

Integrating Sustainability into Core Business*

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Abstract

Today, more than ever, people involved in defining corporate strategies must be able to build a solid structure on which they can rely to protect and develop their business assets and to ensure their organization a long lasting future. In order to sustain a long lasting and successful business, there is a growing need to integrate sustainability as a driver, as a primary premise in determining business strategies. Thus, sustainability is not a separate process or an add-on to the corporate company strategy; it is integrated into the long-term strategies, business policies and objectives, and incorporated into operational processes and procedures. In this way, companies can shape their strategy and operations to address change, meeting expectations and needs that arise from all stakeholders while at the same time increasing competitiveness and sustaining profitability. DNV GL and EY, supported by GFK Eurisko, have tried to investigate the maturity of this approach.

Keywords: Corporate Social Responsibility; Integrated CSR; Sustainability; Global Markets

1. Reasons and Objectives of the Study

What's the level of sustainability integration in today's corporations? What are the most appropriate tools to integrate sustainability? And, above all, what does integrating sustainability in business mean in practical terms? We stand on slippery grounds, partially unknown, although many people talk about it sometimes adding up to the confusion, a subject with few solid reference points in literature as well as in practice.

The questions that pushed us into researching are those frequently asked by our clients, which are often discussed with our colleagues. More in particular, we asked ourselves: what does integrating sustainability in the business really mean? Is integrating sustainability in the business worth it? What's the level of integration in worldwide companies today? What are the most appropriate tools to integrate sustainability? What are the existing approaches to integration? What's the threshold to pass in order to say that a corporation has integrated sustainability? Are there tools to assess the level of integration of sustainability in the business?

* Invited Article

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Despite being aware that our effort is but partial and preliminary, thus preventing us to consistently answer all questions, these are the goals we set for our research:

1. Suggesting a definition of integrating sustainability in business, considering existing literature and on the field experience.
2. Collecting the perceptions on the subject from corporations at international level.
3. Analysing the contribution of the most used tools in sustainability according to their impact on purpose, business model or organizational processes, as well as their capability to lead or support corporations in their road to integrate sustainability.
4. Lay down the foundations to identify the key steps to take towards integrating sustainability in support of corporate competitiveness and to fine tune an assessment tool capable of evaluating and promoting the level on integration of sustainability in business.

2. What Does Integrating Sustainability in Business Mean?

There's no clear, unique and shared answer. There's neither a shared definition of sustainability integration in business nor a recipe to get it.

Nonetheless, it's clear that sustainability integration represents an evolution of corporate practices in a changing world, logically following the evolution of corporate social responsibility practices as traditionally understood.

According to this logic, integration is interpreted as an opportunity and a necessity to seize the change in a market dominated by strong evolutionary dynamics, a concept usually associated to an alleged "capability to endure" sustainability integration, to resist in time.

An example of such an interpretation – as well as Porter's theory itself – comes from the model developed by Dyllick and Muff (2015). Authors claim that today we're assisting to an evolution towards a new concept of **sustainability 3.0**, where the answer to the challenges of our times, the creation of social value and the tendency to perceive sustainability as a necessity to alleviate "outside-in" pressures non controlled by the corporation rather than an act of "good will" linked to corporate decisions, may become fundamental trends.

We have identified 5 different accepted meanings of the concept of integration:

1. **Push towards operational excellence:** integrating sustainability mean empower processes to reach expected results, enriching and updating them through the lenses of sustainability, such as the introduction of clauses on environmental and social sustainability in the process of selection/management of suppliers, or the integration of sustainability risks in risk management processes (Mc Williams and Siegel 2011, Heaton 2012, Daneshpour 2015, Witjes, Vermeulen and Cramer 2015, Global Compact Lead 2016).
2. **Integrated thought:** integration is the new holistic way to think of a corporation and to conceive the creation of value as a result of the interaction between tangible and intangible assets according to the specific context of operation (CGMA 2011, EY 2011, IIRC 2013).
3. **Innovation engine:** sustainability integration is intended as a new way to innovate products, to include environmental and social aspects since their birth

(Edgeman, Jacob Kjær Eskildsen 2012, Klewitz e Hansen 2013, Brook and Pagnagnelli 2014, Schaltegger, Florian Lüdeke-Freund, Erik G. Hansen).

4. **Answer to a changing world:** integration is seen as the capability of corporations to understand and interpret occurring social, environmental and economic changes, on a road to activate and anticipate needs that may lead to transform not only operative practices (Dyllick and Muff 2015) but also the business purpose itself (Porter 2011, Visser and Kymal 2014, Pogutz 2015).

5. **Social impact new models:** this is the most recent interpretation. Here, boundaries between sustainability and traditional business become blurred, in conjunction with the emergence of radically new business models, authentically oriented to common good and social impact. For instance, the B Corporations (Network for Business Sustainability 2012, Kendall 2015, Kim, Karlesky, Myers and Schifeling 2016).

3. How Do You Put It in Practice?

According to this logic, integration is interpreted as an opportunity and a necessity to seize the change in a market dominated by strong evolutionary dynamics, a concept usually associated to an alleged “capability to endure” sustainability integration, to resist in time.

Some studies from appraised sources aim at orienteering corporations and explaining the practical modes and tools to more appropriately design a road for progressive integration. Among the most significant examples:

- The model designed by **Gond**¹, identifying 8 possible configurations for integrating sustainability in business, which develop between two opposing poles: “*Dormant decoupling*” – where corporations manage sustainability and business in parallel and incoherent ways – and “*Integrated strategy*” – where sustainability is directly managed through managerial practices and systems. Intermediate configurations identified range from “*Low integration*” and “*High integration*”.

To the first group belong the models of “Strategy emergence through sustainability”, where by means of its actions in sustainability the corporation starts the activation of business strategies apt to be integrated; of “*Compliance-driven sustainability strategy*”, where the organization deals with sustainability strategy only at compliance level, with lower perspectives of integration; and of “*Schizoid sustainability strategy*”, where a corporation shows non-uniform levels of integration depending on the subject. In the “*High integration*” group, Gond identifies the “*Dormant integrated strategy*” where sustainability and business show strong continuity elements but there’s no organizational execution to reach full integration; “*Sustainability driven strategy*”, where sustainability is the reason for the existence itself of the corporation (e.g. green nature start-ups) but there is no integrated business vision; and “Peripheral sustainability integration”, where sustainability management and analysis systems are used for diagnostics rather than strategic purposes in supporting the business.

Given this classification, Gond doesn’t identify a proper evolutionary road but rather some likely evolutions of the above mentioned configurations according to corporate peculiarities and needs, including the commitment of top management.

- The analysis by **Lozano** on the most diffused 16 sustainability initiatives of voluntary natureⁱⁱ.

The author analyses the selected tools according to their capability to simultaneously influence the fundamental corporate activities (*Operations & Production, Management & Strategy, Modelli organizzativi interni, Procurement & Marketing, Assessment & Communication*) and meet the 4 key dimensions of sustainability: economic, environmental, social and time dimensions, the latter being included to show the orientation towards the future embedded in the concept of sustainability itself.

Each initiative is assessed according to its potential contribution on these four dimensions, on a scale including the complete, partial or variable coverage of dimensions, depending on the use of the tool. Lozano gets to the conclusion that no tool alone can cover all identified dimensions, there can only be potential combinations of initiatives that together can cover all elements. In particular, the author underlines how the majority of analysed initiatives focus – business wise – on corporate operations and – sustainability wise – on the environmental dimension: a perspective, according to the author, which makes it necessary for corporations the adoption of a wider view and the carrying out of an internal reflection on context, goals and corporate operational as well as cultural peculiarities.

If, on the other hand, we consider the universe of people working in sustainability, several organizations and *think tanks* have designed frameworks to provide corporations with practical leads on how to integrate sustainability in their operations. Among the most interesting examples:

- The ***Road Map for Integrated Sustainability*** by Global Compact provides corporations with a practical guide to integrate sustainability in corporate strategy, operations and culture. In particular, the Road Map identifies for each key corporate function a series of modalities for the integration of sustainability in corporate activities and it identifies some emergent executive practices.

- The guide ***Sustainability incorporated*** of the English think tank SustAinability defines five essential element for integration, such as the comprehension of the business model, the focus on materiality subjects, the inclusion of sustainability in the design of products and services, the development of mind-frame and integrated reporting, and the analysis of those aspects in corporate culture that may be useful drivers for sustainability.

- The document ***Executive Guide: Business Models for Shared Value*** drafted by the *Network for Business Sustainability* explores three possible operative practices that might lead corporations in integrating sustainability in their business according to a shared value standpoint: the *Hourglass* model, which can help companies in looking at and appraise the value creation model in an integrated and holistic way; the *Sustainability Strategy Road Map*, which identifies the steps to orienteer the corporate strategy towards shared value; and the *Business Model Thinking Framework*, which supports organizations in defining a new business model inspired by shared value.

A third and interesting research field as far as the transition from theory to practice in integrating sustainability is concerned, deals with enabling factors. Two key words here stand above all else: engagement of top management and reinforcing corporate culture; two essential conditions to allow organizations to adopt a practical and shared approach to integration.

5. And What Benefits Can Organizations Enjoy?

The generated benefits can be traced back to three macro-categories:

- **Greater attractiveness for investors and risks reduction.** Several studies claim the existence of a positive correlation between sustainability integration and financial results in terms of stocks performance, returns on capital and investments (Surroca, Tribó and Waddock, 2010, Perez de Toledo & Bocatto, 2014, Eccles, Ioannou, Serafeim 2014). These results – estimated in a performance delta between 4% and 6% for companies with “high sustainability contents” as compared with companies not geared with a sustainability vision – are often correlated to better management of intangible assets, long-term vision, stronger relationships will all corporate stakeholders and greater attention to risk management.
- **Customer commitment and reputational benefits.** Integrating sustainability strengthens the bond with customers from a commercial point of view based on values. Greater loyalty to the brand, differentiation from competitors and reputational benefits (Lacey, Kennett-Hensel, & Manolis, 2014, Janney and Gove, 2011) are among the most frequently mentioned elements.
- **Better management of human resources.** The main benefits of sustainability integration are associated to workers’ greater productivity, employees’ higher loyalty and greater satisfaction at the workplace, and to a greater attractiveness for new talents (Du, Bhattacharya, and Sen, 2013, Burbano 2).

6. A New Definition of Integrating Sustainability in Business

“Integrating sustainability in business means redesigning and redefining strategy and operative processes to face the changes and meet the needs and expectations of the market and society alike, with the ultimate goal of increasing competitiveness and supporting durable profitability”.

We have tried to draft a univocal definition to hold together the different meanings and interpretations that are successfully being used in the academic as well business fields. So, we’re at least partially making up for the lack of assured references to the concept of integration, relying on the fact that very often the most successful theories on sustainability stem from strategic management studies.

In our definition, we have consciously left aside ethical matters, albeit shareable, because we believe it’s right to focus attention on every company’s priority: guarantee long-term profitability.

From our point of view, the word *sustainability* becomes a synonym for the capability of the corporation to endure in time, to adapt to scenario changes or rather to anticipate and exploit them to maximise results.

Our definition is coherent with the perspective stemming from a new business model where the answer to external challenges and the creation of social value become essential trends.

The capability of the corporation to react translates, above all, in adapting the strategy to a changing world and, consequently, adapting all processes for delivering

services and manufacturing products. And it must be done quickly, getting to provide answers that are coherent and focused on new needs.

7. What Companies Think About It

DNV GL – Business Assurance and EY, with the support of international research firm GFK Eurisko, have analysed how companies in different sectors relate with sustainability integration in their core business. The survey was carried out in June 2016 on a sample of 1,524 professionals working in companies operating in the primary, secondary and tertiary sectors in Europe, North America, Centre-South America and Asia, picked among the clients of DNV GL – Business Assurance. 193 Italian companies took part in the survey, on average showing behaviours in line with the global average. The sample also includes 142 companies defined as **leader** according to their acknowledged maturity in integrating sustainability. Leaders believe in the importance of integrating sustainability in their core business and they have a clear vision about what it means, apparently knowing that, if one really wants to shift the economic model, it takes a certain visionary leadership capability to see beyond the current situation. They are a step ahead and, comprehensibly, they benefit more than others especially for a market point of view. They acknowledge the impact that sustainability will make on mid-term business and they are ready to maintain or even increase the investments level. Sustainability as a mean to get commercial and financial benefits is no longer for leaders only. Integrating sustainability in the core business is becoming increasingly crucial for companies worldwide. It's crucial for their market competitiveness and for establishing strong and durable relationships with key stakeholders, starting from customers and consumers. Almost half of the interviewees claimed that the company is working to integrate sustainability in its own overall business strategy. Not a simple task: companies seem to be pressed by other priorities, often short-term. Sometimes the competencies necessary to translate the integration of sustainability into strategy and executive operations are missing. Also profitability of investments and the lack of interest from stakeholders may represent as many obstacles to integration. Furthermore, it neither exists a unique recipe nor a unique tool to get integration, which often is the result of many actions and tools combined. This is the likely reason why management systems are generally acknowledged a significant potential, as they can act as framework.

Table 1: Question 1

WHAT IT MEANS TO INTEGRATE SUSTAINABILITY IN BUSINESS	Total	Leader	Italy
Measuring and monitoring environmental, social and economic impact on business	56,4%	68,3%	59,1%
Creating a sustainable product	38,3%	46,5%	28,5%
Adopting a social and environmental management system	37,8%	52,1%	43,0%
Managing sustainably the supply chain	34,8%	43,7%	30,1%
Satisfying unmet social needs	12,0%	18,3%	9,3%
Reporting on financial and non-financial performances	8,0%	16,9%	2,6%
Other	3,6%	4,9%	4,7%
I don't know	3,0%	0,0%	2,1%

According to more than half of the sample, integrating sustainability in business means to succeed in measuring and monitoring environmental, social, and economic impacts of the corporation: the Italian data is consistently in line with the total value and it's close to the leaders' position. On the contrary, Italy stands out from the rest of the world for the lesser importance acknowledged to the creation of a sustainable product, especially when compared to the adoption of a social and environmental management system. The greater distance from the leaders can be traced back to non-financial disclosure, associated to the concept of integration only by 2.6% of the sample, compared to 16.9% of leaders.

Table 2: Question 2

HOW MUCH DO YOU AGREE ON THE DEFINITION OF INTEGRATION OF SUSTAINABILITY IN BUSINESS WE HAVE SUGGESTED	Total	Leader	Italy
Very much	33,0%	50,7%	38,3%
Sufficiently	53,8%	47,2%	52,3%
Total answers 1 and 2	86,8%	100%	90,6%
Not completely	3,6%	0,0%	4,1%
Not at all	0,7%	0,0%	1,6%
No answer	8,9%	0,0%	3,7%

Italian companies share almost unanimously (91%) the definition of sustainability integration in business we have suggested.

Table 3: Question 3

YOUR COMPANY HAS ADOPTED A SUSTAINABILITY STRATEGY/POLICY	Total	Leader	Italy
Yes	58,8%	100%	50,8%
No	25,4%	0,0%	35,2%
Doesn't know/No answer	15,8%	0,0%	14,0%

Table 4: Question 4

YOUR COMPANY HAS DEFINED MEASURABLE OBJECTIVES FOR SUSTAINABILITY INTEGRATION	Total	Leader	Italy
Yes	48,8%	100%	40,4%
No	33,7%	0,0%	43,5%
Doesn't know/No answer	17,5%	0,0%	16,1%

While 59% of companies worldwide has a policy for sustainability integration and 49% identifies measurable objectives, in Italy the figures go down almost ten points, to 51% and 40% respectively.

Table 5: Question 5

YOUR COMPANY HAS INVESTED IN SUSTAINABILITY INTEGRATION INITIATIVES IN THE PAST 3 YEARS	Total	Leader	Italy
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Yes	55,6%	100%	50,8%
No	24,0%	0,0%	32,1%
Doesn't know/No answer	20,4%	0,0%	17,1%

Half of the Italian interviewees have invested in initiatives aiming at supporting sustainability integration in the past three years (-5% vs. average).

Table 6: Question 6

WHICH OF THE FOLLOWING INITIATIVES FOR SUSTAINABILITY INTEGRATION HAS BEEN CARRIED OUT BY YOUR COMPANY	Total	Leader	Italy
Defining policies for the reduction of environmental impacts	31,5%	61,3%	35,2%
Defining and implementing sustainability strategies	29,6%	80,3%	13,5%
Developing sustainable products	23,1%	54,9%	17,6%
Spreading the culture of sustainability inside and outside the organization	22,6%	53,5%	28,5%
Managing sustainably the supply chain	22,2%	56,3%	8,3%
Promoting initiatives of stakeholder engagement	21,7%	50,0%	19,2%
Defining a methodology for assessment and management of risks/opportunities from a sustainability point of view	19,5%	43,0%	12,4%
Carrying out of a materiality analysis (a process leading to identify the key matters for core business)	17,6%	44,4%	9,8%
Assessing social impact	16,3%	42,3%	10,9%
Carrying out of and analysis of a product's life cycle	15,7%	39,4%	8,3%
Publishing a sustainability report or and annual report integrated with non-financial information	14,5%	37,3%	7,8%
Implementing a specific plan to support business continuity	12,9%	31,7%	4,7%
Defining and enforcing controls on sustainability matters	11,1%	31,0%	5,2%
Carrying out of <i>shared value</i> initiatives	8,9%	28,9%	7,8%
Other	4,5%	4,9%	4,1%

With regards to sustainability integration, the activities most frequently carried out by Italian companies are: creating a policy to reduce the environmental impact (35%), the spreading of a culture on sustainability (29%; +6% vs. average) and stakeholders engagement (19%). Particularly lower than the rest of the world are the results for defining and implementing sustainable strategies (14%; -16% vs. average) and for the sustainable management of the supply chain (8%; -14% vs. average).

Table 7: Question 7

WHAT BENEFITS HAS YOUR COMPANY RECEIVED THANKS TO THE ACTIVITIES CARRIED OUT	Total	Leader	Italy
Law compliance	32,5%	71,1%	29,5%
Improvement of the relationships with clients/consumers	29,0%	67,6%	17,6%
Competitive advantage/increased brand reputation	28,3%	76,8%	20,2%
Improvement of the relationships with other stakeholders	20,5%	56,3%	16,1%
Process and product innovation	18,4%	48,6%	10,9%
Costs reduction	17,0%	41,5%	10,4%
Differentiation of the market	16,9%	35,2%	13,5%

Improvement of the relationships with investors	10,0%	29,6%	4,7%
Development of effective partnerships with suppliers	14,2%	47,9%	8,8%
Safeguarding assets	12,4%	32,4%	6,7%
Other benefits	5,1%	10,6%	2,6%
No benefit	0,4%	0,0%	0,0%
I don't know	2,2%	0,7%	1,0%

Table 8: Question 8

HOW DO YOU ASSESS THE OVERALL RELATIONSHIP BETWEEN COSTS AND BENEFITS RELATED TO INITIATIVES CARRIED OUT	Total	Leader	Italy
Benefits are lower than costs	20,2%	0,0%	33,3%
Benefits and costs are matched	32,5%	0,0%	23,2%
Benefits are greater than costs	47,2%	100,0%	43,4%

Just like in the rest of the world, in Italy the majority of the companies enjoyed some benefits from the sustainability integration initiatives and almost no one claims not to have enjoyed any. A third of the Italian companies reported benefits in law compliance (30%). Improvement of brand reputation (20%; -8% vs. average) and improvement of the relationships with clients (18%; -11% vs. average) also stand out. 16% (-5% vs. average) of Italian companies have improved the relationships with other stakeholders and 14% successfully differentiated from the market. Only 10% of Italian interviewees, lower by 7 points than average, claimed to have benefited in terms of savings. More than 40% of Italian interviewees think that benefits from sustainability integration initiatives are higher than costs.

Table 9: Question 9

WHAT FACTORS MAY HAVE HINDERED YOUR COMPANY IN MAKING GREATER PROGRESS IN INTEGRATING SUSTAINABILITY IN BUSINESS	Total	Leader	Italy
Other priorities	35,6%	28,2%	48,7%
Focus on short-term results	26,4%	21,1%	23,3%
Lack of awareness from management	24,1%	13,4%	26,4%
Lack of skills from staff	22,4%	17,6%	12,4%
Too high implementation and maintenance costs	21,9%	21,1%	19,2%
Lack of return on investment	18,4%	18,3%	19,2%
Lack of strong interest from stakeholders	18,4%	16,2%	11,9%
Lack of consensus on the initiatives to carry out	17,3%	12,7%	9,3%
Complexities in the implementation process	15,7%	18,3%	10,9%
Lack of useful theoretical tools	12,1%	12,0%	6,2%
Other	5,6%	9,2%	3,6%
No perceived hindrance	7,7%	25,4%	9,8%
I don't know	7,9%	1,4%	5,7%

The highest barrier to progress in integrating sustainability is represented by higher priorities. Italian interviewees (49%; +13% vs. average) actually claim that other concurrent priorities are the highest obstacle, 26% of them think that the main

obstacle is the lack of awareness from top management while 13% indicate the necessity to focus on short-term results. Implementation and maintenance costs, together with a missing return on investment, are effective deterrent for 19% of Italian respondents.

Table 10: Question 10

IN THE PAST 3 YEARS YOUR COMPANY HAS CARRIED OUT SOME OF THE FOLLOWING INITIATIVES TO PROMOTE AWARENESS ON THE PROCESS FOR INTEGRAING SUSTAINABILITY	Total	Leader	Italy
Corporate communication (e.g. social networks, events, public relations)	28,1%	71,8%	17,6%
Publishing of information on Sustainability performances (e.g. in the annual report)	24,1%	54,2%	16,6%
External certificate/assurance	23,6%	57,7%	25,4%
Claims/communication in marketing (e.g. advertising)	19,2%	44,4%	14,5%
Certification on product sustainability	6,9%	14,1%	2,6%
Other initiatives	8,1%	22,5%	5,2%
No initiative	4,8%	2,8%	6,2%
I don't know	2,2%	2,1%	0,5%

Table 11: Question 11

YOUR COMPANY WILL INVEST IN SUSTAINABILITY IN THE NEXT THREE YEARS	Total	Leader	Italy
More than today	44,6%	52,1%	44,6%
As much as today	45,3%	47,9%	49,2%
Less than today	4,9%	0,0%	0,0%
No investment	5,2%	0,0%	6,2%

To promote the commitment on integrating sustainability in core business, 25% of respondents rely on acknowledged/reputed certifications. 18% (-10% vs. average) has carried out corporate communication initiatives, 17% (-7% vs. average) has published information on sustainability performances while 15% has exploited claims in marketing activities. Only 3% resorted to declarations on products sustainability. About 94% of Italian interviewees will continue in investing for sustainability integration (+4% vs. average). About 45% of respondents are ready to invest even more than today.

Table 12: Question 12

HOW MUCH THE THEME OF INTEGRATING SUSTAINABILITY WILL INFLUENCE YOUR COMPANY'S BUSINESS IN THE NEXT THREE YEARS	Total	Leader	Italy
1. not at all	3,6%	4,2%	3,6%
2.	11,0%	2,8%	14,5%
3.	31,6%	16,9%	32,1%
4.	22,9%	35,9%	22,8%
5. very much	12,5%	40,1%	6,2%
Total answers 4 e 5	35,4%	76,0%	29,0%

Doesn't know/no answer	18,4%	0,1%	20,8%
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Table 13: Question 13

WHAT TOOLS, PRACTICES, INITIATIVA WILL HAVE THE GREATER POTENTIAL FOR INTEGRATING SUSTAINABILITY IN BUSINESS IN THE NEXT THREE YEARS	Total	Leader	Italy
Adoption of management systems (e.g. ISO 9001, 14001, 18001)	52,7%	63,4%	57,5%
Stakeholders engagement	33,8%	44,4%	31,1%
Products sustainable innovation	29,5%	40,1%	30,1%
Products environmental footprint (e.g. carbon footprint, water footprint)	22,7%	29,6%	16,1%
Definition of an ethical code	20,5%	34,5%	33,2%
Tools to assess social impact	20,3%	28,2%	33,7%
Publication of sustainability report/annual integrated report	19,4%	35,2%	19,7%
Organization environmental footprint (e.g. carbon disclosure project, ecovadis)	17,1%	26,8%	15,5%
Development of <i>shared value</i> initiatives	15,2%	28,9%	19,2%
Development of ISO 26000	11,9%	12,7%	11,4%
Adoption of policies on human rights	11,5%	23,2%	12,4%
Adoption of SDG (Sustainable Development Goals)	9,1%	16,9%	9,3%
B-corporation certification	1,6%	2,1%	0,5%
Other	5,3%	6,3%	4,1%
I don't know	10,0%	2,8%	7,8%

In line with the rest of the world, about one third of Italian companies believe that sustainability integration will have a significant impact on core business (29%; -5% vs. average and -4% vs. leader). More than in the rest of the world, according to Italian companies the greatest potential of sustainability integration in the next three years will come from the adoption of management systems (58%; +5% vs. average). The way management systems are evolving, as well as the review of the main international standards, ever more focused on the contexts where companies are operating, all contribute to making such adoption an effective management tool. Strategies, policies, procedures and assessment methods are more considered as enablers for sustainable performance rather than mere tools for compliance. Tools of social impact measurement (34%; +14% vs. average) and the definition of an ethical code (33%; +12% vs. average) closely follow. No significant potential is acknowledged to the measurement of products environmental footprint.

Table 14: Question 14

WOULD YOU FIND IT USEFUL A TOOL DEDICATED TO ASSESS AT WHAT POINT SUSTAINABILITY IS CURRENTLY INTEGRATED IN YOUR BUSINESS	Total	Leader	Italy
Yes	62,0%	73,9%	62,2%
No	9,4%	9,9%	6,7%
Doesn't know/no answer	28,6%	12,0%	31,1%

In line with global average, also the majority of Italian interviewees (62%) would deem it useful to have the availability of an assessment tool to measure the level of sustainability integration in the core business.

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Notes

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