

## BRINGING THE SDGs ON PAR WITH BUSINESS

The 17 Sustainable Development Goals (SDGs) that were formally adopted by all 193 United Nations member states in September 2015 represent a very ambitious set of global aspirations for the next fifteen years. It is now widely understood that these goals and targets can only be achieved if companies around the world adopt sustainable business models and help develop and deliver the necessary technologies and solutions to aid in these efforts.

Through the UN Global Compact, over 1,500 companies participated in the SDG process representing a sizeable and growing segment of committed and forward-looking business leaders across all industries. These businesses realize that a strategic approach to sustainability, or sustainable development, can drive long-term financial value while engaging customers and employees in ways that improve productivity and growth today.

## THE CASE FOR FUNCTIONAL INTEGRATION

In most cases, such forward-looking companies have been building dedicated sustainability teams responsible for managing engagement of critical stakeholders, analyzing sustainability-related risks and trends, and for implementing sustainability-related programmes, policies and projects that have delivered significant value to their organizations and created the foundations for even greater future impact.

It is important to move sustainability from a peripheral, discretionary activity, mostly aimed to manage risks and protect the company's reputation and brands into a significant source of innovation, productivity, market differentiation and growth. Sustainability must be woven in as an important element of the company's strategy, operational processes, and culture and that of all its business and functional subcomponents. In so doing, sustainability will inform the company's product and service offering—for example, how its products are produced, marketed, sold and delivered and to what extent they are reused or recycled.

## THE ROADMAP PROJECT

The Roadmap for Integrated Sustainability aims to support companies in deepening the integration of sustainability-related goals and strategies across the organization by illustrating best practices and highlighting the value they can create for the business across five stages of sustainability integration. Initially, the Roadmap project will deliver a self-assessment tool as well as a collection of brief guidance notes for the Global Compact's website, describing emerging trends, innovations and example case studies from LEAD companies and other Global Compact participants.

It is the ambition of the UN Global Compact that this library of knowledge and best practices gradually will be expanded and improved upon, as LEAD companies jointly explore in more depth the opportunities and strategies for individual priority functions by engaging relevant colleagues and other experts in the field.

## THE APPROACH TO FUNCTIONAL INTEGRATION

The Roadmap applies three lenses to functional integration of sustainability, thus exploring not only the opportunities for each function to adapt its strategies and operational routines to support the sustainability goals of the organization, but also focusing on the distinct strengths, professional "culture" and mindset that exists within a particular business function.

In doing so, the project takes a functional approach, exploring strategies, tools and best practices for integrating sustainability within the core functions of a company. It is built on the understanding that while no two companies are organized in precisely the same way, there are a set of core functions—including, for example, Research & Development, Marketing, Branding and Public Relations—that in many companies are carried out by autonomous departments, teams or individuals.

As such, the Roadmap understands functional integration of sustainability as efforts to synchronize the sustainability priorities and goals of the company with the strategies and operations of relatively autonomous entities with a view to foster coordination, collaboration, synergies and greater innovation.

Rather than an effort to impose compliance with sustainability goals and standards, functional integration is viewed as a process of engaging leaders and colleagues of different functions to explore both the function's unique and important role in

# INTRODUCTION TO FUNCTIONAL INTEGRATION

## ROADMAP FOR INTEGRATED SUSTAINABILITY



achieving company sustainability goals, and also how the insights, tools or new relationships associated with sustainability can uncover opportunities for the function to deliver greater and more strategic value through its traditional responsibilities.

The functional integration process involves the investment of time to explore and appreciate the distinctive strengths of parts of the company that may be less familiar to its sustainability teams. The Guide, Functional Briefs, and Self-Assessment provide an approach to help sustainability teams prioritize the functions to engage and target specific strategies and tactics that have been found to be valuable in other companies. For this reason, the project is based on an understanding that no company is a homogenous whole and that different functions have different levels of influence in companies and varying strengths and capabilities that allow each to play a unique and important role in creating value in the conventional sense and establishing a more sustainable business model.