INDUSTRY INSIGHT

Cutting-edge Insight from Industry Insiders

SUSTAINABLE BUSINESS | JAPAN

Powering the future of sustainable businesses

Japan's sustainability consulting sector is small but facing pressure to expand. Two consultants helping drive that growth share why 2019 was a turning point, where the growth areas are, and how the industry is helping fight climate change





10-SECOND BRIEFING

- Most organizations are reactive when taking action on sustainability
- 2019 was a turning point where many companies and society recognized the urgency of the climate crisis
- Companies are increasingly starting to move from <u>CSR</u> to <u>CSV</u> models
- Companies have at least as much, if not more, resources and responsibility to drive action on climate change as governments do
- The market area with the most potential is personnel development and creating sustainability leadership cultures in companies.

Website

Effective sustainability consulting is all about showing companies how to activate strategies to make them more sustainable. But how can training succeed when staff and management aren't on board with the vision for change?

Business reporter <u>Jon Walsh</u> spoke with <u>Tove Kinooka</u> and <u>Gavin Dixon</u>, co-founders of <u>Global Perspectives</u> (GP), to find answers and discover innovative strategies the company is using to drive growth and create meaningful change.

What does Global Perspectives do?

We partner with organizations to help them clarify and then activate their sustainability strategies through the development of sustainability leadership awareness and competency. We run thought-leadership events, workshops, and a number of longer in-depth programs that provide development opportunities for leaders at all levels.

How would you describe Tokyo/Japan's sustainability consulting space?

The area really is in its infancy if we

consider the broad scope that sustainability entails. At the moment, there seem to be many sustainability consultancies focusing on measurement and meeting internal and external compliance standards, which are primarily based on ESG assessments required by the investment community. We feel that currently most organizations are reactive when it comes to taking action on sustainability, seeing it as an obligation rather than an opportunity for innovation, growth, and positive impact.

Predictions for the sustainability consulting and organizational development sector in Tokyo/Japan for 2020 and beyond?

2019 seems to have been a turning point where many companies and society at large finally began to understand the urgency of the situation we are in, particularly in regard to the climate crisis. As more and more companies realize the inherent importance of sustainability to the future of all their stakeholders – employees, clients/customers, suppliers, partners, and the communities they touch – then we can see huge scope for consultancies to develop.



The key is for consultancies to really listen to their clients. Rather than offer off-the-shelf solutions, we as an industry need to work with our clients to create transformative business, technology, and human resource models that prepare companies for the incredibly volatile and challenging environment they will have to operate in.

In Japan in particular, the 2020 Olympic & Paralympic games are acting as a catalyst for sustainability and responsible business, as the eyes of the world are on us. We are also seeing increasing pressure for action on SDGs from governments as we enter the last decade of the U.N. Sustainable Development Goals plan.

What key changes are you seeing in the industry?

More and more companies are starting to move from <u>CSR</u> to a <u>CSV</u> models, where all of their daily and core business decisions are based on the sustainability and impact of their actions at multiple levels: environmental, business, and societal.

Consequently, the scope and depth of knowledge required for consultancy work is expanding. This will be a challenge for some, and an opportunity for others to bring their diverse experience and value to the field of sustainability transformation.

Which areas of the market have the most potential?

Personnel development, creating sustainability leadership cultures in companies – a focus on people, not just processes. So far, there has been a lot of work done on the "hardware" side: quantifying and measuring sustainability, and creating and implementing new policies, processes, and organizational structures to support this. However, the "software" side – people's awareness, engagement, thinking habits and behaviors – has often been left to chance.

How is sustainability consulting and organizational development contributing to environmental sustainability?

We firmly believe that companies and the broader business sector has at least as much, if not more, responsibility and resources to drive action on climate change as governments do – and they are often able to act more quickly. The role of sustainability consultants is to support companies in activating their sustainability visions and strategies – helping them move from talk/ideas to action.

Many companies know they need to change, and indeed want to change, but don't know how – this is where sustainability consultants come in.

What makes Global Perspectives different?

We focus on people, not processes: developing people to deliver / implement responsible business processes, rather than developing processes then forcing people to adapt to them.

At a fundamental level, organizations are simply groups of people. You can have the best strategy in the world, but if your people don't understand why it is important or necessary, how it connects to their particular role, and how they need to change their behavior, then that strategy will fail.

We focus on developing the awareness and competency, and supporting the actions required to implement the strategy successfully.

What are the key benefits of sustainable business?

Organizational survival! Our world is an ecosystem, and we – as individuals, leaders, and organizations – are all part of it. Focusing on the benefits of our actions for people and planet ultimately results in benefits (both tangible and intangible) for our organizations.

What are your main focus areas at the moment?

Development of sustainability leadership capability at different levels in order to ensure current action and long-term pipeline capacity.





What we do

GP provides long-term, in-depth organizational transformation solutions tailored to clients' unique needs and objectives, including:

- Sustainability leadership development
- Organizational culture change consulting
- Sustainability / SDGs project coaching
- Cross-cultural leadership development.

How are you helping the industry move forward?

We are partnering with organizations and people in multiple sectors and industries to share and co-create ideas, learn from each other, and create collaboration opportunities.

In the words of former Unilever CEO Paul Polman, "No one organization, industry or leader can do this alone." SDG 17 (Partnership for the Goals) is the most important of all the SDGs, and we thrive on bringing people together to create maximum impact.

3 tips for people considering transforming their business to become more sustainable:

- Understand why sustainability is important to you – how does it benefit you, your business, your clients or customers, society, and the environment?
- Identify actions and behavioral changes for you/your employees that will result in better sustainability outcomes
- 3. Set concrete, specific goals for those actions/changes, and start with the ones that are easiest to achieve and/or will have the biggest immediate impact in order to build motivation and gain momentum.

CASE STUDY

Creating positive change with SDGs

THE CHALLENGE

How to engage, develop, and retain high-potential young leaders.

WHAT WE DID

With our partners at One Young World Japan, we ran an 8-month Global Leader Accelerator program that incorporates leadership development workshops and coaching with a live SDG project and attendance at the annual One Young World summit. The client assigned a team of 10 next-generation leaders to the 2018 program, where with the guidance of Gavin as coach, they worked on a project to bring SDGs into the centre of the company culture.

OUTCOME

The outcome massively exceeded expectations – ours, and the client's. The participants transformed in terms of both mindset and behaviors, and used the passion and skills they developed to inspire and convince senior leaders of the need to focus the entire company on creating positive impact through alignment with SDGs. When the program finished, the project itself continued and expanded, fundamentally transforming the corporate culture.



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