Accenture Sustainability Performance Management
Delivering Business Value from Sustainability Strategy

High performance. Delivered.
Global executives are as committed as ever to sustainable business. Yet, executing a sustainability strategy that delivers quantifiable value eludes many organizations. Accenture Sustainability Performance Management is a market-leading practice that helps clients define and implement management strategies that create measurable improvements in sustainability and business performance.
Converting sustainability strategies into business value

Most large companies have a sustainability strategy and almost all of them—95 percent of the Global 250—issue sustainability reports. But does sustainability consistently create business value? That is the bigger challenge.

According to the 2013 United Nations Global Compact-Accenture CEO Study on Sustainability, 93 percent of the CEOs surveyed see sustainability as key to their companies’ overall success. Seventy-eight percent see sustainability as an opportunity to drive growth and innovation.

In other words, the commitment is there, the sustainability strategies are in place and the opportunities are identified. But moving from opportunity to execution is proving a challenge. Only a little more than a third of CEOs surveyed (38 percent) believe they can accurately assess the benefits of their sustainability initiatives.

Peter Bakker, President of the WBCSD, highlights the need for action: “We’re at the stage where it becomes really urgent to drive action, to bring solutions to scale. As a business leader who has been bitten by the sustainability bug, it’s clear that radical transformation is required.”

Accenture believes that in most cases, one of the key obstacles is not having in place effective sustainability performance management—the means to measure, manage, analyze and report sustainability performance. The cycle of performance management activities includes:

- Defining the sustainability strategy and identifying the value at stake.
- Identifying what to measure, manage and report.
- Planning the optimal processes and tools to manage the overall journey.
- Collecting relevant and accurate data to understand and improve performance.
- Analyzing performance to measure the value delivered and to identify opportunities.
- Implementing projects to deliver the targeted business and sustainability benefits.
- Reporting the value delivered and discussing findings with stakeholders to feed back into the continuous improvement cycle.

With effective sustainability performance management processes, companies can increase the benefits from their sustainability initiatives. Performance management tools and processes can enable companies to:

- Increase revenues. Identify opportunities to increase sales with new products and services.
- Reduce costs. Understand where and how to drive costs from the bottom line (e.g., energy reduction and resource efficiency).
- Build intangible assets. Create long-term relationships, brand value and stakeholder trust.
- Reduce risks. Understand and mitigate risks posed by sustainability initiatives (e.g., those associated with compliance, taxation, health and safety, climate and supply chain disruptions).
Delivering on the promise of sustainability

Accenture Sustainability Performance Management is a market-leading practice that helps clients deliver on their sustainability strategy in ways that create measurable improvements in business and sustainability performance.

We have extensive experience implementing sustainability performance management programs—from strategy definition all the way through deployment and operations. Accenture works closely with clients to help them identify opportunities to implement robust processes, and drive value creation.

Accenture has additionally developed tools to execute sustainability strategy and an innovative methodology to measure sustainable value. Our approach quantifies both the commercial impact and the broader benefits resulting from strong social and environmental performance.

By implementing our methodology, companies are able to more effectively track and communicate the impact of sustainability programs on revenue, margin, profit and loss. They can also better articulate the business case to external stakeholders and investors. Our approach also provides rich insights about the impact of management decisions, investment projects and product portfolio choices on business performance. With these tools, companies can track sustainable value, and are better placed to create sustainable products and services innovatively.

Technology is critical to successful implementations

As a global leader in enterprise performance management consulting, systems deployment and integration, Accenture implements comprehensive solutions that include today’s leading technologies. We have a deep understanding of the market and work with the major sustainability vendors, enabling us to perform effective analysis of requirements and software.

We can deliver sustainability performance management in a number of ways. This includes distinct and targeted projects, or, executing on behalf of our clients many of the data collection, analysis and reporting tasks that are vital to effective sustainability performance management.
With Accenture Sustainability Performance Management, companies can meet many of the challenges they face in delivering business value from sustainability.

Accenture has identified four common challenges that companies face with sustainability performance management.

- Linking sustainability to wider business performance.
  - Understanding sustainability impacts and opportunities across the full value chain.
  - Measuring and managing data across the full value chain.
  - Identifying the most important investment opportunities.
  - Achieving organizational buy-in.
  - Linking sustainability performance to employee performance.

- Executing effective data capture and management.
  - Collecting the right amount of data to manage performance.
  - Capturing accurate and complete data in a timely and cost-effective manner.
  - Deploying the appropriate software solutions and systems to manage data.

- Reporting the right information to the right stakeholders.
  - Identifying the information required by different stakeholders and providing it succinctly and powerfully.
  - Ensuring key stakeholders receive the right information, for example adequately briefing analysts so they can factor sustainability into valuations.
  - Employing regular, interactive and digital interventions as reporting formats and frequency evolve.

To help clients identify how best to address these challenges, Accenture has developed a Sustainability Performance Management Diagnostic. This tool rapidly assesses the maturity of existing tools and processes against the clients' vision to determine how they are executing on strategy and quickly identify ways to achieve greater value.

- Driving significant business and sustainability benefits.
  - Instituting programs and projects to drive performance across the organisation.
  - Identifying complex root causes of performance issues.
  - Deriving insight from data with integrated systems and processes.
  - Comparing existing capabilities with best practices.
Accenture has delivered proven value to clients around the world through sustainability performance management

Accenture helped this global diversified mining and metals company generate business benefits from sustainability through effective sustainability performance management tools and processes

The client, a global diversified mining and metals company with 70,000 employees and operations in more than 20 countries, has long been recognized as a leader in sustainable development in the industry. Its consistently strong performance has been recognized in external ratings, including the Dow Jones Sustainability Index and the Carbon Disclosure Project. However, it needed to update its approach to better align with corporate strategy, improve competitive differentiation and drive higher performance.

Accenture’s initial review determined that the client faced several challenges such as increased costs and risk. These were associated with its process of measuring, managing and reporting sustainability performance, limiting its ability to manage performance on a timely basis.

Accenture helped define a clear vision for the client to build on its excellent track record in reporting and performance. It defined a robust, repeatable and continuous sustainability performance management process covering the entire company, and allowing for appropriate, easy production of meaningful reports. A robust sustainability performance management process needs an enabling software package to automate key steps, reduce the potential costs of managing multiple systems, and improve the quality of the data collected and, thus, of reporting. Accenture initially helped the client identify the appropriate solution provided by Enablon to facilitate its sustainability performance management and reporting process.

Tried and tested Accenture Delivery Methods were used to deploy the solution at corporate, business and site level, and across all sustainability and health and safety metrics required for internal and external reporting. Accenture delivered face-to-face training to more than 500 end-users and systems administrators around the world. This training was supplemented by three e-learning modules for offline training, useful for future new joiners, as well as custom-developed software manuals to reflect the client’s processes and software configuration.

Accenture’s Global Delivery Network continues to provide second-tier application support for the system. It also assists with operational business processes required by the client’s group sustainability team.

As a result of its close collaboration with Accenture, the client has taken its ability to measure, monitor and report on sustainability initiatives to a new level. It is now poised to turn sustainability into a lever of improved business performance and, ultimately, high performance.

Delivering end-to-end sustainability performance management, from strategy to process to technology

Collaborating with a major European brewer, Accenture helped to develop the company’s sustainability performance management strategy, gathering input from multiple business units. The team defined optimal business processes, established key performance indicators and supported the software selection process. This resulted in the implementation of a market-leading software solution across more than 80 countries. The company now has a standardized, globally-aligned system to measure and manage strategic and operational sustainability. The system has also improved data quality and reduced data collection overheads.

Developing sustainability performance management capabilities to support strategy

A major international financial institution required sustainability performance management capability to monitor progress and outcomes from executing a new strategy, drive performance improvement, and report to internal and external stakeholders. Accenture worked with each business area to identify key performance indicators, complete a data readiness assessment and rulebook on data collection, devise a governance model for reporting and design a roadmap for the company to achieve its sustainability objectives.

Integrating sustainability into strategic planning and investment appraisal

Accenture helped a multinational chemical manufacturer by building sustainability into management decision making, designing processes, and structuring decision-making methodology. One major outcome included delivery of a key performance indicator-based framework. The framework embedded sustainability into the portfolio management and investment proposal processes to enable the company to identify significant, relevant, and feasible investment opportunities and deliver its strategic plan in time.

Driving actionable insights into greenhouse gas emissions

Accenture worked closely with an Asian government to implement a Sustainability Performance Management solution that aggregates nationwide greenhouse gas emissions data, predicts future trends and provides customized abatement tools. Our partnership with the Carbon Disclosure Project, a global leader in carbon reporting, ensures best-in-class reporting processes for private sector disclosure. Accenture
adopted an integrated approach that leveraged our sustainability solutions experience and technology capabilities, backed by our Global Delivery Network. The solution enables the client to derive actionable insights into greenhouse gas emissions and validate policy initiatives aimed at energy efficiency through the prism of sustainability performance. The solution also helps the government meet its international commitments in the area of climate change and strengthen its position as a global leader in sustainable urban development.

Implementing leading-edge, technology-based solutions to drive business value

For a food and drink company, Accenture implemented an enterprise resource planning based integrated sustainability management system, drawing on and combining operational data from legacy modules. The solution enables the company to automate the calculation of carbon and water footprints for specific products at each of the company’s sites and allows it to measure and reduce its carbon footprint.

Improving accurate and timely data capture

Accenture worked with the technology partners of a major sustainability-focused not-for-profit organization to integrate the existing data warehouse and reporting components into the new infrastructure. The program helped the client develop advanced data capture capabilities that, in turn, led to better reporting on emissions. The new technology platform allows data to be entered into the system in a more standardized way and with higher integrity.

Increasing the effectiveness of reporting

Accenture runs the performance management and reporting program for a global mining company. This capability supports the collection, analysis and reporting of data. The Accenture program collects thousands of data points, helping to reduce transactional costs and complexities in data analytics to identify opportunities to create value. A structured approach to reporting ensures that internal stakeholders are engaged and empowered. External requests for data are also managed in accordance with key methodologies such as the Global Reporting Initiative and the Dow Jones Sustainability Index.
Why work with Accenture on sustainability performance management?

Accenture helps companies implement robust performance management processes and systems that ensure sustainability strategies deliver business and stakeholder value. We offer integrated consulting and technology services globally at scale with a focus on business and sustainability performance improvement.

We have a proven approach to establishing and managing sustainability performance management (see chart). Accenture has delivered this approach successfully on more than 100 projects across multiple industries and geographies.

Ultimately, Accenture Sustainability Performance Management helps to drive better corporate performance for our clients. Companies that put in place a robust and integrated performance management framework and system often experience increased revenues, reduced costs and risks, and enhanced reputation and brand value. All this contributes to an improved total return to shareholders.

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<thead>
<tr>
<th>Performance management component</th>
<th>Actions taken</th>
<th>Potential benefits</th>
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<tbody>
<tr>
<td>Define strategy</td>
<td>Define the overarching strategy for sustainability performance management, set goals and targets, and identify key priorities to improve processes and drive better sustainability performance.</td>
<td>A clearly articulated vision for sustainability, and a robust set of objectives for performance management, stakeholder engagement and reporting.</td>
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<tr>
<td>Identify performance indicators</td>
<td>Select the metrics most relevant to the business and its stakeholders, standardize them across the organization and align them to external indices.</td>
<td>Reduced costs and complexity from collecting only the most important data at the right frequency.</td>
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<td>Plan process and deploy tools</td>
<td>Put appropriately skilled people, processes and tools in place to deliver the sustainability performance management strategy and help ensure that data can be collected, analyzed and used effectively and efficiently.</td>
<td>Robust systems and integrated processes to help ensure simplified ways of working, reduced effort and improved data quality.</td>
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<td>Collect data</td>
<td>Collect, validate and verify a sustainability dataset that is in line with the organization’s defined performance indicators and objectives.</td>
<td>Accurate, granular and insightful data collected at low cost by maximizing the use of technology and automation.</td>
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<tr>
<td>Analyze data</td>
<td>Use data analysis to determine actual performance against targets, value the contribution of sustainability, identify drivers of performance and evaluate future opportunities.</td>
<td>Meaningful management information to improve executive decision making, direct investments and provide input to future strategy.</td>
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<td>Improve performance</td>
<td>Deliver projects that improve the organization’s performance and generate a positive return for the organization and its stakeholders.</td>
<td>A series of focused projects to drive performance and help maximize business, social and environment value. These might include environmental health and safety, sustainable supply chain, energy efficiency, and emissions management initiatives, among others.</td>
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<tr>
<td>Report and get feedback</td>
<td>Report performance to internal and external stakeholders and obtain feedback to improve future reporting.</td>
<td>Targeted, clear and concise communications designed to provide the right information to the right stakeholders, building relationships and reinforcing the license to operate.</td>
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<tr>
<td>Governance</td>
<td>Define a clear set of accountabilities and responsibilities to effectively deliver sustainability performance management processes across the organization.</td>
<td>Clear direction to identify responsibilities and accountabilities across the organization.</td>
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Distinctive sustainability performance management capabilities and experience from Accenture

Accenture has extensive experience and superior capabilities in sustainability performance management. More specifically we have:

Deep experience in enterprise performance management
Unlike niche sustainability vendors, Accenture has an extensive practice in enterprise performance management. Our practice can help organizations dramatically improve their ability to organize, integrate and analyze a wide range of financial, operational, competitor and marketplace information to help achieve high performance.

Focus on helping clients achieve rapid improvements in business value
We have a wide range of tried and tested tools designed to ensure quick delivery of value. These include diagnostic tools, detailed project plans, process designs, evaluation tools and a rapid deployment toolkit. Throughout a project, we establish clear links between sustainability and business value to focus investments and identify where business value is being created—and where it can be created in new ways in the future.

Extensive analytics tools and approaches
Accenture has advanced analytical capabilities—including Big Data and predictive analytics—to help clients make better sustainability decisions based on deeper insights and to improve their return on investment. Our experience in business analytics helps companies understand their risks, manage their sustainability program toward value targets and identify new business opportunities.

An industry leader in delivering technology solutions
We are an acknowledged leader in systems integration—a capability we integrate with our Accenture Strategy, Accenture Digital and Accenture Operations practices. We know the capabilities of the major sustainability vendors and have strong relationships with them. We work on all stages of the design, build, test and rollout of systems. This ensures clients have a sustainability performance management system that meets their needs.

Proven experience in managing change
At Accenture, we understand what a successful sustainability performance management program requires in terms of processes and technologies, as well as from people. Accenture is deeply skilled in the tools and methodologies required to prepare people for new ways of working. We also know how to gain stakeholder support for new initiatives that may fundamentally change their roles and responsibilities. Our ability to assess the people risks involved in sustainability programs enables us to effectively guide the journey from concept to execution and from issue to outcome.

Ability to manage sustainability performance management as an ongoing service
We can manage data collection, analysis and reporting tasks, leaving the client’s business to focus on applying their knowledge and experience to deliver performance improvements and identify new sustainability opportunities freeing them from the repetitive tasks that can be done more cost effectively elsewhere.

Successfully executing a sustainability strategy requires proven capabilities in sustainability performance management—the ability to identify measurable business objectives, manage toward them, and then measure and report success. That’s what Accenture Sustainability Performance Management delivers—with pace and certainty.
About Accenture Sustainability Services

Accenture Sustainability Services helps organizations achieve substantial improvement in performance and value for their stakeholders. We help clients leverage their assets and capabilities to drive innovation and profitable growth while striving for a positive economic, environmental and social impact. We work with clients across industries and geographies to integrate sustainability approaches into their business strategies, operating models and critical processes.

Our holistic approach encompasses strategy, design and execution to help increase revenue, reduce cost, manage risk and enhance brand, reputation and intangible assets. We also help clients develop deep insights on sustainability issues based on our ongoing investments in research, including recent studies on consumer expectations and global executive opinion on corporate sustainability and climate change.

Accenture is committed to helping forward-thinking organizations position sustainability as a key lever to long-term success. To find out more about how Accenture can help you meet your sustainability imperatives and chart a course toward high performance, visit www.accenture.com/sustainability. Please also join our ongoing conversation about sustainability, business and policy by following us on Twitter @ActSustainably and on Facebook at www.facebook.com/accenuresustainabilityservices.

About Accenture

Accenture is a global management consulting, technology services and outsourcing company, with approximately 289,000 people serving clients in more than 120 countries. Combining unparalleled experience, comprehensive capabilities across all industries and business functions, and extensive research on the world’s most successful companies, Accenture collaborates with clients to help them become high-performance businesses and governments. The company generated net revenues of US$28.6 billion for the fiscal year ended Aug. 31, 2013. Its home page is www.accenture.com.