

Table of Contents

Acknowledgements.....	xiii
About the Author.....	xvii
Introduction and Executive Summary.....	xix
Part One—The Status Quo and Why It Needs to Change	
Chapter 1—Addressing the Confusion About Sustainability:	
The Executive View.....	1
I. History of Sustainability.....	2
II. Practical Definition: Respect and Resources.....	5
III. Selecting the Term: Sustainability? Corporate Social Responsibility? Something Else?.....	6
IV. The Executive View: “That Sounds Nice, But . . .”.....	8
V. Nobody’s Perfect.....	9
VI. Views on Sustainability Reporting.....	11
VII. Reason for Optimism.....	12
Chapter 2—Determining Scope: An Operational Definition of Sustainability.....	15
I. Intuitive and Literal Definitions of Sustainability.....	16
II. Operational Definition of Sustainability: Questions, Policy, and Topics.....	19
Chapter 3—Why Organizations Value Sustainability.....	27
I. Business Value Versus Ethical Value.....	28
II. Framing the Business Case: Five Questions.....	28
III. The Show-Me-the-Money Model: Using Sustainability to Make Money.....	30
A. <i>Factor 1: Reputation and Brand Strength</i>	32
B. <i>Factor 2: Competitive, Effective, and Desirable Products and Services; New Markets</i>	41
C. <i>Factor 3: Productivity</i>	62

D. <i>Factor 4: Operational Burden and Interference</i>	74
E. <i>Factor 5: Supply Chain Costs and Risks</i>	77
F. <i>Factor 6: Cost of Capital (Lender and Investor Appeal)</i>	79
G. <i>Factor 7: Legal Liability</i>	86
IV. Linkage Between Company Sustainability Obligations and Financial Success Factors	88
V. Sustainability Initiatives That Don't Contribute to Financial Success	88
VI. Quid Pro Quo Model: Using Sustainability to Garner Critical Support From Stakeholders	91
VII. Self-Interest Versus a Higher Calling	95

Part Two—Integrating Sustainability Into the Organization

Chapter 4—The SOS Foundation: Leadership, Structure, and Message	105
I. The Champion/Leader and Visible CEO Support	108
II. Vision, Values, and Policy; External Codes	110
III. Selling Management on Sustainability	120
IV. Organizational Structure: Multidisciplinary Teams	128
V. The Sponsor	133
Chapter 5—SOS Standards: The Roadmap for Change	137
I. Natural Evolution of SOS From Reporting	137
II. Advantages of Management Operating System Standards	138
III. Developing an SOS Standard	141
IV. Possible Concerns by Management About an SOS	150
V. The Role of Stakeholders in Evaluating Management Systems	157
VI. SOS Process Schedule	157
Chapter 6—Strategic Planning for Focused Improvement	161
I. Purpose and Benefits of Strategic Planning by Functional Groups	161
II. General Process for Sustainability Planning	163

III.	The Prioritization Process; Determining Materiality.....	167
IV.	Strategic Planning Formats: The Balanced Scorecard and Alignment Tools.....	179
V.	The Tactical/Operating Plan	185
VI.	The Role of Aspects Analyses and Risk Assessments in Planning.....	187
VII.	Tracking Progress.....	188
VIII.	Personal Performance Objectives (PPOs).....	189
Chapter 7—Goals and Indicators		195
I.	Importance of a Clear and Elevating Goal.....	195
II.	Objectives, Goals, Targets, Indicators, and Metrics: What Do They All Mean?	197
III.	Other Types of Goals.....	201
IV.	Setting Metric Goals.....	202
V.	Other Types of Indicators	203
VI.	Selecting Indicators.....	209
VII.	Prioritizing Indicators	214
VIII.	Developing Complementary Goals and Other Indicators.....	215
IX.	Role of Stakeholders in Selecting Goals and Indicators.....	221
X.	Final Administrative Details.....	222
Chapter 8—Deployment Through the Workforce and Suppliers...		225
I.	Why Things Don't Get Done	225
II.	Deployment: Rollout Tools and Field Implementation.....	226
III.	Integration	234
IV.	Alignment.....	237
V.	Special Concerns in Particular Functions	239
VI.	Sustainability in the Rollout of Cross-Functional Activities.....	239
VII.	Overcoming Resistance: What If They Slam the Door in Your Face?	241
VIII.	Deployment Through the Supply Chain	244

IX. Deployment to Other Outside Organizations	253
Chapter 9—Data Systems, Auditing, and Other Monitoring and Accountability Mechanisms	257
I. Types of Monitoring; Common Problems	258
II. Data Collection and Management Systems: How Do You Know What to Buy?	259
III. Auditing	269
IV. Other Accountability Mechanisms	277

Part Three—Stakeholder Communication and Engagement

Chapter 10—Transparent Sustainability Reporting	283
I. Reasons for Transparent Reporting	283
II. Why Companies Don't Report Transparently; How to Reverse That	288
III. Internal Reporting	289
IV. Mandatory Public Reporting	290
V. Voluntary Reporting Initiatives	293
VI. Sustainability Reporting Statistics and Trends	296
VII. Integrated Reporting: Social and Environmental Information in Financial Reports	297
VIII. Deciding Whether to Report Publicly; Low-Cost Strategies	298
IX. Process for Preparing a Public Report	306
X. Planning the Report	312
XI. Reporting as a Balancing Act	335
XII. Future Directions in Public Reporting	335
Chapter 11—Stakeholder Engagement; The Role of NGOs	341
I. Why Organizations Should Engage With Stakeholders	341
II. Why Companies Don't Engage Their Stakeholders: The Engagement-Risk Dilemma	343
III. Encouraging Engagement; The Stakeholder Engagement Principles	345

IV. Common Approaches for Engaging Various Types of Stakeholders.....	361
V. NGOs, CSOs: Who Are They?.....	365
VI. History of NGOs	366
VII. Types of NGOs	367
VIII. The NGO as a Business	374
IX. Political, Economic, and Social Trends Affecting NGOs.....	375
X. Why Engage With NGOs.....	376
XI. Tips for Engaging NGOs.....	377

Part Four—Approach to Sustainability for Special Organizations

Chapter 12—Small and Struggling Companies	383
I. Approach for Small Companies.....	383
II. Approach for Financially Struggling Companies.....	388
Chapter 13—NGOs	393
I. Sustainability Aspects of NGO Operations	394
II. Sustainability Aspects of NGO Services	396
III. Recommended Approach.....	398
Chapter 14—Governmental Organizations.....	401
I. The Impact of Government on Sustainability	401
II. Local Agenda 21 Model Communities Programme	402
III. STAR Community Rating System.....	403
IV. Best SOS Practices Among Government Institutions.....	405
V. Putting the Pieces Together.....	425
Chapter 15—Colleges and Universities	431
I. Impact of Collegiate Institutions on Sustainability.....	431
II. General Framework for Sustainability at Collegiate Institutions	432
III. The Challenges for Universities Seeking Sustainability	433
IV. Helpful Organizations.....	436

- V. Selling Sustainability to the Administration 436
- VI. Best SOS Practices Among Collegiate Institutions 439
- VII. Integrated Programs 476

Part Five—Keeping the Initiative Alive

- Chapter 16—Making the SOS Sustainable 483
 - I. Sustaining the SOS..... 483
 - II. How Others Can Help 486

APPENDICES

- Appendix 1—Summary of Sustainability Trends 489
 - 1.0 Introduction to Global Sustainability Trends:
The Planetary Boundaries and U.N. Sustainable
Development Goals..... 491
 - Part A. Primary Trends (Conditions) 499
 - Part B. Secondary Trends (Responses)..... 576
- Appendix 2—Sustainability-Related Codes of Organizational
Behavior 627
 - 2.1 General Sustainability Codes..... 628
 - 2.2 Environmental Codes..... 637
 - 2.3 Human Rights, Labor, and Other Social Codes 640
 - 2.4 Marketing and Advertising Codes 647
 - 2.5 Anti-Corruption Codes 649
 - 2.6 Governance Codes 654
 - 2.7 Industry-Specific Codes..... 660
- Appendix 3—Sustainability-Related Management System
Standards 663
- Appendix 4—Materiality Planning Forms for Assessing and
Prioritizing Sustainability Risks and Opportunities 679
 - Form A: Business Prioritization of Sustainability
Topics 680
 - Form B: Importance Rating of Sustainability Topics to
Business Success..... 681

- Form C: Business Impact Assessment of Sustainability Trends..... 682
- Appendix 5—Method for Calculating Savings and Cost Avoidance for Baxter’s Environmental Financial Statement..... 685
- Appendix 6—Examples of Sustainability Issues for Various Functional Groups 689
- Appendix 7—Examples of Sustainability Metrics 701
 - 7.1 Examples of Sustainability Metrics for Companies..... 701
 - 7.2 Examples of Sustainability Metrics for General Governments..... 721
 - 7.3 Examples of Sustainability Metrics for Universities 732
- Appendix 8—Sustainability Resources for Universities 741
 - 8.1. Organizations That Can Help Universities Pursue Sustainability 742
 - 8.2. Sustainability-Related Codes for Collegiate Institutions 754
 - 8.3 Sustainability Assessment Tools for Collegiate Institutions 758
- Glossary of Acronyms 765
- General Index 775