

# Empowering sustainability

**Sixteen steps for impact**

Leadership guidelines



# Introduction

Leaders and managers are in a key position to make their business fit for the future. With the complex and interconnected challenges at hand, it is however sometimes difficult to identify steps towards making the business model, products and services more sustainable.

This document supports leaders, particularly from SMEs, in moving towards a positive impact on economic, social and environmental sustainability. The approach is based on a win-win principle to ensure that sustainable action also pays off economically.

In addition to the practical steps for integrating sustainability, the document also identifies leadership drivers to leverage impact within and beyond the organisation. Rather than just implementing tools, leaders need to look at the big picture to achieve more systemic impact.

## The 16 leadership steps

Integrating sustainability into the business model, products and services is a journey that requires courage and conviction. Based on where you are, our step-by-step guide helps you in identifying questions and actions to advance on improving your impact and effectively transition towards sustainable value creation.

### 1. Getting started

- Saving resources and costs
- CSR measures and philanthropy
- Engaging employees from the start
- Building trust and visibility

### 2. Managing impact

- Accounting sustainability impact
- Redesigning processes
- Empowering sustainable innovation teams
- Making the business case

### 3. Innovating

- Designing sustainably
- Exploring new markets
- Learning with stakeholders
- Redefining success

### 4. Transforming business

- Creating shared and sustainable value
- Leading with purpose
- Innovating with stakeholders
- Continuous sustainability performance management

# 1. Getting started

## 1.1. Saving resources and costs

- **Introducing hybrid working schemes** that can improve work-life balance and reduce mobility-related emissions  
Example: include environmental criteria to telework agreements
- **Promoting sustainable behaviours** through nudging and corporate sustainability guidelines  
Example: reducing waste, meat and water consumption, reducing flights, promoting soft mobility

## 1.2. CSR measures

- **supporting (local) civil society** associations, projects and initiatives
- **Engaging in (local) environmental actions** to protect, restore and regenerate nature
- **Identifying existing schemes** and easily identifiable measures to promote sustainable behaviours  
Example: soft mobility plan with soft mobility bonuses for employees

## 1.3. Engaging employees

- **Asking employees** about why economic, social and/or economic sustainability is important to them, how they see their future lives, and what could be done  
Example: how to reduce waste in production processes
- **Encouraging motivated employees** to form a sustainability team or task force to come up with ideas
- **Engagement through social partnership**, e.g. through Environmental and Social Dialogue that integrates the environmental component in the employee representative bodies with a dedicated environmental body  
Resource: [Guide on Environmental Social Dialogue by CFE-CGC \(French\)](#)
- **Introduce sustainability criteria** for remuneration and bonuses, particularly for managers by aligning their pay to sustainability KPI targets

# 1. Getting started

## 1.4. Building trust and visibility

- **Getting certified** for environmental management (ISO 14 000)
- **Publishing a CSR report**
- **Honest and humble communication** by leadership about sustainability ambition, challenges and concrete actions

### Practical examples

- **saving light**
- **Choosing renewable energy provider**
- **Choosing local and regional providers**
- **Avoiding waste and recycling**
- **Reducing printing**
- **Reducing the amount of meat consumption**
- **Organising video conferences instead of flying to meetings**
- **Promoting hybrid working schemes**
- **“Bike to Work” schemes**
- **Nature-based solutions**
- **Air quality in the office**
- **Organise a fundraising activity for charity (for example a Christmas event)**
- **Participating in a local gardening project**
- **Inviting civil society actors to talk about their activities**

# 2. Managing impact

## 2.1. Accounting impact

- **identifying material/relevant sustainability goals** along the 17 SDGs  
Resource: [SDG Compass by UN Global Compact](#)
- **Setting indicators** for economic, social and environmental sustainability with KPIs identified for the following year
- **Measure the material and financial materiality** (ESG KPIs) by researching together with stakeholders
- **Building competences** to measure and account sustainability performance along the value chain (scope 1, 2, 3) and in line with thresholds (planetary and regional ecological boundaries and social needs) and allocations (e.g. carbon budget)
- **Identify a person with oversight** on steering Sustainability, possibly reporting to the CEO

### Impact measurement and accounting frameworks

- [B Impact Assessment](#)
- [Future Fit Benchmark](#)
- [United Nation's Sustainable Development Performance Indicators](#)
- [GRI standards](#)

## 2.2. Redesigning processes

- **Conduct a Life Cycle Assessment** for product and service development to identify high-impact areas for improvement.  
Resource: [Open LCA resource database](#)
- **analysing value creation cycle and auditing supply chains**
- **Rethink the design process** by moving to circular design (reduce, reuse, recycle, repurpose, regenerate)  
Resource: [Circular education and learning platform](#) by the Ellen MacArthur Foundation  
Resource: [EU Circular Economy Platform](#)
- **Substituting fossil raw materials** by circular or regenerative ones  
Resource: Metabolic gathers reports and solutions on the substitution of materials

# 2. Managing impact

## 2.3. Empowering sustainable innovation teams

- **Promote cross-departmental innovation, for instance through sustainability project teams from different departments**  
Resource: [Three Horizon Framework for Innovation by Bill Sharpe](#)
- **Promote intrapreneurship, sustainability skills, and sustainable leadership competences**  
Example: [Extrapreneurs provide sustainability innovation solutions with the involvement of students](#)
- **Provide resources to the team** (e.g. "sandbox" conditions to innovate)
- **Integrate the sustainability strategy** into the business strategy

## 2.4. Making the business case

- **Identify sustainable value creation opportunities** and investments  
Resource: [impact investment learning hub](#)
- **Identify sustainable markets**
- **Identify sustainable products, services and innovation opportunities**

### Project Drawdown: climate solutions

**Project Drawdown's world-class network of scientists, researchers, and fellows has characterized a set of 93 technologies and practices that together can dramatically reduce concentrations of greenhouse gases in the atmosphere. Today, our focus is on developing and implementing specific strategies for deploying these solutions to achieve drawdown quickly, safely, and equitably.**

# 3. Innovating sustainably

## 3.1. Designing sustainably

- **Sustainable Business Model Innovation**  
Resource: [Sustainable Business Model Innovation by BCG](#)  
Resource: [Enabling Business Regeneration by RSA](#)
- **sustainable product and service innovation and ecodesign**  
Resource: [Network Nature case studies on nature-based solutions](#)  
Resource: [AskNature - search engine for nature-based innovation](#)
- **sustainable work and (leadership) competences**  
Resource: [Mainstreaming Sustainable Leadership report](#)

## 3.2. Exploring new markets

- **exploring sustainable market opportunities**
- **understanding evolving customer needs**
- **testing sustainable prototypes**

## 3.3. Learning with customers and suppliers

- **involving customers and suppliers in the innovation process**
- **establishing a permanent dialogue**
- **identifying trends and needs**

## 3.4. Redefining success

- **engaging leadership, employees and relevant stakeholder** in conversations about what success means to the business
- **redefining what management success means**
- **communicating your change process**
- **Become a Benefit corporation**

# 4. Transforming business

## 4.1. Create shared and circular value

- **(re)designing value creation cycle around sustainable value**  
Resource: [R3.0 blueprint for systemic value cycles](#)  
Resource: [Doughnut Economics Design Tool for Business - Workshop exercise](#)
- **Redefine the role of your business within its ecosystem**  
Resource: [8 principles of the Regenerative Economy by Capital Institute](#)
- **clarify how stakeholders benefit from your business model**

## 4.2. Leading with purpose

- **Use purpose as a leadership compass for business development**  
Resource: ["Leading with a sustainable purpose" report by CISL](#)
- **Inclusively integrate purpose at the heart of the business model**
- **Clarify how your purpose can contribute to positive impacts**

## 4.3. Innovating with stakeholders

- **Build networks, alliances and partnerships around sustainability**
- **Design processes to involve stakeholders systematically in innovation**  
Example: [provide trainings for or organise conversations with stakeholders on rethinking value creation cycles](#)
- **Explore sustainable, circular and regenerative business opportunities beyond business boundaries**

## 4.4. Continuous sustainability performance management

- **integrate sustainability frameworks into sustainability performance management systems**
- **Use the Planetary Boundaries and SDGs as a strategic compass**
- **Report and communicate about sustainability performance** (E.g. CSRD).  
Please note that the CSRD will become compulsory by 2025 for many companies.  
Reference: [Information about the CSRD by the European Commission](#)
- **Preparing business model innovation and shift in investments**  
(e.g. European Green Bonds)
- **Become a certified B Corp**  
Reference: [B Corporation Europe](#)





**new times,  
new challenges,  
new leadership.**

**#SustainableLeadership**

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