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An Introduction to

# Sustainability Management

Under Convergence  
Competitiveness

9<sup>th</sup> and 10<sup>th</sup> February 2009



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# Who's Who

Find out from your partner.....

- Their name
- Their position
- A brief outline of their role
- How do you think you might manage sustainability considerations in your organisation
- What they think is going to be their biggest challenge in the project

# Outline of Session

- Introductions
- Sustainability and delivery
- Introduction to sustainability management systems (SMS)
- Impacts
- Developing draft sustainability policies
- Continual improvement
- Conducting an organisational baseline assessment
- Open discussion

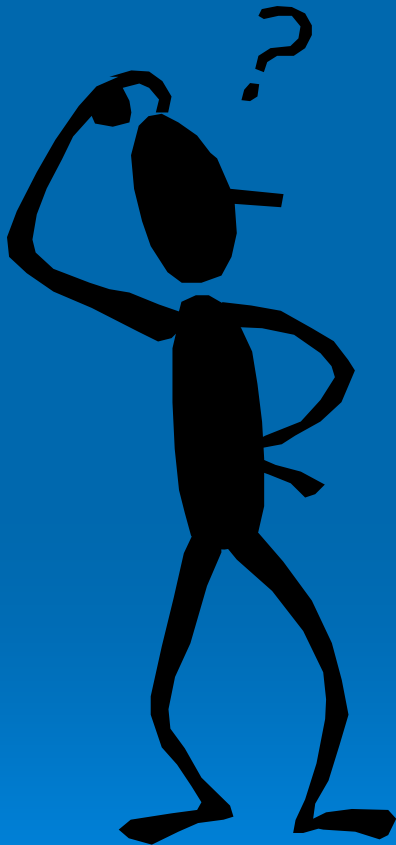
# Sustainability Questions

- How can you be sure no groups or individuals are disadvantaged or kept in the dark?
- How do you try to deal with others with integrity?
- Will organizational decisions lead to irreversible environmental or societal change...?
- How do you make certain that relevant and reliable information is available in an accessible, low-cost and comparable way?
- How are significant interests, influences and beneficiaries recorded, communicated and managed?

# A Sustainable Project ?

<b>Air</b>	A project that meets the needs of the present without compromising the ability of future generations to meet their own needs	<b>Humans</b>
<b>Land</b>		<b>Natural resources</b>
<b>Water</b>		<b>Animals</b>
		<b>Plants</b>

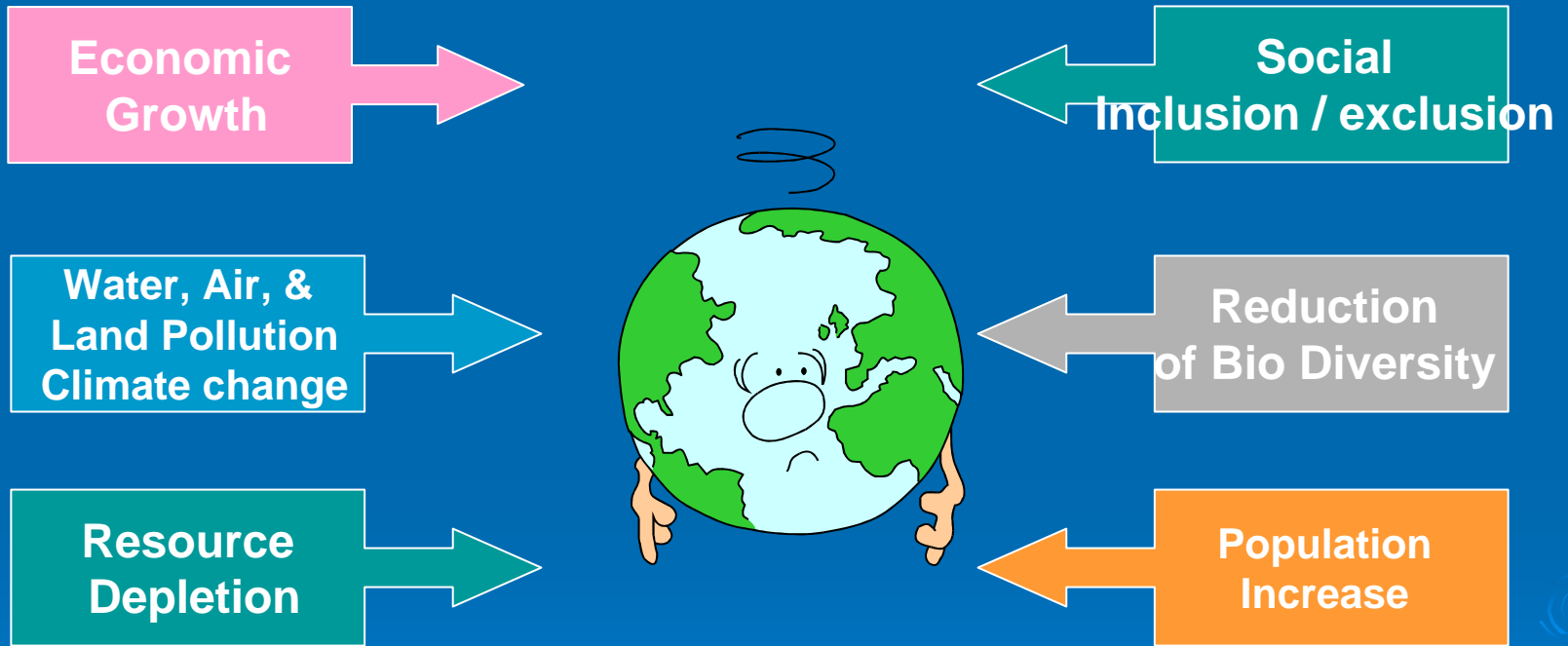
# Why do we need sustainability management?



“ Because sustainability management makes good project sense”

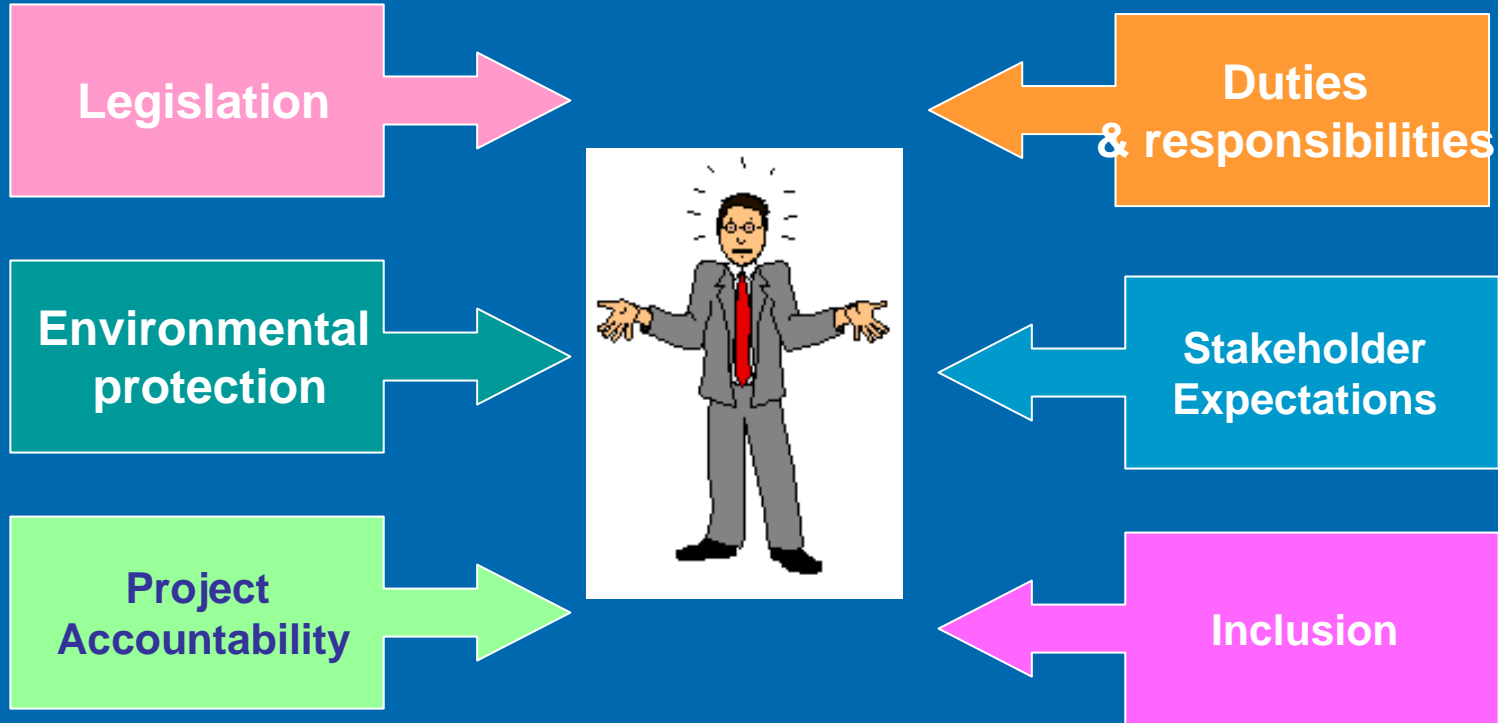


# Global Sustainability Issues

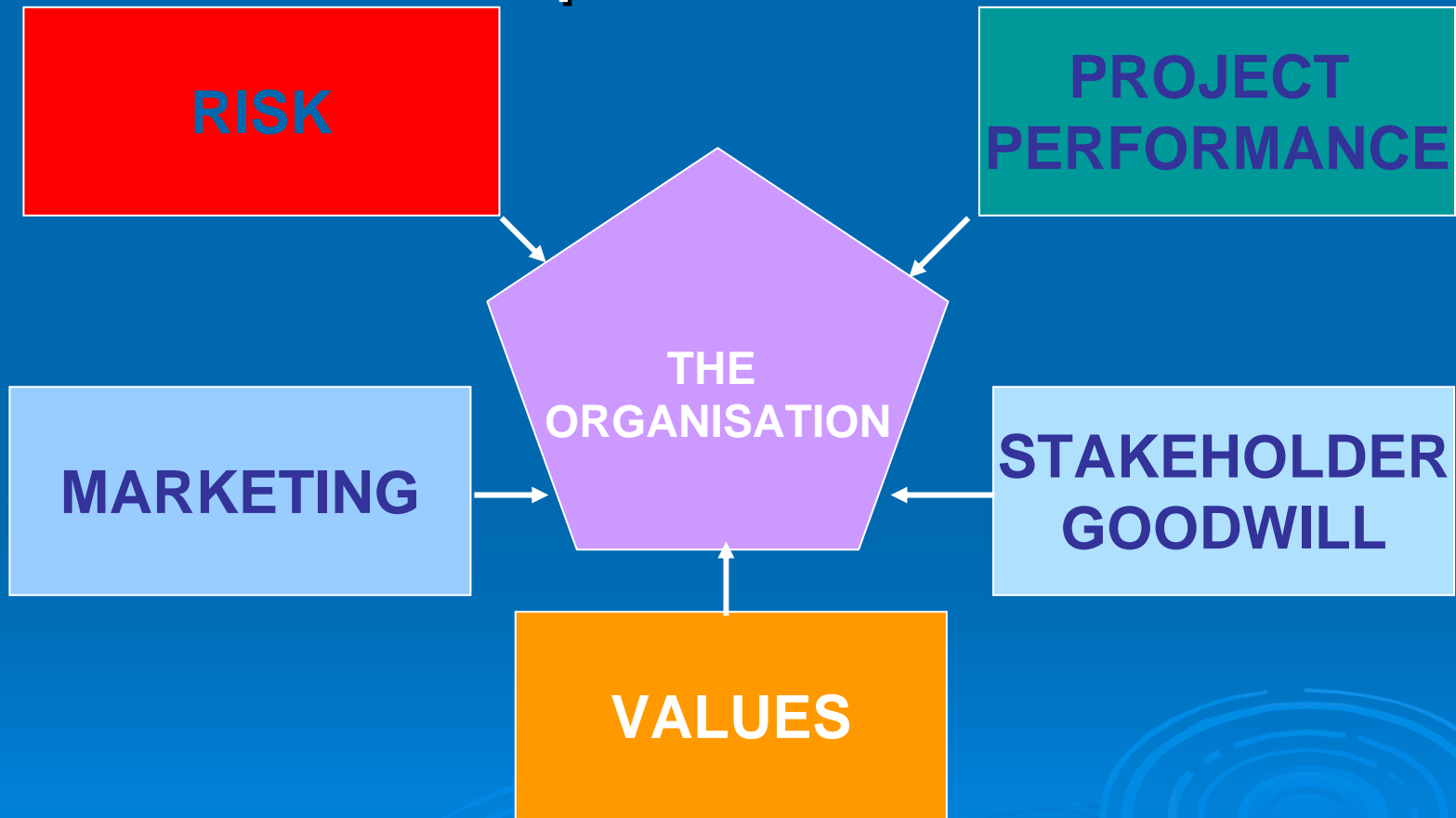


**All our activities have an impact!**

# Sustainability Issues Facing Projects



# Five Drivers of Sustainability under convergence Competitiveness

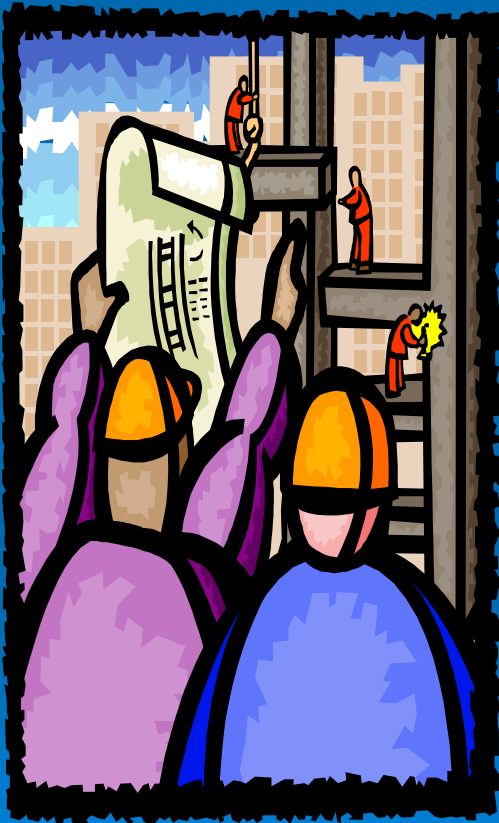




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# What is 'Sustainability Management' ?

# Typical Activities of Sustainability Management



- Project Risk Management
- Waste Control & Minimisation
- Reducing Resource Consumption
- Client and Supplier Collaboration
- Maintaining Legal Records
- Auditing
- Training & Awareness Raising
- Monitoring & Measurement
- Communications

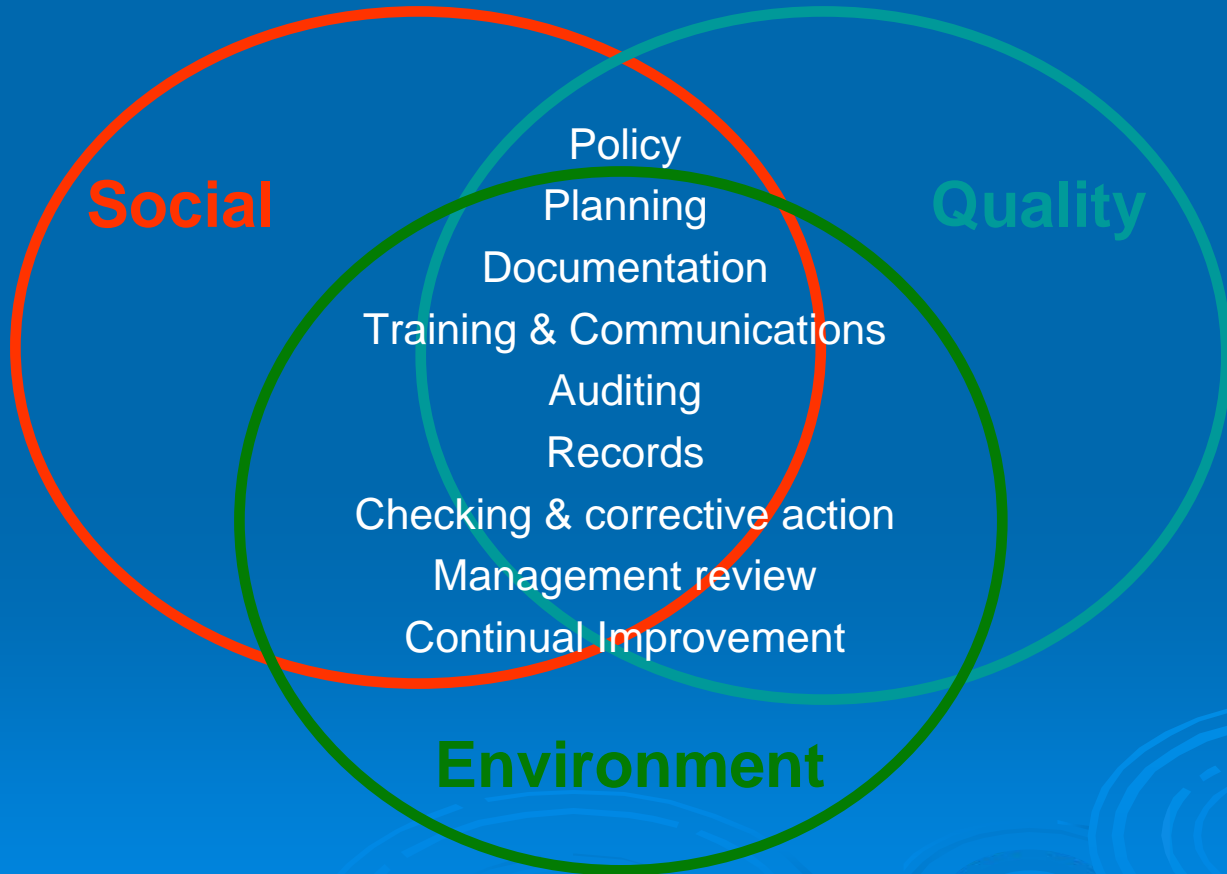
# What is a Sustainability management System ?



- **SMS = Sustainability Management Management System**
  - Composed of a Quality, Social accountability, and environmental management systems
  - Provides project
    - Structure
    - Control
    - Consistency
- *Needs to be adhered to - to work*

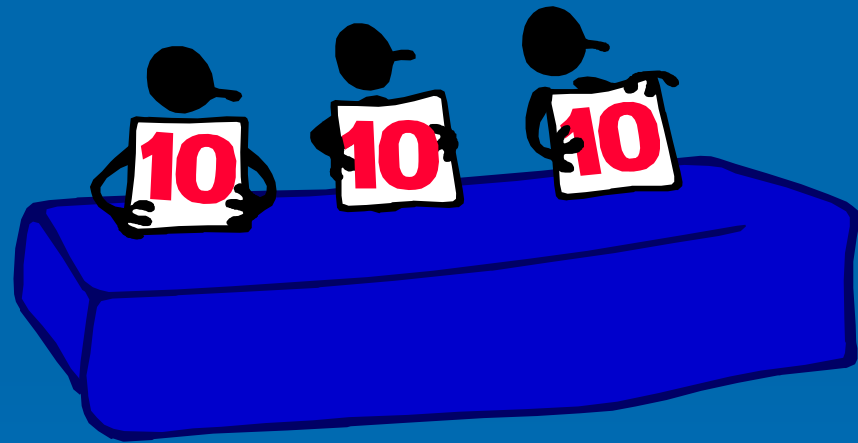


# A Sustainable Management System



# Gaining Management Commitment

- Fundamental step to successful SMS implementation
- Key points to emphasise:
- Opportunities and risk reduction
  - Meeting project goals
  - Ensuring quality
  - Accountability



# Management Structures & Responsibilities

- Identify a responsible person (Management Representative)
- Identify key individuals for the successful operation of the SMS.
- Establish an implementation team
- Draft the 'Management Structure' and responsibilities



# Establishing the Baseline



Do you know all the  
sustainability issues  
your organisation  
faces ?



# Sustainability Impacts

## ➤ What is a sustainability impact?

- *“Any change to the environment, society, and economy whether adverse or beneficial, wholly or partially resulting from an organization’s activities, products or services”*

# Sustainability Policies

Why have  
them?





# Sustainability Policies

## What should they include?



# Policy Contents

- Broad aims of the organisation (mission)
- Can include a brief description of the core activities
- ISO 9002 / 14001 / OHSAS / IIP Requires commitments to:
  - *compliance with legal and other requirements*
  - *continual improvement*

# Further Requirements for best practice

- *Be appropriate to the nature, scale of the organisation*
- *Address the significant sustainability impacts*
- *Provide for the setting and reviewing of objectives and targets*
- *Be documented, implemented, maintained, and communicated to all employees*
- *Be available to the public*

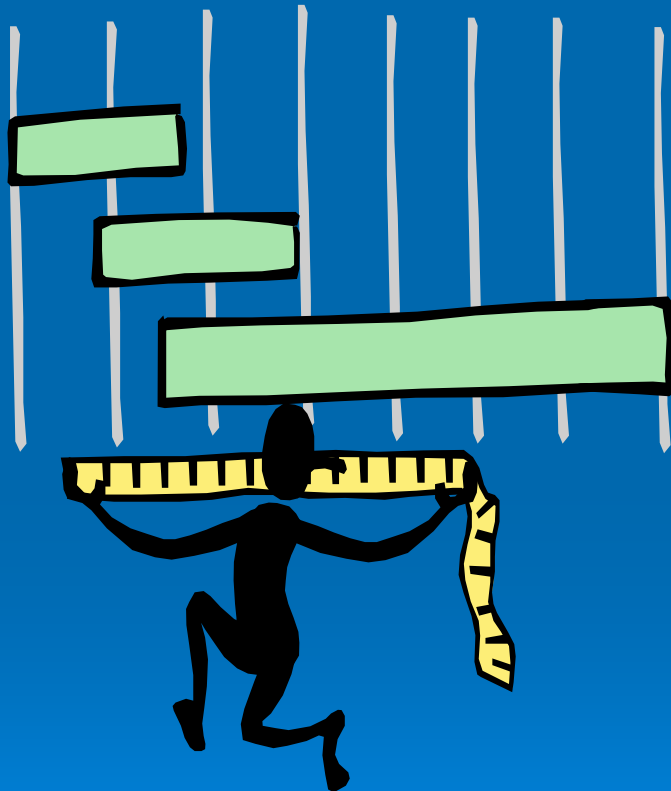


# Break





# Measuring Performance



‘If you don’t  
measure it, you  
can’t manage it’

# The Process of defining Sustainability Key Performance Indicators

- Identify key areas
- Assess the information needs of key individuals or groups
- Develop measures which will help you understand the root causes of costs and problems
- Develop measures which relate to activity levels

# Characteristics of Indicators

- Specify precisely the data required for the indicator
- Identify the data source
- Specify the intended purpose of the indicator
- For data collection specify the:
  - Timing
  - Location
  - Scope
  - Units of Measure
  - Type of data
- Provide guidance on data collection and use



# KPIs

<b>ECONOMIC</b>	<p>Well established models for assessing the financial sustainability of organisations;</p> <p>Profitability, Turnover, ROCE, Gearing, Liquidity, Debt, Stock, WIP, Access to Finance, Liabilities</p>
<b>ENVIRONMENTAL</b>	<p>Evolving but some clear approaches becoming established – CO2, Energy, Water, Waste ISO14031</p>
<b>SOCIAL</b>	<p>Emerging macro indicators, limited in many organisations,</p> <p>Resisted in some quarters for fear of over simplification of complex social dynamics</p>

# Social Performance indicators (from MPIs)

- **Employee Conditions – hours, holidays, pension, contribution**
- **Opportunity, Equality and Diversity – Gender and ethnicity ratios, promotion and senior positions held**
- **Training**
- **H&S Management Practices, auditing, expenditure, risk rating, Occupational Health assessments**
- **Supply chain practices – audits, engagement, employment condition indicators**
- **Community engagement, volunteering, corporate giving**
- **Wider stakeholder engagement – hours, meetings, forum and events**
- **External benchmark ratings, BiTC, FTSE4Good**

# Social Performance indicators (from OPIs)

- **H&S Performance, Accidents, Lost Time,**
- **Sickness absence, near miss, incidents,**
- **occupational health levels**
- **Employee satisfaction**
- **Marketing practice – complaints, official**
- **action, awards for positive approaches**
- **Wider stakeholder feedback, community consultation**

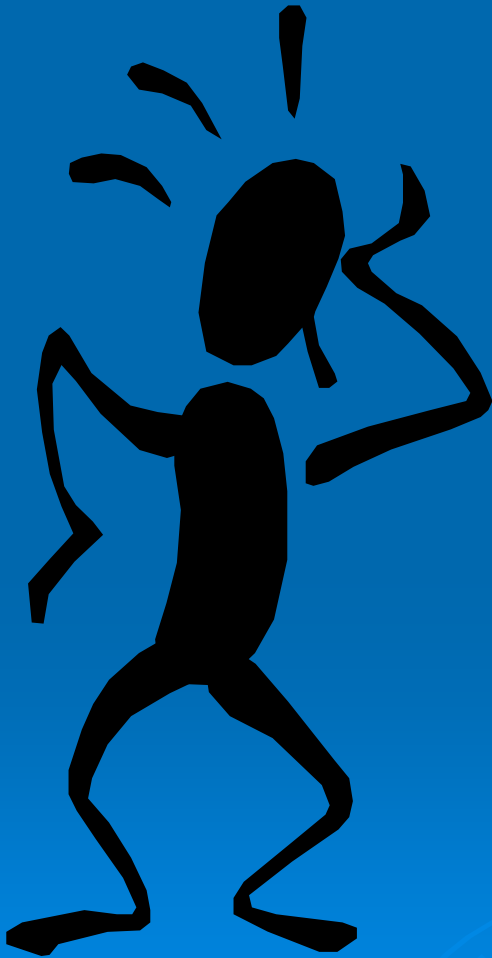
# Denim Project Management Cycle

Management Principle continual improvement





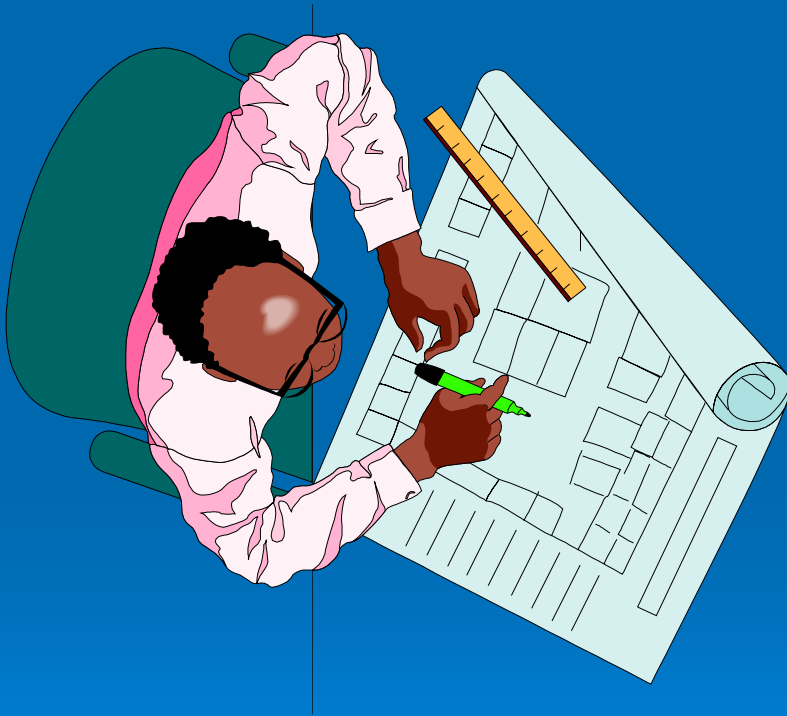
# Where do I start?



- Baseline findings
- Non-compliance
- High risks
- Project opportunities
- Organisational opportunities
- Concerns of interested parties
- Core values
- inclusion

# What is Sustainability Mapping?

- Simplified assessment technique
- Focus on real circumstances
- Establishing a baseline



# Sustainability Mapping



Delegates take  
part in  
sustainability  
mapping  
exercise

# Actions from Baseline Assessment

- Identify likely significant sustainability impacts
- Identify key legislation or other requirements which apply
- Compile information relevant to sustainability management
- Identify improvement initiatives
- Plan actions and assign responsibilities and time scales
- Communicate findings and plans

# Next Steps

- **BS8900** *Guidance for Managing Sustainable Development 2006*
  - **BS8900 Structure**  
*5 sections*
    - *Scope*
    - *Terms and Definitions*
    - ***Principles of Sustainable Development***
    - ***Putting sustainable development into practice***
    - ***Sustainable Development maturity matrix***
- **BS8901** *Managing Sustainable events*

# Opportunities & Barriers....

On the post it notes provided please note:

- **Pink:** The main barrier that you will have when initiating sustainability management in your organization
- **Yellow:** The main opportunity you see from sustainability management in your organization



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