The Sustainable Economies Program provides Regional Trade Centers (RTCs) in rural Iowa with an in-depth economic assessment of the financial, social, and environmental “triple bottom line” well-being of the region coupled with technical assistance to the critical organizations and businesses of the region. The program provides sustainability assessments, technical assistance, and mentoring within the communities and businesses that drive the regional economy.

**Triple Bottom Line Concept**

The concept of the triple bottom line has been in use for more than 15 years. "Towards the sustainable corporation: Win-win-win business strategies for sustainable development" by John Elkington is widely regarded as the original use of this concept in business. The triple bottom line is a simple concept that states for something to be sustainable it must meet basic financial, social, and environmental requirements (see the figure below). These requirements are not only internal (management, employees, etc.), but also external—investors, consumers, communities, and other stakeholders who may be impacted by the product or service.

CIRAS is using this triple bottom line concept throughout the EDA-UC Program to help identify and target opportunities for sustainable growth within RTCs and their economic drivers (businesses and nonprofit entities).
Iowa’s Economy

Iowa is a state undergoing a transition from a primarily rural to a primarily urban-based population. The state hosts ten metropolitan regions ranging in population from just less than 90,000 in Story County to almost 431,000 in Polk County. These major regional economic drivers are distributed across the state and serve as major anchors for education, health and social services, entertainment and cultural opportunities, and overall business activity.

The state also hosts 15 micropolitan regions. Iowa’s micropolitan areas are important employment, trade, and service delivery centers. Between 1998 and 2008, these important trade centers saw nonfarm job increases of 2.5 percent despite population losses. Iowa’s micropolitan and smaller urban counties generally serve as manufacturing and transportation centers, as well as the locations of regional retail trade, business services, and health and education services.

Many of these centers have evolved over the past 25 years to become regional employment nodes at a time when trade activity and other nonfarm employment activity has stagnated or declined in the surrounding area. Longer-term stability for these centers will likely hinge on their abilities to continue as manufacturing and transportation centers, but also on their abilities to consolidate higher-value regional trade and services into their locations. The evolving nature of these RTCs will lead to changes in which communities market themselves and seek job growth.

The Sustainable Economies Program will use a broad application of economic sustainability to address regional risks and opportunities for micropolitan and nanopolitan areas (see map below). A full understanding of the long-term sustainability of the region in a balanced financial, social, and economic way will allow the region to plan for a balanced economy that is more resilient to change and disruption in the future. Embracing the new knowledge and concepts of sustainability and green initiatives can also provide for a source of economic growth in the near term.
The opportunities presented by the adoption of sustainable practices are being explored in a variety of ways throughout Iowa. Most of the existing programs have strong roots in the environmental aspect of the triple bottom line.

The Sustainable Economies Program applies a more broad-based approach to regional economic sustainability. The overall process (see figure below) first understands major regional stakeholders from the community, public agencies, and businesses, then works with these stakeholders to develop and implement a long-range plan. The economic sustainability analysis includes:

- in-depth analysis of the regional economy
- 100+ indicators of financial, social, and environmental sustainability presented in a dashboard format (see figure at right)
- facilitated process to select and implement projects
- formal mentoring and coaching to ensure action

In addition to facilitating the overall progress, experts in economic development and community development provide technical assistance to organizations in the region. These projects span across all aspects of the triple bottom line and focus on achieving the changes needed for long-term sustainability.

CIRAS Sustainable Economies Program Model for regional economic sustainability implementation
Business Sustainability

Sustainability concepts applied to business have become widely embraced by corporations worldwide. Business sustainability is defined throughout this project as a business that “[m]eets the needs of the present without compromising the ability of future generations to meet their own needs” (Brundtland Commission 1987) and utilizes the triple bottom line as a basis for analysis.

Sustainability in business has taken many forms, and there is no established single “best practice” to implementing sustainability. As the triple bottom line concept suggests, the ultimate goal is to be able to account for business activities in a way that allows companies to understand the individual financial, social, and environmental impacts while also providing a method to understand the trade-offs among the categories.

In order to help businesses understand their current state before implementing sustainability initiatives, CIRAS has developed a readiness assessment based on the Global Reporting Initiative (GRI). The GRI is a reporting structure that provides businesses with a common language and set of disclosures relevant to sustainability. The disclosures cover economic, environmental, and social aspects of a business, and they provide a flexible structure in which to report them.

This new readiness assessment tool provides businesses with a simple way to perform a high-level assessment of their business based on the GRI guidelines without new measurements or public disclosures. This helps the companies identify gaps in their management across a broad range of issues.

Implementing Stability

Models are beginning to emerge that describe sustainability in terms of a series of capability levels that provide a basic structure to guide sustainability implementation. The figure shown at right shows a model of staged implementation of sustainability within a business. When combined with an accepted change implementation model and the output of a business assessment, a method of implementing a broad-based sustainability program can be developed. The CIRAS team works with companies in this program to help begin this journey.


Applied Research in Progress

Sustainable Supply Chains

- Best practices in sustainable supply chain management
- Development of assessment tool
- Research in current practices among Iowa small- to medium-sized businesses
- Technical assistance in implementing sustainable practices

Employee Wellness

- Research in employee wellness practices
- Application to Iowa small- to medium-sized businesses
- Link between wellness and workforce productivity