

# Opportunities in Sustainability

By: Gijs Verkooijen

Achieving the European Green Deal's goal, for the EU to become the world's first "climate-neutral bloc" by 2050, will largely depend on the actions of businesses in the coming decades. Companies are key players in driving the sustainability transformation needed to combat climate change, reduce waste, and promote social responsibility. As sustainability becomes a core aspect of modern business strategy, Highberg recognises the need to stay at the forefront of this transformation. This research explores the commercial opportunities available to Highberg in sustainability consulting by examining client needs, strategies, and challenges. By better understanding the sustainability landscape, Highberg aims to enhance its consulting services and empower clients to embed sustainability into their organisational DNA.

This research involved qualitative interviews with nine organisations across various industries. Through thematic and content analysis, the study identified key trends, drivers, and obstacles in sustainability practices. The summary below describes the findings and reveals the challenges companies face and the opportunities for Highberg to help overcome them.

*"Currently, Sustainability is still a competitive advantage, soon it will be a right to play."*

## What Drives Organisations to Go Green?

Organisations are pushed to implement sustainability efforts primarily by regulatory compliance (e.g., CSRD), business viability, and competitive advantage. In addition, customer and market demand, corporate mission, and vision drive companies towards greener practices. Technological innovation enables sustainable advancements, while pressure from stakeholders and a desire to enhance the brand image further motivate organisations to go green. Ultimately, businesses increasingly recognise the need to align their strategies with environmental responsibility to remain competitive and attract talent.

*"There is a strong legislative factor behind it: If you don't comply, you will eventually be pushed out of the market."*

## How are Organisations Implementing Sustainability Strategies?

Companies are focusing on emission reduction, sustainable financing, and adopting green technologies to achieve their sustainability goals. Innovation in green technology and renewable energy sources is critical in driving these transitions and maintaining competitiveness.

The main challenge is to balance short-term profitability with long-term sustainability, as the high upfront costs of green investments often hinder progress. Internal risk aversion, especially regarding adopting new technologies, further complicates implementation.

*"The most challenging issues are those where you can achieve the most impact but are also the most expensive. That step will be taken only when it becomes profitable and rational to make such a choice."*

Highberg could address these challenges by developing cost-benefit analysis tools demonstrating the long-term financial benefits of sustainability initiatives and offering training programs to raise awareness and reduce resistance within organisations.

## How does Governance impact Sustainability efforts?

Effective governance frameworks are essential for successful sustainability initiatives, ensuring roles and responsibilities are allocated clearly. Companies with strong leadership commitment, like those with strategic Sustainability Steering Teams, are better positioned to integrate sustainability into their core operations.

The main challenges include coordination issues across different parts of the organisation and unclear role allocation, especially in larger companies with vertical integration. Poor internal communication and resistance to change hinder the effective implementation of sustainability initiatives.

Highberg could address these challenges by developing structured frameworks that clarify roles and responsibilities, offering leadership development programs, and using data-driven tools to improve organisational coordination and governance.

*"We prefer a sustainability manager in each location and region who takes responsibility. It's challenging because new initiatives are developed at headquarters, but it's difficult to implement them across the entire organisation."*

## How are Companies Encouraging Stakeholder Engagement for Sustainability?

Organisations prioritise regular communication, collaborative initiatives, and inclusive decision-making to effectively engage clients and stakeholders. These strategies build trust, ensure alignment with sustainability goals, and foster mutual commitment to sustainability efforts.

Coordination issues, managing diverse stakeholder expectations, and resource constraints are significant barriers to effective engagement. Additionally, navigating complex regulatory requirements further complicates stakeholder management.

*"Everyone wants to make their organisation more sustainable, but true success requires engaging other stakeholders. The challenge is effectively communicating this and showing that we still need to take responsibility despite our small footprint. It raises the question: should the initiative come from us, the government, or consumers?"*

Highberg could support clients by developing comprehensive communication strategies, facilitating collaborative initiatives, and optimising resource allocation. This includes creating clear communication channels, organising stakeholder workshops, and using data-driven insights to prioritise engagement efforts.

## What Role does Organisational Culture and Change Management play in adopting Sustainability?

Organisational culture plays a crucial role in driving sustainability, with intrinsic motivation, leadership commitment, and employee engagement being essential factors. Effective change management practices, such as training programs and clear communication, help stimulate a culture that supports sustainability.

*"We ensure regular communication through weekly updates and video messages from the board to employees, integrating sustainability into our discussions."*

Resistance to change, deep-rooted beliefs, and lack of clear communication are frequent challenges to integrating sustainability into organisational culture. Employees often struggle to see the broader impact of their actions, further complicating change efforts. Highberg can support clients by developing tailored change management strategies, conducting training sessions to boost employee engagement, and increasing intrinsic motivation by integrating sustainability into core values and recognising sustainable practices.

## How do Data Management and Technology Drive Sustainability?

Effective data management enables organisations to track their environmental impact and measure sustainability initiatives, while advanced technologies like IoT and AI provide real-time insights and predictive analytics. Integrated data systems are crucial to ensure consistent and accurate sustainability reporting across all regions and departments.

Key challenges organisations face include the complexity of data management, fragmented data systems, and inconsistent data quality. Additionally, organisations struggle with aligning data across regions, navigating regulatory pressures, and understanding the full impact of their sustainability actions.

*"It is challenging to obtain consistent product data, especially when different countries use different names for the same product. Additionally, we have no insight into employees' travel behaviour. Also, data on energy consumption is lacking. Essentially, everything is new."*

Highberg can help clients by developing integrated data management systems, improving data quality through standardised protocols, and adopting advanced technologies for better sustainability tracking and regulatory compliance.

## What are the Business Opportunities in Sustainability?

Highberg has significant business opportunities in helping organisations implement sustainability transformations, bridge the gap between strategic ESG goals and operational execution, and enhance data management for sustainability reporting. By leveraging its expertise in strategy, change management, and AI-driven data solutions, Highberg can guide clients through their sustainability journeys, addressing challenges in implementation, awareness, and reporting. This positions Highberg as a critical partner in driving sustainability initiatives and long-term success for its clients.

