

# GET READY PACK



Do you wish to improve your competitive advantage by embracing sustainability principles as a core business strategy?

This factsheet will assist you in identifying the steps you need to take to

## Become environmentally sustainable

### Build the business case for sustainable practices

Your business' ability to manage the economic, environmental and social challenges it faces impacts directly on its long-term health and prosperity. The following points highlight some of the drivers for becoming environmentally sustainable.

- ✓ **SUPPLY CHAIN MANAGEMENT:** large businesses are increasingly mandating through their procurement processes that suppliers implement sustainable practices.
- ✓ **MARKET POSITIONING:** incorporating sustainability principles into your operations will assist your business to position itself as a market leader, develop and maintain a

competitive edge, strengthen brand value and achieve a position of 'employer of choice'.

- ✓ **OPERATIONAL EFFICIENCY:** eco-efficiencies in manufacturing processes generate cost savings in the form of lower input costs, reduced dependence on natural resources and minimised management overheads.
- ✓ **LOWER RISK:** integrating environmental and social considerations into your decision making framework assists your business manage its financial, market, operational and strategic risks and improve worker health and safety.
- ✓ **INNOVATION AND LEARNING:** innovation around sustainable products and efficient processes will enable your business to exploit future trends and improve customer relations by offering superior product quality.
- ✓ **CORPORATE GOVERNANCE:** effective corporate governance promotes stakeholder confidence in your business and positions you to respond to future regulations and emerging risks.

### Create a vision for your company

*This vision is best issued from a committed executive, and should be distributed to all employees.*

1. Identify emerging stakeholder trends and issues
2. Understand how sustainability considerations are impacting on your organisation's shareholder value
3. Identify sustainability risks and opportunities
4. Prepare a sustainability vision, a mission statement, or a policy
5. Involve staff in all areas of the business in the consultation process to ensure 'buy-in'

*Review mission statements and business practices adopted by other businesses in your sector.*



## Set and implement sustainability goals

*Integrate sustainability considerations into your decision making processes across the whole organisation.*

1. Define priority areas involving a multi-disciplinary team
2. Implement within core business
3. Translate your vision into measurable and quantifiable goals
4. Ensure your management team understands the contribution to be made by their divisions
5. Set performance indicators
6. Implement measurement and reporting frameworks
7. Develop resources, tools and programs to achieve objectives
8. Provide appropriate management systems and controls

*Sustainability innovation and efficiency is driven from all levels across all aspects of a company.*

## Enhance internal awareness

*Give staff the ability to understand how their divisions can contribute towards your business' sustainability vision and objectives.*

1. Build senior management commitment
2. Increase awareness and understanding of what sustainability means to the whole of the business
3. Promote understanding of the activities of each area of your business and how they collectively contribute towards the achievement of your sustainability vision, strategy and objectives
4. Build capacity at all levels of your business to identify areas for improvement and innovation
5. Create internal awareness of the positive impact of sustainability management on business performance

*It is vital to have top-level support and adequate budgets.*

## Engage with key stakeholders

1. Clearly communicate the process and journey your organisation is taking to move towards sustainable business practices
2. Develop a communication strategy to communicate your sustainability commitment and performance to internal and external stakeholders

*Recognise that your business can be held accountable, not only by regulators but also by members of the public, environment groups and employees.*

## Checklist

Are you?

- Managing your risks?
- Measuring your performance?
- Benchmarking and reporting on progress?
- Engaging with stakeholders?
- Identifying opportunities to reduce costs by improving (water, energy and waste) efficiency.

## Further information

Contact Ai Group's Energy and Sustainable Business Help Desk on 1300 733 752 or [sustainablebusiness@aigroup.asn.au](mailto:sustainablebusiness@aigroup.asn.au).