Drivers & Challenges in the Corporate Sustainability Journey

Panelists/Presenters:
- Brian Boyd, VP, Worldwide Environment, Health & Safety, Johnson & Johnson
- Thomas A Chizmadia, VP, Corporate Communications and Chief Communications Officer, BASF Corporation
- Amy Hall, Director of Social Consciousness, Eileen Fisher
- Govi Rao, Vice President & General Manager, Solid State Lighting, Philips Lighting, NA

Moderator: Joel Harmon, Institute for Sustainable Enterprise, Fairleigh Dickinson U.

What is “Sustainability”? 

a.k.a. corporate social responsibility or corporate citizenship

“How the present generation can meet its needs in ways that are not only economically viable, environmentally sound and socially equitable but that also allow future generations to do the same”


“A company’s ability to achieve its business goals and increase long-term shareholder value by integrating economic, environmental and social opportunities into its business strategies.”

## Some Intellectual Foundations

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<tr>
<th>Year</th>
<th>Author</th>
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<tr>
<td>18th C.</td>
<td>Malthus</td>
<td>Population growth</td>
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<td>Kant</td>
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<td></td>
<td>Smith</td>
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<td>1962</td>
<td>Carson</td>
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<td>1979</td>
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<td>1997</td>
<td>Hart</td>
<td>Beyond Greening</td>
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<td>1997</td>
<td>Benyis</td>
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<td>2004</td>
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<td>Fortune at Bottom of Pyramid</td>
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<td>2006</td>
<td>Porter &amp; Kramer</td>
<td>Strategy &amp; Society</td>
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Qualities of a State-of-the-Art Sustainable Enterprise

- Long-term, collaborative, “holistic” or systems-oriented mindset.
- Pursues a “triple bottom-line”—social, environmental and economic.
  - generates or regenerates planet’s five capital stocks: i.e., natural, social, financial, human, and manufactured capital
- ethics-based business principles and sound corporate governance practices
  - considers rights and interests of all relevant stakeholders, not only the immediate interests of company shareholders.
- Is committed to transparency and accountability.
- Gives stakeholders opportunities to participate in all relevant decisions that affect them.
- Uses its influence to promote meaningful systemic change amongst its peers, within its neighboring communities, and throughout its supply chain.
Sustainability strategies can and should take many different forms, depending on
1. the unique interrelationship between a specific organization and society and
2. the unique social, environmental and economic opportunities that result from that interrelationship.

Insights from some of the world’s most sustainable companies*

How are you aligning your entire organization around sustainability and what are the most significant challenges you are facing?


All are listed in “The Global 100 Most Sustainable Corporations in the World,” a project initiated by Corporate Knights Inc., with Innovest Strategic Value Advisors Inc.
The SUSTAINABILITY PYRAMID: Qualities Associated with Highly Successful Sustainability Strategies

The Triple Bottom Line
SUSTAINABLE ENTERPRISE

COLLABORATIVE INTEGRATION
• Holistic Integration
• Broad Stakeholder Engagement

TRACTION
• Alignment of Hard & Soft Organization Systems
• Metrics – Measurement & Reporting

FOUNDATION
• Strategic Centrality
• Senior Management Support
• Deeply Embedded Values

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Role of Strategic Leadership & People Practices in Building Sustainable Enterprises

**Panelist/Presenters**
- Vas Nair, VP, Vice President and Chief Learning Officer, Schering Plough
- Sundar Subramaniam, Manager, Learning and Development, BASF Corporation
- Anna Tavis, VP of Organizational Development, Global Financial Services and Global Investment Group, American International Group
- Pat Thiruvengadam, Senior Vice President, Human Resources Executive, Global Corporate and Investment Banking, Bank of America

**Moderator:** Jeana Wirtenberg, Institute for Sustainable Enterprise, Fairleigh Dickinson U.

*Eastern Academy of Management, Hyatt New Brunswick, May 17, 2007*
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What roles are human resource leaders and the HR function playing in your sustainability journey?


All are listed in “The Global 100 Most Sustainable Corporations in the World,” a project initiated by Corporate Knights Inc., with Innovest Strategic Value Advisors Inc.
HR’s Role in Building Sustainable Enterprises

1. HR providing crucial support to highly successful sustainability management, especially in traditional areas

2. HR challenged in more non-traditional functions, e.g., cross-functional operations & teamwork

3. HR’s influence related to strategic positioning in the firm
The SUSTAINABILITY PYRAMID: Qualities Associated with Highly Successful Sustainability Strategies

The Triple Bottom Line
SUSTAINABLE ENTERPRISE

FOUNDATION
- Strategic Centrality
- Senior Management Support
- Deeply Embedded Values

TRACTION
- Metrics/Measurement
- Systems Alignment

INTEGRATION
- Holistic Integration
- Broad Stakeholder Engagement

HR's Contribution to Managing Sustainability

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Next Steps

- HRI-AMA Worldwide Managers Survey about Sustainable Enterprise:
  - Drivers, Inhibitors, Qualities and Practices
- Forming consortium of forward-thinking HR executives to support worldwide follow-up research