

# HOW TO SELL THE SUSTAINABILITY VALUE PROPOSITION INTERNALLY



#### Introduction

Sustainable practices can safeguard the future of an organization. A growing number of customers, investors, employees, and other stakeholders recognize that sustainability is a crucially important part of doing business.<sup>1</sup>

Companies, coalitions, and governments have a myriad of reasons to improve the sustainability of their operations. Sustainatech gives companies the power to make sustainable business a reality. Applying data insight and software technology can lead an organization on a <u>Sustainability Journey</u> towards its goals.

#### What is "Sustainatech"?

Sustainatech describes the technology applied to sustainability activities and actions. Harnessing meaningful data is the key to foundational

sustainability. Data is applied across business operations to improve efficiency and apply newly gathered insight that boosts organizational performance. Sharing sustainable results can lead to increased investment capital and global support. Although influencing customers, investors, employees, and business owners alike may seem like the logical step to take, adopting sustainability tools and software within your company can be



challenging.



#### The Challenge

# Sustainability issues can feel distant to colleagues whose work is primarily focused on a company's internal affairs.

Although the term "sustainability" has become mainstream, some of your colleagues may not prioritize these initiatives in the course of their day-to-day job duties. The transition to a sustainable future is already having an impact on entire organizations' operations, and it is key to effectively communicate with those individuals that sustainability is fundamental to business continuity, regardless of their role.

Some organizations may feel external pressure to achieve sustainability goals from sources such as government regulators. Mandatory reporting on greenhouse gas (GHG) action is becoming a common trend, among other reporting requirements such as the TCFD. Companies are required to collect all the data quantifying their benchmarks and progress, which is challenging due to both the sheer volume of data that needs

to be gathered internally within the company and externally among vendors, suppliers, and other partners that your company collaborates with.

While the pitch for sustainability tools may seem intimidating, these tools exist to make your organization's operations more efficient. The prospect of collecting data, analyzing data, and transparently communicating that data across a whole business or supply chain can feel like an ambitious goal, one that internal stakeholders may perceive as a massive drain on time and resources, both of which may already be scarce.

To ease these concerns, advocates need to convey a clear message that Sustainatech provides the tools tailored to streamline internal processes and to make sustainability goals achievable.

#### Demonstrate the Benefits

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# The benefits of integrating Sustainatech are multifaceted for any organization. Exciting internal stakeholders about these benefits is the best way to get them on board with implementation.

Much of the value generated by implementing Sustainatech is related to creating transparency throughout your organization's operations and efforts towards sustainability. As a result, this transparency appeals to consumers more effectively. Sustainability tools can also help to ensure business continuity and significantly increase the efficiency of your operations.

Adopting Sustainatech sends a clear message of your organization's commitment to sustainability.

An organization's transparency within its operations is an area of major concern for consumers and investors. 85% of Millennials, 80% of Gen Z-ers, and 79% of Gen X-ers believe that it is "extremely" or "very" important that companies implement programs to improve the environment.<sup>2</sup>

These groups represent a massive proportion of all consumer bases. A company that targets and serves these demographics needs to clearly demonstrate their commitment to the environment. Investors are also increasingly

concerned with these issues – investments that consider <u>environmental</u>, <u>social</u>, <u>and governance</u> (ESG) issues now represent one in every four dollars invested in the US.<sup>3</sup>

Applying Sustaintech can better equip your company for upcoming regulations from outside agencies.

Sustainable business is no longer a luxury that only certain organizations can afford. Rather, it is a necessary approach to operating a successful business. Government agencies are fostering this change by standardizing sustainable operating methods. Sustainatech can set your company up ahead of incoming audits and governance that will be required in the future, and potentially more quickly than your competition.





#### Demonstrating an authentic commitment to the values of sustainability is key to consumer satisfaction.

Ethical intentions that are not supported by strong evidence and measurable action can lead to consumer dissatisfaction. Marketing practices that co-opt the language of sustainability without real action (Greenwashing practices) are unlikely to convince sustainability-minded consumers that a brand is aligned with their values.4

#### Data management that clearly communicates sustainability achievements to stakeholders can be facilitated with Sustainatech.

Using reporting functions to verify your performance against key metrics gives straightforward evidence that your organization is on track to achieve your goals.



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# The merits of sustainable operations extend beyond brand perception as businesses face unique risks with climate change and global supply chain disruption from COVID-19.

Shifts in normal weather patterns, and increasingly frequent extreme weather events pose serious threats to operations. Record high temperatures and destructive wildfires leave the western U.S. ravaged on a seasonal basis. Abnormally powerful snowstorms in the south disrupt supply chains, and intense hurricanes and flooding cause catastrophic infrastructure damage in the south and northeast. At the same time, regulators determined to minimize the impacts of climate change continually update policies that govern the environmental impacts of business operations. These regulations are rapidly changing and are subject to constant revision.

To ensure business continuity, companies must mitigate potential risks and get ahead of opportunities, evolving with the changing landscape. Data management functions facilitated

by Sustainatech provide improved analysis of potential risks. The conclusions drawn from this data can be used to inform both tactical and strategic decision-making, resulting in a more efficient and more agile organization.

Business continuity can also be disrupted by the changing climate in subtle ways. Eco-anxiety is a growing source of stress for employees across various industries.<sup>5</sup> Employees that work in an environment where they feel that the urgency of the climate crisis is not taken seriously may become dissatisfied and frustrated with their organization. A company that decisively commits to integrating sustainability values provides reassurance that employees are contributing to a more sustainable world, which can improve job satisfaction and productivity.<sup>6</sup>

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#### 1. Build Engagement

Generating excitement and interest around the potential benefits of adopting sustainability should be the cornerstone of your strategy to pitch the value proposition of Sustainatech. With this foundation in place, there are a variety of next steps you can take to effectively "sell" the idea within your company and bring key internal stakeholders on board.

# 2. Develop a Deliberate Process and Timeline

Many key stakeholders will have concerns about the scale of change required to integrate sustainability tools into their existing processes. To answer these concerns, emphasize that adopting these tools and taking advantage of the opportunities they offer is a progressive journey. Each individual step will provide value, a reputational benefit, or an operational improvement that rewards commitment to finding a more sustainable way of doing business.

#### 3. Recruit the Advocates

Reach out to the most passionate advocates for sustainability within the company and create a specialized team. Passion for environmental and social issues crosses departmental lines. Focusing on these values can be a powerful way to start building cross-team support.

#### 4. Start at the Top

When CEOs, CFOs, and COOs positively engage with a project, it can become part of a company's identity. Seeing leaders contributing towards your Sustainability Journey is inspiring. Getting C-suite engagement as early as possible, and at as high a level as possible, will encourage other employees to follow their lead.

#### 5. Engage the Innovators

The development of sustainability tools has been an area of significant innovation in recent years. Team members who are interested in the future of business and technology are primed to get excited about implementing new tools. These team members may also be well-placed to explain the improved efficiencies that Sustainatech can bring to others.

# 6. Present the Financial Benefits

There are numerous financial benefits to running a company with sustainable operating procedures. Financial incentives such as tax credits and government subsidy benefits are available for responsible business operations.



# 7. Demonstrate the Alternative

Ignoring sustainability issues is a risk to business continuity. The effects of climate change threaten the availability of raw materials, the reliability of transportation, and the safety of employees. It is imperative that you understand the risks specific to your industry, location, and company to highlight the potential impacts of failing to take action.

#### 8. Highlight Successes

Companies in every industry are incorporating sustainable values. Benchmarking against other relevant organizations will provide real-world examples of the positive impact of adopting sustainability tools, which can be used as compelling evidence to support your case.

#### Facing the Future

Using Sustainatech to collect, aggregate, and present ESG metrics is a powerful way to appeal to sustainable-minded consumers, improve investor relations, and minimize negative impacts on the environment and communities, while also future-proofing your business.

Kickstart your organization's sustainability journey by focusing on the message of opportunity and highlighting the different kinds of benefits that sustainability tools can generate. Inspire change and set trajectories to a sustainable and profitable future. For more help and information on getting your organization onto the path of sustainability, visit adecesq.com.



#### **REFERENCES**

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