CHAPTER 3

Five Keys to Integrate Sustainability into the Business

Introduction

Most business leaders recognize the need to adapt to maintain their ability to meet changes in the market, the political environment, and public needs. At the same time, however, they are keenly aware of, and will remain committed to, maintaining the core elements that they believe have been responsible for their success in the past. This is the balance that leaders must maintain: remaining true to what differentiates their business while being flexible and nimble enough to predict, embrace, and lead in an ever-changing and competitive world.

As societal expectations change, companies must be prepared to respond. Expectations of what it means to be a "good" corporate citizen have changed so that companies must do more than simply meet statutory requirements in their efforts to satisfy the customers' needs with products and services and their owners' demand for a satisfactory financial return. Increasingly long-term financial success requires business strategies that include good customer and supplier relationships, reducing opposition to growth, enhancing speed to market, fostering a favorable regulatory climate and requirements, and maximizing human resources.

Whether employee safety, environmental stewardship, labor relations, product quality, or community relations—including taxes paid—companies have the power to make this decision. And with the power comes corporate responsibility.

The new "rules" return the emphasis to stakeholders from the shareholder—bringing back the fundamental rule of capitalism. Sustainable companies define customers as the community of stakeholders who impact their business, not just those who purchase their goods or services. And they also are careful to identify who are not customers (or stakeholder)—those for whom the success of the business is secondary, immaterial, or contrary to their agenda.

The new "rules" also focus on empowering employees and igniting their passion for the company and making them part of its success. This ties in with the importance of visionary and courageous leadership and the importance of having a corporate "soul."

First, we shall see how the five value drivers described above can be leveraged to help support an organization's overall strategy, which is essential if sustainability is going to be integrated into the business and not a nice-to-have add-on.

Support the Organization's Overall Strategy

Contrary to popular perception of companies, most successful organizations not only do manage their operations on a quarterly or yearly basis. Successful companies work to balance both short- and long-term goals. Often these are broken into four typical "strategic imperatives"—financial performance, operational efficiency, sales, and cultural imperatives.

In order to ensure these objectives are managed and met, companies often develop strategy maps that are defined, vetted, and approved by its senior leaders.

- Operational—improve efficiency, reduce costs of materials, safety;
- Sales—increase sales of premium products, improve margins;
- Financial—reduce time between delivery and payment, favorable credit terms; and
- Cultural—attract, hire, and retain the best talent, productivity, engagement.

To be an integral part of the company strategy, the sustainability program must be integrated into these established and agreed-upon efforts.

Table 3.1 Conceptual strategy map showing how sustainability value drivers align with typical strategic imperatives. Innovations in service of these organizational goals can be developed in collaboration with the department or team responsible for meeting them.

	Sustainability Value Drivers				
Business Categories	**License to Operate**	**Cost Reduction**	**Market Opportunity**	**Employee Engagement**	**Access to Investment Capital**
Financial		▶ Reduce days sales outstanding ▶ Reduce fines		▶ Ensure excellence	▶ Enhance reputation as a good investment ▶ Appeal to growing social responsible investment funds/analysts
Sales	▶ Expand share of business with existing clients ▶ 100 percent retention of existing clients		▶ Increase market share ▶ Expand premium offer ▶ Increase sales volume to existing customers ▶ Attract new customers	▶ Maximize bonus and growth opportunities	▶ Improve margins
Operational	▶ Identify & integrate best practices throughout company ▶ Maximize safety ▶ Ensure compliance	▶ Increase productivity ▶ Reduce waste ▶ Reduce transportation costs ▶ Reduce lost time accidents ▶ Reduce mediation	▶ Provide the best and reliable service ▶ Be responsive to customers	▶ Culture of continuous Improvement	▶ Reduce raw materials costs ▶ Ensure compliance
Cultural	▶ Align HR processes and incentives with desired outcomes	▶ Reduce turnover		▶ Attract / hire / retain / engage the best talent	

Within each of these categories, goals are defined and assigned to various operating units. These are your internal "customers"—and demonstrating how you can help them meet their goals is how the sustainability department (or role) becomes a strategic partner.

Those who wish to "sell it upstairs" (or in the C-suite) know that the best way to do this is to demonstrate how the proposal you are making helps to achieve one (or more) of the objectives that the company leadership has already identified as important and supports one or more of the established goals. Whether developed by yourself or in collaboration with the departments/teams that have responsibility for the strategic imperatives, this is how the innovation high ground (competitive differentiation) can be established.

The measure of success is not how well your business model supports sustainability objectives but rather how well your sustainability efforts support—and help define—your business model.

It is important to note that people in leadership positions often care passionately about and may give generously to social and environmental causes. But when they are sitting at the boardroom table, they are paid to put their personal passions aside and make decisions based on the company's best interests. Therefore, it is imperative that sustainability professionals adopt the language and priorities of the C-suite instead of futilely trying to convince people who are thinking about their business priorities using emotional arguments. This is more than just language and branding. Instead of trying to convince business leaders that corporate responsibility is a "good thing to do," approaching it in this manner demonstrates how it helps move the company in the direction that they already want to go—and every success further integrates the function.

Managers and leaders who recognize that employees are essential for the success of a business are increasingly focused on attracting, hiring, and retaining talent as a "cultural" strategic imperative. With the baby boomer generation reaching retirement age, the number of available workers is declining. At the same time, younger graduates have different values and expectations from employers. While traditionalists may remember the days of corporate pensions and long (30-year) careers with one company, younger workers have no experience with this. Many, facing excellent job prospects, are choosing to favor jobs where they can match a sense of purpose or that meets their desires for improved work–life balance.

Even if the strategy is less formally defined, it is possible to find out what the various departments are working on and realistically identify (there is nothing to gain, and credibility to be lost by overpromising) which efforts can be assisted or even accomplished through sustainability programs. The result will be a program that is integrated into the business and grows—because it is integral to the business and helps it grow.

Discussion Questions

1. Map your sustainability efforts to existing strategies.
2. Who are the key "owners" of the issues identified? Can you work with them for shared success?
3. What strategies have no owner or are foundering? Can you devise a solution?

Compatible with the Day-to-Day Reality

If a sustainability program is to provide value to a company on a regular basis, it must be compatible with the reality that employees face every day. Therefore, things like "best practices" that often focus on operational efficiency and safety must be aligned with sustainability objectives, and vice versa.

Many employees face daily realities, such as customer expectations, that can appear to conflict with corporate sustainability directives. Failing to address and respond to these real or perceived incompatibilities is a key reason why so many corporate initiatives falter.

Sustainability professionals must use their knowledge and understanding of the "on the ground" reality to establish credibility at all levels within the company by developing a strategy that clearly and compellingly communicates how the new programs support and can improve conditions such as by increasing efficiency, reducing overhead costs, and—perhaps most important—meeting customer requirements.

An operating procedure that focuses on speed can be incompatible with safety. Companies know that this is the case and often seek to strike a balance between the two. A true "safety culture" will make that the first imperative, with swiftness second.

But sometimes they are compatible. UPS has received a lot of attention for implementing a simple-sounding program to increase efficiency of deliveries—avoid as many left-hand turns as possible. Because left turns require crossing a lane of oncoming traffic, they are considered more dangerous. In left-hand drive countries, the opposite is the case. In those countries, UPS drivers try to avoid right-hand turns.

Asking people to do something "different" or change procedures in order to be sustainable is a recipe for failure, unless the new procedure is adopted as a standard way of doing business. Since companies are often looking for ways to improve efficiency and save money, initiatives that achieve those objectives and have a social or environmental component (i.e., less waste or fewer accidents) are more easily adopted.

"The most sustainable mile is the one we never drive, so route optimization is an important part of reducing our footprint," says Suzanne Lindsay-Walker, UPS's chief sustainability officer. "On-Road Integrated Optimization and Navigation (ORION), our groundbreaking route optimization software, uses package detail, customized map data, and advanced algorithms to determine the most efficient delivery route for a driver's day."

UPS's latest route optimization efforts, ORION, has combined with earlier efforts, generating annual savings of 100 million miles, 10 million gallons of fuel, and about 100,000 metric tons of emissions.[1]

Empower and Engage Employees at All Levels within the Organization

For many years, the model, particularly in America, has been to make one's fortune and to give back at the end of a hopefully successful and lucrative career and/or to give back during weekends and hours not on the company payroll.

To those who feel passionate about environmental and social issues, this separation of their work and their conscience creates a kind of a

[1]ORION Backgrounder. https://www.pressroom.ups.com/pressroom/ContentDetailsViewer.page?ConceptType=Factsheets&id=1426321616277-282, (accessed September 30, 2019).

"Bruce Wayne/Batman paradox" because people often recognize that their actions during their career are at best unrelated but at worst are *negatively contributing* to the same causes that they are addressing during their nonwork hours. Hypothetically speaking, examples would be if a business were to host a volunteer event for employees at a local food bank while paying its employees so poorly that some of them might be relying on that assistance for their own needs, or if a local clean-up event were to include employees picking up litter branded with their company logo.

Some companies have engaged in organized philanthropy and volunteerism efforts designed to allow employees to do good works on their company time. This often builds a greater sense of loyalty and team as senior executives' participation in these events provides access for employees who might not otherwise gain entree into having a conversation with their corporate leaders.

But when done well, like the industry-leading partnership formed between construction materials producer Lafarge and Habitat for Humanity International, the impact on employees affirms the role the business (and its products or services) plays in the community. "This provides are great opportunity for us to see how our product is used and to see the corporation as a whole and some of what it gets involved with," said Jack Francis of the Palatka Gypsum Plant. Tom Millwee of the Roberta Cement Plant appreciated "Lafarge donating the materials and giving me the opportunity to work on this project."

Just as this sense of ownership is a powerful incentive, the opposite is also true. Lack of ownership may lead employees to compromise the effort, either deliberately or unintentionally. A classic example is a power-saving effort that automates temperature control but is not flexible enough to accommodate employees who work outside regular hours. Using fans or space heaters to make themselves comfortable (certainly understandable) is a sign that your employees have not been made part of the program.

As with any culture defining effort, a truly integrated sustainability culture requires the individual buy-in and the empowerment of everyone in the company as well as changes in processes and procedures, including training.

Success cannot rely on the work of a designated team of experts to carry the ball for the organization. Everyone has to participate if it is to become part of the corporate culture. Leaders in corporate responsibility offer employees training that goes beyond technical skills such as processes and procedures and safety in the workplace to areas including management skills, diversity and inclusion, influencing without authority, etc. Companies that are serious about this make these trainings compulsory and link advancement opportunities to those who have demonstrated the core values in action. Most people, and companies, approach the fact that in a rapidly changing world, lifelong learning is essential to have and maintain a career. And it is also necessary for a company to stay competitive. The old management joke applies:

> Manager: What if we train our employees and they leave?
> Second manager: What if we don't and they stay?

Employees are more than just members of an organization. They are also members of, and represent, the community where the business operates. Often, they are the first to hear honest feedback about public perceptions of the company, and its actions, before management does (especially in organizations that have a headquarters and geographically dispersed operations).

What many organizations fail to recognize is that employees, whether they wear the logo on their uniform, hard hat, ball cap, or other corporate "swag," are ambassadors in the community. They represent the company not only in settings where they may be asked to present the company, but informally every day by their actions and words. Some companies seek to restrict their employees' activities on digital media, never appreciating that they have the same (or even greater) impact when they are on their own personal time and someone asks about the company, or they engage in behavior while wearing the company apparel. Companies are so sanguine about corporate swag that they often give it away (at public events) without worrying how people might act while wearing it.

But companies that provide their employees with even minimal training on a few key messages can leverage the power of their workforce in those informal settings. It can be every bit as defining for a company brand as the interactions during the course of their business day. While most employees are not experienced community engagement professionals, they are very credible experts in their areas of expertise. Having them participate in events like school "career days" not only allows the company to have representatives in the community, but also helps employees to reengage with the value of what they do day to day and how it impacts peoples' lives (see Chapter 5, Section "The Power of Purpose").

Just as employees who learn CPR and First Aid have come to assist coworkers (and others) in their times of distress, training employees about aspects of diversity and inclusion can help them in their day-to-day interactions. Stories about people defusing incidents of harassment in public can help an organization improve its reputation if the person who engaged in the correct helpful actions mentions that they learned about how to deal with those incidents at work. (Conversely, incidents that are poorly handled [such as a person or group of one ethnicity being asked to leave a coffee shop] demonstrate a company that has failed to adequately train its employees in both the company's values and the techniques to use.)

Many companies have Employee Network Groups that invite people to join to help mentor others. Those groups can be based on gender, race, military veteran status, generation, sexual identity, orientation, etc. Those groups provide an opportunity for not only learning but also employee engagement and serve as a tangible demonstration of the company's values. If those groups host or participate in public events, it provides another mechanism for community outreach and engagement. "I never expected our company to be a sponsor of the Capital PRIDE parade," recounted an employee at that event. "But I was even more surprised to see how many of my coworkers—and company leadership—joined in."

Starbucks uses the term "partner" rather than ambassadors for those employees that they have designated to promote the company socially. Starbucks is a more prescribed effort. The company provides detailed guidelines regarding what "partners" should—and should not—do when posting on behalf of the company. This increases the employees' sense of belonging, but it also emphasizes their accountability for the content they post on the company's behalf.

According to Starbucks CEO Howard Shultz:

> [Employees] are the true ambassadors of our brand, the real merchants of romance, and as such the primary catalysts for

> delighting customers. [Employees] elevate the experience for each customer – something you can hardly accomplish with a billboard or a 30-second spot.[2]

Lastly, absolutely nothing is more antithetical to a culture than when employees who do not live the values are nevertheless promoted. Those who meet their financial targets but who flaunt (whether actively or passively) the cultural values are, as Jack Welch, former CEO of General Electric said, the most *dangerous* to the culture because these high-flyers are seen as proof that profit, more than values, is the key to success.[3]

> Bosses at every level too often sell out and go for the short-term results over the behaviors. Indeed, most of us have probably been guilty somewhere along the way of letting the burning desire for good results cover up the sins….

Discussion Questions

1. Have you ever seen someone who was undeserving get promoted/rewarded? How did that impact your morale?
2. If someone performs at a high level and is popular but acted in a manner that did not support the culture, what would you do? Assume no laws or corporate policies were being broken.

Provide Tangible, Measurable Results

Businesspeople are about results. Are we selling more than we did last week/month/quarter/year? Did we make the budget number? Did we meet market expectations? Are our customers reporting satisfaction and returning?

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[2]H. Shultz. 2012. *Onward: How Starbucks Fought for Its Life without Losing Its Soul* (New York, NY: Rodale Books). https://www.amazon.com/Onward-Starbucks-Fought-without-Losing/dp/1609613821.

[3]J. Welch. 2015. "Winning, Do You Have a Jerk Employee Problem? How to Deal with It." https://jackwelch.strayer.edu/winning/jerk-employee-problem, (accessed August 25, 2019).

At the outset, it is better to focus on those smaller, quick wins that establish your credibility that what you are doing is actually driving the business, whether it is helping the corporate reputation, reducing costs, or changing our reputation in the community. Those things become the things that the C-suite is looking for. Success engenders requests for more; then it becomes a conversation of what else sustainability can help achieve.

That is why the most successful sustainability programs are designed by a coalition including internal stakeholders from strategy, finance, supply chain, marketing, risk management, strategy, and customer relations in addition to the more typically expected stakeholder in human resources, environment, and the safety functions.

Beyond an internal coalition, sustainability professionals often use "materiality assessments" to help identify an organization's most "material issues" and determine what should be a priority by capturing both internal and external perspectives. The process of identifying these issues involves reaching out to internal and external stakeholders to get their input. While time-consuming, it is a huge opportunity to gain buy-in on how you'll measure success.

Ideally materiality assessments can (and should) inform both strategy and reporting. Many organizations use them as the basis for their sustainability reports.

The key to getting real value out of any materiality assessment is starting with a clear understanding of what information you are looking for. This enables you to ask the right questions, choose the right stakeholders, apply the appropriate methodology, and visually present the information effectively to help inform decisions.

Part of this is demonstrating that the issues identified in the materiality assessment have direct linkages and impacts to the operational, sales, financial, and cultural imperatives discussed earlier. At the same time, reaching out to external stakeholders provides an opportunity to cross-reference those imperatives with the issues of concern to your stakeholders.

When ranked on a scale of 1 to 10 (with 1 being the least and 10 the most important), the issues can be mapped using a chart, where the internal assessment of priority is along a horizontal (or X) axis and the importance assigned to the issue defines placement on a vertical (or Y) axis. This will help you to define the moderate, high, and very high priorities, based on how many elements fall where on the chart (Figure 3.1).

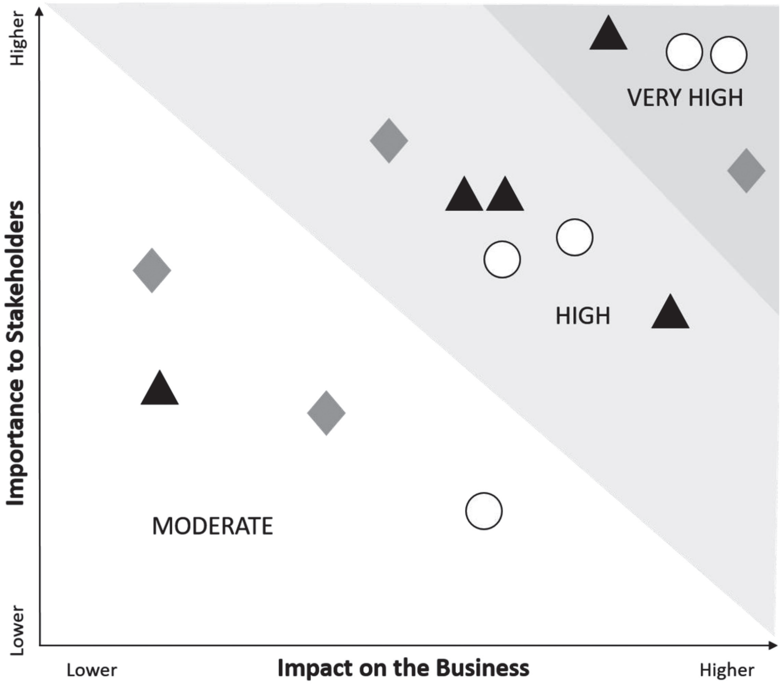

Figure 3.1 A materiality assessment graphically illustrates the issues that are most important to both internal and external stakeholders. The "must do" items are in the upper right. Once those are being addressed, working on the issues in the middle band is often considered differentiating, because most of the "must do" items are likely being addressed by others in the business sector as well

In this version, different colors and shapes have been used to indicate what could be environmental, social, and governance issues. This visual difference also helps show patterns, because this is a lot of information in one place. But putting both company and stakeholder priorities together enables the senior leaders to see the relative importance of issues to the business and how public perception may differ at the same time.

A well-crafted materiality assessment can inform both reporting and strategy. From a strategy or business case standpoint, the goal is to prioritize what an organization can and should do. But from a reputation standpoint, it is important to realize that items that are both "high" for stakeholders and the company are likely to be considered "the cost of doing business" or necessary. Therefore, from a reputation standpoint, addressing items in the middle band—the ones you and your stakeholders both rank as being important but less vital—is what helps define leadership. That is where an organization can often find its "value proposition" because they are doing more than what is deemed necessary, and that differentiates them.

As we saw earlier, the Monks and Lajoux research has shown the business case for, and impact of, enhancing the reputation of one's organization based on what stakeholders consider important.

Different Kinds of Targets

There are several different kinds of targets that seek to measure absolute, intensity, percentage, plan referenced, past referenced, and programmatic.

Each of these has its strengths and its weaknesses. But agreeing on how you are going to measure performance is essential.

Absolute targets focus on the true total impact, the number of trees planted, the total amount of CO_2e greenhouse gas emissions avoided, or the amount of water consumed in a process. There is a tendency to think of absolute targets as "better" because they measure what is actually emitted, spent, produced, saved, etc. But if an organization grows, their absolute numbers may immediately go up as a consequence; and that creates a paradox. If a company has committed to reduce emissions but adds new operations (through an acquisition) it may have to report an overall increase in net emissions of *their* operations. If they are committed to reducing emissions and the new operations are now brought under their operational control and subject to the same efforts, that would be a *net benefit* in reducing impacts that were not being reduced before. But if they were to build something new, instead of taking over an existing operation, that would be a net increase. This is why some organizations that intend to grow may shy away from absolute targets.

Intensity targets are based on per unit. It allows for comparison between like things. Familiar examples include unit pricing on groceries or miles per gallon for automobiles. It is a good way to measure improved efficiency, reduced energy use, lower emissions, etc. For things like operational excellence, these kinds of targets focus on "best practices" without causing issues relating to changes in growth that absolute targets can create.

Percentage targets allow a company to set a percent change based on an established baseline year. This can include a percent reduction in emissions, energy use, or waste or growth—such as the balance of women or minorities in leadership positions.

Plan referenced targets are often used when rolling out a new program. They focus on the target (such as "We will implement our safety program in 100 percent of operations" by a certain year) or milestones set along the way ("We will replace 25 percent of our lightbulbs with LEDs by year 1, 50 percent by year 2 and 100 percent by year 3"). These measures track how a plan is being implemented but do not give correlated impact results.

Programmatic targets are similar, but often focus on continuing established efforts rather than something new, such as "our employees will receive a minimum of 5 hours of diversity training a year."

Past referenced are similar, but based not on the plan but rather on where a company was when it began its efforts: "We will cut our accident rate from X to Y" and again with a specified time frame in which the goal will be reached or "we will replace 25 diesel busses with natural gas or electric a year for the next five years." These kinds of targets, while accurate expressions of actions and results, are quickly falling out of favor because measuring from the past does not give a clear indication of progress toward a goal.

What Is Tangible Based on Benefits to the Business

There are different kinds of results. The most obvious are those tangible results that benefit the business. There are also earlier implementation goals, such as measuring your efforts and results in rolling out a new program, that are necessary precursors to the impact results.

Most people do not fear change—what they fear are the unforeseen negative consequences of change. Instead of presenting the idea of sustainability as a radical transformation of their core enterprise, a review of the foundational documents of the organization often provides ample evidence that building an enduring business model is a natural extension of the values that were responsible for its success in the first place.

Whether through independent third-party certifications (such as EnergyStar for energy efficiency, organic for certain foods, etc.), recognized and respected awards, or reporting against trusted criteria, the public is skeptical of unsubstantiated claims, as are employees. In some cases, it is easy to point to results—wildlife habitats set aside are visible examples within a community that a company and its employees can see for themselves. That is why local examples are very powerful.

Even those at a distance can be made real through photographs and stories of the good that is being done. But in some cases, it is harder because you are quantifying what did not happen—energy saved, trees that were not cut down, water that was not used, etc. In those cases, the use of social math—equating it to things that people can relate—is powerful. Gallons of water saved can be compared to the number of swimming pools it would fill. Power savings can be related to the number of homes' worth of electricity saved, etc.

For management, for measurable results to really be considered tangible, they must tie back to the organization's strategy (as explained earlier). Showing quantifiable business results offers the opportunity to demonstrate that programs are working for the benefit of the entire organization.

Consider the impacts of having more customers switch to electronic billing and payment, rather than mailings back and forth. For the company, this may be a financial imperative because in addition to the cost of printing and processing those invoices, a company can also save the staff time associated with mailing, collecting, and depositing the payments. However, customers may be more motivated by completely different criteria, such as looking at ways to reduce their own environmental footprint.

About a third of the customers of a Washington DC-based company participated in electronic billing, payment, or both. Based on the cost per customer mailing, it was determined that a 2 percent increase (from 33 to 35 percent) would result in a net savings of over a quarter million dollars per year. Using social math to determine equivalencies, the Sustainability Department established that the amount of paper used for the billings was just a bit more than 2,200 trees—which happened to be more than the number of Japanese Cherry Trees that surround the Tidal Basin and Jefferson Memorials.

The Sustainability Department proposed an outreach campaign with Customer Experience to help them reach their Paperless Billing goal focusing on the number of trees saved as a pride point during the month of April (2019), which not only includes Earth Day, but also the annual Cherry Blossom Festival. The campaign included e-bill "thank you" messages, paper bills with "join in the effort" inserts, e-mails, hold messages, digital media outreach via the company Twitter account and LinkedIn page, as well as ads in local newspapers. The results showed that e-billing customer rate increased to more than 38 percent and a similar increase in electronic payments (which gets the money into the company faster).

The time value of money (TVM) principle teaches that money available now is worth more than the identical sum in the future due to its potential earning capacity. This core principle of finance holds that, provided money can earn interest, any amount of money is worth more the sooner it is received. That is why getting in payments faster is imperative, especially in lower-margin businesses. Some businesses charge late fees (usually a percentage) to encourage on-time payments. That value add is in addition to the avoided costs from mailings the company did not have to make.

This program had both a percentage target and an associated absolute cost savings.

Another example of this is a program for Lafarge Construction Materials. Some customers were very delinquent in paying—more than 90 days in a few cases. By simply empowering company delivery drivers to offer "Do you have anything I can take back with me?" when they handed in bills, each time they delivered construction aggregates to job sites it encouraged customers to prepare payments and have them ready when their next delivery was due. Originally the concept was to save the 4 or 5 days that the payment would be in the mail, but adding the phrase "It will save you a stamp" ensured that the message was perceived as friendly and not chiding and resulted in some payment delays being shortened by more than a month (in the most extreme example).

This is an example of aligning benefits to the business with benefits to the customer. In this case, the money the customer saved was marginal, but the perceived benefit was of exemplary service (and not bill collection).

Benefits to Customers

"Net gains" is the concept that something that benefits one group can also benefit another. For the above examples, improved customer service (e-billing and avoiding having to mail payments) have benefits to both the business and the customer. Customers also benefit psychologically when they feel good about the products or services that they buy. As we shall see in Section "Earning Passionate Customers" in Chapter 5, there are powerful ways that customers can feel good about purchasing sustainable products from companies that align with their personal values.

Research shows that there is little risk, and much to be gained, when a company takes a moral stand. Automobile manufacturers were widely praised for resisting recent U.S. government efforts to roll back fuel efficiency standards by a public that recognizes and appreciates the benefits of greater gas mileage vehicles—whether they are motivated to save fuel costs, reduce air pollution, or address climate change. General Motors, Ford, BMW, and Toyota (among others) publicly complained that the plans to weaken car pollution and fuel efficiency standards would actually hurt their bottom lines.

The *Business & Politics Do They Mix?* study by Global Strategy Group found that 81 percent of Americans believe corporations should take action to address important issues facing society, and 88 percent believe corporations have the power to influence social change.[4] A company should take a stance if the issue makes sense for the business and to read 'makes sense for the business and is aligned with the company's core values. You may alienate some, but if speaking up brings you closer to your mission, that should be okay in the long term. Ultimately, being aligned and vocal on a social issue can help an organization define and strengthen its true self and connect more deeply with stakeholders.

Benefit to Community

Similarly, benefits to the company often result in benefits to the overall community. Efforts to reduce waste, pollute less, improve safety, etc., benefit all members of the community and not just employees. Companies can save money and gain goodwill by engaging in and reporting the results of efforts such as donating "gently used" office and computer equipment to local not-for-profit organizations (rather than recycling or, even worse, landfilling).

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[4]Global Strategy Group. 2016. "Business & Politics Do They Mix?" http://www.globalstrategygroup.com/wp-content/uploads/2016/12/2016-GSG-Business-and-Politics_Do-They-Mix_Fourth-Annual-Study.pdf, (accessed August 29, 2019).

Science-Based Targets

The Paris agreement in 2015 saw 195 of the world's governments commit to prevent dangerous climate change by limiting global warming to well below 2°C. This signaled an acceleration in the transition to a low-carbon economy. But science is not absolute and, as our understanding increases, so has the imperative. Targets adopted by companies to reduce greenhouse gas emissions are considered "science based" if they are in line with what the latest climate science says is necessary to meet the goals of the Paris Agreement—to limit global warming to well below 2°C above pre-industrial levels and pursue efforts to limit warming to 1.5°C.

The Science-Based Targets Initiative (sciencebasedtargets.org) is a collaboration between CDP, the United Nations Global Compact (UNGC), World Resources Institute (WRI), the World Wildlife Fund for Nature (WWF), and others that hopes to make science-based targets the global standard by 2020. Today more than 600 companies are taking action based on the current science and more than 200 have had their goals certified as being in line with that science. What can be more tangible and worthy of measurement (and reporting) than efforts that are based on the latest science?

Maximize Stakeholder Engagement

The connection between sustainability programs and corporate communications efforts is more than a philosophical one. Because of the strong and increasing importance that employees, customers, clients, and communities place on the environmental, social, and economic impacts an organization has, many of the duties traditionally assigned to company's communications departments to build internal buy-in (organizational culture and employee engagement) and reputational capital (external, community, and public relations) can best be accomplished by maximizing the effective development, implementation, management, and communication of CSR efforts across a company.

The changing information needs of both stakeholders and companies are redefining the role of corporate communications departments and professionals including community, investor, government, and employee relations. Companies are recognizing that, while some people are less discerning about what they read (and share) online, a growing number of increasingly savvy stakeholders are becoming more and more skeptical about messages that corporations are sharing.

The internet has fundamentally transformed not only how people get their information but also the relationship that they have with the information. Instead of passive audiences, those who make their living in communications have the opportunity—and increasingly the obligation—to engage with our stakeholders in open, transparent, and direct conversation as part of a comprehensive communications strategy.

Digital media offer many of the same characteristics—immediacy, transparency, and interactivity—that make one-to-one the most effective form of communication. Progressive companies have recognized the true power of the stakeholder engagement and have made the transition, revising their strategy from sharing information with a passive audience to actively engaging with both internal and external stakeholders. They find that it provides them with an unparalleled opportunity to understand, and respond when appropriate, to what is being said about their enterprise—positive, negative, and neutral.

Companies that wish to build, maintain, or defend their reputations and brand equity have no choice but to join the dialogue, bringing authenticity and transparency to the conversation.

As Julie Starr, founder and managing partner of the Taiga Company and author of *The Business Sustainability Handbook*, puts it, "It's like when you Photoshop life. It might be a beautiful image, but it's not real." She encourages companies to understand that what engages people (be they employees, customers, communities, etc.) is when companies are not afraid and let down their walls and communicate authentically and honestly.

It therefore is critical that a company not be perfect, but rather that it endeavor to act in alignment with its articulated values and, by not being afraid to admit when it falls short, increase its reputation for honesty.

Starr goes further, pointing out that in some cases, "Imperfections are what inspire capture human hearts and inspire us to be more than what we have been in the past. So, imperfections are beautifully embraced."

Discussion Questions

1. Review your targets to determine what type of measurement they are.
2. Are they (all) compatible with your organization's current situation? Do they support its strategy going forward?
3. How will changes to your organization (i.e., growth, acquisitions) impact your targets?
4. Are there targets that are up for renewal?

Table 3.2 Worksheet for evaluating and updating existing sustainability targets. This combines target setting, strategic alignment, internal stakeholders or "owners" of the strategic imperative, as well as an evaluation of the kind of target and space for updating or drafting a new target

Sustainability target		
	Category	
☐ Energy	☐ Water	☐ Waste
☐ Carbon	☐ Biodiversity/Habitat	☐ Other:
Business strategy alignment(s)	**Owner**	**Secondary**
Cost Savings		
Revenue Generation		
Operational Excellence		
Cultural		
	Existing target	
	Type of target	
☐ Absolute	☐ Percentage	☐ Past Referenced
☐ Plan Referenced	☐ Context	☐ Programmatic
Target assessment		
☐ Leading Edge	☐ Solid Performer	☐ Falling Out of Favor
New/Modified target		