



MODULE

COLLECTIVES AND NETWORKING COMPETENCE

Unit 1 | Activity 3 The road to sustainability



20min



- Pen and blank paper
- Access to internet
- Access to business plan

DESCRIPTION

Networking can be zoned in on certain aims and goals. It's not irrelevant who your contributors are. What you stand for also needs to be clear, for you and others. Finding out how to locate, reinforce and highlight your sustainability values is a strength to your networking and collaboration efforts.

This will give you a tool for future economic success with sustainability as the driving factor and raise credibility from anchoring sustainable action in the company's vision, reflected in objectives. Furthermore, integrating economic success and growth with environmentally conscious action and social responsibility is an indispensable competitive factor!

THE ACTIVITY

Step 1. Internal company analysis

The first step is to evaluate the current situation and the orientation of the company. This is an important prerequisite for the second step of comparing the company with other market players and identifying fields of action with regard to the sustainability strategy or goals.

Answer the following questions to see where your company is at:

- Is sustainability considered in your vision?
- Is there a sustainability strategy?
- What sustainability goals does the company pursue?
- Are there explicit sustainability initiatives?
- What percentage of sales is achieved with sustainable products today?
- What is the budget for investing in sustainability?
- Has the company been awarded, or has its products already been awarded, for sustainability?
- How is sustainability embedded in the organisation, processes and management principles?

Step 2. Competitor and environment analysis

The competitor and environment analysis complements the internal company analysis by considering factors that influence the company. In addition, a systematic analysis of competitors and other market players will also give an indication of how the industry will develop and what the other companies' objectives are for the future. It is also worth taking a look at other industries to get a holistic picture of global trends and developments.

There are several ways of analysing competitors.

Here are a few examples:

- Environmental and sustainability reports - Looking specifically at the goals and activities of your competitors and other market players
- Reporting standards and indicators standardised
- Company ratings and rankings
- Topic-specific certifications, e.g., a CO2-neutral company, or evaluations of climate strategies.

Answer the following questions to see where your company is at:

- What regulatory requirements will be relevant over the coming years (e.g., the EU's Farm to Fork strategy)?
- What requirements come from investors (e.g., ESG ratings), customers (e.g., ecological products), and employees (e.g., fair working conditions, diversity)?
- What positions are competitors taking?
- What conditions are in place for acquiring capital or funding?

Step 3. Defining a position

The baseline analysis is completed by comparing the company's own situation with the results of the competitor and environment analysis. The aim is to identify gaps and weaknesses in the company's strategy, and then derive concrete needs for action.

It will be necessary to perform a materiality analysis, to gain an internal view and also gain perspective from the expectations of the various interest groups, who are brought into relation with each other. The analysis is an important input for the prioritisation of goals, measures and key figures.

In addition, it will show the relationship between internal views and the expectations of different external interest groups. This generates transparency, identifies the priorities of different interest groups, and shows to what degree you match the expectations of interest groups; and where conflicting interests might arise.

Furthermore, an independent sustainability advisory board can help to critically overlook strategic decisions and support the company in making different choices, where necessary.

Create understanding - Communication as a success factor.

Go through the checklist:

To what extent are your internal and external communications set up to effectively publicise goals, results, and successes?

- Regular internal and external communications with all interest groups are an integral part of the transformation process from the sustainability vision itself to implementing the associated measures
- You should ensure that everyone understands the overarching goals and activities and establish a uniform language, for example by using company-wide core messages and/ or motivational narratives.
- An ongoing series of reports along the lines of “Do good things and talk about them” helps to match what you value with what you do.
- A central communications department can serve as an interface for both internal and external dialogue.
- Informal communications within communities or in the form of regular reports on sustainability-related activities on online channels, or at exhibitions can also have a motivating effect and promote more responsible behaviour.

THE THEORY

The road to sustainability

Why is it a strength to locate, reinforce and highlight your sustainability values?

- Sustainability is becoming the indicator for future economic success!
- Credibility only arises from anchoring sustainable action in the company's vision, reflected in objectives, and if the results are convincing!
- Integrating economic success and growth with environmentally conscious action and social responsibility is an indispensable competitive factor!

Becoming sustainable is a transformation along six milestones

1. A determination of **position and the definition of the strategic framework** with the
2. **corporate vision**. This is put into concrete terms by deriving.
3. **objectives** and
4. the **associated initiatives and measures** (e.g., reducing CO2 emissions by 45 percent at all plants by 2035, achieving 20 percent product recyclability, increasing biodiversity in a factory by 70 percent by 2025).
5. Establishing **suitable structures and framework conditions** at the company and designing a company-wide control and management process enable the initiatives to be put into practice and the transformation to proceed on a continuous basis.
6. Ultimately, establishing a **sustainability culture** is an essential factor for success, in combination with comprehensive change management, intensive employee engagement, and a new culture of leadership **WE-dership**.

Source: https://www.porsche-consulting.com/fileadmin/docs/04_Medien/Publikationen/293401_Sustainability/Sustainability_A_key_factor_for_success_C_2020_Porsche_Consulting.pdf

Six Milestones to Making a Business Sustainable



Illustration of how to make a business sustainable- 6 milestones.

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