

a strategy for sustainability

Sustainability at its core is a strategic issue, but few companies see it that way

At forward thinking inc, we believe that companies can be categorised into one of three groups by their approach to sustainability: they are either 'laggards', 'adopters' or 'forerunners'.

'**Laggards**' have little or no interest in the implications of sustainability for their business. Whilst they pay lip service to the sustainability agenda, they practically and demonstrably fail to deliver any tangible results. Amongst the FTSE100, this group is – thankfully – a dying breed.

'**Adopters**' are organisations that have taken steps – albeit tactical - to address their sustainability challenges. They typically measure and publish sustainability information and ensure that they comply with market expectations around their sustainability performance.



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'**Forerunners**' address their sustainability issues strategically, recognising not only the inherent challenges they face in their business, but - just as importantly - the potential opportunities. Effort cascades from a top down mandate that focuses on both incremental and transformational initiatives that drive long-term value.

Proactive leadership

Historically, 'Forerunners' may have had a higher sustainability risk exposure than their 'Adopter' counterparts, thus making management, investment and innovation more prominent features of their sustainability agenda. What tends to differentiate these companies more, though, is a proactive leadership with a deep desire to exceed market expectations and do business better. Leaders of 'Forerunner' companies are not scared to challenge the status quo or rethink corporate strategy and business practices.

When we ask our clients where they would place themselves on this simple continuum, the vast majority say that they are 'Adopters'. Taken at face value, this is a fairly pleasing result. However, when asked what qualifies them as 'Adopters', few have a compelling or concise answer. Although they may have reached important sustainability milestones, their initiatives have often been conceived and implemented in a bottom-up and relatively random way.

All too often, sustainability initiatives are driven by market fads or by senior management casting the net too wide in an attempt to address all of their company's sustainability challenges as urgently as possible. This is understandable, as sustainability is such a cross-cutting and complex area. However, such a haphazard approach is unlikely to deliver market beating long term results.

The critical questions

At forward thinking inc, we aim to challenge our clients to step back and develop a powerful sustainability strategy by asking themselves the following questions:

- What is your business really good at and how can you translate that into your approach to sustainability?
- What can you 'own' as a sustainability initiative and be proud to say is your key differentiator?
- What is your message when it comes to sustainability and how do you communicate it internally and externally to ensure a common understanding?
- What incremental and practical steps can you take to really drive your sustainability vision into your value chain?

Tough choices

The questions are tough and require focussed and refined thinking. They also require companies to make some tough choices. We believe that it is the role of the Corporate Responsibility manager to work with the leadership team to help them make those choices.

Win-win

Our belief is that a truly strategic approach to sustainability – one that plays to your business strengths and is singular in mission, communication and implementation – will be better for your business, better for society, and better for the planet.



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