



# Individual Sustainability Leadership

Identifying the Key Characteristics, Competencies,  
Benefits, Barriers and Enablers



# Foreword

We are delighted to be able to share this research study on “Individual Sustainability Leadership”. It is the fourth report since 2016 in the series on Talent & Diversity, commissioned by EPCA.

In 2019, EPCA and Antwerp Management School teamed up to explore in depth the nature and value of individual Sustainability Leadership, a concept that lies at the intersection of Purpose and Talent.

Business, including the Petrochemical industry, is a key player in addressing the current global economic, cultural, social and ecological challenges and in achieving the United Nations Sustainable Development Goals (SDGs). While Corporate Sustainability Leadership has been widely analysed, with several organisations specialising in ranking companies on their environmental and social performances, the EPCA Talent and Diversity Inclusion Council (TDIC) wanted to focus on the Human factor and Talent dimensions. Our objective was to highlight the crucial role that professionals can play in helping to both formulate and execute the Sustainability strategies of their respective organisations.

The research is aimed at defining and illuminating those key characteristics and competencies that make for individual sustainability leadership as well as the organisational and employee benefits that this kind of leadership brings. It is based on two elements; a literature review and a series of 15 in-depth interviews of sustainability leaders,

both from EPCA member companies as well as other sectors.

In their testimonies, these 15 professionals bring their unique insights into how they took ownership and responsibility of sustainability leadership within their respective company. We hope that their experiences, personal reflexions and anecdotes will inspire you along your own individual sustainability leadership journey. Indeed, as suggested in this research study, anyone within an organisation - irrespective of their position in the hierarchy - can become a leader, as long as they take responsibility for understanding and acting on sustainability challenges.

The initial findings of this study were presented and discussed at the ‘Talents of Today, Leaders of Tomorrow’ session of the EPCA 53<sup>rd</sup> Annual Meeting on 8 October 2019. We hope this brochure will complement and enrich the discussions for those that took part and inspire those that could not attend.

Discover what type of Individual Sustainability Leader you are: Are you an expert, relying on fact-based arguments; or are you an activist, challenging the status quo and agitating for change? Or are you rather a facilitator, helping communicate to make things happen; or do you act as a catalyst, influencing change by making the convincing business case?

Find more in this report, and - to quote Professor Wayne Visser - “Be the kind of leader you would like to follow!”

We would like to express our sincere gratitude to everyone who contributed to this research and report. First, we want to thank the EPCA Talent and Diversity Inclusion Council\* members and their Chairperson, Loraine Phillips, for their enthusiastic participation throughout the process. We also wish to thank the 15 Sustainability Leaders, who dedicated some of their valuable time for the interviews conducted by Antwerp Management School, and who have enriched this research with their experience, personal reflection and anecdotes. Finally, we extend our gratitude to Professor Wayne Visser, Holder of the BASF-Port of Antwerp-Randstad Chair in Sustainable Transformation at Antwerp Management School. He and his team demonstrated their true passion and in-depth knowledge on the topic of Sustainability Leadership as well as their academic expertise in undertaking this research.

*- Caroline CIUCIU ,  
EPCA CEO  
March 2020*



# Table of content

<b>FOREWORD</b> .....	<b>4</b>	<b>FINDINGS</b> .....	<b>9</b>	<b>REFERENCES</b> .....	<b>28</b>
<b>INTRODUCTION</b> .....	<b>5</b>	1 - SUSTAINABILITY LEADERSHIP .....	9	The study was commissioned by EPCA, and conducted by Antwerp Management School in close collaboration with EPCA	
<b>RESEARCH METHODOLOGY</b> .....	<b>7</b>	2 - CHARACTERISTICS AND COMPETENCIES .....	13	Authors: Prof. Wayne Visser, PhD and Rozanne Henzen	
		3 - EMPLOYEE BENEFITS .....	19		
		4 - BARRIERS AND ENABLERS .....	24		
		<b>CONCLUSION</b> .....	<b>27</b>		



# Executive Summary

The European Petrochemical Association (EPCA) and Antwerp Managements School have joined forces to conduct research on the nature and benefits of individual sustainability leadership, drawing on expert opinion, best practice cases and the existing literature.

Specifically, the characteristics, competencies, employee benefits, barriers and enablers of individual sustainability leadership presented in this report have been distilled thanks to 15 in-depth interviews with sustainability experts from industries both within and outside the Petrochemical sector.

## Individual Sustainability Leadership: Characteristics and Competencies

Individual sustainability leaders can be found throughout an organisation, from C-level to first line workers in operations. The impact of this type of leadership might differ depending on the formal or informal role, where the level of authority, accountability and sphere of influence are different. Additionally, the way sustainability topics are presented – using rational arguments or emotional motivation – affects how they are perceived.

The interviews helped to define individual sustainability leaders as intrinsically motivated, endowed with moral courage and a creative mind, trustworthy and emotionally intelligent. Additionally, they create visionary engagement and open communication, are literate on the topic of sustainability, have a firm business understanding and bring an holistic view.

## Employee Benefits of Individual Sustainability Leadership

Sustainability is not only about environmental challenges. It also includes, for example, employee diversity and employee well-being. This research highlights various employee benefits, including an improvement in recruitment and retention of talent, workplace engagement and motivation, creativity and innovative thinking, purpose and pride and a positive spill-over effect.

## Barriers and Enablers of Individual Sustainability Leadership

Finally, the research also identifies the main barriers or obstacles that can threaten - and the factors that can enhance - an individual's ability to effectively

engage in sustainability leadership. Our interviews specifically highlight two barriers, namely short-term economic focus and perceived lack of personal capacity or self-belief, and two enablers, namely leadership development training and an open, values-based culture with a shared vision that enables integrated sustainability.

If organisations want to attract new talent and develop them into future leaders for sustainability, the barriers need to be overcome and the enablers should become an organisational priority.

**“This is the first time in many, many years that the definition of competitiveness has been challenged. Before competitiveness was only relying on financial ratio, now it is linked to qualitative variables such as environmental and social ratios.”**

- Catherine Girard, Expert Leader Energy and Raw Materials, at Groupe Renault

# Introduction

Since 2015, EPCA has been actively engaged in the promotion of Talent Diversity and Inclusion within its sector as a source of competitive advantage and a key enabler of sustainable growth. The goal of this research is to define the characteristics of individual sustainability leadership and showcase the best practices from within and outside the petrochemical industry, hence gathering more evidence on how deploying individual sustainability leadership can help companies **to attract new talent and develop them into future leaders.**

Traditionally, sustainability has often been associated with managing environmental aspects. However, in the context of this research we see sustainability as an integrated practice that refers to the way the organisation is led and managed to create environmental, societal and economic value. It is therefore important not only to look at sustainability from a risk mitigation perspective, but to also see it as an opportunity.

**“We are involved in the cycle of generating value for society. Our question is “How can we as an industry produce in such a way that it works for society, for us as an organisation and for the Earth in a long-term fashion? We can only be part of the solution in answering that question.”**

- *Christoph Jaekel, Vice President Sustainability Strategy at BASF*

Business is a key player in helping to address the current global economic, cultural, social and ecological challenges and to meet the Sustainable Development Goals (SDGs), a blueprint to achieve a better future for all included as part of the 2030 Agenda for Sustainable Development by the United Nations<sup>1</sup> (Figure 2). The SDGs give companies the tools to address the global challenges we face today, including those related to poverty, inequality, climate change, environmental degradation, decent work, conflict and injustice. 87% of CEOs surveyed around the world believe that the SDGs provide an opportunity to rethink and revise approaches to sustainable value creation.<sup>2</sup>

Although the Sustainable Development Goals provide companies with a set of aspirations to address global challenges and many CEOs declare sustainability a top priority, a 2016 study by Bain & Company shows that companies still struggle to make real progress: just 2% of 318 global companies surveyed met or exceeded their sustainability goals, while 81% settled for ‘dilution of value and mediocre performance’ of their sustainability programs<sup>3</sup> (Figure 1).

Additionally, according to the 2019 Sustainability Leaders report by Globescan and SustainAbility (Figure 3), only 20% of sustainability experts surveyed rated the private sector’s contribution to sustainable development as “good” and 36% rated it as “poor”<sup>4</sup>

Often, the difficulties frontline employees encounter when implementing new sustainability strategies are

overlooked. In some cases employees feel a tension between sustainability targets and business targets. This indicates that execution – driven by strong leadership on sustainability – is a crucial requirement today<sup>5</sup>.

**“Sustainability is not something you do between something else. It is part of the fundamentals and the intrinsic properties of the organisation.”**

- *Guy Ethier, Senior Vice President Sustainability at Umicore*

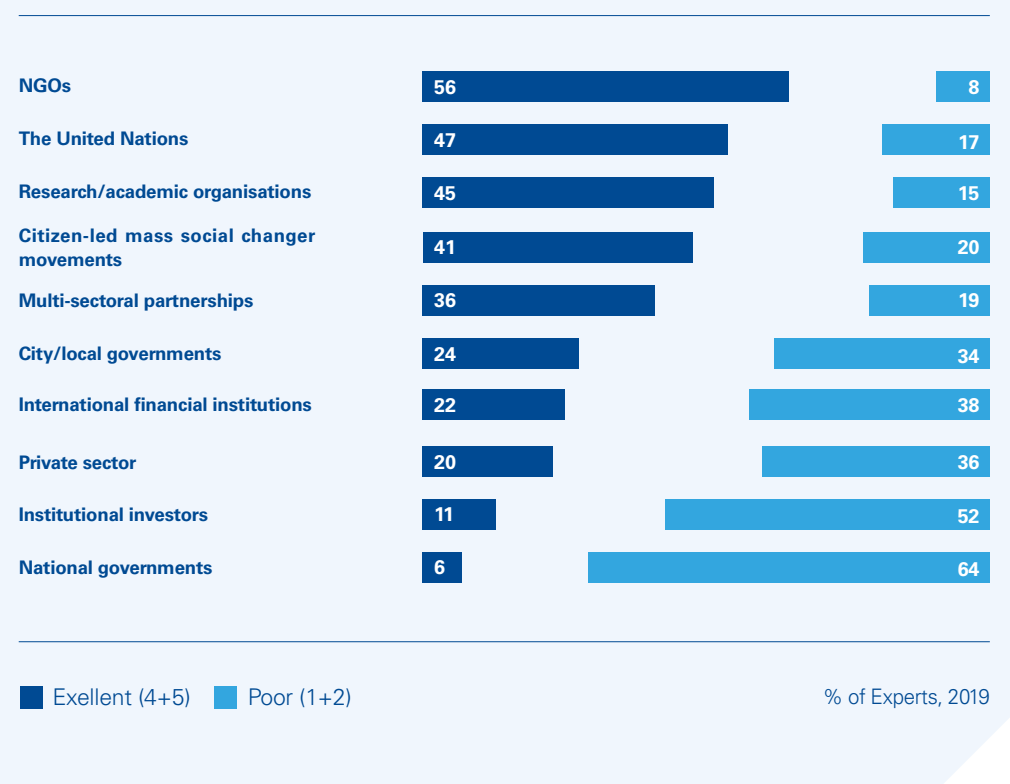
**Figure 1:** Change is hard; sustainability change is even harder. Bain Sustainability and Change survey (n=301).

	All change efforts	Sustainability programs
<b>Achieved or exceeded</b> the expectations that were set	12%	2%
Settled for <b>dilution</b> of value and <b>mediocre</b> performance	50%	81%
<b>Failed</b> to deliver, producing less than 50% of expected results	38%	16%

**Figure 2:** The 17 Sustainable Development Goals (SDGs).



**Figure 3:** Overview of the Expert Perceptions of the Contribution to Sustainable Development (Globescan & SustainAbility, 2019).



# Research Methodology

The research methods used consist of a literature review and in-depth interviews.

The literature review is based on secondary research, i.e. data collection through third-party sources, such as industry research reports, research articles and other literature sources. The purpose was to look at existing research on individual sustainability leadership and its characteristics and competencies; organisational and employee benefits; and enablers

and barriers of individual sustainability leadership. Besides providing content for two blog posts and the research report, the literature review also served as a guide in the preparation of interview questions. In [Table 1](#), we highlight a few indicative sources from the literature.

In addition, we conducted 15 semi-structured interviews with representatives from the Petrochemical sector as well as other industry sectors and topic experts

to reveal best practices (see [Table 2](#) below). The research approach is qualitative (i.e. not a survey method) and allowed us to add depth of analysis and insight to the research topics, notably on individual sustainability leadership, distribution of leadership, characteristics and competencies, barriers and enablers, leadership development training and employee and organisational benefits.

Petrochemical sector	STEM sector	Other sectors
<p><b>BASF</b>, Christoph Jäkel, VP Sustainability (Germany)</p> <p><b>DSM</b>, Jeff Turner, VP Corporate Sustainability (Netherlands)</p> <p><b>Novamont</b>, Francesco Razza, Group Sustainability Manager (Italy)</p> <p><b>Solvay</b>, Dominique Debecker, Deputy CSO (Belgium)</p> <p><b>ECONYL</b>, Giulio Bonazzi, Chairman and CEO, Aquafil (Italy)</p>	<p><b>Maersk</b>, Annette Stube, Head of Group Sustainability (Denmark)</p> <p><b>Port of Antwerp</b>, Jacques Vandermeiren, CEO (Belgium)</p> <p><b>Umicore</b>, Guy Ethier, Senior VP Sustainability (Belgium)</p> <p><b>Renault</b>, Catherine Girard, Expert Leader Energy and Raw Materials (France)</p>	<p><b>Nestlé</b>, Andrew Griffiths, Head of Value Chain Sustainability (UK &amp; Ireland)</p> <p><b>IKEA</b>, Irena Dobosz, Regional Sustainability Manager (Sweden)</p> <p><b>Interface</b>, Geanne Van Arkel, Head of Sustainable Development (Netherlands)</p> <p><b>Unilever</b>, Anniek Mauser, Sustainability Director Benelux (Netherlands)</p> <p><b>Randstad</b>, Walter Reynaert, Chief HR Officer (Belgium)</p> <p><b>Cambridge University</b>, Lindsay Hooper (Director, CISL: Cambridge Institute for Sustainability Leadership), Louise Drake (Fellow, CISL), Zoë Arden (Fellow, CISL) (UK)</p>

**Table 2:** List of Research Interviewees

**Table 1:** Sample of Key Literature Identified by Theme.

Petrochemicals and Sustainability	Background on Sustainability Leadership	Characteristics of Sustainability Leadership	Benefits of Sustainability Leadership
<b>Keijer, Bakker &amp; Slootweg (2019):</b> Circular Chemistry to Enable a Circular Economy.	<b>Green 2.0.(2017):</b> Beyond Diversity (A Roadmap to Building an Inclusive Organisation).	<b>Acre (2011):</b> The Emergence of the Chief Sustainability Officer.	<b>Edelman (2018):</b> Edelman Trust Barometer.
<b>McKinsey &amp; Company (2018):</b> Petrochemicals 2030: Reinventing the Way to Win in a Changing Industry.	<b>Visser (2010):</b> CSR Change Agents: Experts, Facilitators, Catalysts and Activists.	<b>Hind, Wilson &amp; Lenssen (2009):</b> Developing Leaders for Sustainable Business.	<b>Antwerp Management School &amp; ING (2018):</b> Sustainable Change. The State and Face of Sustainable Business in Belgium.
<b>CSR Netherlands (2015):</b> International CSR in the Dutch Chemical Sector: Quicksan.	<b>Acre (2011):</b> The Emergence of the Chief Sustainability Officer.	<b>Avery &amp; Bergsteiner (2011):</b> Sustainable Leadership Practices for Enhancing Business Resilience and Performance.	<b>Gallup (2017):</b> Employee Engagement Meta-Analysis Report.
<b>Ellen MacArthur Foundation (2019):</b> Enabling a Circular Economy for Chemicals with the Mass Balance Approach [BASF & Solvay contributed].	<b>Visser &amp; Courtice (2011):</b> Sustainability Leadership: Linking Theory and Practice.	<b>Ferdig (2007):</b> Sustainability Leadership: Co-creating a Sustainable Future.	<b>Vitalian (2010):</b> Corporate Social Responsibility and Labor Turnover.
<b>McKinsey &amp; Company (2018):</b> How Plastics Waste Recycling Could Transform the Chemical Industry.	<b>Yukl (2013).</b> Leadership in Organisations (8th edition).	<b>Ashridge &amp; EABIS (2006):</b> Leadership Qualities and Management Competencies for Corporate Responsibility.	<b>LinkedIn &amp; Imperative (2016):</b> Purpose at Work. The Largest Global Study on the Role of Purpose in the Workforce.
<b>UN Global Compact &amp; Accenture (2016):</b> The 2016 UN Global Compact-Accenture Strategy CEO Study.	<b>Bain &amp; Company (2016):</b> Achieving Breakthrough Results in Sustainability.	<b>Rieckmann (2012):</b> Future-oriented Higher Education: Which Key Competencies Should be Fostered Through University Teaching and Learning?	<b>Burgh (2016):</b> Creative and Lateral Thinking: Edward de Bono.
<b>United Nations (2015):</b> The Sustainable Development Agenda 2030.	<b>Metcalf &amp; Benn (2013):</b> Leadership for Sustainability: An Evolution of Leadership Ability.	<b>Ruderman, Clerkin &amp; Connolly (2014):</b> Leadership Development Beyond Competencies: Moving to a Holistic Approach.	<b>Berret-Koehler (2018):</b> The Importance of Emotional Intelligence in a Leader.
<b>Deloitte (2019):</b> Leading the Social Enterprise: Reinvent with a Human Focus. 2019 Deloitte Global Human Capital Trends.	<b>GlobeScan &amp; SustainAbility (2019):</b> The 2019 Sustainability Leaders.	<b>McKinsey &amp; Company (2011):</b> The Business of Sustainability.	<b>Society for Human Resource Management (2011):</b> Advancing Sustainability: HR's Role.
<b>Deloitte (2018):</b> The Rise of the Social Enterprise. 2018 Deloitte Global Human Capital Trends.	<b>Center for Creative Leadership (2012):</b> Are Leaders Born or Made?	<b>Jeurissen &amp; Nijhof (2012):</b> De Paradox van Intrinsicke Motivatie bij Maatschappelijk Verantwoord Ondernemen.	<b>Cranfield University, Financial Times &amp; Coca-Cola Enterprises (2014):</b> Combining Profit and Purpose. Retrieved.



# Findings

## 1- SUSTAINABILITY LEADERSHIP

Leadership can be defined as “an intentional process of influence”, or more simply about “getting people somewhere they would not have gone by themselves.”<sup>6</sup> Antwerp Management School views leadership for sustainability as the ability to influence stakeholders to collaboratively address areas of systemic breakdown in society and turn them into innovative breakthrough solutions.

Individual sustainability leadership is something that can span all levels of an organisation and does not have to be specified in a job description. This is consistent with the literature on distributed or shared leadership. However, it is possible to train and empower people to become a leader for sustainability, since certain skills, behaviours and practices within the organisation are required.

For example, successful transformation towards corporate sustainability calls for leaders to “read and predict through complexity, think through complex problems, engage groups in dynamic adaptive organisational change and have the emotional intelligence to adaptively engage with their own emotions associated with complex problem solving.”<sup>7</sup>

**Jacques Vandermeiren, CEO of the Port of Antwerp** emphasises that individual sustainability leadership at the top is crucial to enable successful strategic

implementation of sustainability within the whole organisation.<sup>8</sup> However, individual sustainability leadership also needs to exist in other levels of an organisation. Ideally, there is a top-down and a bottom-up approach in which sustainability leaders from different levels within the organisation are strengthening the implementation.

### Role of the Individual Sustainability Leader

Organisations are part of society and therefore need to be aware of, and understand, the role they play in a broader societal context and what is expected of them in that role. If organisations do so, a more holistic view is created and they can better define what their contribution to society should be. Therefore, a sustainability leader needs to listen to diverse perspectives, internal and external to their organisation, to get richer insights. They need to be knowledgeable on the topic of sustainability and to effectively communicate with all stakeholders in the value chain.<sup>9</sup> Sustainability leadership is therefore about community building and co-creating solutions and innovations to collaborate on the so-called ‘wicked problems’ that we are facing.

**“A very important element in sustainability leadership is to be totally conscious of the societal issues and the role that you are playing in society.”**

- *Guy Ethier, Senior Vice President Sustainability at Umicore*

Individual sustainability leadership is also about changing individual employee mindsets on sustainability and how this links to motivation. Part of the role is to make other employees aware of their possibilities and abilities to become a sustainability leader. In order to do so, sustainability leaders need to create collaborative spaces in the organisation, define challenging ambitions, translate sustainability for the industry they are operating in, set clear sustainability guidelines for people to work with and involve them in sustainability practices. Individual sustainability leaders rather lead ‘with’, than ‘over’ others.<sup>10</sup> They are adaptive leaders, collective leaders and always leading by example.



Professor Wayne Visser (Antwerp Management School) presenting the initial findings of the study at the 53<sup>rd</sup> EPCA Annual Meeting in Berlin

### Sustainability Leadership Archetypes

Previous research by Prof. Wayne Visser shows that individual sustainability leaders can be divided into four sustainability leadership archetypes: the expert, facilitator, catalyst and activist.<sup>11</sup> Any individual sustainability leader will embody elements of all these archetypes, but the relative influence of each type will differ per individual, with each leader having one dominant archetype. This is the mode of operating that usually comes most naturally to them and in which they feel most fulfilled, satisfied or comfortable. There are descriptors that help to define the four sustainability archetypes, as shown in Table 3.

#### The Sustainability Expert

**“You have to be really sure that what you are doing is factual, and not just emotional. It is a balancing act between keeping the engagement, while not losing it by being overly conscious about facts.”**

- Annette Stube, Head of Sustainability at Maersk

Experts tend to be focused on the details of a particular issue, with a deep knowledge and understanding, often of a technical or scientific nature. They like working on projects, designing systems and being consulted for their expertise. Their satisfaction comes from continuous learning and self-development. They are most frustrated by the failure of others to be persuaded by the compelling evidence, or to implement systems as they were designed.

#### The Sustainability Facilitator

**“Working in the field of sustainability means that you have to talk [to different stakeholders] from the CEO to government, from NGOs to scientists, from factory workers, farmers [and] employees to students. Literally any stakeholder. The tone of voice, understanding the challenges and goals of the conversation partner, and the level of detail in such a conversation are very important. So, I call that being a chameleon.”**

- Anniek Mauser, Sustainability Director at Unilever Benelux

Facilitators are most concerned with using their knowledge to empower others to act, using their strong people skills to make change happen. They like working with teams, delivering training and giving coaching. Their satisfaction is in seeing changes in people’s understanding, work or careers. They become frustrated when individuals let the team down, or when those in power do not allow enthusiastic groups to act.

#### The Sustainability Catalyst

Catalysts enjoy the challenge of shifting an organisation in a new direction, using their political skills of persuasion to change strategies. They like working with leadership teams and articulating the business case for sustainability. They are often pragmatic visionaries and are frustrated when top management fails to see – and more importantly, to act on – the opportunities and risks facing the organisation.

	Expert	Facilitator	Catalyst	Activist
Level of engagement	Individual	Group	Organisation	Society
Key focus	Tasks	People	Direction	Grassroots
Source of life satisfaction	Specialist input	People empowerment	Strategic impact	Societal contribution
Source of work satisfaction	Personal development, quality input	Staff development, effective facilitation	Organisational development, strategic change	Community development, social change
Typical skills	Technical	Interpersonal	Political	Critical
Legacy they wish to leave	More effective sustainability management systems	More inspired & empowered sustainability champions	More sustainable & responsible organisation	More just & sustainable world

**Table 3:** The Four Individual Sustainability Leadership Archetypes and Descriptors (Visser, 2008)

		STATE OF INFORMATION	
		RATIONAL	EMOTIONAL
ROLE	FORMAL	Formal sustainability role with facts-based leadership, providing employees with direction and knowledge, leading with science base targets	Formal sustainability role with emotions-based leadership, providing employees with the right level of support and encouragement, leading with compassion and understanding
	INFORMAL	These individuals form opinions based on facts, are able to categorize the information as whether it's reliable and trustworthy or not and can build a compelling argument for sustainability	These individuals have a purpose of taking care of more than just themselves, from their opinions based in emotions in this field or in their organisation

The individual sustainability leader

**“As a leader for sustainability you have to be able to structure the relevant facts and evidence to build a compelling business case or compelling justification for your sustainability actions.”**

- Andrew Griffiths, Head of Value Chain Sustainability at Nestlé UK

**The Sustainability Activist**

**“You need to have a ‘can-do’ mentality: always think about why you can do things, instead of thinking why you cannot do things. And in doing so you have to constantly challenge the status quo.”**

- Geanne van Arkel, Head of Sustainable Development at Interface

Activists are typically passionate about macro-level issues and their impacts on society or the planet as a whole, using their strong feelings about justice to motivate their actions. Their satisfaction comes from challenging the status quo, questioning those in power and articulating an idealistic vision of a better future. They tend to be great networkers and are mainly frustrated by the apathy of others in the face of urgent crises.

Based on how they derive their life and work satisfaction, every individual will gravitate more strongly to one archetype. This model encourages a balance within sustainability teams: every archetype should be

represented. It is important for a current or future individual sustainability leader to reflect upon which archetype they are or want to become, in order to engage in the most effective type of individual sustainability leadership. It allows for personal purpose to align with the sustainability role or the direction of an individual's career.

**Individual Sustainability Leadership Impact Factors**

In line with the notion of sustainability champions and distributed leadership, any individual can be a sustainability leader, regardless of her/his position, as long as they take responsibility for understanding and acting on sustainability challenges<sup>12</sup>.

While addressing sustainability challenges, leaders have to balance rational arguments and emotional or moral factors. Therefore, the impact of individual sustainability leadership might differ, depending on the role (formal or informal) and state of information (rational or emotional), as illustrated in Figure 4.

**“Leadership for sustainability is in every one of us, it just depends on what you do with your talent.”**

- Geanne van Arkel, Head of Sustainable Development at Interface

### Informal and Formal Role

There is a difference between a formal and an informal sustainability role, particularly in the level of authority, accountability and sphere of influence. According to **Francesco Razza, Group Sustainability Manager at Novamont**, a sustainability leader usually holds a more formal position<sup>13</sup>. They are required to be interdisciplinary, interacting with most, if not all, important company functions to reach the organisation's sustainability goals. Their formal status also adds legitimacy and effectiveness to their mandate of influencing co-workers, employees and other stakeholders. **Annik Mauser, Sustainability Director at Unilever Benelux**, believes anybody within the organisation can have an interest in sustainability and should be able to act upon that interest.<sup>14</sup> It is the task of the formal sustainability leader to support those individuals with knowledge, advice and the relevant network, to encourage and challenge them and align their agenda with the company's. Hence, it is not only in formal sustainability positions that individuals can make a difference. **Walter Reynaert, Chief HR Officer at Randstad Group Belux** notes that the individual's position in the organisational hierarchy will affect how visible their leadership becomes.<sup>15</sup> If an individual can align their sustainable interests and behaviour with their formal position, they will have a greater impact as a change agent for sustainability, says **Andrew Griffiths, Head of Value Chain Sustainability at Nestlé UK**.<sup>16</sup>

### Emotional and Rational Approach

Sustainability leadership used to be a matter of individual believers. Today sustainability is more broadly considered from a societal perspective. According to **Annette Stube, Head of Sustainability at Maersk**, this societal focus is creating a positive shift in business. However she sees two major risks arising<sup>17</sup>. First, the societal focus on sustainability could lead to an increase in greenwashing, especially when non-experts get involved. Second, an overemphasis on sustainability may result in a countermovement, causing it to swing in the opposite direction, like a pendulum.

**“Leadership is a mindset which forms our behaviours.”**

*- Jeff Turner, Vice President Sustainability at Royal DSM*

These risks can be mitigated by science-based targets, requiring a more rational approach from the sustainability leader. It is very important to have the facts straight in order to set the appropriate level of change in motion. However, sustainability is something that touches most people one way or the other. Therefore, it also takes a certain amount of emotion to influence others and to get them on board with sustainability initiatives. It is a balancing act between rational and emotional engagement.

According to **Francesco Razza, Novamont**, everybody can make an emotionally-motivated change.<sup>13</sup> They can show sustainable behaviour, do less harm to the environment, convince others to do the same, and in that sense, they can become a motivational sustainability leader. But for an organisation that is not enough. An organisation operates in a complex economic and social system where facts and science-based targets are important to convince others. Hence, there is no 'one sizes fits all' approach to individual sustainability leadership and the best results can be found when the role and state of information align with the right individual characteristics and competencies.

**“I think we should stay critical and aware when we talk about sustainability leadership going beyond the specialist role. Because the understanding of the necessity for sustainability in society has evolved over the last year with a pace of change that I have rarely seen before. This creates more individual sustainability leaders, but they have to be really sure that what they are doing is factual, and not just emotional. Otherwise, we may even do more harm than good.”**

*- Annette Stube, Head of Sustainability at Maersk*

## 2 - CHARACTERISTICS AND COMPETENCIES

**“When it comes to leadership, it’s not just a description of a set of characteristics and competencies that you get on a piece of paper. You have to really understand where you will apply it, how to deploy them, [and to] know the context and know how decisions are made.”**

- *Dominique Debecker, Deputy Chief Sustainability Officer at Solvay*

Leadership for sustainability requires leaders with extraordinary abilities<sup>18</sup>. It is a mixture of key competencies, adjusted to an individuals’ situation and personal characteristics. To better understand what exactly these abilities are, we need to take a closer look at the sustainability leader’s characteristics and competencies.

From our 15 interviews with industry representatives, topic experts and best practice representatives we have derived 5 characteristics and 5 competencies of the individual sustainability leader. It must be noted that these characteristics and competencies are context dependent. The skill set needed might vary depending on the location or sector an individual sustainability leader is operating in<sup>19</sup>.

### Characteristics

Characteristics are deep seated personal qualities that change and develop slowly over time<sup>20</sup>. They are distinguishing features that define who people are as individuals. Our research has identified five characteristics for the individual sustainability leader.

#### *Intrinsic Motivation*

The motivation to engage in sustainable behaviour arises from within the individual because promoting sustainability is naturally satisfying to the sustainability leader. True sustainability leadership is in this sense intrinsically motivated, not something that is specified in a job description, according to **Christoph Jäkel, Vice President Sustainability Strategy at BASF**.<sup>21</sup>

Hence, leaders for sustainability combine personal motivation and corporate purpose. Individual sustainability leadership is a meeting point between individual passion and a company’s sustainability mission. They feel motivated about their work and the contribution they make towards a better and more sustainable industry and society.

**“If you are able to find the bridge where your talents and your own purpose connects with what is needed in this world, that is exactly when you become a sustainability leader.”**

- *Geanne van Arkel, Head of Sustainable Development at Interface*

#### *Moral Courage*

Leaders for sustainability take a stand on ethical issues. They have the courage to act on sustainability issues for moral reasons despite the risk of negative consequences for them personally or professionally. Even within their own organisations, says **Guy Ethier, Senior Vice President Sustainability at Umicore**, individual sustainability leaders speak up when something is not in line with the organisation’s sustainability principles or the vision<sup>22</sup>.

**“It really takes a lot of courage to stand up in such a culture and say, ‘Well, this is what I believe we have to do.’”**

- *Annette Stube, Head of Sustainability at Maersk*

Sustainability leaders should act like a moral compass and be ready to offer suggestions for responding to ethical dilemmas. They cannot be shy to take positions on societal issues, within and beyond the company. Part of the sustainability leader’s challenge is the willingness to act on issues for which the company has no direct responsibility<sup>23</sup>.

Examples of such issues are access to medicines, addressing social inequality or climate change. Their sphere of influence is framed by actively engaging with stakeholders to understand where the organisational boundaries are<sup>24</sup>. The extended impact that organisations have on society determines their sphere of interest. These include the political, societal, environmental and economical dimensions that are affected by organisational decisions.

**Trustworthiness**

Leaders for sustainability lead by example and gain trust. They take responsibility and accountability for their own actions. Besides, they have the capabilities to be what is sometimes called a servant leader. They put their own egos aside for the ‘greater good’ and for the benefit of the company, instead of for their own personal benefit. They see sustainability as a collective action and achievement.

Their colleagues and employees place trust in them because they act with integrity and are known for their honesty and ethical reasoning.<sup>23</sup>

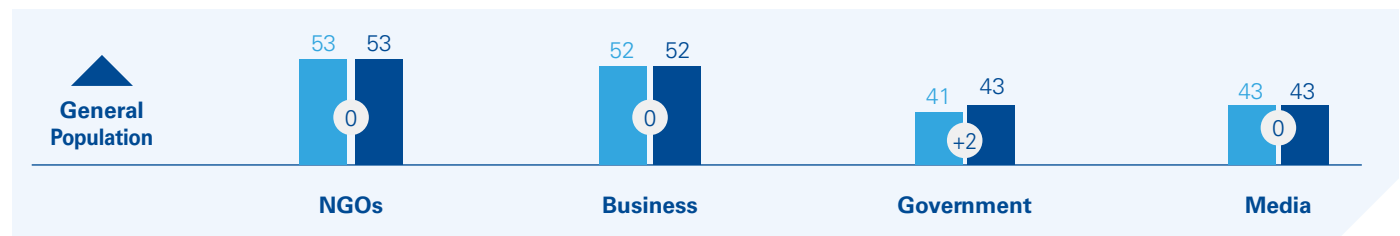
**“I have a colleague who I think is a true sustainability leader. He is very engaged in doing the right thing, is being responsible in his actions and is accountable for what he does. People trust him, they trust him to say the right thing and they follow him because of it.”**

- Annette Stube, Head of Sustainability at Maersk

The 2018 Edelman Trust Barometer shows that, on global scale, 52% of people surveyed placed trust in business “to do what is right,” versus just 43% for Government<sup>25</sup> (Figure 5). This expectation is placing pressure on companies, but creates opportunities for individual sustainability leadership to enhance their trustworthiness with their colleagues and employees.

Characteristics	Description
Intrinsic Motivation	Motivation to engage in sustainable behaviour arises from within the individual because it is naturally satisfying.
Moral Courage	The courage to act on sustainability issues for moral reasons despite the risk of negative consequences.
Trustworthiness	The belief and confidence in the power, reliability, dependability, honesty and goodness of the sustainability leader.
Creative Mind	A way of looking at problems or situations from a fresh, different perspective than usual, which suggests unorthodox solutions.
Emotional Intelligence	The capability to recognise one’s own emotions and those of others and use this skill to make good judgments and avoid or solve problems.
Competencies	Description
Visionary Engagement	A sharp focus on the long-term future, on what the organisation and society need to become, which provides purpose.
Sustainability Literacy	Being knowledgeable about sustainability, including global societal and environmental challenges and opportunities and how they are interlinked.
Open Communication	Equal, trust-based communication where employees are encouraged to share their thoughts and concerns, without the worry of retaliation.
Business Understanding	The ability to structure relevant facts and evidence to build a compelling business case for sustainability.
Holistic View	The view that economic organisations are embedded in value networks and interdependent socio-ecological systems.

**Table 4:** An Overview of the 10 Characteristics and Competencies of the Individual Sustainability Leader.



**Figure 5:** Percentage of Trust in each Institution, and Change from 2017 to 2018 (Edelman, 2018).



### *Creative Mind*

An individual sustainability leader must be able to come up with new solutions for the challenges ahead, which are often complex and uncertain. This makes people feel uncomfortable. At the same time, according to **Geanne van Arkel, Head of Sustainable Development at Interface**, this zone of unease generates and sparks new ideas because people have to be more innovative and creative.<sup>26</sup>

These conditions do not allow for linear problem-solving processes. Therefore, sustainability leaders need to have a creative mind in order to effectively engage in addressing these corresponding challenges. This requires lateral or 'out-of-the-box' thinking, which means the ability to perceive patterns or insights that are not obvious.<sup>27</sup> Lateral thinking involves looking at a situation or problem from a unique or unexpected point of view.

The sustainability challenges leaders for sustainability have to solve needs creative or innovative answers, which can be found by taking a step sideways to re-examine the challenge from a different viewpoint. In turn, sustainability can also be seen as a driver for innovation and creativity, because looking at certain elements in our society or within our organisation from a sustainability point of view will trigger a need for change. Individual sustainability leaders thereby challenge the status quo with their solutions.

**“A sustainability leader needs to be creative in finding solution and think out of the box.”**

*- Aniek Mauser, Sustainability Director at Unilever Benelux*

### *Emotional Intelligence*

Inherent to the individual sustainability leader is the purpose of taking care of more than just themselves. Emotional intelligence helps individuals to control and manage their own emotional response to pressures, events and other individuals<sup>28</sup>. Emotional intelligent leaders foster safe environments, where employees feel comfortable to voice their opinions, suggest new ideas and dare to take risks: all aspects that are important within a sustainability transition.

Emotional intelligence is needed in order to lead with compassion, to be approachable and to understand, listen and relate to co-workers, employees and other stakeholders. The individual sustainability leader also has the ability to detect other leaders for sustainability, formal and informal, within their organisation. Therefore, it is crucial the sustainability leader provides their co-workers and employees with the right level of support, encouragement and information to make informed decisions on sustainability topics.

To create awareness and understanding on these topics one needs to find a balance between rational and motivational approaches. Additionally, emotionally intelligent leaders are able to forge ahead with plans and do not take setbacks personally. This is very important, according to **Anniek Mauser from Unilever Benelux**, because leaders for sustainability need to be personally resilient in order to keep on going, to get things on the agenda and to not make their work too personal or allow themselves to become emotionally drained.<sup>14</sup>

**“At the end of the day we need to transform and for this we need leaders. They have to lead**

**the way in the transformation. And the so called ‘soft’ capabilities will make sure that ultimately, they have an influence and will make an impact.”**

*- Dominique Debecker, Deputy Chief Sustainability Officer, Solvay*

### **Competencies**

Competencies are a combination of how an individual acts (skills), their opinions which influence their actions (attitudes) and what he/she needs to know (knowledge).<sup>29</sup> Our research has identified five competencies for the individual sustainability leader:

#### *Visionary Engagement*

The increased focus on sustainability leadership reflects the rising consciousness among individuals in their daily lives and organisations about their impact on society and the health of local and global economies and the environment.<sup>12</sup> The individual sustainability leader keeps a sharp focus on the future and on what the organisation and society needs to become, which provides purpose. Leaders for sustainability can clearly articulate a better future.

According to **Francesco Razza from Novamont**, it is fundamental that they can establish a deep interaction with many colleagues to increase their compelling vision<sup>13</sup>. The individual sustainability leader is energetic and has the ability to inspire others with their enthusiasm, attitude and view on the world. They have a positive way of talking about sustainability and the corresponding challenges ahead.

Sustainability leaders walk the talk, lead by example and have the ambition to put sustainability related causes high on the agenda. Additionally, they work as a challenger and work alongside their colleagues and employees. For **Guy Ethier from Umicore**, it means that he is constantly engaged in a balancing act between a clear vision for the future, generating enthusiasm about that vision and rallying people around him in order to move towards it<sup>22</sup>.

As one interviewee put it, sustainability leaders' role is to lead the transformation. They have to inspire others within the company and make sure that employees have the competence to support their co-workers or stakeholders. In this sense, sustainability leaders lead through others.

### Sustainability Literacy

Leaders for sustainability are avid followers of scientific, social and market trends. They are highly conscious of the sustainability challenges facing people, the environment, their organisation and the society they are operating in. This is also necessary in order to assess the positive and negative impacts of their operations.

This understanding of the sustainability challenges that their organisation and society is facing adds to their credibility as sustainability leaders.

Sustainability leaders' knowledge of sustainability translates into action. For example, they will use science-based targets and metrics for measuring the implementation of improvements made in the field of sustainability. Additionally, they must have a great network of sustainability professionals in order to retrieve extra knowledge when needed.

**“A big part of individual sustainability leadership is the capacity to anticipate to future challenges, the capacity to convince and to mobilize, while always relying on facts, data and scenario.”**

- Catherine Girard, Expert Leader Energy and Raw Materials, Groupe Renault

**Andrew Griffith from Nestlé UK** emphasises that leaders for sustainability must be able to translate societal challenges to be relevant for the specific sector, organisation or business unit in which they work.<sup>16</sup> Leaders for sustainability also need to be agile in accepting and responding to new sustainability insights. They are therefore able to assess the reliability of new information to help justify their case for sustainability.

### Open Communication

Leaders for sustainability embrace transparency and encourage dialogue. It is essential for a sustainability leader to be able to communicate ideas in a language or style that resonates with others in their organisation. They have to be able to understand the language of their target audience and be a serious dialogue partner with all stakeholders, from CEOs, government officials and scientists to factory workers, farmers, students and employees.

The individual sustainability leader establishes trust-based communication in which employees are encouraged to share their thoughts and concerns, without fear of consequences. According to **Jacques Vandermeiren from the Port of Antwerp**<sup>8</sup> it is important to have the right tone of voice for an open, positive and constructive dialogue on the implementation of sustainable alternatives.

**“I think it's really instrumental for anyone who wants to become a sustainability leader, that you learn to rephrase your ideas, in words that resonate with the other. Sometimes when people are very passionate about sustainability, they forget to link it to what is in the interest of the other person. Finding that bridge is quite important and helpful in not only becoming a leader, but also in realising your sustainability ideas.”**

- Geanne van Arkel, Head of Sustainable Development at Interface

Additionally, keeping an open mind to external or internal concerns and critiques is essential in creating a two-way dialogue. This might even open up new directions. In doing so the individual sustainability leader comes to a fair and balanced view that gives them the basis for sound decisions. **Guy Ethier from Umicore** is very clear on this topic.<sup>22</sup> He regularly reminds his colleagues that they are not alone on the road to sustainability and that they are not expected to make the decisions all by themselves. It is the role of the individual sustainability leader to provide them with the necessary support, to lend a listening ear, to invite them for a dialogue and to provide them with the vital resources in order to fulfil their expectations.







Christoph Jäkel, Vice President Sustainability Strategy at BASF, participated as a panelist in the "Talents of Today, Leaders of Tomorrow" session at the 53<sup>rd</sup> EPCA Annual Meeting in Berlin

### Business Understanding

A sustainability leader must be able to structure relevant facts and evidence to build a compelling business case for sustainability. Part of this process is the ability to categorise information as to whether it is reliable and trustworthy or not. Besides being competent in the field of sustainability, individual sustainability leaders need to understand the business context they are operating in. Otherwise they will never find the essential common language between themselves and other functions, said one interviewee.

Leaders for sustainability have to be able to resolve dilemmas and problems and they need to be constantly aware of possible issues and give suggestions for improvement. One of these dilemmas, says **Jeff Turner, Vice President Corporate Sustainability at Royal DSM**, is finding the balance between profit and purpose and managing the corresponding stakeholder expectations, which change over time<sup>30</sup>. If there is a change in what society values, says **Christoph Jäkel from BASF**, then there is always an opportunity to generate new value in response to that change.<sup>21</sup> Conversely, if an organisation does not generate sufficient value for society, they are losing their social license to operate. A leader for sustainability should be able to look at these developments and spot the opportunities to support the change, while creating value for society and their own organisation.

**"There has to be a knowledge around the field or the domain in which you're leading in. However, what we understand as sustainability is changing all the time. The depth of understanding, the corresponding trade-offs, the dilemmas that need to be resolved and the responsibly that you have, are extremely complex."**

*- Jeff Turner, Vice President Corporate Sustainability at Royal DSM*

Individual sustainability leaders have the ability to set direction and lead others on the road ahead. Setting direction on an organisational level might not be in the power of every individual sustainability leader, but this can also be done on a smaller scale, for example in their team or business unit. Besides, it is important to have (some) technical experience or background to better understand the context from an operational perspective and to drive effective leadership in collaboration with the business. Additionally, an individual sustainability leader must be able to readjust the collective behaviour of the organisation in order to respond to the local, national, global business operating context.

### *Holistic View*

Crucial within sustainability leadership is a holistic view on the organisation and the world the business is operating in. Sustainability leaders adopt a system thinking perspective, understanding that their organisation has the responsibility to not only make profit, but also to deliver societal and environmental sustainability. This usually starts with a strong commitment to stand for a long term, interconnected worldview, which then translates into a business commitment to sustainability.

One interviewee expressed this holistic view in terms of the three overlapping circles of business, society and the environment. Sustainability therefore is an attempt to create a win-win-win situation.

Individual sustainability leaders take a helicopter view in their decision-making, not ignoring the negative impacts their organisation may have on society or the environment. In order to do so, they think in systems. They acknowledge the interdependency and interconnectedness of the whole system and recognise how changes to individual parts affect the entire system<sup>31</sup>.

Corresponding to the holistic view and systems thinking approach is multidisciplinary, cross-sectoral and cross-sectorial collaboration. Therefore, individual sustainability leaders are strong stakeholder managers and have the ability to work in multidisciplinary teams. **Catherine Girard, Expert Leader Energy and Raw Materials at Groupe Renault**, notes that the definition of competition is being challenged for the first time in many years.<sup>32</sup> In order to accelerate sustainable development and innovation, leaders for sustainability need to learn from others and share their own knowledge and insights.

**“Sustainability is not the area for competition, it is the area for collaboration.”**

*- Irena Dobosz, Sustainability Leader, Retail Operations at Ikea*

## 3 - EMPLOYEE BENEFITS

When these competencies and characteristics are being consistently applied, sustainability leadership creates numerous organisational benefits, including resource efficiencies, such as energy and waste reductions<sup>33</sup>. Additionally, it creates more resilience towards disruptive changes<sup>34</sup>. This means that organisations anticipate what will happen in the future and are able to proactively develop effective solutions.

Importantly, sustainability is not only about environmental challenges. It also includes employee diversity<sup>35</sup>, the well-being and happiness of employees and so-called 'work-life balance'<sup>36</sup>. In particular, our interviews highlighted various employee benefits, which are captured in [Table 5](#).

### Recruitment and Retention of Talent

Successful organisations must incorporate external trends and perspectives by maintaining their stakeholder relationships and engaging with local communities, regulators, their customers and employees. These relationships are critical in maintaining an organisation's reputation, to attract and retain employees and to engage critical workers<sup>36</sup>.

**“Leading companies understand that there is a clear link between finding and attracting the talented people and their sustainability performance.”**

*- Jacques Vandermeiren, CEO at Port of Antwerp*

In order to attract and retain top talent there needs to be a match between the identity of the organisation and the identity of the (future) employees. When an organisational focus on sustainability resonates with their employees' own values, it creates happier employees. This reduces staff turnover. According to a McKinsey survey, 70% of sustainability leaders feel that their company is much more effective in improving employee retention and increasing motivation related to sustainability activities than their less sustainable competitors (Figure 6).<sup>37</sup>

All the interviewees confirmed that sustainability has a positive influence on the recruitment and retention of talent. Some said their employees often cite the company's sustainability mission, vision and reputations as a reason for joining, while others noted an increase in the number of candidates and spontaneous applicants specifically targeting sustainability roles.

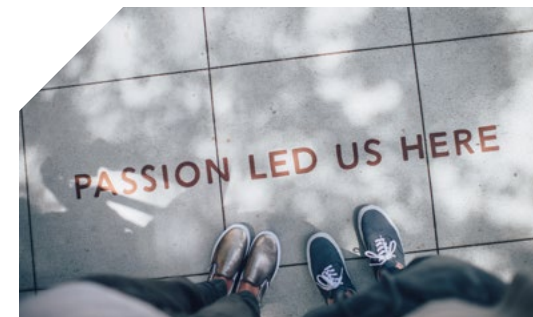
For example, **Jacques Vandermeiren from the Port of Antwerp** observed that in recent years newly hired employees chose to apply and work with them because of their sustainability reputation.<sup>8</sup> These were not only in functions related to the

field of sustainability, they included operational, administrative and communication jobs.

Additionally, the literature shows that a strong focus on sustainability reduces the annual employee turnover rate by 3 to 3.5%, which amounts to a reduction of the average employee turnover time by 25 to 50%.<sup>38</sup>

### Workplace Engagement and Motivation

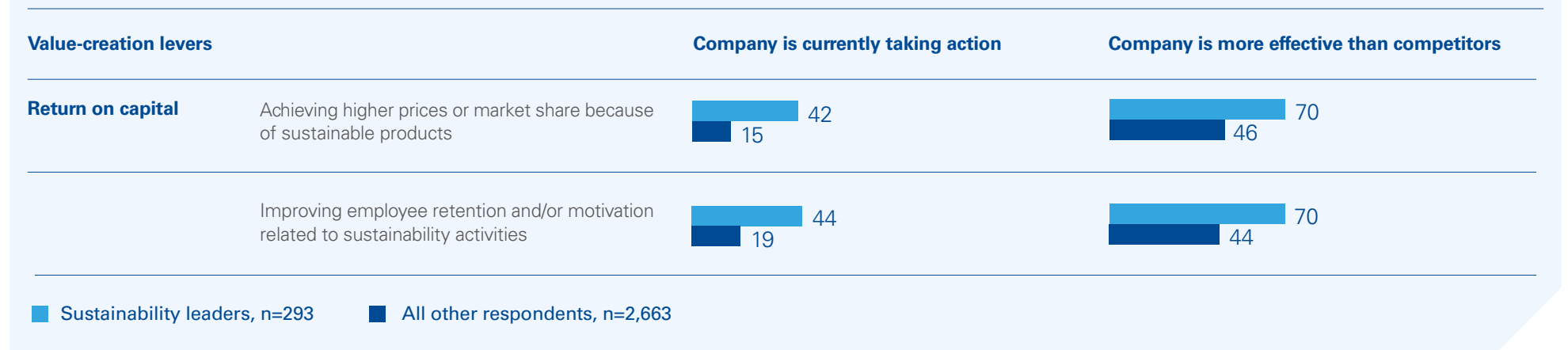
Meaning in work itself creates a positive and motivating work experience<sup>39</sup>. Making work meaningful through sustainability, by giving people a sense of belonging, established trust and a relationship with employees is part of the key characteristics and competencies of the sustainability leader. Employees become more engaged knowing that their company is leading by example on sustainable. **Walter Reynaert from Randstad Group Benlux** calls this authentic leadership, where leading by example is central<sup>15</sup>.



Employee benefits	Description
Recruitment and Retention of Talent	Sustainability leadership has a positive influence on the process of attracting, screening and selecting qualified people for a position within an organisation, as well as retention of talented individuals and employees.
Workplace Engagement and Motivation	Sustainability leadership increases employees' active engagement in the workplace, including their willingness to do something for others in the organisation (the 'what'), motivated by meaningful work (the 'why').
Creativity and Innovative Thinking	Sustainability leadership helps employees to look differently at problems and to come up with novel solutions, especially in response to societal dilemmas and stakeholder expectations.
Purpose and Pride	Sustainability leadership is a pathway to purpose or meaning in work, since employees understand they are making contributions to the society as well as the organisation, thereby increasing pride in their work and employer.
The Spillover Effect	A positive spillover effect occurs when engaging in one sustainable behaviour results in individuals adopting a positive attitude towards sustainability in general and therefore engage in other sustainability related behaviours.

**Table 5:** Employee's Benefits of Individual Sustainability Leadership

**Figure 6:** Leading with Action; the Company is more effective than competitors (McKinsey & Company, 2011).



Furthermore, in an organisation where sustainability leadership is present, employees will have the possibility to develop and explore their talents. Engaged employees are those involved in, enthusiastic about and committed to their place of work and the work itself. Research suggests that organisations with engaged employees are 17% more productive, 21% more profitable, experience 70% fewer safety incidents and experience 41% less absenteeism than organisations that fail to engage their employees (Figure.7).<sup>40</sup>

Hence, a focus on sustainability in turn also leads to intrinsically motivated employees. These employees perform best in the long run, are less vulnerable to burn-outs, stay longer with the organisation, and show commitment and behaviour that contribute to organisational change.<sup>20</sup>

A study by the Society for Human Resource Management states that morale in companies where sustainability is well integrated is 55% better compared to companies with poor sustainability integration. Employee loyalty is also 38% stronger<sup>41</sup>. If a company has a stronger culture of purpose, levels of motivation will increase. When personal passions align with the company's mission, people are more engaged in the workplace. Additionally, high employee engagement and (intrinsic) motivation are necessary for organisational transformation towards sustainability<sup>42</sup>.

**“A strong company purpose is a tremendous motivation for employees. Based on the purpose, people are more focused, they are more active, you really have people who are engaged with their hearts and minds.”**

- Christoph Jäkel, Vice President Sustainability Strategy at BASF`

**Increase of Creativity and Innovative Thinking**

Sustainability challenges are complex (hence, they are often called ‘wicked problems’), which requires and stimulates creative problem-solving.<sup>43</sup>This state of discomfort generates and sparks new ideas because people have to be more innovative and creative in order to effectively engage in addressing sustainability challenges.

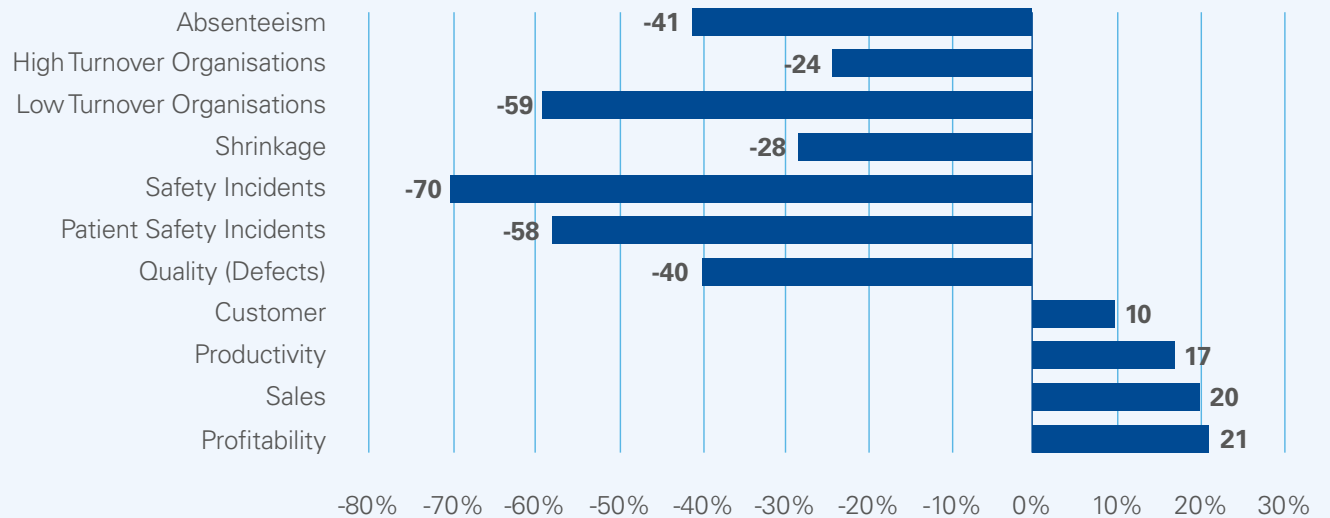
As a driver for innovation and creativity, sustainability helps employees to look at complex issues from another perspective. As a consequence, they act differently and come up with novel solutions. According to **Catherine Girard from Groupe Renault**, if an organisation still wants to be operating in 2050 they have to act in ways that better align with sustainability.<sup>32</sup>

**“Sustainability sparks creativity and you need creativity to allow for continuous improvements to happen [...] If you look at Jonathon Porritt’s definition of sustainability, it is exactly that: continuing into the future.”**

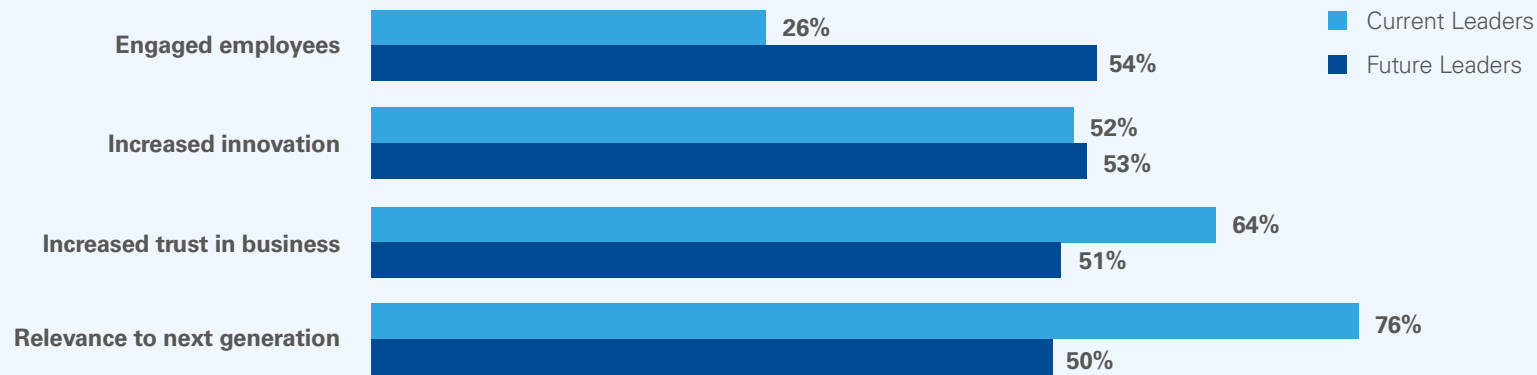
- Guy Ethier, Senior Vice President Sustainability at Umicore

Cranfield University conducted research with over 50 CEOs and 150 future leaders on the topic of social and environmental business purpose<sup>44</sup>. More than half agreed that increased innovation is a business benefit of the focus on societal, environmental and economic value (Figure.8).

**Figure 7:** Business Returns from More Engaged Employees (Gallup, 2017)



**Figure 8:** Business Returns From Focus on Societal & Environmental Value Creation (Cranfield University, 2014).



**Increase in Purpose and Pride**

All interviewees agreed: their fellow-employees want to feel like their work matters. They want to contribute to something bigger than themselves, both in terms of business, social and environmental impact. This is exactly what integrated sustainability does. It creates positive impact and value for society. Working for a company with sustainability high on the agenda gives employees personal fulfilment.

**Walter Reynaert from Randstad Group Belux** adds that people want to know what their contribution is to the organisational strategy and to the results of that strategy.<sup>15</sup> Purpose-driven work make employees more productive, more successful and more proud. The organisational focus on sustainability resonates with their personal values. This creates a healthy balance, because employees are able to do their job without experiencing any conflict with their personal feelings and values.

A 2016 study by LinkedIn found that 73% of purpose-oriented employees are satisfied with their job (Figure.9)<sup>45</sup>. **Giulio Bonazzi, Chairman and CEO of Aquafil**, recognises this in himself and his colleagues as well<sup>46</sup>. Even though there is sometimes the necessity to work longer and more irregular hours, they are all proud of the work they do. They not only see their responsibilities, they also feel the satisfaction from doing something good.

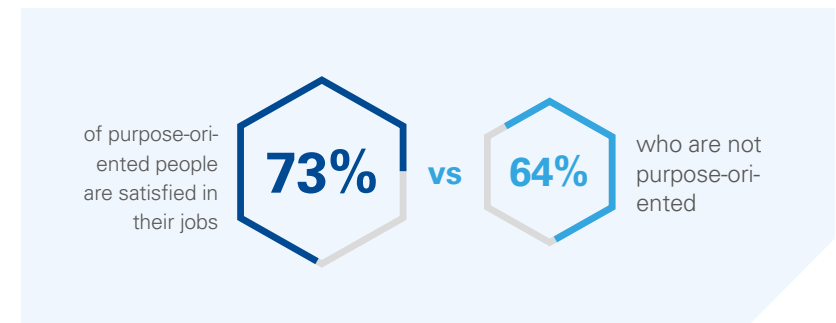
Purpose is an employee motivator regardless of culture, language, region and occupation. It turns employees into ambassadors for the organisation.

**Catherine Girard from Groupe Renault** observes this in her colleagues.<sup>32</sup> They want to be proud of what their organisation is doing, not only on the job but also in society. This leads to an increase in productivity and a decrease in absenteeism. Since proud and purpose-oriented employees stay longer with the organisation, the organisational focus on sustainability creates a long-term viable business model

that is more future-proof. Additionally, purposeful and proud employees impact positively on their company’s growth and turnover.

**“When you wake up in the morning, why would you go to work? The answer is called purpose and sustainability is amongst the biggest elements in that.”**

- *Dominique Debecker, Deputy Chief Sustainability Officer, Solvay*





### The Spillover Effect

A positive spillover effect means that by engaging in one sustainable behaviour, individuals will adopt a positive attitude towards sustainability and therefore engage in other sustainability related behaviours as well. As people spend most of their time at work, organisations have an important role in promoting sustainable behaviour. Therefore, there is an opportunity to inspire sustainable actions in the workplace and also create a beneficial spillover effect at home.

It is important to make organisational sustainability initiatives visible inside (and outside) the company. This means that sustainability programs should be tangible with a clear positive impact. By involving employees in the implementation of sustainability practices, they will gain knowledge, ideas and skills that they can apply in other contexts. This also creates meaning and personal development through work and establishes relationships of trust<sup>47</sup>. The net result is that they will become sustainability leaders in their own right. This employee-led (bottom-up) personal approach to leadership is illustrated in Figure 10.

By setting the right guidelines and giving clear examples, an individual sustainability leader does not have to tell their colleagues or employees what to do. **Jeff Turner from Royal DSM**, states that they specifically pay attention to the employee experience<sup>30</sup>. In doing so they create a work environment that will help employees while making dilemma-based decisions in doing what is right corresponding with the organisational values.

**“We continue to see that the more embedded sustainability becomes within the workplace, our employees are taking it home. Not only to their family and friends, but also into their communities. We try to help them in trying to understand how they can leverage it more effectively into their community.”**

- Andrew Griffiths, Head of Value Chain Sustainability at Nestlé UK

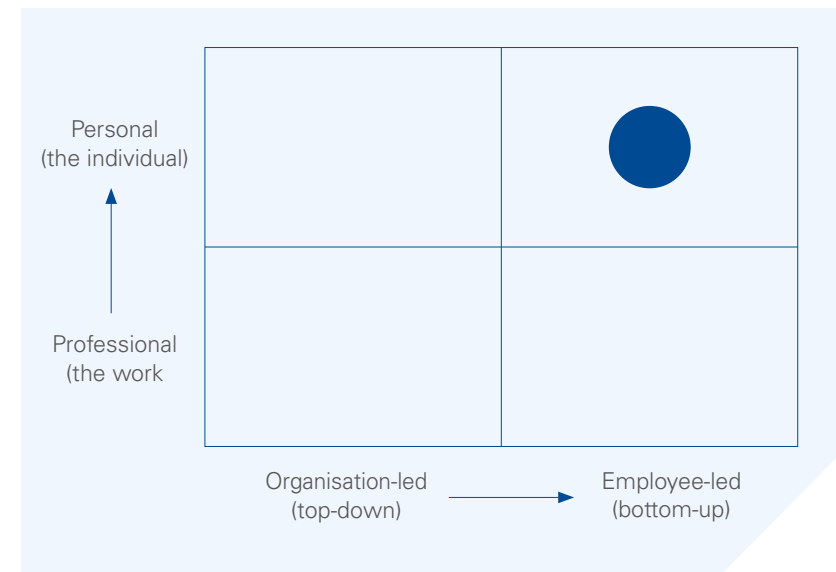


Figure 10: Experience should be both bottom-up and personal (Deloitte, 2019).

## 4 - BARRIERS AND ENABLERS

Our interviews specifically highlight two barriers to individual sustainability leadership, namely short-term economic focus and personal capacity or self-belief. In addition, two enablers are leadership development or training and an open, values-based culture with a shared vision that enables integrated sustainability.

### 4.a BARRIERS

#### Short-Term Economic Focus

With a short-term economic focus, organisations tend to prioritize economic growth rather than, for example, human rights, employee wellbeing and environmental protection. This approach inhibits the possibility for individual sustainability leadership within an organisation. In this case employees are too focused on quick wins and are too eager to see short-term benefits in return. If a company is too myopic, it cannot play an effective role in society.

For example, a singular focus only on financial returns prevents companies from addressing long term sustainability challenges.

If sustainability leaders merely look through a commercial lens, then their actions will be profit driven and only sustain the organisation. This means they view sustainability as a topic on its own and they will not fully integrate it within the whole

organisation. **Jeff Turner from Royal DSM** believes we have to re-educate whole organisations in order to tackle the prevailing short-term economic focus.<sup>30</sup> Beginning in preschool we learn that the value of money corresponds to its purchasing power, without considering its socio-economic and environmental impact. The individual sustainability leader needs to rethink the consequences of the choices and decisions that they are making and re-educate themselves and their organisation.

**“The systems and processes we have in place within business at the moment, means that there is this short-term framing. We just don’t have the right policies and processes in place to make it easy for individuals to be forward looking.”**

- Zoë Arden, Fellow at Cambridge Institute for Sustainability Leadership

#### Individual Capacity and Self-Belief

Essential to individual sustainability leadership is the believe that individuals are able to make a difference and that they can use their talents and ideas for something bigger than themselves. **Geanne van Arkel from Interface** believes that when there is a lack of trust and belief, sustainability challenges sound big and incomprehensible.<sup>26</sup>

Take for example climate change. People might feel the topic is too large to understand and doubt that they will be able to contribute. If there is a lack of trust and belief amongst employees, this means they will not realise they are able to positively contribute to sustainability issues. As a result, they will not engage

in individual sustainability leadership. Additionally, fear of changing and disrupting the status quo is a natural human tendency. Employees are potentially averse to change, especially when they have never been exposed to sustainability challenges and its solutions before.

**“Some people don’t want to change. In response to this, as a company, we give testimonies of what we do, we explain our way of working, we show numbers and evidence of our impact. We show others what is right, but we also show what we can still improve. In the long term we hope that this will make a change and the world will move in the right direction.”**

- Giulio Bonazzi, Chairman and CEO of Aquafil

There is the question of ‘will’ and ‘desire’. If employees are not encouraged to engage in individual sustainability leadership they may question if they even want to take a leadership position. Employees’ interest in sustainability should be sparked. Organisations also have to recognize or acknowledge their employees interests and sustainability efforts, otherwise there is no external stimulus to engage in individual sustainability leadership.

It is crucial to bring the right people into the organisation to effectively reshape its culture and ambitions. Sustainability related challenges and solutions should be made tangible and employees who do trust and believe they can make a difference should be given an opportunity to lead by example.



## 4.b ENABLERS

### Leadership Development Training

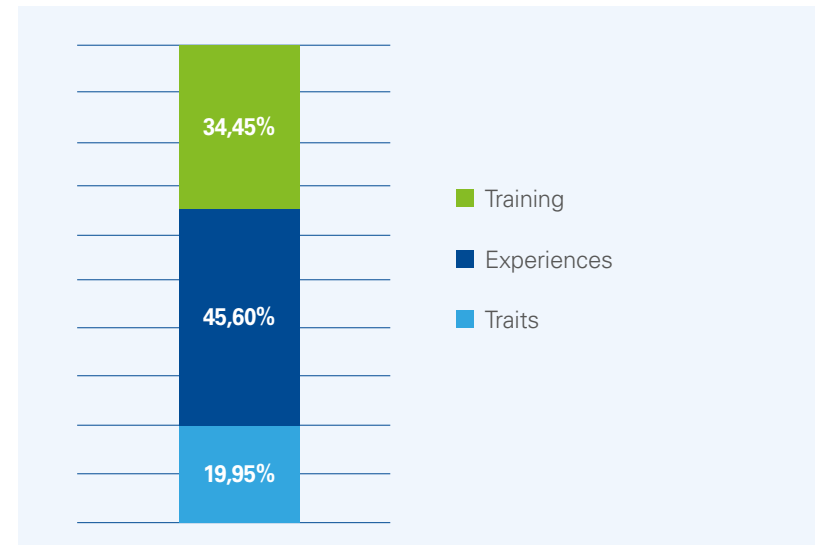
One key enabler of sustainability leadership is training and development. Interestingly, most of the interviewed representatives did not have a specific leadership development training program for individual sustainability leaders. However, some did have company tailored sustainability training programs. Mostly they were part of graduate programs or general company introductions focussing on emerging talent or awareness raising.

**“A sustainability leader should bring the company ahead in their sustainability journey. However, this is not possible if there is no knowledge of sustainability amongst employees and colleagues. Sometimes people will not support a decision just because they lack the knowledge on the topic.”**

*- Catherine Girard, Expert Leader Energy and Raw Materials, Groupe Renault*

**Zoë Arden, Fellow with the Cambridge Institute for Sustainability Leadership**, believes that there are benefits from offering sustainability leadership training for all employee levels.<sup>48</sup> For example, an understanding of societal systems, pressures, trends and challenges in terms of sustainability is likely to help boards with making better strategic decisions. At the same time, it would be valuable for middle managers and frontline workers to understand why they should implement a company’s sustainability strategy.

Middle management is the link between the decision makers and the operational employees. They are the key to translating sustainability related solutions throughout all organisational levels. Multi-level training also allows sustainability leadership and innovation to bubble up within an organisation. Leaders for sustainability are not born, they are made and moulded through experience, adaptation and ongoing learning. Research shows that experience, followed by training are most important in creating a leader<sup>49</sup> (Figure 11).



**Figure 11:** Most Important Factors in Creating a Leader (Centre for Creative Leadership, 2012).

**Andrew Griffiths from Nestlé UK** supports this notion. In their Graduate Apprentice program they integrate experience-based learning on sustainability into their leadership training<sup>16</sup>. Participants have the possibility to develop a sustainability project in their area of interest, making them more motivated and engaged than in regular knowledge-based leadership training. The program also gives them more confidence because they usually work within a field in which they already have some expertise.

The participants have to present their projects to a group of Board members and senior managers from the company, strengthening their level of credibility. In turn, the senior managers and Board members gain further insights and deeper knowledge on the topic of sustainability, helping them to understand how their employees view the organisation.

Leadership development training for individual sustainability leaders, especially combined with experience-based learning, provides guidance to deliver common knowledge and a shared vision on sustainability. It provides employees with organisational guidelines, experience and the necessary competencies to engage in leadership for sustainability, either in a formal or informal position.

### Open, Values-Based Culture with a Shared Vision

When an open and positive culture, which encourages people to speak up and to get involved, is combined with strong values this increases individual sustainability leadership. While still keeping the company's interests at heart, this focus on values leads to taking society's interest into greater consideration. Both the open culture and the focus on values welcome dialogue and enable sustainability leaders to listen to as many opinions as possible and come to a broad balanced picture, which is the basis for sound decisions.

Such a corporate culture creates a space where employees feel empowered to challenge the common way of thinking and it provides the foundation for creative solutions. **Giulio Bonazzi** says that at Aquafil, whenever employees have something to say, they are more than welcome to report or share with the management team what they feel or think is possible to do or should be changed<sup>46</sup>.

**“When we started this journey, I was leading the pack. But now, many of my people come to me every day with solutions, with proposals, but also with problems that they discovered along the way which we have to resolve.”**

*- Giulio Bonazzi, Chairman and CEO of Aquafil*

When an organisation facilitates a supportive and participative work environment, and where the organisation encourages employees to develop themselves, it creates a sustainability leadership

culture as well. As a result, when employees take on individual sustainability leadership roles, they are more accountable and feel more responsible for their own actions.

**“When we ask our employees for help, we don't say, ‘Okay, this is when, how and where we are going to do it’. No, we say ‘This is where we want to go, this is our mission, how would you be able to help us in getting there using your expertise?’. I think asking the help-questions, actually listening to your employees and involving them in the transition is really relevant for an organisation.”**

*- Geanne van Arkel, Head of Sustainable Development at Interface*

In creating and maintaining such a culture, support from the top is essential. The values should be visibly and clearly lived by senior management. Besides providing visibility, recognition and leverage, **Andrew Griffiths from Nestlé UK** says that support from the top also helps within the business to structure the sustainability proposition.<sup>16</sup>

Setting a challenging ambition, clear guidelines of what is expected in each function regarding sustainability and an understanding of the path to be followed makes it easier for an organisation to empower employees. Part of this is setting the right targets and KPI's to measure the achieved positive impact. This helps employees to believe in their own strengths. It makes sustainability everyone's responsibility and challenge. Besides, it gives employees the tools needed to step up and engage in individual sustainability leadership.

# Conclusion

Today, we are facing a range of global economic, cultural, social and ecological challenges. Sustainability has become the new paradigm, where economic growth and profit maximization can no longer legitimate an organisation. Different sectors in society – and most notably the youth – are calling for rapid and ambitious transformation towards a more sustainable and inclusive society. There is a rising recognition within the Petrochemical sector that they need to respond meaningfully to growing public awareness on climate change, the circular economy and other sustainability related topics. The sector shows an increase in leadership to shape and lead the change needed for a better future.

EPCA's Talent & Diversity Council supports this increase in leadership for a better future, through offering talent management methods which ensure that the industry can continue to deliver the innovative and sustainable solutions expected from its customers and stakeholders. EPCA's 53rd Annual Meeting in Berlin, from October 6<sup>th</sup> to 9<sup>th</sup> 2019, was dedicated to 'Writing Together the Next Chapter of the European Petrochemical Industry'. Central in this statement is collaboration in creating a vision for the future of the European Petrochemical Industry. Contributing to positive societal and environmental change, becoming climate neutral, maximising wellbeing at work, both in body and mind, ensuring a circular or inclusive future, are examples in which organisations go beyond the traditional business approaches and metrics. They cannot address these actions with yesterday's logic: it calls for individual sustainability leadership.

Our research has demonstrated that individual sustainability leaders can be found throughout an organisation and draw on a range of characteristics (intrinsic motivation, moral courage, a creative mind, trustworthiness, emotional intelligence) and competencies (visionary engagement, open communication, sustainability literacy, business understanding, a holistic view). Furthermore, we found strong evidence that there are significant business and employee benefits from leading on sustainability (recruitment and retention of talent, workplace engagement and motivation, creativity and innovative thinking, purpose and pride, positive spillover effects).

For individuals to engage in leadership for sustainability, and for employees to reap the benefits of sustainability leadership, it is essential that organisations create the right environment where individuals are empowered to challenge the existing ways of thinking and doing. Additionally, in such an organisational context, individuals find guidance, knowledge and support in the form of a leadership development training, specified to the topic of individual sustainability leadership.

There is a growing market expectation for sustainability, investor requirements, shareholder pressure, citizen activism, societal crises and changing consumer demands. As a result, according to our 15 industry representatives and topic experts, sustainability can no longer be treated as a separate function, but must be incorporated and implemented throughout the business. Sustainability makes good business sense. This means that the term 'sustainability' may be

included less in job titles, leadership roles or separate sustainability strategies, as integration gets stronger. In the future, sustainability will be embedded and entrenched in the thinking and practices of the whole organisation, in much the same way as many human resource practices are integrated in business practices today.

Sustainability leadership, therefore, will be defined by those who integrate the quickest and more deeply, so that it becomes part of the organisational strategy and responsibility of all employees in every part of the organisation.



From left to right: Professor Wayne Visser (Antwerp Management School), Stephen Hahn-Griffiths (Chief Reputation Officer at the Reputation Institute), Miranda Wang (CEO of BioCollection), Christoph Jäkel (ice President Sustainability Strategy at BASF) during the panel discussion at the "Talents of Today, Leaders of Tomorrow" session at the 53<sup>rd</sup> EPCA Annual Meeting in Berlin

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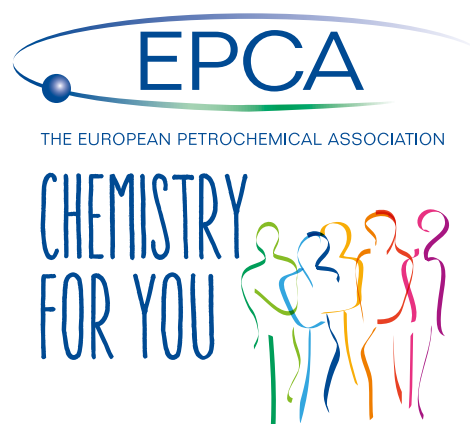
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Based in Brussels, EPCA is the **primary European Business Network** for the global petrochemical business community consisting of chemical producers, their suppliers, customers and service providers. It operates for and through more than 700-member companies from 54 different countries that represent an aggregate turnover of over €4.7 trillion and employing over 6.2 million people. EPCA **organises conferences and events** in Europe offering members all over the world the opportunity to meet industry leaders and selected external stakeholders and stay abreast of international market developments as well as technological and societal trends. EPCA also **supports** members on **specific topics** that underpin the sustainable development of the global petrochemical industry by developing knowledge via research projects with external partners (e.g. academic institutions and consultancies).

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