

IS SUSTAINABILITY GAINING OR LOSING OUT?

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A recent report issued by Accenture and the UN Global Compact provides some interesting insights into the perspectives of corporate CEOs and chairpersons on where sustainability might be going. The report is based on in depth interviews with 50 CEOs, chairs and presidents of companies from 27 countries as well as an online survey of 766 CEOs from 25 industry sectors from almost 100 countries. The CEOs are from corporations such as Alcoa, BASF, China Minmetals, DeBeers, Diageo, Eni, Xerox, HSBC Holdings, Norsk Hydro, Ericsson, Nestle, Novartis, Renault Nissan, Tata Motors, and Unilever- clearly the who's who of the corporate world. On this basis the findings must be given serious attention.

The overall conclusion is that “the global economic downturn might have been expected to weaken the commitment to environmental, social and corporate governance issues, it seems to have had the opposite effect” and further that “while environmental, social and governance challenges continue to grow and CEOs wrestle with competing strategic priorities, sustainable business practices and products are opening new markets and demand, driving new business models and innovation, changing cost structures and beginning to permeate all elements of operation.”

These CEOs believe that companies and their leaders will “need to develop a broader sense of what value creation means to society as a whole” expanding the traditional measure of success beyond financial metrics and GDP to other non-financial measures.

What might this mean for you and your company? These CEOs believe that consumers and customers will increasingly drive a company's strategy for sustainable products and services. Obviously this is not something new but expectations will rise over time. They also feel that partnerships and collaboration are increasingly important in addressing sustainability issues. This includes collaborating with others in your industry sector, with others in your supply and value chains and even with non-government organizations where there might be a fit for mutual benefit.

These CEOs also noted that new technologies will help to advance the sustainability agenda. These technologies include those in renewable energy, energy efficiency, information management and communications. One might add low carbon production and transport, process efficiencies where water and materials are concerned, and recycling. In Nova Scotia, we have a tremendous capacity to take advantage of new technologies. We have a depth of university and community college capability as well as a wealth of consultants with widespread experience. We also have a variety of support systems at the provincial and federal levels such as the Industrial Research Assistance Program (IRAP), the new Efficiency Nova Scotia and the Eco-Efficiency Centre.

Where are you on the journey to sustainability?

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