
Introduction

Kia ora, and welcome to the first episode of Mission Insights. I'm your host and Chief Action Officer for Mission Zero, Jodie Kuntzsch. I'm incredibly excited to be launching this series.

Our korero is designed to bring to life stories our people, our businesses that are taking action for a climate positive future right here in Te Taihū. It's our chance to have a hard nose look at this tough new environment.

We want to share great successes and the learnings from our failures. It's here we're introduced to the insights and inspiration that you can turn into tangible action within your company. Because the companies, the collaborations, and regions that get climate action on the right track will find incredible opportunity to both profit and create social good.

In our first episode, I want to take that lens away from the fear and complexity of a changing climate and turn the focus on the actions we can take here in our community, as individual businesses and across the regional economy that will help us reduce risk and find a competitive advantage in a warming carbon-constrained world.

None of us can predict how climate change will affect our region or our planet for that matter. But there are a few things we know for certain.

The complex environmental impacts will directly affect businesses, society, and ecosystems. Customers and consumers will change their demands on producers and companies, and governments will seek to mitigate its effects with far reaching regulation.

Until recently, most of us have freely emitted greenhouse gasses, but there are steep prices ahead, both monetary and social. But that's not to say it's doom and gloom. In the words of Larry Fink, the Blackrock Chairman and CEO: "Decarbonising of the global economy is going to create the greatest investment opportunity of our lifetime. But it will also leave behind the companies and whole cities that don't adapt."

So in order to gain a better understanding of what we're facing here in Te Taihū, I've invited a few of our region's business leaders to shape perspective on the global climate emergency

in terms of our day-to-day operations and the people that we depend on, our customers, our employees.

I'll be speaking with Ali Boswijk from Nelson Tasman Chamber of Commerce, Trevor Salter from Salter Builders, Kerensa Johnston from Wakatū Incorporation. And Doug Paulin, Chief Executive at Sealord.

Through these conversations, you'll see there's no one size fits all approach. And we don't need to be perfect in order to act. We don't need to wait until our ducks are in a row. There's so much we can do, so much already happening and so much that we need to take on now. So let's get started.

Ali Boswijk / Nelson Tasman Chamber of Commerce

My first guest is Ali Boswijk, Chief Executive at Nelson Tasman Chamber of Commerce. Welcome, Ali. Thank you. I wanted to start by talking to you because you have membership of around 500 businesses and you span networks that are including investors, regulators, social networks. And we've discussed many times about how climate change isn't a new topic for business, but understanding operationally what it means is still in its infancy. Words like climate action I use five times in the intro.

What does [climate action] mean for our businesses here in Nelson Tasman?

I think the big problem is it means different things to different businesses, so nobody is in exactly the same place, so we can't just pick them all up and move everybody together.

We've got some businesses who think thinking about composting or doing something in an environmental way at quite a low level. And we've got businesses who are really sophisticated in what they're doing in terms of actually measuring their carbon and they're not just offsetting, but they're actually looking at how they can reduce. So they're right at the other end, but the majority are right at the beginning of this.

For a lot of people it's still something that's in the back of their mind they know it's something they should be doing. They've got some sense of it, but they're not really sure what it is. So it doesn't really come into operations in any clear, strategic or consistent way.

If we think of all of the individuals, businesses across our region, how would you give that climate savviness? There's an awareness. Is it a lack of appetite or is it lack of solutions? Where do you think we sit and what are the missed opportunities perhaps?

I think there's a lot of busyness in the space, so it's quite cluttered for people. So I think that there's an awareness. I don't think anybody's not aware right now that we need to do something. I think that we can kind of assume, very safely assume that that's the case with just about everybody we talk to, particularly if they've got children, because they're being told constantly actually. And that's what we hear quite a lot as my kids told me, that we've definitely got that happening. It's more about 'where do I go' and actually 'what do I do that will make the best difference, most cost effectively for my business'.

So I think that there's an understanding and then when you go online, sometimes it's just overwhelming to know exactly what to do and at the same time you hear 'zero carbon economy'. All of these things are starting to filter through and become quite confrontational. So people, maybe there's a tendency as well to just think, oh, I'll get to it when I get to it. Right now I've got COVID, I've got labour issues, I've got supply chain issues, this is just something else. So I think it's just in the clutter for a lot of people. Yeah, we hear that a lot. As far as it's not only a complex topic, but it's really busy.

So are there things that you could see that businesses can be doing amongst all of those other competing demands to help either prepare for the risk but also start to capitalize on some of the opportunities that are emerging?

Definitely. And I think we're really fortunate here. I think we've got some great foundations to now build on for the business community to hook into. So we've got the Te Taihū Intergenerational Strategy as a starting point, which gives us a clear indication that actually the climate and climate change is really important.

So businesses that actually start to use that well will get a commercial benefit from that because we know that customers are going to demand it. We know that actually supply chain businesses are going to demand it. We know that investors are going to demand it and financial institutions. So for businesses that actually get on board and understand it and use it well, it will be an opportunity to do business better and hopefully more profitably.

At the end of the day, do you see any kind of key areas that we're missing as a business community and starting to take that big step or kind of increase our speed on that journey?

I think the biggest thing is probably just joining the dots for people. I think that's going to be the thing that really makes it easy. I mean, we know from a Chamber of Commerce perspective, we have businesses that come, they want a template. It makes it so easy. If you're a small business, you're in the business of doing what you do, you just want a template to help you get there or you want that guidance to take you to the next step. I think that's what we can do to help really elevate.

97% of our businesses are small business. So while we focus on the big businesses from a GDP financial perspective, and they're those frontier firms, we've got an enormous number of small businesses that actually make up the majority of this economy. They are the people who are going to be struggling to actually take those steps without very clear guidance about how to do it. Not to say they can't, they're all very good people, but actually it's a question of giving them the tools so that they can do it easily or directing them to that place where they get that information. It's about making those informed choices and knowing where to go to find what the suite of options are and what they could mean for the individual business.

Exactly. And I think it's great we hear Fonterra or Air New Zealand, all these big companies and what they're doing, and small companies look at that and think, well, that's all very well, but you've got a big workforce that can help you do that. You can employ staff, you can think about this. I'm just here with my five people, how do I actually do that? So you have to bring it down to that scale, I think, for people as well, so that we can get everybody in behind us. At some point. Everybody's got to get behind it. The choice is not going to be there.

So right now, if we can make it as painless and actually as profitable at the end, I'm not just talking about financial profit, but for the whole organization, I think that's what we need to be thinking about right now.

Very good. Have you heard any advice from businesses about how they're starting to integrate that into their other decision making? So if we're looking at beyond just the bottom line, there are a lot of other stuff, there's a lot of other opportunities that we see within the business community. Anything that you see that stands out as a really great example or advice that you've heard?

Yeah, I mean, I think the main thing is for people, and there are a number of companies we know in the region that are doing it brilliantly. We can't ignore the fact that we've got some great first movers the likes of Chia Sisters or 141, the Forestry Company, Sealord. We've got some big companies that are actually starting to do this at a level.

And I think when I talk to people who are just setting out on that journey, it sounds a little bit cliché, but really it's about just starting, but getting your team around you. So I think the clear thing is everybody in the organization understanding what it is you're trying to achieve and then the steps that you need to take to get to that point, because if it is just a lone voice, you very quickly slip off the agenda if you've got other things going on.

So it's a question of actually the organization making the determination to do this. And as soon as people do and then people get excited by it, that's what we've discovered is actually for businesses that do it, their team, their staff are really happy that they're doing it because

then they can go home to the kids and say, oh, actually we're okay, but I think there's something in there as well.

So by getting everybody excited and involved is a really good way to start.

Yes. And you've been doing your survey. Now. What have you found in that first set of questions and results?

Yes. So we asked people if they were either measuring it was all around carbon measurement and what they were doing, and if they were doing it, what else they were doing, and the vast majority of people were not, but also the vast majority of people said they want to be.

So they're really looking for support and information about how they can help them take that first step. So that actually they start in a way that works for their scale, as I say.

So I think the really pleasing thing was it was quite sad to see very few are, but it was also really pleasing to see that people really want some help in that space.

And as people start to take action, and even if we get into the carbon certification space, is there collaboration that's being built in either achieving outcomes or accessing the capability that they need? Are those starting to emerge as well through the business community in a certain way?

I mean. I think what we've seen is some nice, some great collaborations and obviously Businesses for Climate Action is a fantastic collaboration. But also, even on a smaller scale, the people who came on board with the Zero Carbon tourism itinerary, which on the surface seems just like a sort of nice thing to do, but actually the conversation and the network that's developed from that is really impactful and really important.

So I think what we're seeing is these groupings are naturally coming together and people are wanting to help and saying "I use this tool" or "I did this" or "this is how I'm dealing with my transport issues" so that people can actually get some really practical advice from others in terms of how particularly to reduce and offset.

Very good. I guess if we look over kind of the next twelve months, are there any key things that you see that are coming? You want to give a heads up to the business community and say, hey, look, this is what we're hearing, we're seeing, we're feeling and ways that you could prepare.

Yeah, I mean, I think the big thing is that we are hearing from financial institutions that if people actually want to be, if they need to access capital, they need to be thinking about this.

It's not going to be the case anymore that lending institutions actually ignore it. They're going to be legally obliged to actually do something about it.

So I think that that's something that's really important for businesses to consider. So we want to basically make that as painless as possible because everybody at some point in business needs to access financial support generally. So we need to ensure that people really understand the implications if they're not actually doing something in this space.

Fantastic. Well, I know there's a lot of support at the Chamber of Commerce, there's a lot of support that we're bringing out through Mission Zero.

And so thank you for your insights that you've brought to this initiative as well. It's so important that what we do provides tangible results for businesses amongst all of the other competing demands, expectations and opportunities that they face. So we look forward to continuing that partnership and thank you for joining me.

Thank you. No, it's great. Thank you so much.

Kerensa Johnston / Wakatū Incorporation

As Ali mentioned, we have a rich diversity of businesses in our region and I'm incredibly excited to hear from one of our leading multifaceted companies, Wakatū Incorporation.

When I first met Chief Executive Kerensa Johnston, she spoke of our collective responsibility as businesses to lead, enable and protect our people and our community. In doing so, we must be able to trust and empower each other.

Wakatū has been working incredibly hard across their businesses to build trust, knowledge and, in her, words shape hearts and minds so that the journey to reduce emissions becomes part of who they are as individuals as well as a company.

Welcome Karenza, and thank you for joining me.

Kia ora Jodie thank you for having me.

So tell me more, how did you get started on this journey and what have you learned? What do you do? How do you learn what to do?

I think, like many other organizations here in Te Taihū, the start for us was seeing the impact that the climate crisis is starting to have and, of course, will have in the future.

So, as the traditional landowners here, almost all of our land is in coastal areas. So our sacred places, our waihi tapu, our burial places, our marae, and as well as that, from a business perspective, almost all of our businesses are based in low lying coastal areas. So, whether it's the impact of storms or the impact of fires over the past 20 years or our increasing understanding of what sea level rise will do, we knew we had to take action.

I think connected with that is that long term obligation that we have to care for our community. So making sure that not only are we making the best of what we have now in terms of the land and the businesses and our taonga or our resources, but also planning and preparing for that future stage.

And where did you look when you started? Where did you look to find inspiration or insights, to learn to engage with people and to think about “what does this mean for us as a business”?

Yeah, that's quite a deep question, actually, because I think when we began this thinking and work in real depth as opposed to conversations and perhaps not going into it to the depth that I think we now are, what struck me the most was that these conversations and this work around the climate is deeply personal. It's wrapped up in people's identity and connection to land and place and community.

So that for us was a real learning in terms of trying to access people that we felt were aligned with us in terms of their thinking and their love of the land, regardless of their cultural background or their history.

And I think that's one of the key things that we've learnt as we've been doing this work. We've come across lots of people who are like minded and actually really committed to this place we call home.

So for us, trying to strengthen those relationships and community has been really important.

What have been some of the biggest challenges you're facing in the emission reduction or even addressing the climate change threats to the land and how have you started to tackle them from some tangible examples?

So, in terms of the challenges, if I just answer that, I guess with a very local answer and then a more outward global response, I think the first challenge for us has been around Mindset.

So we have an organization at peak roughly about 650 people working across Wakatū throughout the year. And many of those people are working directly on our land or on our water. And so before we could even begin the work around data analysis or collection,

setting targets and so on, we had to work on Mindset. So trying to bring everyone along and recognizing that everybody was in quite a different space in terms of their understanding, their interest. And so again, trying to work out what's important to people and really attack the heart rather than the mind was really key.

And I think you look around the world, I think one of the reasons that young people and school children in particular have been so successful is because they have very simple messages. They can cut through all the technical language and can just articulate in a way that is a real call for action.

And so we've been watching that and then trying to work at that level, recognizing we have to do that before we can actually introduce quite intense change management programs through our organization. That's been the local challenge or one of them.

And then of course, globally we will all have this in common. At the moment, I think the pandemic has just accelerated the concerns that we had around business models, economic models, reliance on supply chains, globalization and the impact of trade, all the positive things that can come from that but also all the negative things.

Observing that and then thinking really hard about how we might respond to that locally again has been a big challenge. But I think, again, that's one that we're really committed to, as I know many others are in our community.

Based on the learning and you talk about how kind of on the different levels that you need to engage, are there any tips that you would give another business? That said, we really need to think from that people centric approach? Where could we start, what are some things that we could try?

I think what has worked well for us is we've spent a long time getting really clear on what we think our purpose is as an organization and then how does that impact on our employees, their families, our broader community and of course the people, the families that own Wakatū.

So being really clear on why we're in business, why we exist in the world and then as well as that, articulating the values that we want to apply to every decision, commercial decisions, decisions about what we contribute to and what we don't, how we spend our time. And that way again will be different for every organization, whether it's small or large. But I think if you collectively have a very strong sense of purpose and values, then you can use that to drive every decision and it makes decisions actually much more manageable in a really changing environment.

And did you find working one on one with a lot of your, whether it's suppliers or partners, that that was really important or were you working through groups or together with other organizations in doing so?

I think a combination of the two. So for us, looking to other organizations that are doing things much better than us, or are further ahead and trying to learn and accelerate the pace of change, if we can, by being a bit smarter has been really key.

I mean, that's been interrupted by the pandemic because we haven't been able to get out and about in the way we would like to. So we're hopeful that the next couple of years there will be much more of that face to face engagement and actually going and looking at case studies of actually what people are doing on the land or in their operations.

I guess one challenge, if I think about individuals where we have struggled a bit is, it's quite easy to access quite high level conversations and professional spaces where there's lots of great conversation and insights happening. But actually accessing the analysts. The scientists. The people on the ground able just to do the day to day groundwork that absolutely needs to be done has been quite a challenge for us. Just that having that capability in our community and being able to draw on that when we would like to.

So that's one challenge, and one response to that is to upskill our own people in those sorts of areas of expertise where we can, if we can't bring that expertise in from outside of the area.

Excellent. Have you been able to find good support from other businesses in the region and trying to tap into that extra capability that we need? So I expect a lot of that is shared across businesses.

Yeah, absolutely. So New Zealand businesses are sometimes accused of being sort of too inward looking and competitive with one another, when actually the real competitive advantage is in working together.

But I haven't seen this area as being an example of that. I've seen the opposite.

So real goodwill and openness in terms of sharing information and knowledge has been our experience that's been hugely positive.

Excellent. Hopefully we can do more. Now, you play a big role in the social fabric of our community and you also play a real leading example in the economic environment. One of the things that a lot of our businesses have to think about is this feeling of a trade-off between profit and social good and how they balance their role in the community and ensuring that their business continues to exist, really. How do you manage those

conversations and do you have any advice for businesses as they go through those thinking processes?

I always think of a business or a company as it's just a collection of people, a collection of people who have come together to do something. So I take it really personally I don't believe in this kind of corporate veil or concept of a company being separate from the humanity that we all are.

So again, whether you're a small, there might be one or two people or you might be a very large organization, to me, you're a collection of people who come together with a common purpose, underpinned by values to achieve something.

So, again, for me, I think doing that work, as I said earlier, understanding that, again, it doesn't matter, it's not about size, it's about really understanding actually why you're getting up in the morning and working with the people you're working with and what it is you're trying to achieve.

And again, I think business decisions, commercial decisions, are not black and white. They always impact on people, they impact on our environment. Of course they have a financial impact, but that's just one component of all the things that need to be considered.

Fantastic well, certainly insightful. I love to hear the ambition that you have that focuses on your purpose and your people. And it's such an important thing for all of us to remember, no matter where we are as the development of our business, no matter how big or small we are and how we can all work together and building the capability that we need for our whole community.

So thank you so much for joining me and I look forward to many more conversations.

Thank you, Jodie, kia ora.

Trevor Salter / Salter Builders

So my next guest is one of the most down to earth examples of how climate action can become embedded into business and how to turn competing demands of supply chain disruption, market growth, and regulatory constraint into opportunity for communities.

Trevor Salter is the owner of Salter Builders, a boutique family run building company in Nelson Tasman. Salter Builders has received multiple New Zealand Master Builders House of the Year awards in 2017, 2019, 2020, and most recently, July 2021.

Welcome, Trevor.

Thank you, Jodie. That's quite an amazing introduction. Hopefully we can live up to it.

When we first met, what I noticed about you is that you don't use terms like eco or sustainable or green. It's just embedded in what you do in the homes that you build. And even when I invited you to come and join me here, I acknowledged how busy you are in the construction industry is, and you said "this is what we make time for".

Tell me, how has this climate and this social value really embedded itself in your business? And what does it mean on a day to day basis, like with your staff?

Something that from an early age, actually, I was brought up in an environment where it was a fairly basic upbringing. I was always looking to up-purpose, or use things that other people would throw away. I don't know why I had this sort of unusual understanding that, like a tin can, why do we throw it in the rubbish when we mine that same material out of the ground.

So it's something that I've taken from nearly as to adulthood. And there's been a lot of situations through my building career where I've seen a lot of waste and seen a lot of opportunities where we can improve on what we do. I guess for me it's ingrained in my nature. I suppose it's always been there.

And how do you then communicate that and bring that to life through the teams that you work with?

So with my workforce, we actually focus on trying to minimize waste as much as possible. On a building site a lot of things we can do is minimize our impact. So most building sites you turn up and there's a skip out the front and it's an open invitation for everybody just to throw stuff in there.

So I sort of take people aside in the beginning and I say, look, this is what we do here as far as we don't chuck lengths of timber longer than 600 in the skip. Cardboard, we fold it up and we recycle it if you are using anything that we can, any sort of metal products, and again we'll try and recycle it.

And the benefit of doing that for our business as well as we're quite big on our team environment and taking our team out on a regular basis. So I say to them, if we can recycle this stuff and make money from it, we'll put it towards our team building and we'll go and use that to buy beers or as we're out doing something like with bowling or whatever, so they benefit from it as well. I think you've got to engage people so that there's no point telling someone to do something if there is no benefit to them.

We do find we have to remind people from time to time, but it's more other contractors that come onto our sites that tend to have to be educated. So one of the great things about construction now is when people come on to the site, they have to be inducted. So we have to have an induction process and tell them all the health and safety side of things and we can add that onto it. So we say, well, we're trying to minimize waste around here, so if you're unsure, just ask somebody.

Fantastic. And I'm thinking about even that time commitment that you're putting into your staff training, the activities or the expectations that you have. There's a cost and benefit to all of this. There are some things that you earn money from taking a positive action. There's other things that I'm sure have a cost to your business. Where do you see the cost and benefits and how do you weigh up the right opportunities from the business perspective?

Obviously, waste is expensive to get rid of and there's already a levy on construction waste. It's been identified as one of the biggest contributors to landfill. So, there are lots of things that we can do to reduce those costs because everything that goes into that bin, we pay for it once it gets dumped, right? So there's a fee just to have the bin and then it gets weighed. So once it goes over a certain amount, it costs us extra.

So the ways of saving money, there are several different things. Even something as simple as plaster board, with the jib off cuts. A lot of the jobs we do for clients are on lifestyle blocks. And here in Nelson we have a lot of clay soil, okay? So the compounds that make up the jib are actually ideal for breaking up clay soil. So we just make the suggestion to the homeowners saying that we could put this on the skip and pay to get rid of it. Or we could stack it in a pile here and you could spread it all out and put all over the top and it will help it all break down naturally. So that's been an easy way to convince people to do that. And on the types of builds we do, that's a whole skip just saved just like that.

In the early stages, obviously we use a lot of reinforcing steel and sort of steel doesn't carry a lot of value, but it is still better to recycle it because of the weight of it. You get some money back from it. You've got to look at the benefits of as soon as it goes in that skip, you got to pay for it to be taken away. If you keep it out, you'll get some money for it, but you've also saved by not putting it in that skip.

Other things, aluminium, right? Obviously, copper and things like that, they vary quite a bit and especially if you're doing alterations, renovations, where you are exposing lots of those types of materials. So they're well worth holding onto. Certain contractors know the value of them, so plumbers don't throw copper away. Most electricians will keep their off cuts of wire because again, it can be recycled. So there are lots of benefits there.

Do you see that some of the changes of behaviour that they're either driven by change of mindset or is that the pressure from supply chains driving people's behavior?

Yeah, that's an interesting question actually. A lot of people are driven by money, obviously that's their main consideration. So if there's no benefit to some people, then it's hard to get them to do something.

The supply chain side of things now has changed the game because it is a lot harder to get a hold of things that we used to be able to get on a daily basis. So I think if you're smart enough to think about that, you've got to go, oh yeah, even this offcut is worth holding onto because this material I may not get my hands on again for some time. So yes, that has changed.

Do you see that, I guess, climate change in generally is starting to shift the construction industry in certain ways. Like you came in with a magazine from the industry and the front page is all about climate change and the actions that are needing to be taking place now in order to reach our 2050 targets. What do you see shifting really?

Okay, so on a local level there's certain areas that have been designated by the councils that are at risk because of climate change. So I guess case in point would be a project we're doing at the moment where it is technically in a flood zone that could flood within the next 100 years. So the whole design of that building was around having to comply with those future concerns and that was sort of stipulated by the council as well. So there are areas where that is obviously front of mind for a lot of people.

Are you seeing it more in that design space or is it more in the products and materials?

It is starting to happen more. So just in the design stage, I haven't really seen a lot happen in materials at the moment.

The supply chain sort of does affect, how do I put this? People will probably focus on things locally, local supply. So I'm not sure how much that is affected by the environment at the moment, but it may be in the future.

Okay, so design I think we do need to sort of focus more on how we design houses so that we can plan for the future. Obviously there's changes in the building code in regards to adding in more insulation, making houses more energy efficient, better ventilation, things like that.

So obviously other environmental things have affected buildings, like earthquakes, which have caused a lot of strengthening consideration to be designed into houses that we weren't doing before.

But yeah, I think we've got a long way to go still with the environmental side of things. Even though it's in publications and it is front of mind, I'm still not seeing enough consideration around the subject.

Is it consideration coming from within the industry or from more your customers and the homeowners?

Yeah. So someone like yourself obviously knows what you want and you're aware of what is likely to change and that is obviously a consideration for someone like yourself. We haven't had a lot of that sort of inquiry up to this point. I think some of it has to do with the types of houses that we build. We're building high end houses for people who generally are not building in a situation where they're going to be affected by the climate so much. They're not right on the coast, low down, they're normally elevated more.

I think that's still early stages for us as a business, but I'm sure other businesses are obviously being asked that question a lot more.

If we think about the current state then, there's obviously a lot more each of us can do, but also we can do across the entire construction industry from, we're talking not just design, but into the supplies and products. Are there some things that you could recommend to even a tradie or a builder or a company here in our region that they can do tomorrow that would make a difference? That first step, at least something that gets us going.

Yeah, I think we need to simplify things. I think the industry has gone down this road where we've made things really complicated. Right? So we need to come back to simplify how we do things so that we're not being so wasteful.

And again, it goes back to the designers. If you're building a building that is actually using products, the whole product, so most things come in module sizes, so sheet sizes, for example, most common sheet sizes can be adapted to the size of rooms. So if you're smart enough, you can actually design something that has very minimal waste.

Another thing that could be taken into consideration is how the houses are orientated with use of the sun. Obviously you put a house in the right location and you orientate the house correctly and you make the most of the solar energy that you can get into the house and also keep out of the house at certain times as well, then that will have an impact on that building for the whole lifetime of the building.

And I think there's still a mistake being made by certain developers where they develop land that is in the wrong place. There's some places where they are on the south side of the hill and it's really hard to build a house that's going to be energy efficient. And we all know that

the best energy is the sun. So if we can make the most of that, if you don't allow for that, then obviously your carbon footprint is going to be a lot more.

So, yeah, there's some really some really neat and interesting ways that you can do that with design. As far as maximizing the sun.

One of the things that I've been talking to our other guests about is the opportunities for collaboration and within the construction sector, have you seen much or is there much underway in terms of working together to find solutions to design problems, waste problems, any other sourcing, even supply chain type solutions?

Yeah, through my work with the Master Builders last year, we had a few working groups that brought together a lot of the local entities around here, as well as from the government, and especially the councils are pushing towards this. They've got the saying, instead of demolition, we are now going to be repurposing. Okay, so, yeah, there is a lot of that going on in the background.

I think it's more probably not so much in the grassroots of the building industry, it's more the people who are the leaders in the industry. So if I wasn't involved in the leadership of the Master Builders, then I may not have been exposed to that at this point. It really depends on what circles you're in at the moment.

What do you think would be a great way then to engage onto that grassroots level, especially when we think of in our region, we have a lot of individual builders, we've got a lot of tradies, and we've got a lot of growth. Is there anything that you'd recommend as far as kind of the collaboration or collective communication that we can share and kind of spread that message more widely?

Yeah, I guess one idea would be to try and contact the builders through their local supply merchant, because the supply merchants have the ability to set up sort of breakfast or certain gatherings where you can bring along a key speaker who can sort of educate people on certain things that they can change that will better their business. So I think that would be the first place to focus lower down, because the merchants have a lot of sway and a lot of power over the individual builders.

Another thing too, is in the building industry in particular, to do restricted building work, we have to be licensed as building practitioners. And part of remaining licensed is you actually have to go to a certain amount of events per year to actually be able to record what they call LBP points or say, for example, we went to a lecture and we spoke about what we could do to improve the building industry here around the climate. And it went for an hour. Then you get one point. So those sort of things would be a good initiative.

Fantastic. Well, I think there's a lot of opportunity that you've identified, there is a lot that is already happening through our community, and it's a chance for us really to spread that message, to try to get that momentum. And I guess our job at Mission Zero is to help support that as much as we can.

So I really appreciate you coming and joining us in our conversation. I look forward to hearing more through your podcasts and videos to what you're up to. Yes, and we'll talk to you soon.

Thank you, Trevor.

Okay. Thanks for inviting me, Jodie. It's really good.

Doug Paulin / Sealord

My final guest today is Sealord CEO Doug Paulin.

Sealord has been working with KPMG on their new Te Hono value realization framework. The tool has been uniquely tailored to help primary industry producers and exporters tackle the key issues that are increasingly relevant to the future successes of organizations in the sector as a whole, especially through the transition from volume to value.

One of the action plans coming out of the Value Realization Framework was for Sealord to develop a carbon reduction plan. During their first year, they were able to reduce overall emissions by 4.6% and secure funding for further implementation.

Thanks for joining me, Doug.

No problem. Thanks, Jodie.

So earlier in this episode, I was talking with Ali Boswijk about the meaning of climate action for businesses in our region. And in the case of Sealord, emission reduction is fully embedded into your value strategy. So can you explain more about the framework and what it means for you as a business, your customers, your employees, your Board?

I think the first thing to realize is the framework itself is just a tool, and that tool is only going to be as good as the thinking and the imagination that you put into it. But in saying that what we needed, when we looked at 'where is value going to come from in the future?', was a framework that could allow us to think about it.

It's really difficult to think about value in the future from a blank sheet of paper. So finding the Te Hono framework gave us the ability to then think about the future and give us some areas we could look at in some detail without getting fully immersed.

We were then able to talk to a number of the stakeholders across the business, get some real alignment in terms of where we thought that value was, and one of the things that came up - actually across the board - whether it was the Board, whether it was customers, or whether it was people in the organization, was needing to take action around the climate and those things that were occurring to our business as a result of climate change. And then out of that came the carbon emissions program.

So what started then your journey to look into the value realization framework? Were the things you had already been thinking about, where you kind of on a journey and went “Ah, this is an opportunity you want to try”? How did all that get started?

We are certainly on a journey because one of the things in seafood and in fishing in particular is you can't get any more volume. If you're in a business where you're able to just make more volume because demand goes up, then it may be less of a concern for you. But for a quotified system like the fishing industry, really the only opportunity for growth is around value.

So we've been tasked by the Board for a number of years to try and find a way where we get more value out of the things that we are producing from the limited amount of fish to which we were catching.

And then we found this framework and that's enabled us to look at it in detail where we thought we could get better bang for buck than what we were doing ourselves.

This started about the value realization framework. It's taking you about two years that you've been working on, is that right?

That's right.

Are there any key things that have stood out in that process? That like light bulb moments where you were like “Woah, wish we'd known that before” or “we've got to stop and kind of recalibrate”?

I think I look back and I'd say two things. One, we didn't start early enough. And I think it's one of those things where you think, I've always got time because climate change in particular is something happening over many, many years and people find it difficult to think about because the time scales are 2050, 2060... wherever you look, they are quite long time scales. But what I've found in looking at this is – even though those things are quite long

time scale – the things we need to do in order to be ready for where the world will be actually are in the now, and I wished we'd have started earlier would be one of my learnings out of this process.

And the other one is it's very difficult to do everything on your own. And once you start to partner with other organizations outside of your own business, you'll get different thinking. You'll get tools and ways of thinking which you won't come up with on your own. So I think we should have probably thought outside the square a bit sooner on that.

Do you see a lot of collaboration starting to develop? And has that been a big part of being able to, kind of, take a more holistic approach as to think wider than your own business? And do you feel like you can get the capability that you need to help you achieve your goals?

I think collaboration across the whole of New Zealand is okay because there are a number of companies in different industries that are on the same journey and you can get advice and you can get thoughts from them.

Then if I boil it down to a smaller subset, being the fish industry, probably a little bit less because everyone's sort of in a different place within our industry. So we look for assistance from other companies in terms of what's worked for them, what hasn't worked for them, and then we try and go to experts in that particular subject matter to get advice from them in terms of are we on the right track? Sometimes that meant an answer that leads us to continue doing what we're doing. And sometimes it's meant we've actually stopped doing what we're doing

Fantastic. Because one thing that we've talked about before is that there's a lot of near term profitability that's under a significant pressure, and not just in fishing, but across a lot of businesses and sectors in New Zealand. How does that conversation evolve for your Board when you think of near term, long term and, kind of, trade-offs and opportunities. What do you see, what do you hear? How do you make some of those decisions?

I think one of the positives of using the Te Hono Framework is you end up talking to your Board about those sorts of areas. So you do get a level of understanding around where are they prepared to commit and where are they not. And for Sealord, we got an idea of what were the Board prepared to invest in initiatives where it took profitability away in the near term, but gave you value in the long term and they gave us a pretty strong indication of what that would look like.

What's going to be interesting is when COVID-19 came along, profitability has taken a hit and therefore we committed to some programmes where it's probably fair to say we're

going to spend more in percentage of our profit than what the Board might have been thinking. But once you're in, you're in.

So we've got those conversations to come. But I fully expect our Board to continue to be very supportive and, realistically, they won't be around when these projects come to fruition.

So it is important that you get that real commitment at the start because it'll be easy for them to say no now, because it won't actually be them that will be in the hot water in the future, so to speak. So I've got a very supportive Board and I'm very lucky for that. So I expect them to continue to reinforce those programs.

Fantastic. And do you find that support, as well, from within the organization and through your customer base? Is it easy to communicate what you're doing? I guess that's part of it too.

Well, Sealord's always had quite a strong sustainability component to what we do. It's typically been focused on the fisheries themselves, which is obviously critically important to our business. But as we've gone through the years, our people have actually brought up various different initiatives that were important to them, that fit under that same bucket. And what we've done now is we've actually coordinated everything and we've got champions across the organization for a raft of different areas around waste, plastic reduction, water reduction and of course, carbon, which is a huge one for us as a fossil fuel burning company. And that's really got some alignment across the organization and some level of excitement, particularly in the areas which people like.

Yeah. So what would be then your piece of advice? If there's another company that's kind of toying with? Is this the value realization framework, the right way for us to go? What would be something that they should consider and one way that they could prepare?

Well, I think there's benefits for everyone. So one of the things I've had asked of me as I've had companies talk to me is, well, "does it matter how big you are?" And I would say not really, because no matter the size of your organization, you're looking for value and you're looking for value in the future, and sustainable value. So I'd say it doesn't really matter how big you are, you should just get involved.

The other thing I would say is there are a lot of different people you can talk to pretty much for free and get some level of guidance around "Where should I look what should I do? Who should I talk to?"; and I would encourage people to reach out to organizations that are here, that are in this and really just ask them, pick their brains, because most of us will pick the phone up no matter what our role is, and we'll talk about it, and you might as well do that because it doesn't cost you anything.

Absolutely. It's a great place to start there. And like you said, a couple of things to take away is to connect with people, because they're the ones that are going to inspire and lead and make the difference. And the other bit is no better time than now or earlier to have gotten started. So thank you for joining me, and we look forward to seeing how things continue to evolve.

No problem. Thanks, Jodie.

Thank you.

It's been awesome to start Mission Insights by showing how local businesses are approaching their long term emission reduction strategy from so many different angles.

From Wakatū taking a very people-centric approach, to Sealord using a holistic value framework. Trevor showed us how collaboration and redesign can help tackle problems at their source.

With each of us taking step by step actions across our whole region in a way that suits a unique business, we can see how millions of single steps drive us collectively on our mission to zero.

What's the next step on your journey? Remember, if you aren't sure we're here to help. Join us on our next episode to understand our mission, where we talk about missions in terms of business operations and the various tools we have to understand them, from materiality, the certification, the qualitative, and the quantitative.

We'll talk to some local companies about what they have been doing, so be sure to sign up to the mission to keep up to date with new episodes, coaching sessions, and the resources tailored for our businesses here in Te Taihū. A big thank you again to my guests Ali, Kerenza, Trevor and Doug. Keep up the excellent mahi. And until next time ka kite!
