The Global Environmental Management Initiative (GEMI)

Exploring Pathways to a Sustainable Enterprise: SD Planner™
A Sustainable Development Planning Tool

Published: June 2002
Definitions of Sustainable Development (SD):

Meeting the needs of the present without compromising the ability of future generations to meet their own needs.

- World Commission on Environment & Development

Ensuring a better quality of life for everyone, now and for generations to come.

- UK Government
Environmental, health, and socio-economic concerns and emerging trends associated with SD pose challenges to continued growth.
The business community has begun to appreciate that addressing SD is an important element of business strategy.

- Recognition of the link between SD and business value
  - Bottom line value: reduced operating cost and increased resource efficiency
  - Top line value: new market opportunities, leading to increased revenues and market share growth
- Understanding that long-term success involves managing the “triple bottom line”
  - Economic prosperity
  - Social-well being
  - Environmental protection
Business Response to SD

Heads of major corporations have recognized the importance of SD to their businesses.

The challenge of sustainable growth is not a philosophical issue. It is a nuts-and-bolts business reality. We made it the primary objective of our company, because we believe sustainable growth will be the common denominator of successful global companies in the 21st century.

Chad Holliday, Chairman and CEO, DuPont

In the future, companies that are not sustainable—in the fullest sense of that term—will not be operationally or financially successful. It is doubtful they will even survive.

William Stavropoulos, Chairman of the Board, Dow Chemical

We believe sustainable development is integral to both P&G’s future business success and to a truly better quality of life for all the world’s consumers—now and for generations to come.

Alan Lafley, Chairman and CEO, Procter & Gamble
The GEMI SD Work Group was formed to develop a SD planning tool.

- Available tools needed to be expanded to meet GEMI member needs:
  - Business-focused tool to conduct a self-evaluation, assess opportunities, set goals, plan actions to meet goals, and evaluate progress against goals
  - Flexible
  - Customizable for each company or business unit
- SD Planner™ was designed to build upon existing resources
  - Subject matter of various SD principles
  - Self-evaluation methodologies
- SD Planner™ was developed as an automated tool
Purpose of the SD Planner™

SD Planner™ is intended to help companies understand the context of sustainable development and choose a direction for taking action that will deliver results.

Context → Direction → Action → Results → Organizational Alignment → Continuous Learning
The architecture of SD Planner is based on a five-step planning process.
SD Planner is based on the premise that sustainable development involves three categories, often referred to as the “triple bottom line”, each comprising several elements.

<table>
<thead>
<tr>
<th>SD Categories and Elements</th>
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<tbody>
<tr>
<td><strong>Social</strong></td>
</tr>
<tr>
<td>• Employee Well-Being</td>
</tr>
<tr>
<td>• Quality of Life</td>
</tr>
<tr>
<td>• Business Ethics</td>
</tr>
<tr>
<td><strong>Economic</strong></td>
</tr>
<tr>
<td>• Shareholder Value Creation</td>
</tr>
<tr>
<td>• Economic Development</td>
</tr>
<tr>
<td>• Environmental Impact Minimization</td>
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<tr>
<td>• Natural Resource Protection</td>
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</tbody>
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SD Planner lays out five Stages that companies may take in moving towards their sustainable development goals.

### Stages of the Sustainable Development Pathway

<table>
<thead>
<tr>
<th>I. Prepare</th>
<th>II. Commit</th>
<th>III. Implement</th>
<th>IV. Integrate</th>
<th>V. Champion</th>
</tr>
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<tbody>
<tr>
<td>Minimize SD efforts, while assessing the issue, what other companies are doing, and potential opportunities</td>
<td>Commit to moving forward in addressing SD and chose a strategic direction for SD actions</td>
<td>Launch programs consistent with SD strategy</td>
<td>Make SD part of every day business practices</td>
<td>Act as a leader and champion for others within industry to act on SD</td>
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Each Stage comprises several business Practices.

### Example

**Business Practices**

<table>
<thead>
<tr>
<th>Stage I. Prepare</th>
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<tbody>
<tr>
<td>Compliance with laws</td>
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<tr>
<td>Assessment of current practices</td>
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<tr>
<td>Information gathering</td>
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<tr>
<td>Response to stakeholder concerns</td>
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SD Planner’s Self-Evaluation Window is used to assess the current status of a user’s company of business unit.

Right-click to obtain definition

- Left-click to assign rating
- Right-click to obtain further guidance, actions to consider, and case studies
The Gap Analysis function compares self-evaluation results against goals.

![Gap Analysis Diagram](image-url)
Based on the gaps found, a user can generate a list of proposed actions to provide ideas for the creation of an action plan.

<table>
<thead>
<tr>
<th>Sub-Element</th>
<th>Stage</th>
<th>Practice</th>
<th>Proposed Action Items</th>
<th>High Priority Factors</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
<td>Response to stakeholder concerns</td>
<td>- Respond to stakeholder concerns related to employee rights.</td>
<td>Consumer customers, High stakeholder scrutiny, Large operations in developing countries.</td>
</tr>
<tr>
<td>1.1 Employee Rights</td>
<td></td>
<td>Focus on programs</td>
<td>- Develop and implement performance standards related to responsible workplace practices.</td>
<td>Consumer customers, High stakeholder scrutiny, Large operations in developing countries.</td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>Integration into business processes</td>
<td>- Develop and implement performance standards related to responsible workplace practices.</td>
<td>Consumer customers, High stakeholder scrutiny, Large operations in developing countries.</td>
</tr>
<tr>
<td>1.2 Responsible Workplace Practices</td>
<td></td>
<td>Restructure management</td>
<td>- Develop processes, including monitoring mechanisms, to ensure that production work is not outsourced to facilities employing unacceptable workplace practices.</td>
<td>Consumer customers, High stakeholder scrutiny, Large operations in developing countries.</td>
</tr>
</tbody>
</table>

*Stage 1 = Prepare, 2 = Commit, 3 = Implement, 4 = Integrate, 5 = Champion*
Customization

SD Planner allows a user to customize definitions, edit actions, and add new case studies.
Next Steps

The following are potential next steps to put SD Planner™ to use within our organization.

• Determine organizational scope for implementation of SD Planner™ (Whole company? Pilot business unit?)
• Form interdisciplinary team to implement SD Planner™
• Perform the self-assessment
• Develop and implement an action plan to address any significant gaps found.
How to Contact GEMI

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