BSI Standards Publication

Managing sustainable development of organizations

Part 1: Guide

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Contents

Summary of pages

This document comprises a front cover, an inside front cover, pages i to iv, pages 1 to 22, an inside back cover and a back cover.

Foreword

Publishing information

This part of BS 8900 is published by BSI Standards Limited, under licence from The British Standards Institution, and came into effect on 31 July 2013. It was prepared by Technical Committee SDS/1, *Sustainable development*. A list of organizations represented on this committee can be obtained on request to its secretary.

Supersession

Together with BS 8900-2:2013, it supersedes BS 8900:2006 which is withdrawn.

Relationship with other publications

BS 8900 is published in two parts:

- Part 1: Guide;

- Part 2: Framework for assessment against BS 8900-1 – Specification.

Information about this document

There have been growing calls from organizations in the UK and elsewhere for clear, practical guidance to support the cost-efficient and effective integration of sustainable development principles into business as usual, both for commercial and non-commercial private and public organizations. BSI's decision to develop and launch BS 8900 in 2006 marked both a recognition of, and response to, this demand.

It is a considerable challenge to embed a systematic approach to sustainable development into an organization's practices, given the breadth and complexity of the vision it represents, and the evolving understanding of what it really means and implies for planning and daily behaviour. Standardizing an approach is doubly challenging given the diversity of contexts and possible applications.

This British Standard starts by identifying the possible benefits and desirable outcomes of managing sustainable development. The approach throughout is to provide a framework for embedding sustainable development management in everyday decision making and is necessarily challenging, provoking and continually evolving.

Effective and continuing stakeholder engagement is essential in pin-pointing real issues and broadening buy-in. It is recognized that building confidence in processes and sustainable outcomes is an important part of this and that some organizations might wish to use some forms of verification, although this British Standard does not point users in any particular direction.

A maturity matrix is provided as a way of assessing progress, clarifying next steps and combining the principles underpinning the management of sustainable development with practical implementation.

The standard should not be viewed in isolation as there are many helpful and relevant texts, conventions, codes and case studies available; it acts as a guide to make sense of these many and varied sources and offers an approach to sustainable development that readily fits an organization's situation and circumstances.

This is a full revision of the standard, and introduces the following principal changes:

- the standard has been split into two parts, Part 2 being a framework for assessment against the guidance in Part 1;

- the four principles of sustainable development (inclusivity, integrity,

stewardship and transparency) are now minimum principles rather than examples and further information is given on each one in Clause **3**; and

- a blank, framework matrix and example matrices for different sizes of organization replace the original generic example matrix in the previous edition (see Clause **5** and Annex A).

The start and finish of text altered by Corrigendum No. 1 is indicated in the text by tags ⟨C₁⟩ and ⟨C₁⟩.

Use of this document

As a guide, this part of BS 8900 takes the form of guidance and recommendations. It should not be quoted as if it were a specification or a code of practice and claims of compliance cannot be made to it.

Presentational conventions

The guidance in this standard is presented in roman (i.e. upright) type. Any recommendations are expressed in sentences in which the principal auxiliary verb is "should".

Commentary, explanation and general informative material is presented in smaller italic type, and does not constitute a normative element.

Contractual and legal considerations

This publication does not purport to include all the necessary provisions of a contract. Users are responsible for its correct application.

Compliance with a British Standard cannot confer immunity from legal obligations.

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0 Introduction

0.1 General

Stakeholders' expectations of both public and private sector organizations continue to expand and deepen. The concept of sustainable development provides a framework for responding to a significant number of these expectations. For the purpose of this British Standard sustainable development is taken to mean an enduring, balanced approach to social progress, economic activity and environmental responsibility (see **2.3**).

A successful approach to managing sustainable development also helps ensure that an organization makes high quality decisions that promote continuing and lasting success. The long-term success of any organization increasingly depends on the integration of economic, environmental and social performance into all aspects of operation. A coherent and comprehensive approach is needed to weigh and address the opportunities, pressures and constraints of operating in the globalized economic system.

The guidance in this British Standard is designed to help organizations develop an approach to sustainable development that will continue to evolve and adapt to meet new and continuing challenges and demands.

0.2 Outcomes

The application of the guidance in this British Standard could be expected to continually improve performance along a path towards sustainable development. This is illustrated in Clause **5**.

Progress can be achieved through:

- strengthening relationships: by demonstrating to stakeholders that the organization is operating in an economically, environmentally and socially responsible way that benefits them in the short and long term;

- enhancing internal cohesion: by deepening the level of understanding among employees of how the organization is performing and using that information to improve the organization's operations and decision-making processes;

- developing trust and confidence: through transparency and accountability;

- stimulating learning and innovation: by consideration of emerging opportunities through engagement of stakeholders; and

- understanding and managing the risks and opportunities: by systematically identifying, prioritizing and addressing relevant issues;

thereby enabling the organization to progress along a sustainable development path (example illustrated in Clause **5**).

1 Scope

This British Standard provides guidance on managing sustainable development and a framework that assists organizations to enhance performance and effectiveness. It offers a coherent approach to managing social, economic and environmental aspects of an organization's activities.

This guidance is intended to be applied by organizations of any size, sector and type. In addition, it is relevant to organizations' stakeholders.

NOTE   *The application of this British Standard varies with an organization's progress along the sustainable development path (illustrated in Clause **5**).*

The guidance does not specify performance criteria or explain the specific elements of social, economic and environmental impacts.

2 Terms and definitions

For the purposes of this British Standard, the following terms and definitions apply.

2.1 principle
fundamental basis for decision making or behaviour

[SOURCE: BS ISO 26000:2010, **2.14**]

2.2 stakeholder
individual or group that has an interest in any decision or activity of an organization

[SOURCE: BS ISO 26000:2010, **2.20**]

NOTE   *Throughout this British Standard "activity" is used to collectively refer to activities, products and services.*

2.3 sustainable development
development that meets the needs of the present without compromising the ability of future generations to meet their own needs

NOTE   *Sustainable development is about integrating the goals of a high quality of life, health and prosperity with social justice and maintaining the earth's capacity to support life in all its diversity. These social, economic and environmental goals are interdependent and mutually reinforcing. Sustainable development can be treated as a way of expressing the broader expectations of society as a whole.*

[SOURCE: BS ISO 26000:2010, **2.23**]

3 Principles of sustainable development

3.1 General

An organization's management of sustainable development should be based on a set of principles informed by its values. A principle is a fundamental basis with which the organization's decision making and behaviour need to be consistent. Principles guide the social, economic and environmental aspects of sustainable development management. The organization should adhere to, as a minimum, the following principles: inclusivity, integrity, stewardship and transparency, described in **3.2** to **3.5**. Organizations should consider if further principles to these four are applicable to them.

An organization can choose to identify additional principles informed by its values, commonly held ethical norms and its management of sustainable development.

Table 1 contains some useful questions for management to reflect on the extent to which their organization is realizing the principles.

3.2 Inclusivity

Inclusivity within the context of this standard (and bearing in mind the concept of stakeholder engagement as a core requirement within any truly sustainable organization), means a clearly expressed intention or policy of including key stakeholders in the development of organizational strategy, corporate planning and direction. In particular, that should mean engagement with people who might otherwise be excluded or marginalized.

Management should not exclude key stakeholders either on bias (e.g. sexual or racial grounds) or because the individual or sector is perceived as difficult or potentially obstructive. Examples might include staff, board members, governance representatives and customers. See **4.2** for further guidance on stakeholder engagement.

This principle, whether applied to social, economic or environmental aspects of sustainability within an organization, revolves primarily around people, in particular key stakeholders. In practice, that means:

a)   the identification of the key stakeholders for the organization or enterprise; and

b)   engagement and dialogue with those stakeholders, or if appropriate, their representatives.

Some examples of issues that the principle should typically be applied to by any organization (under the three core aspects of sustainability) are:

1)   social: HR policy and practice; development of appraisal systems; setting of targets for teams and/or individuals within the organization; community engagement;

2)   economic: setting of economic targets and KPIs; development of financial reporting systems; socially responsible investment;

3)   environmental: defining the environmental policy; development of environmental procedures; setting of environmental objectives and key performance indicators (KPIs); environmental reporting; procurement policies and procedures.

3.3 Integrity

Integrity is the adherence to a set of commonly held ethical norms and law abiding behaviour. These values should underlie everything that an organization does. Values should therefore be disclosed so that there is no doubt about what underpins present and future actions of the organization and what effect these might have on its society, economy and environment.

3.4 Stewardship

Stewardship is a position of accountability that might be shared or wholly owned by an individual, community or organization. The organization is responsible for the management of all facets of its activities throughout all the stages of its life span, from inception through to fulfilment and final disposal. These facets could include components, packaging, marketing documentation, etc., and should take into account issues related to society, the economy and the environment.

For example, in product development, stewardship involves the incorporation (where possible) of environmentally friendly/sustainable materials that would not negatively impact the environment, and final disposal in a planned, preferably recycled manner. Continuing this example, purchasing from identified sustainable sources would have an impact on the economy of that community.

3.5 Transparency

Transparency is an openness about decisions and activities that affect society, the economy and the environment, and a willingness to communicate these in a clear, accurate, timely, honest and complete manner. In general, a presumption should be made in favour of transparency, so that information is accessible on request unless there are reasons to withhold it. For example, where appropriate, an organization should be prepared to disclose information relevant to its management of sustainable development. These might include the use of energy and water, treatment of suppliers, distribution of funds, contribution to community initiatives, etc.

Table 1   **Questions to help management consider the minimum principles**

Principles	Questions
Inclusivity	• How do you identify those who could affect or be affected [i.e. stakeholders (see **4.2.1**)] by your decisions and actions? • How do stakeholders contribute their views, and is this on a continuing basis? • How do you help stakeholders understand the reasons for the organization's decisions and the implications of its actions? • How can you be sure that no groups or individuals are disadvantaged or are "kept in the dark"? • Are there interests beyond your immediate stakeholders that should be considered? • How is diversity encouraged and developed?
Integrity	• In what ways do you deal with others with integrity? • How do you ensure bribery, abuse, oppression and corruption are avoided? • How do you demonstrate that your decisions and actions are unbiased, and comply with relevant rights, legal obligations and regulations?
Stewardship	• How does this action affect quality of life? • Will organizational decisions lead to irreversible environmental (including biodiversity) or societal change or loss? If so, have alternatives been evaluated? • In any activity, will the use of resources and its consequent impact be considered and monitored? • How are sustainable development management skills developed, shared, applied and recognized?
Transparency	• How do you make certain that relevant and reliable information is available in an accessible, low-cost and comparable way? • How are reasonable views or requests for further information considered and responded to? • How do you engage with stakeholders who speak different languages? • How are significant interests, influences or beneficiaries recorded, communicated and managed? • How can new technologies be used effectively to increase transparency? • How are decision makers identified and the reasons for decisions recorded and communicated, and to whom?

4 Putting sustainable development into practice

4.1 The organization: its vision and principles

The leadership should ensure that the defined principles of sustainable development are reflected and communicated in the vision (see Clause **3**). They should also ensure the vision's delivery leads to long-term success of the organization.

NOTE   *The leadership might determine that a vision is not appropriate for the organization so an alternative means of communicating the principles needs to be found.*

In defining its vision, the organization should engage with relevant internal and external stakeholders in order to understand their issues. The vision should be challenging yet achievable and reviewed on an appropriate basis as issues change.

The leadership of the organization should communicate the vision to its stakeholders and encourage the types of behaviour for which it wants to become known.

The characteristics of an organization that is effectively managing sustainable development might include:

- sustainable development principles that are reflected in its operations at all levels;

- a culture in which sustainable development issues are fully incorporated in the organization's activities;

- sustainable development is embedded into its existing planning and management processes (e.g. for risk assessment, planning, performance management, information systems, training and development and reporting), rather than establish separate processes.

4.2 Identification of issues and stakeholder engagement

4.2.1 General

An organization should identify and manage its sustainable development issues. The main mechanism should be through stakeholder engagement.

All organizations undertake some form of stakeholder engagement, even if at a basic level, e.g. member, customer and employee dialogue, in order to improve effectiveness, manage risk, identify and realize new opportunities.

Some stakeholders might not be able to represent themselves but their interests should be considered.

Ongoing, systematic stakeholder engagement is intrinsic to sustainable development and means, for example:

- stakeholders having opportunities to express views about relevant issues/concerns and about their relationship with the organization;

- organizations being held accountable for their decisions and whether the stakeholder contributions were incorporated;

- commitment from all involved to learn and develop within the process.

Some stakeholders might have legal entitlement to consultation. The precise form of stakeholder identification and engagement depends on the size and complexity of the organization, and its context at a particular time.

BS ISO 26000:2010, Clause **5**, provides additional guidance on stakeholder engagement but an outline of the key principles is provided here.

4.2.2 Stakeholder identification

The organization should define and identify stakeholders and their representative organizations. This process should firstly identify the different stakeholders and secondly clarify their interest and relationship with the organization. To do so, the organization should understand three relationships:

- between the organization and society;

- between the organization and its stakeholders;

- between the stakeholders and society.

Examples of broad categories of stakeholder relationships to consider are shown in Table 2.

Table 2   **Examples of stakeholders and categories within which they might be grouped**

Right to operate	Internal relationships	External relationships
• Business regulators • Industry/sector regulators • Government departments • Local authority	• Staff and representative bodies • Customers/clients • Members • Contractors and sub-contractors • Suppliers (goods and services)	• Local residents • Trade/business associations • Investors • Media (all forms) • Campaign organizations/ non-governmental organizations (NGOs) • Interest groups

Some stakeholders are essential to an organization for it to operate and perform its activities. Other stakeholders have a relationship with the organization that is more strategic in nature and less essential to the day-to-day running of the organization. All external relationships vary according to interest and professional bodies.

There are groups of stakeholders that might fall into two or more groups, e.g. special interest groups, regulators and local and government agencies.

Stakeholders are specific to the scale, nature, spatial and temporal aspects of organizational activities. For example, the stakeholders in the organization as a whole are likely to be different but not mutually exclusive from those involved in a specific activity, such as establishing a new plant or project within a specific geographical region. Those identifying the relevant stakeholders in a particular activity are likely to differ in their view on who to include as a stakeholder. This is dependent on aspects such as their role within the organization, background and experience.

The precision with which stakeholder identification is carried out has a considerable effect upon the ability of an organization to engage and develop relationships. For example, the neighbouring properties to a plant might be identified as being important. However, getting to know the individuals that are within that group is more likely to lead to a quality relationship being developed and maintained.

Some stakeholders might identify themselves. The organization should take into account these points when considering the legitimacy of their claim and be transparent in that process to ensure accountability for its decisions.

Stakeholders might have many and diverse interests. Identification of stakeholders is not a one-off operation and organizations should check their list of stakeholders regularly to ensure ongoing representation of relevant groups and individuals. This is particularly important where an organization implements changes, for example, its location, scope of operations, or supply chain.

4.2.3 Stakeholder engagement and ongoing management

The organization should engage with its stakeholders and their representatives to understand the social, economic and environmental impact of its activities, products and services and the risks involved. The stakeholders can help identify sustainable development issues and risks that the organization might not have considered. Genuine stakeholder dialogue can assist an organization to develop and check strategy and help communicate it. When engaging with stakeholders, the organization should take the following into account.

- The method of engagement should be commensurate with the importance of the stakeholder and the issues identified to the organization.

- A key stakeholder is one with a legitimate interest in the organization.

- The aim at all times should be to develop mutual trust between the organization and its stakeholders. Trust is developed through a combination of performance and transparency and is, therefore, a test of the integrity of the organization.

- The organization needs to demonstrate full accountability for the decisions that it makes.

- Meaningful engagement with stakeholders is not simply an isolated activity; it is a decision-making method that might involve a degree of cultural and procedural change within an organization.

- Stakeholder engagement is a continuous process. There should be a constant cycle of two-way dialogue and feedback between the organization and its stakeholders. The organization should be in a position in which it is aware of its risks.

- Engagement can take many forms. Examples include meetings, focus-group discussions, advisory committees, consultations, web-based forums, transparent complaints mechanism and social dialogue through mature industrial relations with employees. Some large organizations might use an independent advisory stakeholder panel to facilitate the process. Alternatively, they can use general stakeholder panels and engage through appropriate standards. Multinational organizations includes international external stakeholders such as governmental, trade and labour organizations and NGOs.

Stakeholders should be in a position, through feedback, to understand how the organization has responded to their views. Communicating sustainable development performance allows an organization to demonstrate its progress towards meeting objectives. Although common, reports on progress towards sustainable development should not be seen as the only method of communication. They should be an update on, and not the sole outcome of, the progress towards sustainable development within the organization.

Stakeholder engagement is most effective where:

- the purpose for the engagement is clear and understood;

- the stakeholder's interests have been identified and are significant to sustainable development;

- there is a direct relationship between their interests and the organization;

- stakeholders have necessary information and understanding.

4.2.4 Additional considerations

If an organization impacts significantly on the local community, such as during a construction project, then stakeholder dialogue requires an early, two-way, transparent dialogue, ideally with local representatives. The process needs to be well-managed from the planning stage. The organization should be seen to listen and take on board stakeholder views where reasonable, and maintain positive dialogue throughout the process, informing stakeholders of updates and modifications. Social networks may be used as part of this process. Consideration towards protecting the environment, minimizing damage wherever possible or respecting human development/rights would be part of this process. The outcome on external projects that impact the local community is always improved by a good stakeholder process.

The organization should also consider significant issues that could derive from other factors arising where there might not be a stakeholder voice. Examples of these factors include technological development, major natural disasters, war and epidemics.

4.3 Capability of the organization

4.3.1 General

For the principles of sustainable development (see Clause **3**) to be converted into practice the organization requires appropriate resources and a range of competencies.

4.3.2 Resource allocation

The organization should allocate appropriate resources to achieve its sustainable development objectives (see **4.4.4**), as follows.

- Identify the required types and levels of resources, informed by the risk and opportunity assessment, objective setting and governance structure. Types of resources required might be financial, human or manufactured (such as information systems, metering tools or customer surveys).

- Use the organization's planning and budgeting processes to make these resources available.

- Establish responsibilities and authority so that the required responses to activities can be undertaken effectively.

4.3.3 Competence building

A competence can be seen as a fusion of knowledge, skills and attitude. Applying a sustainable development strategy might require acquisition of new knowledge and, to be effective, developing the skills to apply that knowledge practically.

The organization should identify the learning and development needs of managers and employees, particularly those with special responsibility for improving sustainable development performance, in order to equip them with the tools and capabilities they need to implement organizational objectives. Some considerations might be education, formal training, job shadowing, job exchanging (internally or externally), attending conferences, working in a specific project team and engaging with the stakeholders.

The organization should invest time and money to provide appropriate resources for building appropriate levels of competence. This investment can reap rewards, both in terms of managing sustainable development and employee motivation. The cost/benefit analysis can be linked to the organization's case for sustainable development.

The organization should review its existing learning and development programmes to ensure that:

- recruitment and induction programmes clearly outline the organization's principles (see **4.1**) and objectives for sustainable development;

- sustainable development issues and their management are woven into all relevant professional and functional training;

- learning and development resources provide opportunities to adapt and develop the organization's culture and behaviour, where necessary; and

- competencies required to manage sustainable development form part of the performance appraisal system.

4.4 Management

4.4.1 General

Within organizations, sustainable development issues can be managed using a range of techniques. The approach chosen varies according to the needs of the organization and its level of sustainable development maturity.

Some organizations already use recognized management systems, for example in the areas of accountancy, environmental management and human resources. It is possible to include elements of sustainable development in these management systems. Alternatively, other approaches can be taken by selecting appropriate performance-based elements. This British Standard does not prescribe any particular approach. However, the elements in **4.4.2** to **4.4.4** can form an approach to the management of sustainable development.

4.4.2 Assessing risks and opportunities

For all organizations, the issues associated with sustainable development present both opportunities for innovation and development as well as potential risks. In order to maximize opportunities and minimize risks, an assessment should be undertaken which:

- identifies potential issues and impacts, both positive and negative, direct and indirect, and analyses key risks and opportunities (in terms of impact and likelihood) to establish their significance;

- prioritizes actions and allocates resources to maximize opportunities and minimize risks.

The results of the risk assessment should be shared with relevant stakeholders and used to establish sustainable development objectives that are informed by the organization's sustainable development principles.

4.4.3 Identifying key performance indicators (KPIs)

To achieve sustainable development objectives and measure progress in a way which enhances transparency, the organization should:

- identify those indicators that are key to meeting these objectives;

- establish the chosen KPIs across relevant parts and functions of the organization;

- define effective methods of assessing performance using these KPIs.

Reference should be made to indicators that might have already been defined by the organization itself for other purposes, or by standards or other influential organizations.

4.4.4 Achieving progress

Organizations should establish processes to review progress against sustainable development objectives regularly. Existing management system processes might be appropriate but whichever approach is chosen, the organization should:

- assign specific responsibilities to record, manage and track actual performance against the chosen objectives and indicators;

- ensure the process is comprehensive by embedding and integrating sustainable development objectives in all areas of the organization through inclusion in job responsibilities and personal objectives;

- measure performance equitably and ensure it is subject to the same performance management criteria as any other organizational objectives.

4.5 Review

4.5.1 General

The organization should integrate sustainable development into its performance review and reporting processes as follows:

- identify opportunities for improvement from reviews and audits;

- develop appropriate recommendations to address any shortcomings; and

- ensure these are communicated to and agreed with management, employees and other stakeholders, and integrated into future management plans.

4.5.2 Review of strategy

The organization should keep its strategy for sustainable development under continual review and update it at appropriate intervals [1], or following a significant organizational change. This review of strategy should assess the organization's sustainable development principles (see **4.1**), assessing progress and prospective changes in each area and defining new strategies when required. The strategic review should include:

- relevant stakeholders' issues, and the key impacts the organization has on them;

- checking whether the principles and objectives are still relevant to the organization or require revising;

- ensuring that the organizational culture is consistent and developing in line with its sustainable development principles (see **4.1**);

- checking that roles, responsibilities and governance structure remain appropriate and effective; and

- assessing the advancing sustainable development maturity of the organization (see Clause **5**).

4.5.3 Operational review

Sustainable development should be included in an organization's operational review and should form an integral part of the regular planning or budgeting cycle.

The organization should assess the following and where appropriate make changes:

- how well its performance is meeting relevant stakeholders' expectations;

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[1] Many organizations find an annual review to be appropriate.

- what its key impacts, risks and opportunities are, compared with before;

- how appropriate its objectives, targets, policies and KPIs are and how well it is meeting these;

- whether information gathering and use is effective and efficient and whether competencies are developing in line with needs;

- whether it has allocated the appropriate resources, training and communication to achieve its objectives;

- whether monitoring is an integral part of its internal and external performance reporting.

NOTE   *The frequency of reporting depends not only on regulatory requirements, but also on the significance of each indicator. Hence some reporting might be on a daily basis, while others might be on a monthly, quarterly, half-yearly or annual basis. Has the organization:*

- *collected and evaluated evidence and information?*

- *communicated and reported performance?*

4.5.4   Follow-up

The organization should ensure that processes and resources are in place, and that there is a will and commitment to deal with the findings of these reviews and to implement the changes required for continual improvement. The organization should agree timescales for corrective actions and follow these up.

4.6   Building confidence

Application of the principles outlined in Clause **3** could itself be seen as a significant step to building the confidence of stakeholders in an organization's management of sustainable development. Increasing levels of stakeholder confidence can also help enhance credibility and transparency of an organization's performance.

This part of BS 8900 is for guidance and does not contain performance criteria, but an organization wishing to verify the data and information that it communicates to stakeholders might choose to comply with BS 8900-2, which is a framework for assessment against the guidance in this part.

In seeking to build confidence in the management of sustainable development, two key questions should be considered; Table 3 contains some useful pointers to answer these questions.

Table 3   Pointers for building confidence

Questions	Pointers
Where is confidence building needed?	• Identify where there is a need to build trust and credibility • Determine what the nature and levels of stakeholder expectations are • Identify where transparency is particularly important • Establish what specific opportunities exist
How will confidence be provided?	• Define the scope of the sustainable development activities • Determine the nature of possible confidence building activities • Establish how confidence building could be integrated into existing processes • Determine what should be done internally and externally to build confidence • Establish how the outcome of the feedback obtained should be managed

5 Sustainable development maturity matrix

Each organization should, from time to time, determine its position along a sustainable development path. A useful tool for this purpose is the sustainable development maturity matrix shown in Figure 1.

NOTE 1   *Figure 2 shows how the matrix could be applied to a larger organization. It is not exhaustive or fixed and finer detail may be added according to each organization's needs. It is not complete; it shows a particular stage in an organization's development.*

NOTE 2   *Annex A gives two example matrices adapted from real organizations.*

When an organization is developing its matrix, it is useful to involve a number of stakeholders with differing roles and responsibilities, seeking consensus on the most appropriate and meaningful practices and stages. Each stage described in a cell of the matrix should, as far as possible, be unambiguous, objective and show clearly measurable achievements.

An organization should appraise its current position in respect of each stage, noting any which need particular attention to restore balanced progression along its sustainable development path. Specific objectives should be identified and action plans devised to secure both balance and broad general advance.

A periodic review should be conducted of the organization's position along its sustainable development path and of the continued relevance of the stages in the matrix. Adjustments to the matrix might be required to reflect changing circumstances, stakeholder priorities, regulations, etc.

The position depicted by the matrix (e.g. by shading already accomplished cells) can serve as an input to the organization's communications to stakeholders.

The sustainable development maturity matrix links the principles (in Clause **3**) with the practice (in Clause **4**) and back to the drivers and desired outcomes set out in the Introduction (in **0.2**).

Figure 1   **Example of a sustainable development maturity matrix**

Principles	Practices	Stages of an organization's approach to sustainable development		Additional plans and objectives to be determined by each organization may be added to the matrix.
			Maturity →	
Integrity				
Inclusivity				
Stewardship				
Transparency				
Additional principle/s applicable to each organization may be added to the matrix				

NOTE   This matrix is intentionally blank. It is intended to be used as an example framework.

Figure 2   **Example of a sustainable development maturity matrix in a large organization**

Stages of an organization's approach to sustainable development

Maturity →

Principles	Practices				
Integrity	Key drivers	Reactive-driven by regulatory, NGO, shareholder and/or investor pressures.	Reputation and risk management integrating SD with longer-term view.	Short, long term and wider view fully integrated. Proactive planning and seeking out opportunities. Championing SD.	
	Leadership, vision and governance	Narrow focus, adhering to minimal standards.	Leadership commitment consistent; publish SD statement, policy and objectives. External stakeholders influential. The governing body has formal responsibility for SD.	Leadership sustained internally and externally. Purpose, vision and values integrated. Job reviews include SD performance. Statement is signed off by CEO.	SD is regularly discussed at management meetings. Organization is an advocate for SD and leads in its sector.
	Managing risk and creating opportunity	Compliance by the book and/or when enforcement likely. There is very little integration of SD in to risk management strategy.	Main risks identified and managed. Performance indicators stated but SD remains separated.	Policies fully integrate SD and a precautionary approach adopted.	
Inclusivity	Stakeholder engagement and issues identification	Limited dialogue with selection of stakeholders.	Systematic stakeholder identification. Issues identified and clarified. Public relations and competitive advantages recognized and opportunistically utilized.	Strong and continuing engagement of all relevant stakeholders. Issues clear and regularly reviewed. Feedback networks established. Focus on strengthening relationships. Promotion and support of wider sustainable development. Stakeholders shape issues by engaging in strategy and policies, scrutinizing performance, setting objective and reporting.	

Figure 2   Example of a sustainable development maturity matrix in a large organization

Stages of an organization's approach to sustainable development — Maturity (increasing →)

Principles	Practices	Stage 1	Stage 2	Stage 3	Stage 4
Stewardship	Sustainable development culture	Tick-box approach taken with adoption of SD as public relations exercise only. Baseline regulation met.	Advantages of SD to business understood but focus still on marketing and publicity. Awareness-raising amongst employees is developing. Organization is starting to be active in their sector with issues being identified. Widespread communications and internal SD policies available.	Culture of SD embedded at all levels including planning and decision making. Values-led and ethical approach. Wide understanding and buy-in. Sharing SD knowledge outside organization. Organization-wide policies approved by management.	
	Building capability	Statutory rights and minimum standards only. No links with employee objectives and appraisals. Number of staff trained in SD very low.	Building rights, responsibility frameworks and competencies. Stimulating SD innovation, learning and people-empowering. SD links made with management appraisals and they also receive SD training.	Continual reappraisal and learning. Recognizes and rewards staff SD actions. Encourages and values diversity. Internal cohesion and common direction. Strong links made with management appraisals to ensure SD objectives and performance measured.	SD is included in appraisals of members of governing body. Total number of staff trained in SD is very high.
	Key management and operation issues including supply chain	Supplier rating scheme based on technical compliance, cost and delivery time. Few relevant SD linked management standards are operational.	Broadening of supplier-selection criteria to include SD factors.	Community of interest fully recognized. Assistance given to lower tiers where necessary. All necessary recipients served with periodic review and adjustment.	Supply chain has high weightings for SD in selection process. There is Life Cycle Analysis for full cost purchase. Procurement staff champion SD.
	Environmental assessment	Standards not embraced. Ad hoc solutions. Key issues are not defined as risks and opportunities. Employees are not engaged with SD.	Education and training in place. Environmental policies and external standards adhered to. There are widespread environmental objectives (SMART targets in the public domain). Employees are engaged on carbon, waste and travel. There is an environmental management system (EMS) with individuals responsible.	Environmental impact/risk assessments / audit comprehensive, integrated in decision making and valued. Prevention rather than cure. Objectives are reviewed and updated. There is an EMS which is externally certified. Performance is measured.	
Transparency	Communication and building confidence	Minimal review systems in place. Conventional reporting only.	Selective to determined ends.	Legitimate stakeholders (internal and external) receive regular and appropriate communication. Wider stakeholder community informed of SD decisions and implications to educate, build trust and confidence.	Public reporting on SD explaining risks, governance, stakeholder engagement and includes an independent statement. Scope is far reaching.

Case studies of the maturity matrix in use

Figure A.1 and Figure A.2 are case studies of the maturity matrix as used by actual organizations. Figure A.1 is from an organization in the environmental health sector. Figure A.2 is from organizations in the built environment sector. The case studies shown here do not contain all the principles identified by the organizations.

In Figure A.1, the shading shows the maturity level that the organization has already achieved. The arrows shows the maturity level that the organization is close to achieving. The process used to determine the descriptive text within each cell across the matrix, as well as the organization's assessment of where it currently sits on this continuum, involved representation and active input from all key stakeholders. The matrix is reviewed and amended on an annual basis.

Figure A.1   Section of the maturity matrix from an organization in the environmental health sector

Principles		Characteristics of development towards exemplary sustainable development (SD) management and practice		
		Minimum involvement →→→		Full engagement
Integrity Upholding the highest standards of personal and professional ethics, fairness, honesty and trust. Adhering to relevant legal requirements and standards as a minimum in our dealings with our employed staff and volunteers, our members and the people and organizations we do business with. Ensuring that the way in which we do our work correlates with our core vision.	As a professional body	Basic maintenance of status and minimal legal compliance; professional body in name only with minimal systems and standards.	Standards for professional ethics including a system for complaints and appeals; some credibility amongst wider stakeholders as a professional body.	A trusted, respected professional body that is widely recognized as such by key stakeholders; possess or adhere to a number of internationally recognized standards that underpin this; clear and definable expertise in sustainable development issues; evidence of outcomes as a result of professional inputs; strong membership base.
	As a business	Driven by profit only; minimum necessary legal compliance; no real recognition as a business with SD at heart.	Some limited recognition by external stakeholders of SD principles; reactive and driven by regulatory or market conditions.	Known and recognized as having the highest moral and ethical standards; honest and fair; possess or adhere to a number of internationally recognized standards that underpin this.
	Procurement and supply chain	Driven by lowest price.	Supplier rating and choice based on technical compliance, cost and delivery time.	Clear and consistent application of sustainable development criteria as a basis for choice of suppliers. Assistance given to lower tiers where necessary.
	Leadership, vision and governance	Directive and narrowly focused.	Some evidence of leadership commitment to sustainable development although not always consistent across all aspects of the organization.	Sustained leadership internally and externally (members); regular reviews driven by audit and analysis of performance; vision, principles and values integrated into organization.
	Sustainable development culture	Minimalist: doing as little as can get away with.	Tick box approach; only if little cost/impact; meeting regulatory baseline requirements.	See link between SD and business advantage but primarily a PR/marketing focus as opposed to a "whole" business approach. SD recognized as a critical component of professional practice and acknowledged in policy and protocols.

Figure A.1 Section of the maturity matrix from an organization in the environmental health sector

Principles		Characteristics of development towards exemplary sustainable development (SD) management and practice →		
		Minimum involvement		Full engagement
Empowerment Encouraging the taking of responsibility throughout our organization, empowering staff, trustees and representatives, volunteers, members, trainers and our partner organizations to strive for excellence through innovation and leadership at all levels.	Building the capacity and capability of our staff	Minimal: doing nothing or as little as can be got away with.	Low motivation within the workforce; some evidence of valuing staff within the organization but more needed; insufficient importance and understanding of appraisal; hierarchical management style rather than empowerment.	Continual reappraisal and learning; highly motivated, highly productive workforce with internal cohesion and common direction; a suite of people metrics as a central feature of strategic management (skills audits; team performance assessments; regular employee surveys; empowerment audits; recognizing and rewarding sustainable actions; encouraging and valuing diversity and critical assessment.
	Of our members	Providing a basic framework of capacity building opportunities linked to SD for members; no clear future "investment strategies" to deliver a sustainable membership base.	Examples of processes designed to empower members and stimulate and encourage innovative practice; excellence in EH leadership recognized as a key priority but scope for further products/services to be developed/supported/delivered.	Innovative, dynamic, processes to empower our members/trainers towards excellence in the integration of SD into all core areas of professional practice; supported by appropriate and commensurate investment of human and financial resources; an expanding membership base to reflect the multidisciplinary nature of the environmental health ethos. Structures that support the empowerment of members, trustees and volunteers.
	Of our trainers	Basic framework of activities to support excellence in training delivery.	Priority placed on the development of registered trainers to deliver quality learning opportunities.	A clear and significant incremental empowering of members and registered trainers to deliver the strategic aims of the organization; clear understanding of and commitment to this process across senior management. Development of a framework and structure to enhance member/ trustee/ empowerment.Development of a system to support a positive volunteer experience.
Equality Upholding individual human rights and treating all people with respect and dignity. We will not discriminate against anyone on any basis and specifically not on age, gender, disability, health, pay, race or beliefs.	In recruitment practices and working relationships	Basic maintenance of status and minimal legal compliance; equality policy in name only with minimal systems and standards.	Clear recognition that equality, diversity and human rights are central to providing excellent services and retaining cooperation amongst partners.	Recognition and embodying of equality principles within strategic aims and operational processes. Commitment to acknowledging diversity and differing needs and perspectives within service and product planning. Examples of using techniques and tools that emphasize the customer/stakeholder perspective (such as social marketing). Setting a vision on equality, diversity and human rights; equality reflected in all aspects of the organization (not just recruitment and working relationships) for example in procurement policies; influencing others on equality (policy and practice); lobbying for improvements to equality and standing out against in equalities and human injustice. Clear celebration of the positive contribution that diversity makes to policy, practice and service delivery.

Figure A.1 Section of the maturity matrix from an organization in the environmental health sector

Principles		Characteristics of development towards exemplary sustainable development (SD) management and practice		
		Minimum involvement		Full engagement
Openness Being open and transparent in all aspects of our work.	Review and learning culture	Not an inherent regular and valued feature of the organization.	Minimal systems in place; conventional reporting; outcomes not widely shared.	Recognition of the need to be a learning organization with some structural and planned processes for review in place. Some evidence of learning informing decision making and strategy/policy development.	Review an inherent part of the management system and findings well communicated with relevant parties; outcomes drive change and are highly valued. Celebration of the "learning" organization and leading excellence in monitoring and review practice.
	Public reporting	Minimal required for example web based information present but not regularly updated or monitored.	Minimal systems in place with limited access to information. Minimal sign posting and links to partners. Recognition of the importance of communications and public relations processes but no clear strategy.	Recognition of the importance and relevance of communication mechanisms and embodied within a strategy that provides a framework for the development of public information, reporting and marketing PR processes.	Full and ready access to information and decision making allowing transparency of strategy development and evaluation. Minimal classification of "confidentiality" and restricted access data. Clear signposting. Robust, relevant and comprehensive communications, marketing and public relations strategy.
	Internal culture	Need to know basis with restricted access to information sources and decision reporting.	Minimal structures in place to facilitate access to information and decision reporting. Management desire evidence to develop a communications strategy and supportive protocols.	Minimal structures in place to facilitate access to information and decision reporting. Management desire evidence to develop a communications strategy and supportive protocols.	Management commitment to openness and transparency throughout the decision chain. Ready access to data, information, reports and other documentation. Access to evidence and review of strategy, policy, practice and customer service. Robust, relevant and comprehensive communications strategy and protocols that are embodied within all activities of the organization.

NOTE *The shading shows the level of maturity that the organization has achieved, the arrows show the current progress.*

Figure A.2   Section of the maturity matrix from organizations in the built environment sector

Principles		Minimum involvement $\longrightarrow$			Full engagement
Inclusivity	Staff	Stakeholder interaction is restricted largely to networking by directors and the communication is not articulated in terms of any SD vision.	Staff have only limited interaction with some stakeholders. Their commitment to deepening relationships in which SD is seen as relevant is not strategically lead resulting in loss of business opportunity.	SD management has been recognized by directors as part of reputation. Staff are encouraged to understand stakeholder groups and the importance of building relationships in this context. Staff are encouraged to innovate in their interactions with stakeholders including the use of electronic media with updates and news and the encouragement of dialogue.	The directors drive work to fully involve staff in the development of continuing dialogue with stakeholders. This acts to, and is explicitly expressed as essential for the creation of business opportunity/prosperity.
	Stakeholders	A closed approach not conducive to the creation of engagement and trust.	Restricted understanding of the value to the business of stakeholder engagement by inclusion. Some progress by way of communication of company case studies but not substantially driven in performance terms by KPIs or other means. Power of electronic media not harnessed to significant extent.	Commitment driven by directors, to maximize interaction, sharing of knowledge and encouraging dialogue with: • Partners in the design process • End users of projects delivered • Local communities where projects are built Emphasis on involvement of stakeholders in celebrations of success in SD management of projects and feeding into knowledge base of good practice. Attention on involving a range of stakeholders and deepening relationships.	Clear establishment of two way dialogue with a range of stakeholders using a range of methods/media to maximize the effectiveness of SD management.
	Business strategy for operations in the setting of the project-based nature of the business	Approach is based on liaison by staff with a few key external personnel and the discussion is couched in the project management terms of risk reduction not opportunity through SD management. Inclusivity is not perceived as of value to the business.	The value of inclusivity in the generation of business opportunity is beginning to be perceived in SD management terms. However this has not been fully explored. Some development of thinking has taken place in terms of business systems but tends still to be anchored in the PR domain.	The strategic business planaddresses core sustainability values and principles and the SD management approach is set to drive the way the business works in the project-based context. This includes providinga strategic lead, in terms of SD management, for existing business systems such as quality, health and safety and people management. SD management in the project based setting is well understood as being the way forward. This is explicitly recognized through acknowledgement the value of inclusivity. A strategy for improvement in this context is provided.	Inclusivity is engrained in the culture of the business and this serves the brand through inspiring trust and confidence, which is conducive to economic sustainability.

Characteristics of development towards exemplary sustainable development (SD) management and practice

Figure A.2 Section of the maturity matrix from organizations in the built environment sector

		Characteristics of development towards exemplary sustainable development (SD) management and practice	
Principles		Minimum involvement	Full engagement
Stewardship	Staff	Staff not encouraged to learn new skills or to develop innovation. Sharing of knowledge through networking with external stakeholders is not encouraged. Training is limited to what is required by legislation.	Management do show consideration of staff development but this is not addressed in a structured way. Some training is provided but this is not formally linked to SD vision and a training needs analysis has not been completed in that context.	It is clear to staff that their participation in all relevant SD management aspects of the business is encouraged and this is made clear to be part of SD management. In the context of SD, staff are encouraged to take the lead in project work where they have the knowledge and this is set in terms of increasing organizational capacity.	Directors set up transparent measures to ensure that the views of employees are by SD management. This is set explicitly in terms of the declared SD principles.
	Stakeholders	Stakeholders and the way they are affected by the business is not of prime concern. Any relationships are defined by a narrow commercial view.	Progress has been made in the wider identification of stakeholders and the development of a broad culture of nurturing relationships is work in progress.	Stakeholder engagement is highly valued and analyzed within the business. This is articulated as being vital to SD management. All staff are involved in an inclusive process to engage with and understand the needs of stakeholders, this is based on a group work approach with feedback. The procurement process is set in the context of SD management and collaborations with project partners and suppliers are actively pursued to this end.	A robust culture has been established based on the nurturing of stakeholder relationships. There is broad participation by all in the business in this. SD KPIs are set to increase interactions and understanding, including the exploration of social media and web portals. Sustainable procurement approach employed adopts tools and systems to rate suppliers and encourages their development of understanding, lead by example.
	Business strategy for operations in the setting of the project-based nature of the business	Company is a follower, not a leader. No clear consideration of SD.	Only the environmental aspects of SD are adhered to and championed.	Strong link has been established between the declared principles of SD in social, environmental and economic terms. Directors fully make the connection between staff education and enhancing personal development to drive stewardship aims. In the project setting, significant progress is being made to understand this in terms of well being in all dimensions of SD management. Key emphasis is placed on the needs of the end user. SD best practice is championed through the use of best practice schemes in the sector and the present achievements in gaining international and national awards are used to provide focus for further effort. In project design and execution, open knowledge sharing takes place with all stakeholders and SD management is central to this. Focus on the whole supply chain through cooperation, knowledge sharing and encouragement is part of project delivery strategy .	(C1) SD management is fully embedded into project delivery. Management systems and business processes are driven by the sustainable development management scheme and they are integrated through it. Project delivery revolves around SD principles. In terms of SD management, a culture of leading rather than following is embedded. (C1)

Bibliography

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BS ISO 26000:2010, *Guidance on social responsibility*

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