

CIVICACTION (B): THE TARGET

Professors Jean-Louis Schaan and Gerard Seijts wrote this case solely to provide material for class discussion. The authors do not intend to illustrate either effective or ineffective handling of a managerial situation. The authors may have disguised certain names and other identifying information to protect confidentiality.

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Once the landlords were on board CivicAction's corporate challenge initiative, an energy reduction target was needed to give all the participants a goal. The initial discussions about setting such a target had divided the stakeholders in the Commercial Building Energy Initiative (CBEI) Leadership Council. According to Roger Johnson,¹ senior vice-president at TD Bank Group and current co-chair of the CBEI Leadership Council, "There were camps fighting and positioning for each side of the equation." Linda Weichel, CivicAction's vice-president of initiatives, wondered how CivicAction should proceed to resolve this matter. She considered it crucial to make the "Race to Reduce" happen and to build on the newly created momentum.

In keeping with CivicAction's model, the group adopted a collaborative approach for settling on a target figure. Brad Henderson, then-regional senior managing director at CBRE and current co-chair of the Commercial Building Energy Initiative leadership council, described the method: "First and foremost, find some highly influential people and get them to get the right people involved. After that, create a compelling vision of the future, and say, 'Here's what we can do together.' There needs to be a goal. What do we want success to look like in 2015? What would we brag and boast about?"

Roger Johnson said some participants believed that achieving a double-digit target of 10 per cent or 15 per cent could not possibly be achieved in the required timeframe, and that would make the council look bad if the target was not met.

Contributors to the energy-reduction program feared they could not achieve the level of participation needed and were therefore extremely cautious in their projections. Another issue came from the fact that deciding on a goal in the abstract, without more details about how landlords and tenants could achieve that goal, ran the risk of setting an unrealistic objective. For example, some buildings had been on the path to reduce energy consumption for a while and had done some great work already but maybe could not reduce by yet another 10 per cent, whereas others had more room to improve. The intent of the challenge was to reduce a building's energy consumption from wherever it was at the time, but not everyone had a good sense of where their buildings stood in the performance cycle. Furthermore, and understandably, the landlords did not want to sacrifice occupant comfort and satisfaction.

¹ Linda Mantia and Michael Thornburrow were the two co-chairs from 2010–2012. The next two co-chairs were Roger Johnson and Brad Henderson.

As Henderson reflected, the stakes were high: “You have to recognize that for everyone around the table—and it was a very large council of 40 to 50 people, all volunteering their time as well as a tremendous amount of resources behind the scenes to be there—if their association started to dwindle, it would start to unravel the entire thing.”

It was now getting close to the October 2010 CBEI Leadership Council meeting, and the question of a target remained unsolved. CivicAction reached out to one of its stronger allies in the landlord community for an offline conversation, and that participant made the point that, given how integral tenants were to the amount of energy a building used, they should also have “skin in the game,” that it should not be just the landlords sticking their necks out to commit to a target.

Another suggestion involved setting a collective target for all participants to work towards, versus each and every building having to commit to the same target.

The landlords were starting to feel more comfortable with the idea of a challenge, but how to build confidence in a publicly declared goal?