

Index

A

Academic research, importance of sustainability to, 8
Accidents, employee, reduction in, 71
Accountability, demand for, 133
Activity-based costing model, 157
Ad hoc expert teams, 166
Advanced Micro Devices (AMD), 3, 44–45, 57–58, 225
Advertising Standards Authority (ASA), 161, 162
Agility, enhanced: catalyst and source of, 141–143; described, 26–28; diagnostic of, 220; maintaining sustainability and, 15–16, 209–219; paving the way for, 25; payoff from, 15–16, 216, 218–219
Air France-KLM, 119
Alignment testing, 54–55, 56
Altruism, 1, 2, 22, 23
Ambidextrous marketing, 161–163, 174
Analyzing and communicating performance: announcing progress in, 183–188; in the CLEAR model, 12; conclusion on, 192; crafting sustainability performance systems for, 179–183; diagnostic on, 193; identifying best practices for, 190–191; introduction to, 14; and life cycle assessments, 191–192; overview of, and example, 177–178; and performance management, 188–190
Andersen Consulting, 85
Andreessen, M., 214
Annual carbon emission budgets, 159
Annual sustainability reports, 127, 128, 185–186, 187

Apple, 135

Assessments. *See* Materiality assessments; Self-assessment reports, use of

Assets, tangible and intangible: and competing on sustainability, 71–79, 81–82; diagnostic of, 81–82; waste of, 142

AT&T, 67

Audit committees, 136

Audits, use of, 39, 166, 177, 204

Augmented metrics, 181

Australia & New Zealand (ANZ)

Banking Group, 3, 20–21, 22, 23, 25, 47–48, 51–52, 54–55, 56, 102–104, 122–123, 125–126, 154, 225

Autotron, 70–71

Aviva, 3, 164

B

Bacara Resort, 19, 21

Balance sheet assets: and competing on sustainability, 71–79; diagnostic of, 81–82

BASF, 109, 119, 225

Bayer, 127–128

Bear Stearns, 77

Bellon, P., 129

Benchmarking, use of, 98, 184, 191

Bennington Paper Mills. *See* Monadnock Paper Mills (MPM)

Best Buy, 150

Best practices: identifying, 190–191; sharing, 203

BHP Billiton, 128

Bisinella, J., 21, 47, 48, 154, 225

- Blogs, 196, 200, 214. *See also* Social media
- BMW, 128, 165
- Board committees, 26, 115, 116, 133, 134, 135–136, 137–138, 140
- Board directors, sustainability fluency of, 137
- Board meetings, 133–135, 136
- Board members, importance of sustainability to, 6
- Board oversight, 26, 115, 116, 117, 118, 132–138, 140
- Bottom-line value, creating, 1, 5, 9, 79. *See also* Cost reduction; Risk mitigation
- Brand differentiation, sustainability leading to, 22
- Brand equity/value: diagnostic of, 81; use of, 73–75; waste of, 142
- Brand Imprint program, 160–161, 231n2(Ch2)
- Brand management, 160–161, 174
- Brand reputation, enhanced, using, 63
- Brand research, example of, 102–103
- Brand strategy: of rebranding, 57–58; transformation of, 35–36
- Brand trust, integration and, 35
- Brandenburger, A., 43
- Braungart, M., 144
- British Gas, 106
- British Telecom (BT) Americas, 3, 128, 129, 198–199, 225
- Brundtland Commission, 1, 215
- Brundtland, G. H., 215
- Business, as imperative initiators, 15, 217
- Business case, making the, for embracing sustainability, 51–53, 60
- Business development: diagnostic of, 174; embedding sustainability into, 159–163
- Business Environmental Leadership Council, 222
- Business for Social Responsibility, 94
- Business imperative, defined, 209. *See also* New imperatives
- Business in the Community's Corporate Responsibility, 222
- Business process reengineering (BPR), 209, 211–212, 213, 217
- Business value, defined, 1
- Business-to-business market, and premium pricing, 59
- Buyers: conveying sustainability actions to, lack of, 142; diagnostic of, 49; distinguishing between individual consumers and institutional, 40; and the Five Forces model, 10, 26, 38, 40; and premium pricing, 59–60. *See also* Consumers; Customers; Stakeholders
- C**
- Cambodia, 51–52
- Cannibals with Forks* (Elkington), 216
- Carbon accounting companies, 191
- Carbon Disclosure Project (CDP), 23–24, 78, 122, 145, 182, 222
- Carbon emission budgets, 159
- Carbon emissions, 23–24, 62, 63–64, 64–65, 67, 68, 71–72, 94, 106, 142, 157, 158, 171, 179, 218, 232n5
- Carman, S., 225
- Carpenter, D., 225
- Carson, R., 215
- Casey, J., 88
- CDP Supply Chain Project, 24
- Centrica, 3, 33–34, 36–37, 104, 106, 136, 187, 225
- Ceres, 182
- Chemical Bank, 71–72
- Cherian, D., 91–92, 106–107, 180, 226
- Chesbrough, H., 150
- Chief executive officers (CEOs): committees chaired by, 114, 123; importance of sustainability to, 6; use of performance metrics, 114
- Child labor, 203
- Children, as stakeholders, 216
- Chrysler, 77
- Cisco, 3, 25, 34, 68–70, 167–171, 201, 225
- Citigroup, 77
- CLEAR model: benefits of the, 85; introduction to the, 11; linking corporate and competitive strategy with the, 23, 29; mainstreaming efforts within the, 26; overview of the, 12; steps in the, 12–15. *See also* Analyzing and communicating performance; Crafting sustainability strategy; Embedding sustainability in

- the value chain; Leading strategy and management efforts; Renewing sustainability efforts
- Climate change, 4, 23–24, 62, 116, 156, 183
- Clorox, 42, 206
- Codes of conduct, supplier, 163, 165–167, 203–204
- Cohen, D., 85
- Collaboration: fostering, across departments and business groups, 123; viability of, with competitors, 202–203, 204
- Commodities market volatility, reducing exposure to, 67–68
- Community members: and leaders, elevated role of, 210; relationships with, tapping into, 196, 197–201; as stakeholders, 1; and the sustainability era, 216. *See also* Stakeholders
- Competing on Analytics* (Davenport and Harris), 179
- Competition: based on sustainability, approaches to, 31–48; combining cooperation and, 43–45; diagnostic of, 49–50; between employees, engaging, 198–199; as an initiator of imperatives, 15; likely increase in, 2; number of companies engaging in, based on sustainability, 22–24; terrain of, sustainability changing the, 25–26, 31, 48. *See also* Value creation
- Competitive advantage, sustainability as: examples of, 19–22; leaders embracing, 9; translating, into financial performance, 53–60
- Competitive differentiation: design of, 45–47; and industry rivalry, 44–45; introduction to, 10; sustainability performance systems driving, 178; view of, 22
- Competitive strategy: connecting sustainability with, 85, 104–111; forces involved in sustainability and, 38–45; linking corporate strategy with, 23, 29; meaning of, and separating from corporate strategy, 22–23. *See also* Five Forces of Competition model
- Competitors: relationships with, tapping into, 202–204; reports by, studying, 181
- Compliance, 32–33, 34, 39, 40, 65, 70, 101, 119, 133, 163, 166, 204, 230n1(Ch2)
- Connection, lack of, with sustainability's value, 148, 172
- Considered Index, 189–190
- Consultants and advisors: importance of sustainability to, 8; social, virtual networks of, 218; use of, 94, 117, 129. *See also* Stakeholders
- Consumers: and brand equity, 73–74; distinguishing between institutional buyers and individual, 40; gaining deeper ties to, 205; power of, 40; and premium pricing, 60; priming, to connect with green campaigns, 162–163; relationships with, tapping into, 196. *See also* Buyers; Customers; Stakeholders
- Conway, E., 68–70, 167–169, 225
- Cooperation, combining competition and, 43–45
- Co-opetition, 43–44, 189–190
- Copenhagen talks, 4, 216
- Core sustainability teams, 115–116, 117, 118, 119–121, 138, 139, 197
- Corporate culture: adjusting, 144–148; diagnostic of, 172
- Corporate Knights, 36
- Corporate logos, altering, 71, 73, 75–77
- Corporate reputation, using, 77–78
- Corporate responsibility (CR), referring to sustainability as, 37, 47, 55
- Corporate strategy: connecting sustainability with, 33–37, 85, 104–111; linking competitive strategy with, 23, 29; meaning of, and separating from competitive strategy, 22–23
- Corruption, 95, 203, 218
- Cost, as a value-chain filter, 69
- Cost reduction: and competing on sustainability, 63–71; diagnostic of, 81; integration and, 35; paving the way for, 25; and premium pricing, 60; success at, versus revenue growth, reasons for, 63–64; through off-shoring, 213

- Co-value creation, linking
crowdsourcing campaigns to, 153
- Cradle to Cradle* (McDonough and Braungart), 144
- Craft, lead, embed, analyze, and renew (CLEAR) model. *See* CLEAR model
- Crafting sustainability strategy: in the CLEAR model, 12; conclusion on, 111; deliberate school of, steps in the, 87, 92–98; diagnostic on, 112; example of, 87–91; and integrating sustainability and strategy, 87; by integrating sustainability and strategy, 98–111; introduction to, 12–13; maturity timeline for, 87, 99–111, 112; need for, realizing the, 87, 91–92; overview of, 85; and sustainability committees, 90–91, 123; and understanding strategy formulation, 85–87
- Creative Commons, 150
- Cross-department committees, 90, 91, 115, 116, 117, 118, 121–126, 138, 139
- Crowdsourcing: described, 151–153; diagnostic of, 173
- Cultural adoption, organizational, 109–110
- Culture, corporate, adjusting, 144–148, 172
- Customer-centricity, extension of, 142
- Customers: capturing, sustainability as a vehicle for, 45–47; concerns of, reevaluating, from a sustainability perspective, 55, 57; as a focus area, 37; new and existing, increasing volume sold to, 60–63; relationships with, tapping into, 197–201. *See also* Buyers; Consumers; Stakeholders
- D**
- Davenport, T., 179, 212
- DDT, 215
- DeBruin, P., 226
- Decentralization, 110–111
- Deckers Outdoor Corporation, 131, 225
- Dell, 43, 204
- Deloitte survey, 60, 137
- Deming, W. E., 11
- Developing countries: demand for materials in, 67; increased competition from, 2
- Diagnostic exercises, 49–50, 80–82, 112, 139–140, 172–175, 193, 207, 220
- Dialogue, engaging stakeholders in, 126, 128–131, 146–147
- “Dirty spreadsheets,” 190
- Disruptive innovations, change from, 216
- Dot-com revolution. *See* Internet revolution
- Dow Jones Sustainability Index, 127–128, 145, 222
- DW Morgan, 3, 167–171, 201, 225
- E**
- Early adopters, 16, 41, 219
- eBay, 3, 151, 152, 153, 195–196, 225
- Ecomagination Challenge, 151, 200
- Ecomagination product line, 20, 75
- Economic development, local, 78
- Economic growth, drivers of, 209
- Edelman Trust Barometer, 77
- Efficiency, as a value-chain filter, 69
- Electronic Industry Citizenship Coalition (EICC), 43, 204
- Elkington, J., 216
- Elman, A., 74–75, 226
- Email, 127, 185, 187, 214
- Embedding sustainability in the value chain: for agility, 141–143; in the CLEAR model, 12, 13–14; conclusion on, 171; and corporate culture, 144–148, 172; diagnostic on, 172–175; overview of, 141; by retooling five functions, 143–171
- Emerald Technology Ventures, 200
- Employees: education of procurement, 164; as extensions of the core sustainability teams, 197; as a focus area, 37, 68, 70–71; importance of sustainability to, 7; oversight sending a signal to, 116; relationships with, tapping into, 195–196, 197–199; as stakeholders, 1; and the sustainability era, 216; volunteerism by, 78, 108, 197, 198, 201. *See also* Stakeholders; Talent management

- Energy consumption, reducing, 65–66, 70, 76, 177, 179, 199
- Energy management process adjustments, 143–144
- Energy supply, as a focus area, 37
- Environmental Apparel Design Tool, 189–190
- Environmental Defense Fund, 205
- Environmental health and safety (EH&S) professionals, 64
- Environmental impact: defined, 1; factors influencing, 23–24; tradeoffs involving, 157–158, 173. *See also specific environmental impacts*
- Environmental management system (EMS), 32, 190–191, 230n1(Ch2)
- Environmental Quality Action Team (EQAT), 113, 114, 124, 125
- Environmental stewardship, 78
- Environmentalists, impact of, 15
- European Union's Emission Trading Scheme (EU ETS), 64
- Executive interviews, conducting, 93
- Executive participation, 123, 124
- Expedia, 178
- Expense reduction. *See* Cost reduction
- F**
- Facebook, 200
- Federal Trade Commission (FTC), 161, 162
- FedEx, 75
- Feedback: for determining sustainability report content, 138; from stakeholders, seeking, 102–103, 126, 127–128; in supply chain management, 166
- Fifield, M., 225
- Finance: diagnostic of, 173–174; embedding sustainability into, 156–159
- Financial crisis, global, 103
- Financial performance: balance sheets and, 71–79, 81–82; extent sustainability is material to, determining, 137; income statements and, 59–71, 80–81; research findings on, 25; translating competitive advantage into, 53–60; view of sustainability and, as partners, 22, 28
- Financial reporting, 187–188
- Financial/environmental impact tradeoffs, assessing, 157–158, 173
- Five Forces of Competition model: and the competitive terrain, 26; described, 38–45; diagnostic using the, 49–50; introduction to, 4, 10. *See also* Buyers; Suppliers
- Flagship programs, mapping, 55, 56
- “Folded-arm syndrome,” 126, 144–147, 172
- Food supply shortages, 4
- Forest Stewardship Council (FSC) certification, 33, 40–41
- Fortune 500 companies, 212. *See also* Global Fortune 500 companies
- Fortune* magazine, 185
- Foundation Capital, 200
- 4 Pillars of Sustainability, 68–69
- FTSE Global Equity Index Series, 23
- FTSE4GOOD Index, 128, 145, 222
- Fuld, R., 77–78
- Future leaders, importance of sustainability to, 8–9
- G**
- Game theory, lens of, 43
- Gap Inc., 3, 32–33, 40, 43–44, 225
- General Electric (GE), 3, 19–20, 22, 23, 25, 75, 108, 110–111, 151, 152, 153, 200, 215, 225
- General Motors (GM), 42, 77
- GlaxoSmithKline (GSK), 3, 104, 105–106, 119, 136, 225
- Global 1000 Sustainability Performance Leaders, 222
- Global 100 Most Sustainable Corporations, 36, 222
- Global financial crisis, 103
- Global Fortune 500 companies, 25, 27, 117–118, 134, 135, 160, 163, 221–223
- Global recession, 4
- Global Reporting Initiative, 34, 146, 181–182, 188
- Global Sustainable Tourism Criteria (GSTC), 180
- Globalization, 209, 212–213, 217
- GM Volt, 42
- Goal setting and risk mitigation, 101–104
- Goal, The* (Goldratt), 156
- Goldratt, E., 156

Goodwill, waste of, 142
 Go-to-market programs, mapping, 55, 56
 Governance. *See* Leading strategy and management efforts
 Government agendas, researching, 102–103
 Government oversight, 203, 210, 216
 Gowland, S., 34–36, 73–74, 226, 231n2(Ch2)
 Green Building Council, 120
 Green Hotel Directory, 21, 39, 46–47
 Green Newsweek Rankings, 222
 Green Team program, 151, 152, 196
 Green travel websites, 178
 Greenhouse gas (GHG) footprint, 61, 65, 70, 71–72. *See also* Carbon emissions
 Greenhouse Gas Protocol Initiative, 61
 Greenpeace International, 205
 Greenwashing, 109, 142, 161–162, 183, 189
 GreenWorks products, 42, 206
 GreenXchange, 150–151
 Grocery Manufacturers Association, 60
 Growth: challenged, 4; economic, drivers of, 209; identifying “sweet spots” to pursue, 36; means of, 59–79; paving the way for, 25; view of, 22, 28; worldwide slowdown in, 2, 4

H

Hamel, G., 85
 Hamm, M., 32, 91, 226
 Hammer, M., 212
 Harris, J., 179
Harvard Business Review, 212
 Haves and the have nots, divide between, 4
 Health and safety, as a focus area, 37, 68
 Healthymagination product line, 75
 Heintz, M., 131–132, 225
 Henley Business School, 72
 Herman Miller, 3, 113–114, 124, 135, 225
 Hewlett-Packard (HP), 43, 128, 131–132, 136, 204
 Hilton Worldwide, 3, 39, 177–178, 184, 188, 225

Hitachi, 3, 75, 93–98, 100–101, 109–110, 119, 226
 Hitachi Group, 98
 Honesty, lack of, 77

I

IBM, 75, 182, 204
 IDEO, 150
 Immelt, J., 19–20, 111, 152
 Imperatives, next. *See* New imperatives
 Income statements: and competing on sustainability, 59–71; diagnostic of, 80–81
 Industry rivalry: diagnostic of, 50; and the Five Forces model, 10, 26, 38, 42–45
 Innovation: diagnostic of, 172–173; disruptive, change from, 216; embedding sustainability into, 143, 148–153; as an initiator of imperatives, 15; paving the way for, 25
 Innovation processes, existing, adjusting, 149–150, 172
 INSEAD, 85
 Institutional buyers: diagnostic of, 49; distinguishing between individual consumers and, 40; power of, 40. *See also* Buyers
 Institutional memory, developing, 143
 Intangible assets: and competing on sustainability, 72–79; diagnostic of, 81–82; waste of, 142
 Integration, 26, 34–35, 87, 98–111. *See also* CLEAR model
 Integrity, lack of, 77
 Internet revolution, 209, 213–215, 217
 Interviews, conducting, 93, 95, 102, 103, 127, 128, 166, 223, 227–228
 Investment bank leaders, importance of sustainability to, 8
 Investment criteria, adjusting, 149–150, 156
 Investment expectations, separate, challenge of, 218
 Investment proposal considerations, 156, 173
Invisible Advantage: How Intangibles are Driving Business Performance (Low and Kalafut), 72
 ISO 14001 compliance, 32–33, 39, 40, 230n1(Ch2)
 ISO 9000, 211

J

J. P. Morgan, 71–72
 Japanese, the, 15, 210–211

K

Kaizen, meaning of, 211
 Kalafut, P. C., 72
Kanban, meaning of, 211
 Key performance indicators (KPIs),
 installing, 158
 Kimberley-Clark, 205
 King, J., 105–106, 225
 Kingfisher, 63
 KLD Research and Analytics,
 78
 Kleiner Perkins, 200
 Kleinrock, L., 213–214
 Knott, A., 37, 106, 187, 225
 Knotts, M., 225
 Knowledge transfer, benefit of,
 116
 Koch, E., 109, 225
 Kodak, 3, 76–77, 107–108, 226
 Kodak Cares logo, 76–77
 Kyoto Protocol, 64, 216

L

Labor, child, 203
 Labor costs, reducing, 70–71
 Language, common, lack of, 148
 Lamerd, B., 94–95, 96, 97–98,
 100–101, 109–110, 119, 226
 Leadership in Energy and
 Environmental Design (LEED)
 certification, 71, 72, 120
 Leading strategy and management
 efforts: in the CLEAR model, 12;
 conclusion on, 138; diagnostic on,
 139–140; example of, 113–114;
 general approach to, 114–117;
 introduction to, 13; overview of,
 113; structures for, installation of,
 115–116, 117–138
 Learning curves, 143, 218–219
 LEED certification. *See* Leadership in
 Energy and Environmental Design
 (LEED) certification
 Lehman Brothers, 77–78
 Lenovo, 43
 Lescroart, A., 195–196, 225
 Lexus, 161–162

Licenses to operate: diagnostic of, 82;
 nurturing and maintaining, 73,
 78–79, 94
 Life cycle assessments (LCA), 191–192
 LightStay performance system,
 177–178, 188
 Listening posts, increasing, 218
 Logistics cost reduction, 66–67
 Logistics tradeoffs, evaluating, 157–158
 Logos, altering, 71, 73, 75–77
 Low, J., 72

M

M&S Energy, 63
 Maersk, 158, 165
 Management 701: Strategic Planning
 and Controls, 85–86
 Management Development for
 Entrepreneurs training program, 168
 Mantero, F., 106, 110–111, 225
 Manufacturers Hanover, 71–72
 Manufacturing process adjustments,
 143–144
 Mapping, use of, 55, 56, 131–132, 163
 Market entry strategy, sustainability as
 a, 22, 47–48. *See also* Potential new
 entrants
 Marketing, ambidextrous, 161–163, 174
 Marketplace pricing, 59–60
 Markides, C., 85
 Marks & Spencer (M&S), 3, 62–63,
 74–75, 204–205, 226
 Massachusetts Institute of Technology
 (MIT), 212
 Materiality assessments: conducting,
 54, 129; coordination of, 121; and
 developing metrics, 181; employing
 the findings from, 101; process of,
 93–98
 Materiality issues: and alignment
 testing, 54–55, 56; and board
 oversight, 136; and determining
 sustainability report content, 188;
 prioritizing, 93, 95, 97, 129; raised
 by research and stakeholder
 engagement, example of, 102–104
 Materials and components: used, waste
 of, 141–142; virgin, reduction in
 using, 67–70
 Matrix models, 55, 56
 Maturity continuum, 87, 99–111, 112
 McDonough, W., 144

McIntire, L., 55, 57, 62, 145–146, 146–147, 183–184, 184–185, 226
 Megatrends, stakeholders and, 2. *See also* New imperatives
 Mentoring of suppliers, 168–171, 201
 Metrics: for external publication, 181–183; for internal measurement, 180–181; lack of, for measuring sustainability performance, 179
 Mintzberg, H., 85
 Mission critical thinking, cultural adoption of sustainability into, 109–110
 Mohin, T., 44–45, 57–58, 225
 Monadnock Paper Mills (MPM), 3, 31–33, 40–41, 226
 Morgan, D., 167–171, 225
 Morgan, P., 169
 Morrisons, 63
 Mosaic software, 214
 Moss, K., 198–199, 225
 Mountain Equipment Co-op, 150
 Multilateral organizations, researching, 103
 Murray, P., 113–114, 124, 125, 225

N

Nalebuff, B., 43
 National Grid, 159
 Natural resources preservation, as a focus area, 68
 New imperatives: former initiators of, 15, 217; future, 216, 217, 218–219; previous, rise of stakeholders over the course of, 210–215, 217; society as initiators of, 15, 209–210, 215, 217. *See also* Agility, enhanced
 New market entrants. *See* Potential new entrants
 Newsletters, 155
 nGenera, 150
 Nike, 3, 25, 91–92, 104, 106–107, 136, 150, 180, 189–190, 226, 231n2(Ch2)
 Nissan, 42
 Nissan Leaf, 42
 Nongovernmental organizations (NGOs): being judged by, 145; choosing, for engagement, mapping technique for, 131–132; contributing to, 126, 204; elevated role of, 210; importance of

sustainability to, 7; power of, 42; relationships with, tapping into, 204–206, 207; researching, 103; and the sustainability era, 216; working with, 179. *See also* Stakeholders
 Nonprofits: leaders of, importance of sustainability to, 7–8; working with, 179, 207. *See also* Nongovernmental organizations (NGOs)

O

Off-shoring, emergence of, 213
 Online sustainability reports, 186–188
 Open Innovation (Chesbrough), 150
 Open innovation paradigm, 150
 Open sustainability idea exchanges, 150–151, 172–173
 Organizational cultural adoption, 109–110
 Organizational leaders, importance of sustainability to, 7
 Organizational longevity, 15–16, 27, 28
 Organizational size: as a factor in pursuit of environmental sustainability, 23–24; importance of sustainability regardless of, 6
 Our Common Future (the Brundtland Report), 215
 Outdoor Industry Association, 150
 Oversight. *See* Board oversight; Government oversight
 Oxfam, 204–205

P

Packard, B., 104–105, 110, 120–121, 126, 148, 186–187, 226
 Paradox, 16, 44, 219
 Pearl, R., 226
 Perez-Olmo, J., 33, 43–44, 225
 Performance management: diagnostic of, 173–174; driving business value, 188–190; embedding sustainability into, 158–159. *See also* Analyzing and communicating performance; Financial performance
 Philanthropy, 78, 108, 204
 Plan A program, 63, 74–75, 205
 Plan-Do-Check-Act (PDCA) model, 11
 Pollution Prevention Pays program, 155

- Porter, M., 4, 10, 26, 38, 85
 Potential new entrants: change from, 218; diagnostic of, 49; and the Five Forces model, 10, 26, 38, 42
 Power, balance of, 4–5, 38. *See also* Five Forces of Competition model
 Premium pricing, 59–60
 Presley, A., 39, 45, 46–47, 179–180, 198, 201, 226
 Pricing, premium, 59–60
 Pricing strategy, 156–157, 173
 Prius hybrid car, 41
 Private equity leaders, importance of sustainability to, 8
 Process improvement. *See* Business process reengineering (BPR)
 Procter & Gamble (P&G), 182, 192, 202
 Procurement and supply chain management, 163–171, 174–175
 Product development process adjustments, 144
 Product improvement opportunities, identifying, 191–192
 Product security and integrity, as a focus area, 68
Profit from the Core (Zook), 53
 Progress announcements, 183–188
 Proxy decision making, 123
 Public feedback, general, requests for, 127, 128
 Public, going, 145
 Public input, seeking, for innovation ideas. *See* Crowdsourcing
 Public sector partnerships, diagnostic of, 207
 Publicity, good, gaining, 205
- Q**
- Quality, as a value-chain filter, 69
 Quality control circles, 211
 Quality management systems, 211
 Quality movement, 15, 209, 210–211, 217
 Quarterly sustainability reports, 186, 187–188
 Questionnaire responses, 184–185
 Questions, asking, through the lens of sustainability, 57–58
- R**
- Rainforest Alliance certification, 73–74
 Raynor, M., 22
 Rebranding, 57–58
 Recession, global, 4
 Recycling and reusing, 68
 Redundancy, 99, 126
 Regional differences, as a factor in pursuit of environmental sustainability, 23
 Regulations. *See* Compliance; Government oversight
 Relationships, tapping into, 195–206, 219
 Renewing sustainability efforts: in the CLEAR model, 12, and cross-department committees, 123; diagnostic on, 207; introduction to, 14–15; overview of, and example, 195–196; tapping into relationships for, 195–206
 Reputation: brand, 63; corporate, 77–78; critical determinant of, 133; establishing early, 41; and waste of goodwill, 142
 Resource adjustments, 143–144
 Responsible Care, 202–203
 Results desired, from crowdsourcing, ensuring clarity of, 152
 Return on investment (ROI): adjusting criteria for investment and, 149–150, 156; separate expectations for, challenge of, 218
 Reusing and recycling, 68
 Revenue growth: and competing on sustainability, 59–63; diagnostic of, 80; success at cost reduction versus, reasons for, 63–64; sustainability instrumental to, 22
 Risk assessments, 22–23
 Risk committees, 137
 Risk management, 22, 203
 Risk mitigation, 28, 43, 64, 100, 101–104, 133, 136, 137, 147, 163, 165
 RiskMetrics Group, 78
 Rockport Capital, 200
 Rogers, E., 88–91, 226
 Royal Charter, 47
 Ruffing, C., 76–77, 107–108, 226
 Ryan, C., 88

S

- Sainsbury, 63
- Sales teams, communicating green
selling points to, 163
- Salesforce.com, 150
- Sampras, P., 91
- Schuster, C., 185–186, 226
- Scottish and Southern Energy, 63
- Self-assessment reports, use of, 39, 165, 166
- Seventh Generation, 42
- Shareholders: benefits to, 141; creating value for, 4, 65; oversight sending a signal to, 116; petition by, 135; resolutions by, 133; as stakeholders, 1. *See also* Stakeholders
- Sierra Club, 42, 206
- Silent Spring* (Carson), 215
- Sloan Management Review*, 212
- Smarter Planet campaign, 75
- Social activists, impact of, 15
- Social equity investments: defined, 1; factors influencing, 24
- Social media, 151, 153, 163, 179, 196, 200, 205, 214–215, 216
- Social networks, use of, 218
- Society, role of, 15, 209–210, 215, 217. *See also* Stakeholders
- Sodexo, 3, 101, 128, 129–130, 226
- Solutions: existing, value from, unlocking, 61; new, increasing volume from, 60–63
- Sony, 211
- Stakeholder engagement, 115, 116, 117, 118, 126–132, 138, 139
- Stakeholders: benefits to, 141; creating value for, 4, 65; defined, 1; and determining sustainability report content, 188; elevated role of, 209–210; emerging as initiators of imperatives, 210–215; engaging in dialogue with, 126, 128–131, 146–147; expanded set of, considering the needs of an, 142–143; feedback from, seeking, 102–103, 126, 127–128; identifying, 93, 95; influence of, 16; and megatrends, 2; oversight sending a signal to, 116; relationships with, tapping into, 195–206, 219; and the sustainability era, 215–216; technique for mapping, 131. *See also* specific stakeholder group
- Stanford Research Institute, 214
- Starbucks, 3, 25, 104–105, 110, 120–121, 126, 148, 186–187, 226
- State Street Global Advisors, 226
- Steering committees, 91, 147. *See also* Cross-department committees
- Stephenson, R., 67
- Strategy and execution: cross-department committees and, 123; integrating sustainability into, 5
- Strategy class, 85–86
- Strategy formulation approach, 86. *See also* Crafting sustainability strategy
- Strategy Paradox, The* (Raynor), 22
- Students, importance of sustainability to, 8–9
- Substitutes: addressing, in pricing, 60; diagnostic of, 49; and the Five Forces model, 10, 26, 38, 40–42
- Supplier Environmental Sustainability Scorecard, 202
- Suppliers: business performance improvement efforts of, 167–171, 175; choice of, 164; codes of conduct for, 163, 165–167, 203–204; diagnostic of, 49; diversification of, 164; and the Five Forces model, 10, 26, 38, 39–40; mentoring, 168–171; relationships with, tapping into, 201, 202; research findings on, 26; terminating relationships with, 167; training of, 142, 163, 168
- Suppliers Ethical Data Exchange (SEDEX), 166
- Supply chain management, procurement and, 163–171, 174–175
- Survey committees, 145–146
- Surveys, annual, use of, 127, 128, 145
- Sustainability Asset Management, 78
- Sustainability committees: CEOs chairing, 114; and crafting sustainability strategy, 90–91; and the maturity continuum, 100. *See also* Board committees; Cross-department committees
- Sustainability, defined, 1
- Sustainability era, 215–216, 217
- Sustainability issues, identifying, 93, 94, 96

- Sustainability management framework.
See CLEAR model
- Sustainability managers, as a group, 64
- Sustainability performance
 management, benefits of, 188–190
- Sustainability performance systems,
 crafting: described, 179–183;
 diagnostic of, 193; example of,
 insights from, 177–178
- Sustainability reports, 89, 127, 128,
 184, 185–188
- Sustainability standards, need for, 179.
See also Metrics
- Sustainability teams: formation of, 90;
 installation of, 26. *See also* Core
 sustainability teams
- Sustainability vision, 100–101, 109
- Sustainability working groups, defined,
 121. *See also* Cross-department
 committees
- Sustainable development, defined, 1
- Sustainable Market Leaders: actions of,
 28–29; agility of, 15–16, 26–28,
 216, 218–219; conclusion on, 29;
 described, 1–2, 9; as early adopters,
 16, 41; featured, 3; impact of, on
 other companies, 4–5; importance
 of learning from, 6, 7; introduction
 to, 10; longevity of, 15–16; method
 of researching, 25, 221–223; model
 used by, 5, 11; and the need for
 financial capital, 8; new lens
 adopted by, 4; research on, and
 findings, 25–29, 86–87; view of, 22,
 38, 114. *See also* specific leaders and
 aspects of market leaders
- Sweeney, J., 105, 155–156, 226
- “Sweet spots,” 36
- SWOT analysis, 170
- Systemic change, as a corporate
 strategy, 36
- Szulanski, G., 85, 86
- T**
- Talent management: championing, 88;
 diagnostic of, 173; embedding
 sustainability into, 153–159
- Tangible assets: and competing on
 sustainability, 71–72, 79; diagnostic
 of, 81; waste of, 142
- Tansey, H., 226
- Tesco, 63
- Third-party advisors, use of. *See*
 Consultants and advisors
- Third-party audits, 177
- Third-party data repositories, 166
- 3M, 3, 104, 105, 136, 155–156, 188,
 226
- Time-intensive decision making, 126
- Top-line value, creating, 1, 5, 9, 79. *See*
also Brand equity/value; Revenue
- Toyota, 41
- Tracking sustainability, 180. *See also*
 Sustainability performance systems,
 crafting
- Training of suppliers, 142, 163, 168
- Transformation, as a corporate strategy,
 35–36
- Transparency, 77, 78–79, 133, 145,
 152–153, 177
- Travel for Good program, 21, 39,
 46–47, 179–180
- Travelocity, 3, 21, 22, 23, 25, 39,
 45–47, 178, 179–180, 198, 201, 226
- Trucost, 65
- Trust levels: building, 106, 152; critical
 determinant of, 133; diagnostic of,
 82; NGOs and, 206; reputation and,
 77
- Turnover, employee, reduction in, 71
- Tweeting, 200
- 2 degrees, 150
- U**
- UK Top 20 Retailers, *The* (report), 62
- UN Global Compact, 24, 101, 165
- Unilever, 3, 25, 33–34, 34–36, 73–74,
 128, 160–161, 192, 226,
 231n2(Ch2)
- Union Carbide, 71
- United Nations (UN): initiative of the,
 24, 101; working with the, 179, 215
- United Parcel Service (UPS), 3, 25,
 55, 62, 87–91, 99, 144–147,
 183–184, 184–185, 226
- U.S. Energy Information
 Administration, 71
- U.S. Green Building Council, 120
- U.S. Securities Exchange Commission
 (SEC), 183, 187–188
- U.S. Senate, and climate change
 legislation, 4

University of California, Berkeley, 150
University of California, Los Angeles (UCLA), 168, 213
University of Pennsylvania, 85
University of Reading, 72

V

Value chain adjustments, 121. *See also* Embedding sustainability in the value chain
Value chain filters, world-class, 69
Value chain partners, relationships with, tapping into, 201–202
Value creation: by competing on sustainability, 51–80; diagnostic of, 80–82; introduction to, 10–11; transition from sustainability to, 5. *See also* CLEAR model
Vendors. *See* Suppliers
Venture capitalists, importance of sustainability to, 8
Veolia Environment, 165–166
Verney, R., 32–33, 41, 226
Veronda, C., 226
Vetting ad campaigns, 162
Virgin materials, reduction in using, 67–70
Virtual networks, use of, 218
Vision statements, transforming, 35
Vision, sustainability, 100–101, 109
Volkswagen, 166
Volume sold, increasing, tactics for, 60–63

Volunteerism, 78, 88, 108, 197, 198, 201

W

Walker, B., 135
Walkthroughs, use of, 166
Wall Street Journal, 19
Wal-Mart, 66–67, 68, 182, 205
Walsh, K. L., 225
Wasserman, A., 101, 129–130, 226
Waste, 95, 141–142, 177, 205
Water reduction, 69–70, 76
Websites, use of, 21, 127, 128, 136, 152, 153, 178, 185, 188, 196, 200, 214, 215
Wesfarmers, 3, 185–186, 226
Wharton School, 85
“Why” and “Why not” sustainability questions, asking, 57–58
Wing model, 20–21, 51–52, 55
Working committees, 90, 146, 147. *See also* Cross-department committees
World Market Intelligence, 62
World War II, first four imperatives following, 209, 210–215
World Wildlife Fund, 131

Y

Yahoo, 150

Z

Zook, C., 53
Zurich Financial Services, 128