Walking the Walk:
Driving Competitiveness Through Ethical Supply Chains

Operating ethically and operating profitably are no longer mutually exclusive concepts.

Leading companies are balancing the goal of achieving commercial advantage with gaining social and environmental advantages. Better yet, those focused on this "triple advantage" in supply chain operations can increase competitiveness through increased revenue and brand reputation while decreasing cost and risk.

The Tipping Point

The Reasons

Sustaining Competitiveness:
From "License to Operate" to "License to Grow"

Companies need to recalibrate their strategies towards ethical behavior—shifting from a focus on compliance to differentiation.

Digital is enabling customers to gain greater transparency.
- Social media allows fast and global access to information on how sustainable products are produced as well as incidents of unethical working conditions.

Investors' behavior is changing. Accenture research reveals:
- Reputable analyst firms are increasingly factoring ethical behavior into their valuations. Sustainability can create significant impact on stock prices.
- 69% of executives expect investor interest to be an increasingly important factor in building sustainability issues into their core business.

Attracting and retaining talent will become increasingly difficult for companies that ignore business sustainability.
- 46% of CEOs report that employees would be among the most influential groups in guiding their action on sustainability over the next 5 years.

Sustaining Competitiveness:
From "License to Operate" to "License to Grow"

"License to Operate" Companies are engaged in responsible supply chain efforts

"License to Grow" Companies use ethical business practices as an integral part of what makes them unique

Moving Beyond the Noble Purpose
Benefits the Bottom Line

Companies who hesitate to embrace sustainable practices as a strategic weapon do so at their own peril: More and more customers, investors, and employees demand ethical operations. By positively impacting socio-environmental factors, the biggest benefit lands on the bottom line through new sources of growth and innovation.

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