areas with the greatest inefficiencies. Kopac worked closely with the facilities manager to identify key areas for improvement. He then went to the CEO and directors to ensure buy-in and approve up-front expenditures.

iContact focused first on reducing unnecessary travel and increasing the sustainability of its suppliers to gain more than 3 points. Despite rapid growth, in the first quarter of 2010, iContact employees traveled 83,404 fewer miles than in 2009, saving about \$11,000 and cutting carbon emissions by 48 percent. The company has also invested in more sustainable products, upgrading janitorial supplies to environmentally preferable cleaning products and using compact fluorescent bulbs. iContact now relies on local, environmentally-responsible suppliers. In total, the company was able to reduce per-employee energy use more than 15 percent.

iContact has seen additional internal and external benefits from these changes. Employees have become more engaged, forming monthly work groups to identify further areas for improvement. Better yet, "organizations and customers are mentioning iContact being a B Corp or having a robust CSR program as a reason why they chose us over our competitors," Kopac says.

In the next year, iContact aims to raise its B Impact Rating by 5 additional points to move closer to the B Corp community average of 107.8.

"If we really are a triple bottom line business, then having specific objectives for our social and environmental responsibility needs to be right up there with the rest of the goals we set," Kopac states. "Our B Impact Score is a way of being able to quantify our improvements."

Institutionalizing Leadership



GoLite is a Boulder, Colo.-based producer of lightweight clothing and equipment for active, outdoor sports and has been a recognized leader in sustainability since it was founded 12 years ago by husband and wife team Kim and Demetri Coupounas. While all of GoLite's products are by nature "greener" (lighter products = less materials = less carbon, less toxics, less waste), the company is working hard to reduce the environmental impact of the products it makes.

Part of this work has included a major shift towards the use of what they call Environmentally Preferred Materials (EPMs) in their products. In the 2010 product line, more than 67 percent of the materials in GoLite products (by mass) are made of EPMs. The goal is to use 100 percent EPMs by 2015.

With revenue doubling in the past two years, the Coupounases needed a management tool to help ensure that GoLite's positive impact grows along with its revenues. And, after achieving B Corp certification two years ago, GoLite identified the B Impact Assessment as the best way to help it maintain its sustainability leadership in its industry. Already meeting the A+ reporting standards set by the Global Reporting Initiative, GoLite began using the B Impact Assessment as the framework for its annual CSR reports.

"It takes a standard as deep and high-quality as B Corp's to help a company's management see gaps in their approach so that they can make corrections as they continue on their path to sustainability," Kim Coupounas, co-founder and chief sustainability officer of GoLite, says.

While many programs targeting social and environmental issues existed, few were formalized in the company's operating procedures and management structures. This prompted GoLite to institutionalize domestic partnership benefits, extend maternity leave and make its ownership structure transparent, using several of the best practice resources embedded within the B Impact Assessment.

The process raised GoLite's B Score from an already high 120 to 125, placing it in the top quartile of all Certified B Corps. But Coupounas says she believes the real payoff will come in helping the company stay on course.

"This was really about the maturation and professionalization of our company during a major growth phase."

Despite their differences, these three B Corporations are united by their efforts to use the B Impact Assessment to continue to improve their environmental, social and financial performance. This means success for everyone: the companies, the community and the environment. ©