Optimizing Kenyon College's ESG Score: Identifying Strategic Areas for Efficient Improvement

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Abstract

This IPHS Senior Seminar project examines the critical ESG (Environmental, Social, and Governance) factors impacting Kenyon College's STARS (Sustainability Tracking, Assessment & Rating System) score. Through a comprehensive analysis of Kenyon's STARS 2019 ESG report coupled with annual emissions reports spanning 2017-2021 and extensive ESG research, I identify key categories for the college to focus on in order to efficiently improve its ESG score and reputation. By addressing these targeted areas, Kenyon College can enhance its standing in the higher education landscape, align with global sustainability goals, and attract ESG-conscious students and faculty.

Introduction

The importance of ESG (Environmental, Social, and Governance) metrics in higher education institutions has rapidly increased due to both its financial, reputable, and ethical implications. My IPHS Senior Seminar project aims to identify specific ESG categories that Kenyon College should concentrate on to efficiently elevate its STARS (Sustainability Tracking, Assessment & Rating System) score. This program, developed by AASHE (The Association for the Advancement of Sustainability in Higher Education), is instrumental in assessing sustainability and social responsibility in higher education institutions.
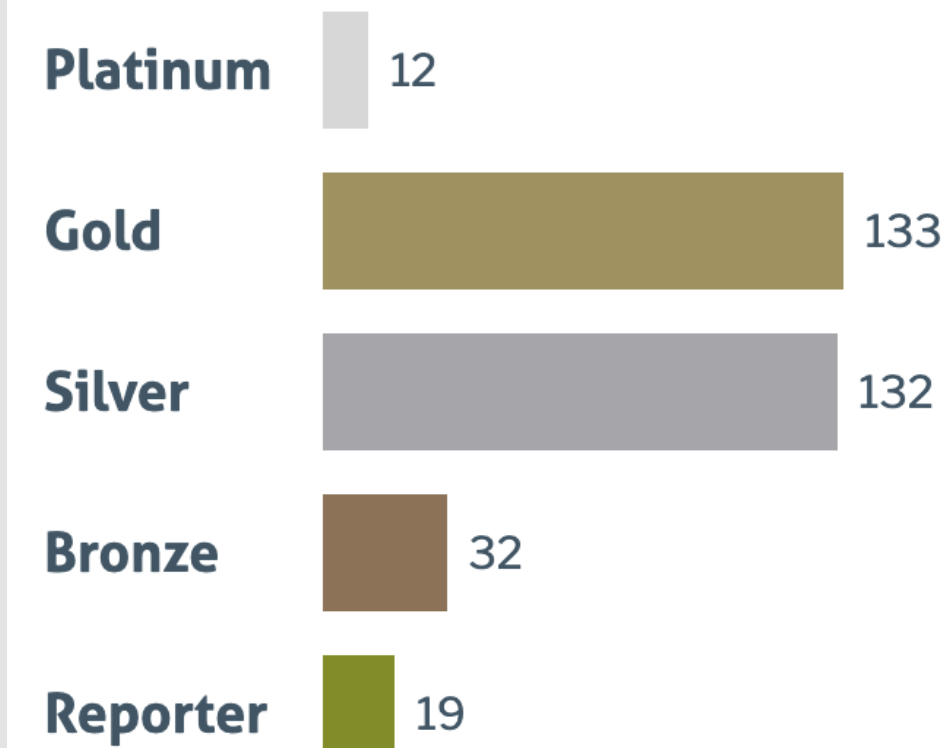
Despite decreasing greenhouse gas emissions in the past 5 years, enhancing Kenyon's silver STARS score and ESG reputation is vital for the college to establish itself as a leading liberal arts institution. Our comprehensive analysis of Kenyon's STARS 2019 ESG report will help the college make informed, cost-efficient, and high-impact decisions to bolster its standing in the higher education landscape.

By adopting targeted measures and strategies, Kenyon College can demonstrate its commitment to ethical practices, lower its cost of capital, and improve its reputation within the academic community. This project not only supports the college's long-term sustainability but also appeals to prospective students and faculty who value ESG-conscious institutions. Ultimately, the project will help Kenyon College align with global sustainability goals and cultivate a culture of responsible governance and environmental stewardship.

The impending publication of the SEC's final disclosure rule will likely increase the urgency for businesses and higher education institutions to enhance their ESG reporting. As a result, organizations must rapidly transition to investor-grade reporting by refining their controls environment and expediting their ability to collect, manage, and analyze ESG data. Our objective in this consulting project is to pinpoint the most crucial categories for Kenyon College to focus on, thereby improving its overall STARS score, an increasingly valuable ESG metric in higher education.

I am excited to present my findings and recommendations to the Kenyon College administration and will look forward to collaborating with the college further provide analysis to inform strategic endeavors of improvement.
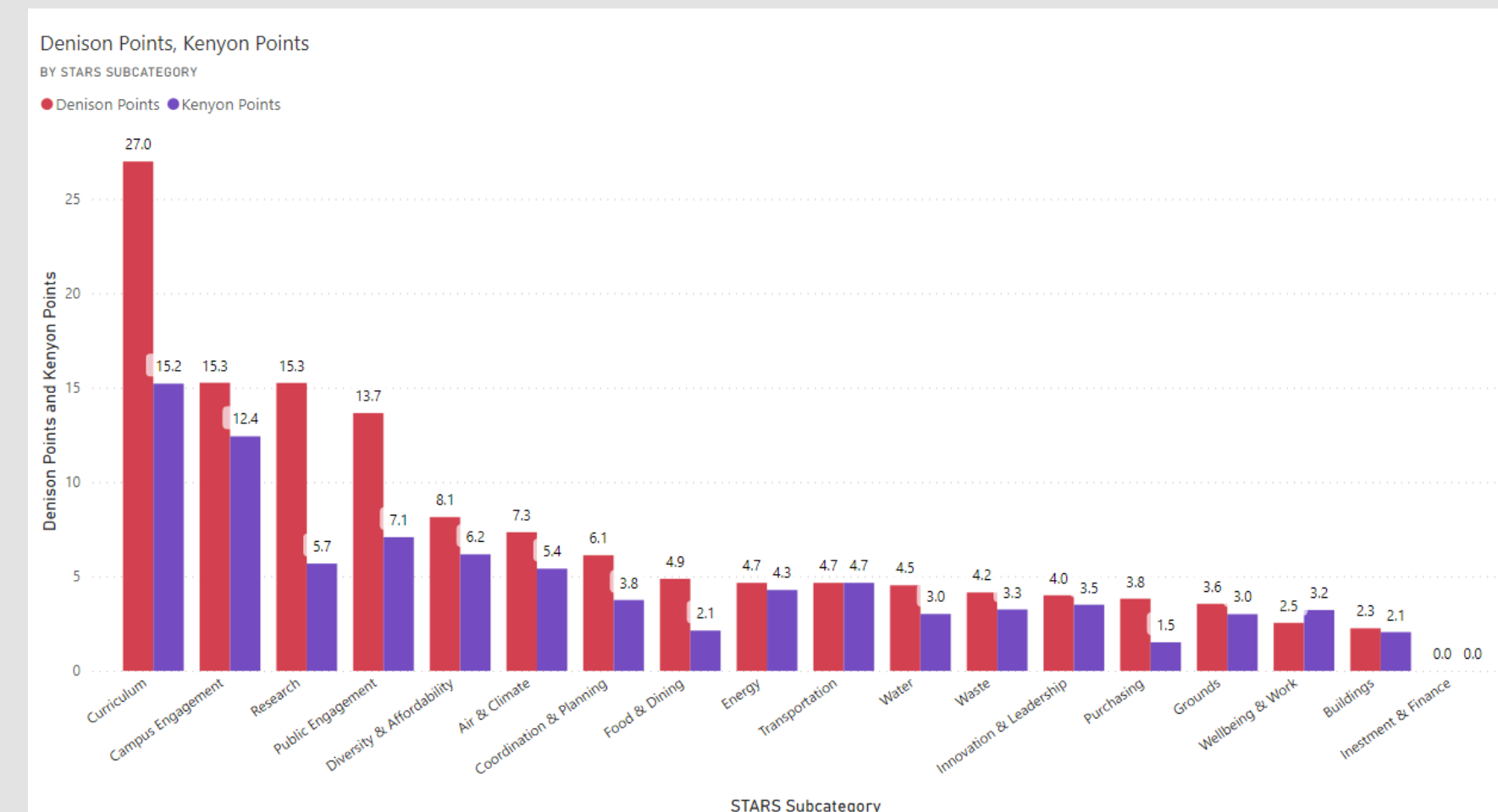
Current Ratings

Platinum	12
Gold	133
Silver	132
Bronze	32
Reporter	19

Kenyon's STARS score of 46.20 is classified as silver while Denison's 68.21 is classified as gold.
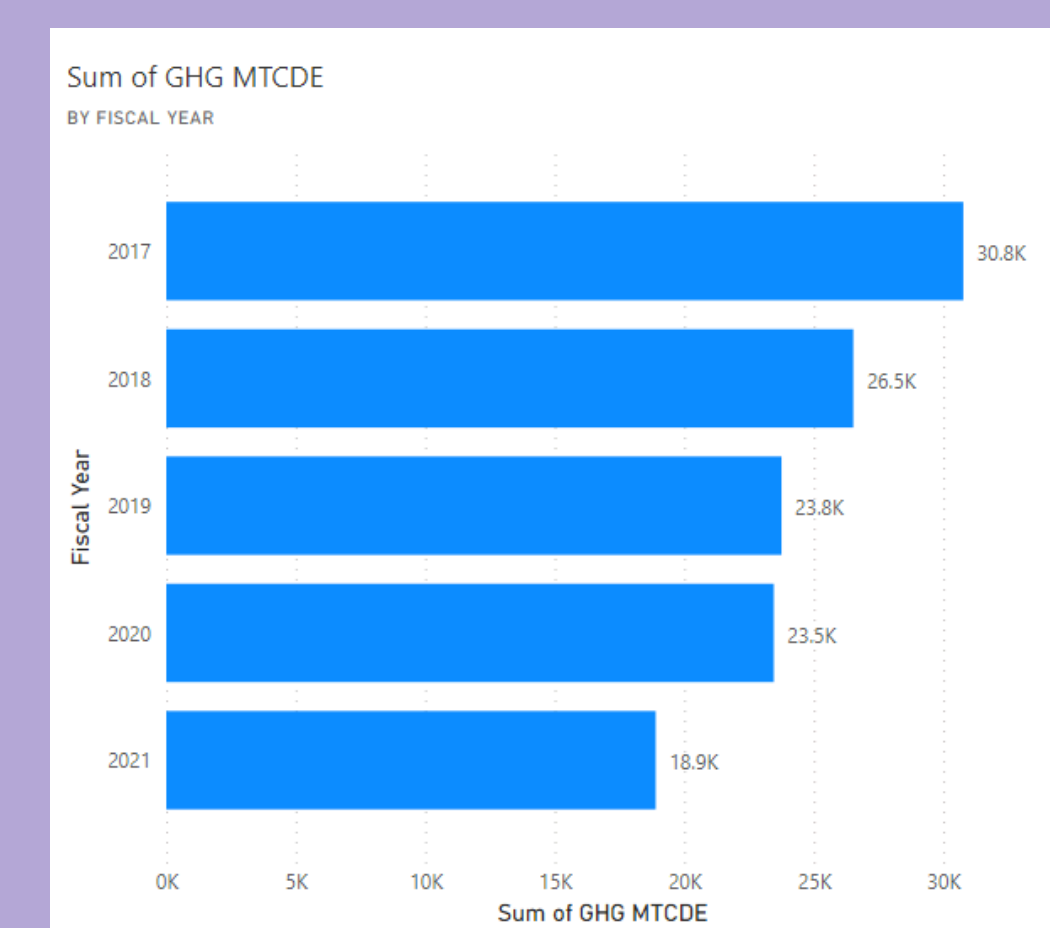
Materials

The materials used for this project include Kenyon's annual emission reports from 2017-2021, both Kenyon and Denison's active STARS reports accessed through AASHE, and extensive general ESG research within the umbrella of higher education.

Denison Points, Kenyon Points
BY STARS SUBCATEGORY

While Denison outperforms Kenyon in most subcategories of the STARS report, some discrepancies can be attributed to Kenyon's lack of capacity to collect sufficient data.

Methodology

I conducted a comprehensive analysis of Kenyon College's ESG data across various bins and subcategories comparing our performance to Denison University as a reference. My assessment of Kenyon's ESG performance was conducted using a systematic, data-driven approach, focused on identifying the most palpable categories and opportunities for improvement. By analyzing the 2021 STARS report data of both Kenyon and Denison, I have pinpointed specific areas where targeted efforts can lead to significant gains in Kenyon's overall STARS score. I initially identified the largest gaps in performance between the two institutions and hypothesized why this may be. Then, I statistically determined the potential impact of improving certain subcategories that would boost Kenyon's overall STARS score. Combining administrative meetings with institutional research, I determined which subcategories could feasibly be improved that would yield a high numerical increase in score.
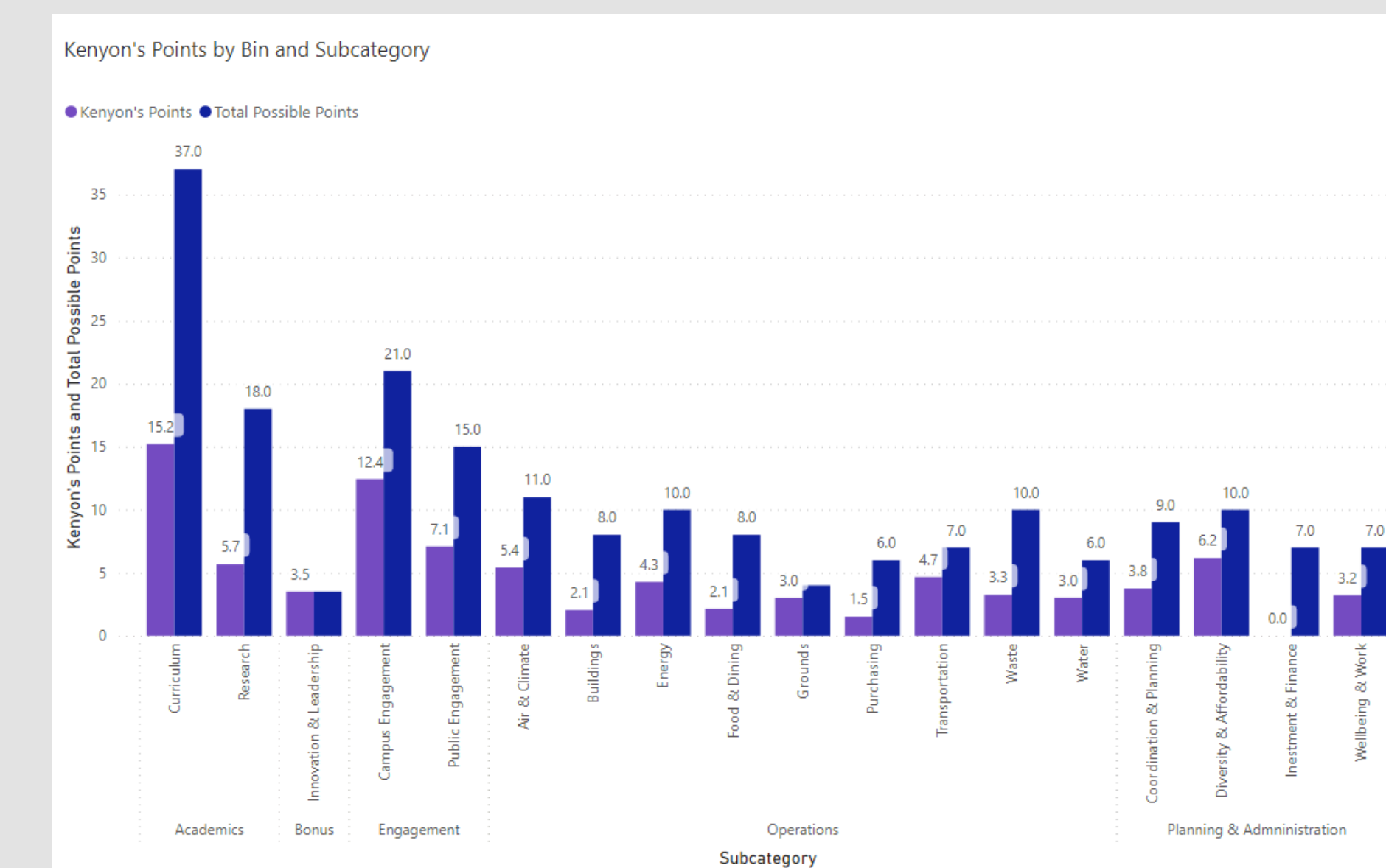

Sum of GHG MTCDE
BY FISCAL YEAR

Kenyon College has demonstrated a consistent reduction in greenhouse gas emissions, measured in metric tons of carbon dioxide equivalents (MTCDE), over the five-year period from 2017 to 2021. This downward trend reflects the institution's commitment to reaching net-zero by 2040. Although there is more work to be done, Kenyon's ability to reduce its carbon footprint should be better reflected by STARS and subsequently recognized by the higher education community.

Despite increasing levels of N2O and CH4 emissions, I further determined that Kenyon's total greenhouse gas emissions have decreased in the last 5 years according to annual emissions report data. This decrease in emissions should be reflected by a respectable STARS score to showcase the college's commitment to sustainability, responsible governance, and environmental stewardship, factors increasingly important to prospective students, faculty, and stakeholders. For this reason
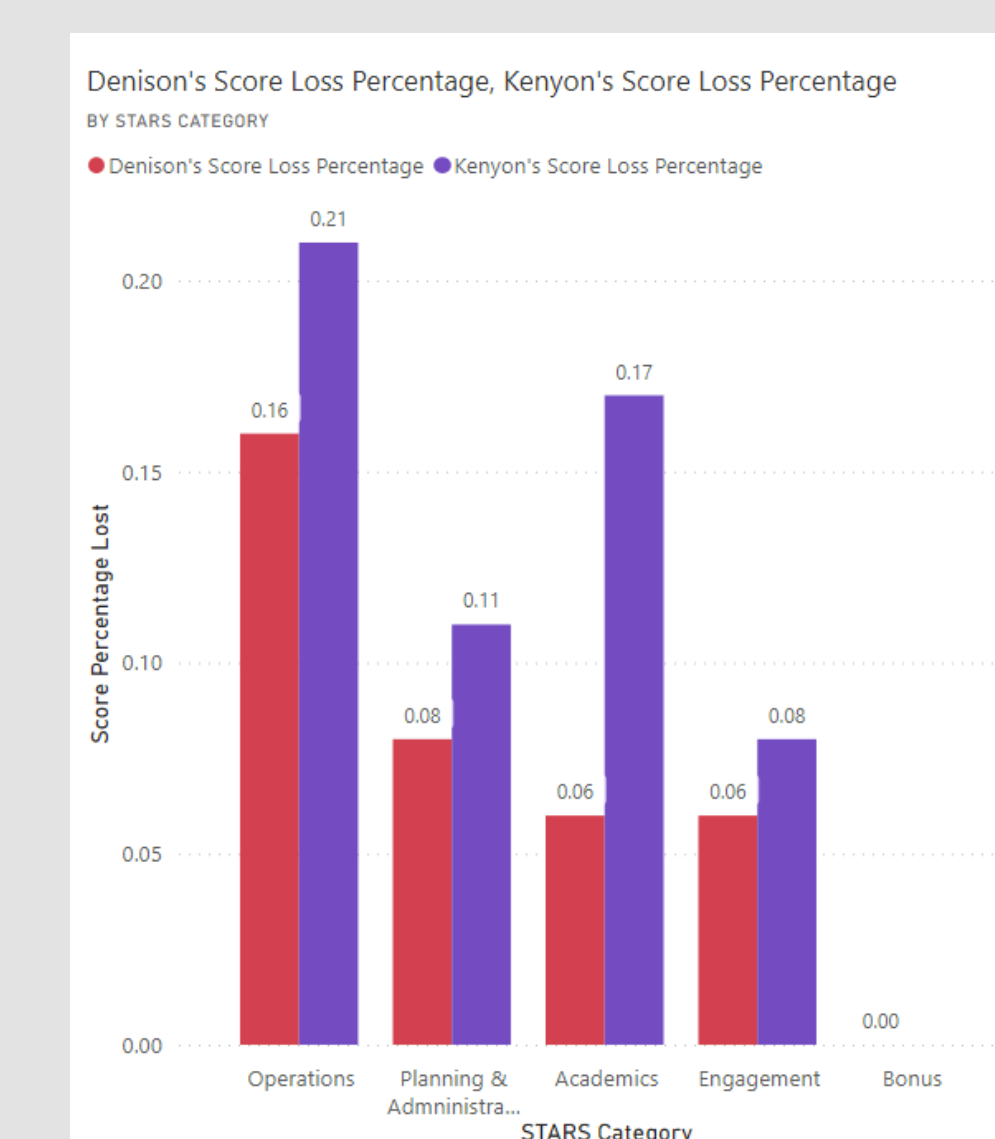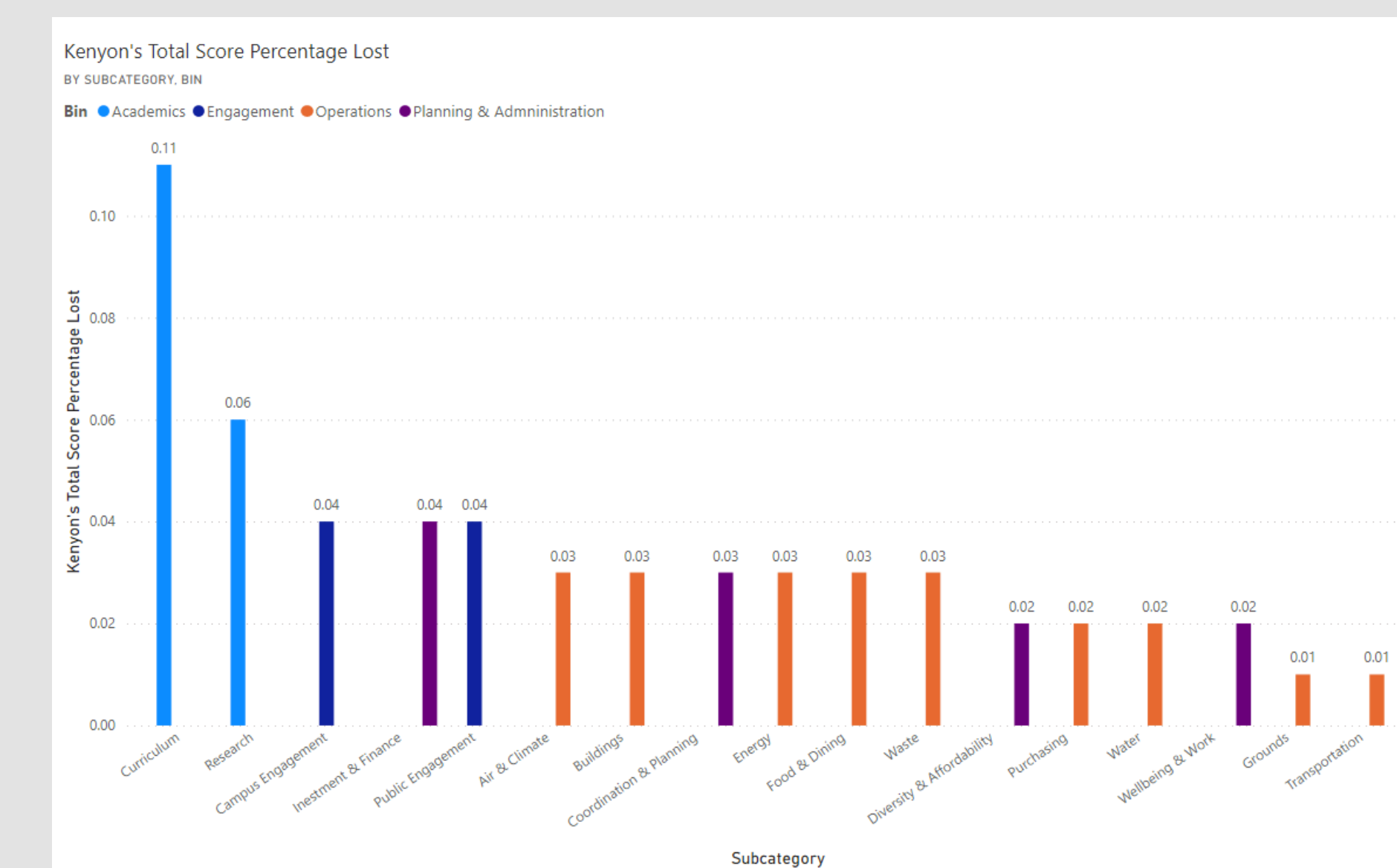
Results

The results of this project point to multiple areas Kenyon College can develop to optimize their ESG standing.

11% of Kenyon's total score loss came from its Curriculum score, in which Kenyon recorded 15.2 points out of a possible 37. This subcategory of the Academics bin also saw the greatest points difference between Kenyon and Denison's report scores.

Kenyon's Points by Bin and Subcategory

Kenyon's score further suffers in the other subcategory of academics: research. Kenyon loses 6% of its score due to this section as seen below. We can improve our score by providing digital public access to Kenyon employees' research publications. Denison gains almost a whole additional point for "offering repository hosting that makes versions of journal articles, book chapters, and other peer-reviewed scholarly works by its employees freely available on the public internet".

Kenyon's Total Score Percentage Lost
BY SUBCATEGORY, BIN

Denison's Score Loss Percentage, Kenyon's Score Loss Percentage
BY STARS CATEGORY

21% of Kenyon's lost points came in the "Operations" bin across its 9 subcategories. While this is the highest percentage of points lost per bin, Kenyon lost 17% of its points to the "Academics" bin which contains only 2 subcategories. While improving Kenyon's operations could yield the greatest point increase, it would be significantly more effective to address our curricula and research opportunities to align more with ESG standards and subsequently increase our score.

Conclusion

While Kenyon's STARS report fails to accurately reflect all of its sustainable practices due to incomplete data, concrete steps can be taken to improve its score within Kenyon's limited infrastructure.

Kenyon lost significant points in each bin, but its performance in the Academic bin in particular, can be improved upon for great reward.

Our analysis reveals that Kenyon should prioritize improvements in the following areas: Curriculum, Research, Public Engagement, and Investment & Finance. Kenyon performed significantly worse in these areas compared to its liberal arts competitors than others. Focusing on these improvable areas will yield the most significant benefit on Kenyon's overall ESG score.

Moreover, to attain the highest possible STARS score, which accurately reflects Kenyon College's commitment to sustainability, it is essential to implement a more efficient and comprehensive data collection process across the institution's diverse operations and divisions.

Recommendations

As Kenyon lost a highest percentage of its points in the Academic bin (17%), made up mostly by the 11% lost in the "curriculum" subcategory, Kenyon can dramatically improve its overall score by addressing this single category first. For our next STARS report submission, Kenyon should improve its score by increasing the number of sustainability-focused and sustainability-inclusive courses, as well as the number of academic departments offering these courses. Here are some implementable recommendations:

• Integrate sustainability topics into existing courses across various departments, rendering their syllabi sustainability-inclusive.
• Develop new sustainability-focused courses to cover a wider range of sustainability themes and issues.
• Encourage collaboration between departments to create interdisciplinary sustainability courses.
• Provide training and resources for faculty members to help them incorporate sustainability into their curricula.
• Promote awareness of sustainability course offerings among students and encourage them to enroll in these courses.
• Regularly review and update the course inventory to ensure the sustainability offerings remain relevant and up-to-date.

By implementing these strategies, Kenyon College can increase the visibility of sustainability in its curriculum across courses in multiple academic departments, thus dramatically improving its score in the academic category for which Kenyon saw the highest percentage of lost points.

Additionally, the limitations of this project underscore the need for robust data collection across all of Kenyon's emissions producing operations. Kenyon's reputation is suffering in the ESG realm due to a lack of data, which is not acceptable in this day and age. Kenyon must employ the necessary infrastructure to collect and manage data inventories specifically documenting air pollutant emissions, building operations and maintenance, documentation of sustainably produced food,

Acknowledgements