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**BUSINESS CASE FOR
SUSTAINABILITY:
THE STARTING POINT**
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Introduction

If you ever feel like you're the only person in your organization who actually understands the importance of Sustainability, and if you ever question **how you can show the value of** sustainability, CSR, social investment, or impact measurement, without being accused of being a tree-hugging, community-loving Millennial, or worse, a Generation X-er acting like a Millennial, this document is for you.

Your ideas about making your organization more sustainable are on point. Until Elon Musk [gets us to Mars](#), there really is no other way to ensure our organizations prosper on Earth without operating sustainably, responsibly and innovatively. And even when we get to Mars, we'll need to live sustainably there too.

We know how you feel because we actually built a business around this. We've been doing this **"convincing management of why-this-stuff-matters"** exercise for the past five years and across all our markets of operation. The skepticism, rejection and chasing bureaucratic approvals are only normal phases of **selling sustainability internally**. Trust us, it's not just you or your organization or industry.

Most organizations believe that they are still not ready for sustainability, but in reality, they have so many sustainable practices already in place. But how can you as a CSR/sustainability/community development practitioner internally connect with the right stakeholders, speak a language they understand in order to gain investment and dedication for the practices? This is what we aim to answer in our guide.

SECTION ONE: BACK TO BASICS

Yes, we know you already know this stuff, but knowing it is something and knowing how to talk about it is something else. So, use the lingo below whenever someone tells you: "Sustainability...? Sure we'll install LED lights!"

What is Sustainability?

There are so many definitions emerging every day. We like the classic 1987 UN Brundtland Commission's definition of sustainable development as "meeting the needs of the present without compromising the ability of future generations to meet their own needs." (*Report of the World Commission on Environment and Development*)

Ok, but what is sustainability in terms of a corporate environment?

Think of it as applying conscience, ethical and responsible practices in every department of your organization.

Examples:



BUSINESS CASE FOR SUSTAINABILITY

Sustainability really means running your organization in a way that helps it to grow and prosper, while creating shared value for all stakeholders involved. Think of it as a set of strategies, values and tools that identify operational, marketplace, environmental, social and human resources risks and turns them into growth opportunities.

1 Cost Savings

By running operations efficiently, there's a big chance your organization will be able to save money. For example; using technologies, or instilling office habits that save energy consumption. Some of our clients have even saved on insurance costs due to being more sustainable in mitigating social pressure. The insurance provider dropped their premium significantly due to their community development work. They were no longer viewed as working in unstable circumstances.

2 Risk Mitigation

Implementing sustainable practices almost always guarantees that you will mitigate significant risks that would otherwise jeopardize your work. One example is auditing your supply chain for ethical issues or labor rights infringements. We all know how such unethical practices have historically harmed organizations when they were not properly addressed.

3 Legal Requirement or National Recommendation


Wherever you operate, chances are your country has some kind of recommendation on disclosing Environmental, Social and Governance (ESG) data. Check them out and see how you can contribute to them.

4 Attracting Investments

The new economy values organizations based on sustainable profit, commitment to environment and communities all together. There are various investment funds that are looking for sustainable companies to back. Below are a few examples:



1500 signatories (asset owners, investment managers and service providers) and more than \$60 Trillion in assets.



Carbon Disclosure Project investor initiatives – backed by more than 822 institutional investors representing \$100 trillion in



Investor Network on Climate Risk (INCR), a network that now includes 130 leading investors with \$13 trillion in assets.



A network of 130 members, including large pension funds and asset managers representing €18 trillion in assets.



300 assets management organizations collectively representing over \$200 billion in invested capital.



WHAT IS CSR/SOCIAL INVESTMENT AND HOW IS IT DIFFERENT FROM SUSTAINABILITY?

This conversation is very debatable. You might ask different practitioners, advisors and researchers and get different opinions. Answers will also differ based on how terminologies have evolved in certain countries and regions.

CSR as you know stands for Corporate Social Responsibility. In practice, it has been used interchangeably with Social Investment and Sustainability. In our markets of operations, we have seen that “CSR” and “Social Investment” have been used to describe the organization’s commitment towards its local communities and ‘social’ projects. Sustainability on the other hand, is a much more holistic term that includes CSR and Social Investment as elements in it, and extends to further address issues faced by every team, department and stakeholder.



SECTION TWO: WHERE DO I START FROM

So now that we went over the basics, it's time to start analyzing what kind of sustainable work you want to do, identify your allies and begin the ecstatic process of convincing management to come on board.

Reflection: The Four Ws

Ask yourself the below questions in order to have a starting point, and identify the scope of work suitable for your organization:

Who am I?

Depending on the job I have now, and my role, what kind of influence can I have on making my organization more sustainable? How can my role and expertise support me in what I hope to achieve?

Where am I?

Depending on my industry, and countries of operations, what are the most important risks and opportunities I must address? What are the international and local expectations of my industry? What is the negative impact my organization is leaving on its stakeholders, communities and the environment? What are the opportunities available to mitigate negative impact and create positive impact?

Tip: A good starting point is to take a look at [the UN Sustainable Development Goals](#) and see to which goals you could contribute positively. You can also check if your country has some kind of a national vision or priority areas that could act as a reference point. Another way is to benchmark against peers in your industry, or organizations you look up to and see what they're doing. You can choose to support similar areas or create a niche you think will better serve your stakeholders.

What do I want?

Now that I have an idea of what general sustainability topics I'd like to tackle, how do I want to address them? Do I want to work on sustainability practices across organizational departments, or focus on local communities we work with, or other types of stakeholders? Do I want a sustainability strategy, a framework with focus areas, a sustainability report, a social investment strategy, a social impact measurement, a gap analysis study, a case study or something else?

Who are my people?

Who is part of my playing field here?

- **My Friends:** Do I have internal allies who believe we should step up our sustainability game? Who are they and what's their influence in the organization? How can they help me and how can I approach them?
- **My Frenemies:** Who in my organization would not be in favor of sustainability-related projects and what is their influence? What is it that they don't understand about the importance of sustainability and how can I work with them, or around them, to turn them into an ally or at least minimize their negative impact? Will they question the value, the budget needed, or the timing of the projects I want to propose? How will my efforts affect their work negatively and what are they afraid of facing or losing? How can I address their concerns?
- **Resources:** Do I have the time, knowledge, team and professional tools to achieve what I want? If not, does my organization have the capacity to hire a specialized agency?

SECTION THREE:

WHY HIRE A SUSTAINABILITY/CSR AGENCY?

Let's be clear here, there is nothing that thrills us more than seeing organizations addressing issues internally. We **want you** to be independent and take ownership of your sustainability projects. So, if you're capable, please do try to work with your internal team. But if you feel like you need some extra help or guidance, we would recommend using a sustainability agency. Below are a few reasons to explain to management why hiring an agency makes sense:

We don't have the knowledge:

- We don't have the technical knowledge necessary to do the job. For example, I have no idea how to work on GRI indicators to produce a sustainability report, or how to create financial proxies to measure the impact of our programs.
- We need a neutral third party to engage stakeholders to get an accurate view of things

We don't have enough people/time:

- Our team is not big enough. We are short in resources
- The project needs my full attention and I can't dismiss my other role(s) in the organization

We can save:

- It could be more affordable if we hire an agency rather than hire additional employees at this point in time (tip: it might also be more affordable for you on the long-run if you do hire and train employees. This is really a case-by-case situation.)

We can assess and learn:

- We get to see how things are done in an optimal way. If we don't like it, we just don't renew our contract with the agency.
- We need an agency to do it once, and empower us so that we can do it internally later on.

No, our existing PR/Marketing agency can't do this work

- It's a completely different domain requiring different knowledge, certifications and skills.
- PR/Marketing agencies can help later after the work is done in promoting our work and creating a marketing roadmap. However, they don't have the expertise and the technical knowledge required.

WHAT CAN YOU EXPECT BY WORKING WITH AN AGENCY

- Holistic support in terms of planning, advocating, strategizing, implementation on the ground and third-party impact measurement.
- Access to the latest tools, practices and methodologies.
- Efficient and thorough stakeholder and community member engagement due to their grassroots engagement expertise.
- Benchmark analysis of your performance with other organizations.
- Established and growing sustainability networks allowing you to learn from peers and find partners for potential projects
- Faster time delivery due to advanced knowledge and resources.

SERVICES OF A SUSTAINABILITY/CSR AGENCY

Below is an overview of services an agency could provide. A tremendous amount of work goes under every service, so don't underestimate the work done based on the brevity of the description. We're happy to shower you with all our proposals if you're too eager:

SUSTAINABILITY MANAGEMENT

Sustainability Strategy

Develop a holistic strategy that addresses all topics related to your economic, governance, ethical, environmental and social responsibilities. Set focus areas, KPIs and identify resources.

Materiality Analysis

Figure out what your stakeholders care about, versus what you care about and where to align. Develop a Materiality Analysis Matrix to help you decide on sustainability focus areas that emerge from listening to your stakeholders and communities.

Sustainability Reporting

Issue your organizational annual sustainability report in line with the [Global Reporting Initiative \(GRI\) Standards](#), or the [Integrated Reporting \(IR\) guidelines](#), to disclose your economic, social, environmental and governance performance.

Sustainability Report Quality Assurance

You did your sustainability report, so get a neutral third party to assure it to further instill your transparency to your stakeholders.

Benchmark Analysis

A valuable learning process that helps you understand what sustainable practices are expected and implemented in your industry, nationally, globally, and where you stand in comparison.

Value Chain Integration

Understand how to engage your partners and suppliers by focusing on creating value for all parties in an ethical and responsible manner.

Sustainability Gap Analysis

Figure out where your organization excels and lags behind when it comes to your sustainability goals.

SOCIAL IMPACT

Social Investment Strategies

While it may be tempting to sponsor that upcoming festival/event, maybe it's time to take your sponsorship activities to the next level by addressing strategic causes related to your industry that matter to your organization and your stakeholders, contribute to your country's vision and the UN Sustainable Development Goals.

Social Impact Measurement

Figure out which projects yield the highest social return on investment (SROI). Take into account qualitative and quantitative metrics and place financial proxies on each indicator to measure actual change.

CARBON FOOTPRINT

GHG Reporting

Measure your Greenhouse Gas (GHG) emissions, set reduction targets, and bring efficiencies into your operations.

Environmental Impact Assessment

Use this as a historical analysis tool or a prediction tool to better understand the positive and negative environmental impact of your operations.

RESPONSIBLE INVESTMENT

ESG Rating

Develop an investment profile based on Environmental, Social and Governance (ESG) performance. ESG Ratings allow investors to understand an organization's exposure to, and management of ESG issues on multiple dimensions.

Sustainable Finance

Integrate ESG considerations into financial services including financing, lending, and investment decisions. This includes development of policies and ESG risk approaches.

Impact Investing

Learn how to put your money where it yields most impact (financial and non-financial).

PHILANTHROPY & FOUNDATIONS

Families & Corporate Foundations

Institutionalize your philanthropic support and move away from traditional charity towards a more sophisticated way of addressing key issues affecting your community.

Philanthropic Trusts and Funds Setup

Philanthropic solutions for individuals, families, companies and foundations including governance practices, operational management, fundraising, partnership building impact measurement and reporting.



How to Contract with an Agency?

CSR Agencies are not that different from other advisory/communications/PR agencies in terms of how they work. There are a few options:

- Per project
- Retainer
- Annual Partnerships



WHY SUSTAINABLE SQUARE?

Specialization

Our focus is 100% on CSR, sustainability and social impact. Our team is all certified and experienced in sustainability focus areas, and we all have work experience in grassroots and nonprofit organizations.

One Stop Shop

A comprehensive and integrated suite of sustainability and CSR services and solutions. We continue to innovate based on the latest expectations and best practices. We work with organizations across multiple years based on their status quo and what they require to grow their sustainable operations. We worked with clients who started with one CSR part-time employee and 5 years later grew to have a full-fledged team with proper strategies and programs on the ground.

Exceptional Stakeholders Engagement

Our unique, efficient and thorough approach to stakeholder engagement makes us the preferred choice for many organizations. We have a very hands-on approach to engagement, and spend extensive time on-the-ground, face to face, instead of just relying on calls and surveys. It is important that we connect with people and hear their personal narrative. Our engagement practices include a balance of technical and non-technical tools that create space for personal stories, feelings and perceptions.

A Genuine Partnership Approach

The whole team is very accessible and resource allocation is very flexible. Expert advisors are not allocated based on how big or small your budget is, but rather on the service you have chosen and the right expertise for it. We enjoy friendly relationships and capitalize on building personal long-lasting friendships that extend beyond contracts and signatures. We're happy to communicate progress with you based on what suits you, whether it's through formal reports, Whatsapp or even over coffee while you walk your dog in a park.

Agility & Adaptability

This industry is evolving at an accelerated pace. We take responsibility to ensure that the services we provide remain relevant to market needs and to embed our client's feedback into our work. Our practices introduce new products and ideas that shift discussions towards the latest sustainability concerns and opportunities.

WHAT OUR CLIENTS SAY:



Emirates NBD

"As an invaluable partner for Emirates NBD, Sustainable Square has brought a wealth of expertise in social impact and sustainability in the planning, strategy and reporting of our community efforts."

-Elena Cruz, Vice President, Head of Brand Management & Corporate Responsibility



Emirate Global Aluminum (EGA)

"Throughout our engagement with Sustainable Square, I witnessed a defined character in project leadership, subject cognition, proactive actions, attentive team members and time delivery assurance. The team members made the process of completing assurance of EGA's sustainability report and getting the end result so clear and transparent during all stages, which kept us engaged and eager for the final outcome"

- Noaman Alsaleh, Sustainability Manager

Omnicom Media Group

"Omnicom Media Group partnered with Sustainable Square to produce our GRI Report. Sustainable Square carefully guided us through the complex GRI process, engaging professionally with our staff, clients and suppliers as well as Senior Management. Throughout the process, the Sustainable Square team was a pleasure to work with, sharing their expert advice and helping to keep us on track. We would not hesitate to partner with them again."

-Tanaz Dizadji, Corporate Responsibility Director


Al Sayer Group (Toyota)

"It was a truly great experience working with Sustainable Square. Through their exceptional team, we were able to create our Sustainability Strategy and deliver the latest practices to Sustainability Champions across Al Sayer Group. This was done in an efficient manner and using realistic standards and examples that align with our religion and the culture of the Arab region. This is what distinguished Sustainable Square from other competing advisory firms."

-Nehad Alhaj Ali, Sustainability Manager



وزارة الداخلية
 MINISTRY OF INTERIOR

Ministry of Interior, UAE

"It was a pleasure working with Sustainable Square. Their ability to adapt and accommodate our requirements was impressive. Throughout their appointment and beyond, they displayed exemplary professionalism."

- Khalil Mirza, Project Coordinator


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"Sustainable Square are very hands-on as well as strategic in the way they work. Their input to help us evaluate our first SROI project (which was among the first in the UAE) was extremely valuable for us. Monaem, Eric and their team didn't work as consultants, they worked like our team members and helped build our capacity at every step of the project. "

-Humaida Alkhalsan, Director Corporate Communications Projects & Sustainability


Ajman Chamber of Commerce and Industry

"We partnered with Sustainable Square to establish the Ajman CSR Center under the Umbrella of the Ajman Chamber of Commerce and Industry. The team has demonstrated full expertise and passion in every step. We are beyond confident that our center is being established based on the most advanced global sustainability practices, and we look forward to expanding our collaboration."

-Nasser Al Dhafri, CEO of Ajman CSR Centre

ADDITIONAL CONSIDERATIONS

Why Measure Impact?

If you are considering a project like Social Return on Investment, or any other kind of impact measurement, below are some good points to support your argument.

Measuring Impact:

- Gives us ability to decide where best to spend our financial resources. For example, if project A is yielding more social value than project B, then we can decide which project to expand or focus on and which project to cancel
 - Helps us in establishing rigorous indicators to hold ourselves, our community and implementation partners accountable
 - Differentiates between performance indicators and change indicators. Performance indicators are vital, but could sometimes measure "busy work" that doesn't indicate actual change. For example, a performance indicator might measure the number of hours children spent in training, while a change indicator will measure the actual change resulting from training like an increase in children's confidence.
 - Offers us way to benchmark our own projects against each other, and benchmark with other organizations to see where we stand.
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Forbes: "There needs to be more focus on what is important for achieving social impacts. This includes a clear definition of what success would look like, a carefully articulated path of how success will be achieved, and a specification of the measures that will be used to measure whether success has been achieved. These social challenges are so large that we must do whatever is possible to improve the social impacts of the financial and human resources being invested."

Harvard Business School: "In these complex challenges, especially policy and advocacy, it's important to develop a clear strategy that lays out how you expect to influence particular actors," he says. "And obviously there should be a method for periodically testing and critiquing that strategy, and modifying it if it's not working."

McKinsey & organization: "The goal of social impact assessment is to drive improvements that increase the value of programs to the people they serve. Social impact assessment helps organizations to plan better, implement more effectively, and successfully bring initiatives to scale. Assessment also facilitates accountability, supports stakeholder communication, and helps guide the allocation of scarce resources"

Social Value UK: SROI is based on Seven Principles of Social Value and why are they important for accountability and maximising social value

GRI: "Sustainability reporting and impact measurement are two practices used by organizations to improve performance, account for impact, and publicly communicate sustainability data. They can be used to help governments understand how businesses interact with the SDGs. Even though each practice has emerged from unique needs and circumstances, both provide sustainable development impact data which can show how the private sector is, or is not, supporting development policy goals. Such information can help governments in strategic decision making, to identify appropriate business models and provide support with policy incentives."



ABOUT THE AUTHOR

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SR. ADVISOR SUSTAINABILITY AND SOCIAL INVESTMENT

Dima is a Senior Advisor on Sustainability and Social Investment. Her passion lies in building community-centric operations and translating the concept of Creating Shared Values to transform organizations.

Dima has worked with private, public and nonprofit organisations on setting sustainability strategies, social investment frameworks, measuring social return on investment, sustainability reporting, responsible supply chains and stakeholders engagement.

She joined Sustainable Square after leading sustainability in the GCC for Aramex, the first company in the Middle East to pioneer the Global Reporting Initiative (GRI) Reporting and later Integrated Reporting. Prior to that, she was heading Operations and Communications at Ruwwad for Development, a grassroots nonprofit organization that empowers local communities through corporate and citizen-led partnerships.

Dima is certified in the Social Return on Investment (SROI) methodology by Social Value UK, and in sustainability reporting by the Global Reporting Initiative (GRI). She has received executive education in Sustainability Leadership from the Harvard T.H. Chan School of Public Health, and in Community Organizing by the Harvard Kennedy School.

Dima holds a Master's degree in Public Administration with focus on Community Development and Nonprofit Management from the University of Delaware, and a Bachelor's degree in Management Information Systems from the University of Jordan. She is a member of the International Society for Sustainability Professionals (ISSP).

Contact

We hope you found this useful. If you need any further clarification please do not hesitate to approach us at: **info@sustainablesquare.com**