



Selling Sustainability

A Business Case Roadmap



Questions...

- What is true sustainability?
- Who is responsible?
- How to go beyond regulatory compliance?

Sustainability needs an economic justification

- Requires long-term approach
- Consider tangibles and intangibles
- Integrate into business plan

Opportunity or threat... the "mind shift"

Sustainability...

“If the entire world population enjoyed Western lifestyles, it would require 5.5 planet Earths and its natural resources to meet everyone’s needs.”

United Nations Development Programme, Human Development Report, 1997

How do we move from this place?

What about...

- Government regulations?
- Financial incentives?
- International protocols?
- Power of the consumer?
- Goodwill of businesses?

} **GAP**

All required, but not enough on their own!

True sustainability...
needs to make business sense

“Business cannot succeed in societies that fail.
Likewise, where and whenever business is
stifled, societies fail to thrive.”

Björn Stigson, President, World Business Council for Sustainable Development

It is a shared responsibility ...
government, commerce, non-profit and public

Answers...

- True sustainability requires **economically sound** implementation
- **Private sector** is jointly responsible with government, non-profit, and the public

But how can sustainability be sold to businesses?

Evolution of environmental solutions tool box ...

- “End of pipe” treatment
- Process changes
- Supply chain management
- Life cycle assessment
- Waste – resource integration

Target → value added & innovation

Profitability

To achieve this mind shift, businesses must:

- Plan for the long-term
- Consider beyond typical boundaries
- Be innovative
- Value added opportunities

What about...

Resource availability?

Stakeholder issues?

Compliance initiatives?

Disposable chopsticks... unlikely case study in selling sustainability

- Japan consumes over 2 billion per year
- Tax (5%) and exporter (30%) increases
 - Deforestation
 - Increased transportation costs
- Restaurants reviewing alternatives
 - Benefits vs costs

Opportunity for added value...



Why are businesses slow to change?

- Small margins / limited resources
- Complexity
- Lack of education / networks
- Disconnect between CFO and EHS officer

Mind shift – economy and ecology can be mutually beneficial

Influences

- External and internal
- Tangible and intangible
- Short- and long-term

Consider *all influences* to find opportunities...



6 steps to building a business case:

1. Identify potential environmental & social impacts
2. Analyze key issues
3. Determine and evaluate options
4. Identify preferred options
5. Develop benchmarks and indicators
6. Integrate into business plan

Commercial benefits of sustainability

- Often direct reduction in expenses
- Marketing
 - Commercial clients via supply chain
 - Customer retention / loyalty
- Stimulating product innovation - growth
- Employee retention
- Meet environmental management priorities

Final thoughts...

- Businesses who incorporate financial, ecological and social considerations into **strategic planning** will **thrive** in our changing economy
- Six steps to building a business case will allow sustainability to be applied for a **range of businesses** from local SME to multinational corporation



Thank you!

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