

Strategic Management for Sustainability: Integrating Sustainability into the Strategic Planning Process

**8th Canadian Pollution Prevention Roundtable
April, 2004**

Who is from business/industry?

government?

NGOs?

other?

The bottom line is what drives business!

Saving money is what it is all about!

Who are the decision makers in companies?

Do decision makers speak the same language as operations people?

Role Play Activity

Background

Global Reporting Initiative (GRI)

...is a long-term, multi-stakeholder, international undertaking whose mission is to develop reporting guidelines for voluntary use by organizations reporting on the economic, environmental, and social dimensions of their activities, products and services.

www.globalreporting.org

Elements of Sustainability

- **Economic** – wages & benefits, labor productivity, job creation, R&D, investments in human capital, financial information ...
- **Environmental** – impacts of processes and products on air, water, land, biodiversity and human health ...
- **Social** – workplace H&S, employee retention, labor rights, human rights, wages and working conditions at outsourced operations ...

Global Reporting Initiative (6/2000)

Role Play Activity

- You are senior executives of an SME.
- One half of you represent suppliers
- The other half of you represent customers
- For the purpose of this activity, we will use the GRI concept of sustainability

Customer Perspectives (in terms of sustainability)

1. Now	<p>-As a customer, what are important factors for your company in evaluating a potential or existing supplier? (Use the Elements of Sustainability handout, and address at least two items that you think are most important in each element, i.e. Economic, Environmental, Social).</p>
2. Future (2008)	<p>- Referring to the Elements handout, do you think that your company's basis for evaluating suppliers will be different in 2008? If so, what are the differences? (Again, address the three elements of sustainability).</p> <p>-What are external, sustainability-related drivers that might impact your company (regulations, consumer trends, etc.)?</p>
3. How will you get there (2008)?	<p>- As a customer, how would you incorporate sustainability into your strategic planning to protect and improve your market position (supply chain value)?</p> <p>- What will you need to get you there (resources, skills etc.)?</p>

Supplier Perspective (in terms of sustainability)

1. Now	-What do you think are the most important factors that will be used by customers in evaluating your company as a supplier? (Use the Elements of Sustainability handout, and address at least two items that you think are most important in each element, i.e. Economic, Environmental, Social).
2. Future (2008)	- Referring to the Elements handout, do you think that the basis for evaluating your company as a supplier will be different in 2008? If so, what are the differences? (Again, address the three elements of sustainability). -What are external, sustainability-related drivers that might impact your company (regulations, consumer trends, etc.)?
3. How will you get there (2008)?	-As a supplier, how would you incorporate sustainability into your strategic planning to protect and improve your market position (supply chain value)? - What will you need to get you there (resources, skills etc.)?

Small Group Report Out

Jack Luskin, Director
Program for the Practice of Sustainability
Office of Regional Development



Strategic Sustainable Positioning a PPS Initiative

- Making a company more attractive to customers (being in a better **strategic position**) by addressing sustainability issues into the strategic planning process.

Our Findings (to date)

- Competitiveness
- Supplier Partnerships
- Awareness & Education
- Supplier Performance Attributes
- Certification Agencies and Government
- Environmental Liability, and
- Company Public Image

Conclusions

- Vertically integrated companies are becoming virtual enterprises supported through a network of supply chain partners.
- Many gains achieved in the past through the sustainability commitment by these companies must now be achieved through the actions of their suppliers.

Conclusions (Con't)

Small and medium sized supplier companies that are making sustainability part of their strategy, are positioning themselves to be more attractive to customers, and to achieve profitable growth into the future.

SO - What now?

Practical Resources



[GRI is Collaborating Centre of the United Nations Environment Programme](#)

[Home](#)
[Graphic Version](#)
[Print this page](#)

About GRI	News & Events	Reporting Framework	Governance	Activities	Feedback	Help
---------------------------	-----------------------------------	-------------------------------------	----------------------------	----------------------------	--------------------------	----------------------

43 countries

Featured Links

- 2002 Guidelines that Others Say
- Organisational Stakeholders
- Contribute to GRI
- Get involved
- Stakeholder-Act Forum
- Structured Feedback
- Press
- Are you a GRI Whiz? Take Quiz!

Latest Updates

- Matchmaker
- 2003 Annual Review
- UNEP Regional Roundtables

A Common Framework for Sustainability Reporting



What is GRI?

The Global Reporting Initiative (GRI) is a multi-stakeholder process and independent institution whose mission is to develop and disseminate globally applicable Sustainability Reporting Guidelines.
[More...](#)

Latest News

Matching leading universities with GRI reporters for improved sustainability reporting
"Matchmaker" is a unique program that bridges academic interest with private-sector experience in sustainability reporting...
[Read more](#)

[Subscribe](#) to GRI News Updates



THE SIGMA GUIDELINES

PUTTING SUSTAINABLE DEVELOPMENT INTO PRACTICE -
A GUIDE FOR ORGANISATIONS

<http://www.projectsigma.com>



Business benefits ⁵	
Improved operational efficiency	Preservation of licence to operate
Enhanced brand value and reputation	Promoting and increasing innovation
Customer attraction and retention	Improved access to capital
Enhanced human and intellectual capital	Building and sustaining shareholder value
Improved management of risk	Generating increased revenues
Attracting and retaining talented staff	Identification of new opportunities

A values case. More responsible business practices often deliver traditional business benefits. A more fundamental driver for action is the prospect of being architects of a better future for ourselves, for others and for generations to come.

YCAS York Centre for Applied Sustainability



DOCUMENT SEARCH

NEWSLETTERS REAL AUDIO SERIES

Latest News: [an error occurred while processing this directive]

York University
Faculty of Environmental Studies
Developed with Terra-Plex Innovations Inc.
[Activities](#) | [Mission](#) | [Publications](#)
[Projects](#) | [Personnel](#) | [Funding](#) | [Links](#)



015705

Asset Protection Adding Business Value

Frank Marino
TURI Meeting
April 13, 2004



Your Most Valuable Asset...

The Business Case for Asset Protection

- Properly run asset protection programs
 - Avoid business interruption
 - Lower insurance costs
 - Protect people, property and earning potential
 - Contribute to supply chain integrity / reliability

Asset Protection Pays

The Outsourcing Trend...

- More and more companies are outsourcing manufacturing operations
- OEM's will be inquiring more and more about their suppliers' EHS programs
- A supplier being able to demonstrate good EHS programs will be a plus for their business

The Outsourcing Trend...

- Current measurements are more quality, cost and delivery.....but EHS is gaining momentum as a discriminator
- Move toward sustainability will expand OEM interaction with the supply chain

OEM / Supplier Relationships

OEM's can mentor suppliers in their supply chain because:

- It's the right thing to do....
- It makes good business sense
- Ensures the integrity of the supply chain
- How to best work together takes some innovative thinking...

The bottom line is what drives business!

Saving money is what it is all about!

Who are the decision makers in companies?

Do decision makers speak the same language as operations people?

So, what is next?

- Modify/develop new sustainability concepts and tools
- Continue to create new knowledge
- Reach out to help SMEs become more sustainable

**Program for the Practice of Sustainability
University of Massachusetts Lowell
978-934-3262
Jack_Luskin@uml.edu**

