A Sustainability Strategy or Program does not have to be viewed with apprehension. A good one will create business value as it supports the long-term goals of a company. Fueled by incremental actions, it will provide a framework to drive performance and focus investment strategies. The following are FIVE key reasons why sustainability strategy and programs may fail to achieve their full benefits:

1. 'CORPORATE DNA' DISSONANCE

The mission for the long-term vision of a company is fueled by its values, and these create the foundation upon which its corporate culture and direction are established. A company would have its own unique business strategy, organizational structure, supply chain, geographic footprint, and stakeholders. The main sustainability concerns that are the most personal to its operations would be rooted here. A sustainability strategy or program would ideally consist of elements of each of these core components of the company's DNA.

A prioritized set of well-thought out and relevant actions to mitigate the most material impacts of an organization's operations are key elements of a good sustainability strategy. A framework is set-up as a guiding principle to set targetsto overcome prevailing sustainability issues and drive the vision of the company forward in line with its sustainability goals. Not just focusing on environmental impacts, but also social and economic elements to be both all-encompassing and realistic will demonstrate its value to profit in the long term.

Conversely, implementing a sustainability strategy for compliance-sake or with no clear connection to what it means to the company is certain to run out of fizz in a few months. Misunderstanding how sustainability meshes with the company's purpose and what it means to each area of the company decreases the value of that strategy to the companyand its stakeholders, so that it is linked to cost rather than profit.

CASE STUDY: Unilever's 'Sustainable Living Plan' launched in 2010 is a comprehensive strategy that focuses on the power of its products and brands to address social, environmental, and economic issues by taking a 'value-chain' approach – from better sourcing, to investing in sustainable technology, to funding research and development to improve products to minimize impacts. With a global daily consumer base of 2.5 million, it has chosen to make this an opportunity to 'make sustainable living commonplace'. Embedding sustainability into its DNA has helped shift people's perspective of this corporate giant.

2. POOR STAKEHOLDER ENGAGEMENT

Employees and management (C-suite and Middle) are generally 'internal stakeholders', and other external ones such as shareholders, customers, regulators, suppliers, business partners, non-profits and the media should be aware of the sustainability strategy of the company. Regular dialogs with and inputs by these groups are imperative to understand which elements of a 'SMART'"* Strategy are most essential to its development, and would provide a good balance of business and sustainability goals.

A sustainability strategy or program that engages with its stakeholders, particularly its employees creates an edge for the company. Risk identification and scenario planning, benchmarking against industry competition, and performance measures are utilized to involve senior management. Middle management (the main drivers of the program) is consulted through communication and encouragement to increase interest and participation. Awareness/training programs on prevailing sustainability issues and how employees can mitigate them are implemented on a regular basis, with increased accountability and incentives such as compensation that are linked to achieving sustainability goals.

Equally, a watered-down strategy that does not consider how a sound sustainability program would affect each of these stakeholder groups is indicative of one that impairs innovation and does not focus on development, which would result in a strong competitive disadvantage.

CASE STUDY: A 2004 study on Siemens Australia found that only 40% of business units participated in Siemens' top sustainability program as employees considered it too general, unclear and a waste of time. There was a lack of incentives, awareness, and performance benchmarks outside of strict emphases on financial performance. It was evident that Siemens needed to better harness, engage with, and optimize its human resources for a successful program.

*'SMART': Specific, Measurable, Attainable, Relevant and Timely

3. UNPRIORITIZED ISSUES

A 'Materiality Assessment' to determine core impacts through a realistic tracking of the company's activities, with a hierarchy and focus on the right issues is an important part of this process. A framework that channels into several key areas and emphasizes on how these can be addressed would facilitate implementation and resource allocation AND increase stakeholder engagement and communication.

Highlighting issues that are the most material to a company makes implementation of a sustainability strategy more practical. Interim objectives that are focused on starting with issues that are easier to mitigate and moving toward more complex ones are set, with incentives for delivery, and raising awareness on company progress.

On the other hand, poorly focused and indecisive strategies are formed with haphazard targeting of issues that are material to the company. A bold end goal with no milestones in between or a fixation on annual targets is set, which can demoralize employees and fail to provide long-term direction or ambition.

CASE STUDY: Fashion retailer GUESS conducted a Sustainability Materiality Assessment in 2017 guided by AccountAbility's 'AA1000 Standard' for stakeholder engagement to evaluate and prioritize risks and opportunities for the sustainable growth of the company and mapped them out in a matrix (Importance to Stakeholders Vs. Significance of Impact). This effective exercise generated a set of key actions to address concerns in the following year, such as launching a global GUESS Eco Collection and establishing steps to have 20% of materials certified sustainable by 2021.

4. NO MONITORING OR EVALUATION OF PROGRESS

Establishing systems and processes to drive the strategy allow the company to 'walk its talk'. These systems will allow for targets and expected outputs to be set and increase engagement through accountability. These targets are a sign of performance ambition and are becoming a way of increasing transparency in sustainability reporting, and avoid 'greenwashing' to increase investor and consumer trust. Consistent monitoring and evaluation, and importantly, feedback on performance will determine areas for improvement and allow for internal benchmarking on progress and amore salient sustainability strategy.

A successful sustainability strategy ensures that potential opportunities around sustainability practices for implementation are seized and any associated risks minimized. The company has determined its driving factors and established its commitment to achieving its sustainability goals through quantitative, time-bound, and science-based targets (beyond 'business as usual') including well-defined indicators and KPIs, and incentives for achieving them.

Inversely, a focus on qualitative targets that are unspecific reflect a weaker sustainability strategy that does not necessarily adhere to any global or industry standards. False promises of future commitments to sustainability that cannot be measured can hinder the reputation of a company and create mistrust amongst its consumers.

CASE STUDY: Philips' sustainability information undergoes a third-party verification and validation of its Corporate SocialResponsibility through various means such as analyzing systems for collecting information, visiting product sites to validate source data, and providing constructive feedback on any potential limitations. This advanced level of M&E involves a separate body to ensure transparency and meticulousness of data, targets, and achievements for the sustainability strategy.

5. LOSING STEAM

Actually implementing this well-thought out strategy is an obvious yet often overlooked component of success. A sustainability strategy that is clearly and creatively communicated can be a powerful tool set to engage employees through feedback and encouragement. It is unique to the company and emphasizes its culture through its authentic commitment to drive sustainability, and it is important not to lose momentum.

An effective strategy is collectively pushed by the company's stakeholders through regular engagement and feedback, training and awareness, and momentum is kept going through incentives and novel ideas to improve it in line with the latest research, and approaches to achieve targets. The strategy is transparent and evolves with the maturity of the company and its vision to transform it into something great. It tracks progress through action plans/programs, communicates actions and meets or exceed expectations.

On the contrary, intangible goals and no incentives to achieve these, and an imbalanced set of targets that are vague and unmeasurable result in programs losing steam in a few months. A 'siloed' approach, where there is minimal communication amongst the company's departments or a lack of input from employees will also hinder the progressionof a successful sustainability strategy.

CASE STUDY: Patagonia has been a leader in showcasing its commitment to sustainability over decades of operations. Through consistent sustainability programs that are driven through awareness of issues at hand, and an understanding that there is still a lot more to be done despite all the initiatives that have been successfully implemented. Therefore, themomentum is kept going through constant research and development of solutions, funding and supporting grassroots level programs and shedding light on the need to take action on climate change and overarching sustainability issues.

A holistic sustainability strategy simply makes good business sense. It creates opportunities for innovation to stimulate growth and further brand identity, minimize costs, motivate and attract talented employees, build better relationships with stakeholders, and increases a company's resilience to a changing world with sustainability issues that can no longerbe avoided.