

Increase in sustainability roles forecast

The Amazon rainforest has experienced over 76,000 fires this year alone - more than twice 2018's total fire count. Within days of a massive social media storm, asset managers, pension funds and global goliaths like the VF Corporation suspended their dealings with Brazil. This shows a shift in narrative. Countries and businesses are now expected to be bastions of sustainability and social good. That's prompting a change in performance measurement as well as the creation of new sustainability roles.



© Sasin Paraksa – <u>123RF.com</u>

Jamie Williams, partner at Odgers Berndtson Sub-Saharan Africa, says, "As leaders in executive search, we've noticed more and more companies introducing sustainability roles over the last few years. While the trend is not as apparent in SA, it has become a business imperative in the European Union, North America and Australia. It also depends on the industry. In mining, sustainability has had to be top-of-mind for longer than it has been in other less visibly environmentally detrimental sectors. And climate change is now also impacting <u>financial institutions</u> - with investment decisions that factor in sustainability and the formation of specialised deal teams for sustainability-focused transactions, along with myriad other industries. But we're not necessarily seeing that translate into exco-level roles yet."

Williams says one of the best examples of a South African-founded company that's hiring for sustainability is SAPPI. "SAPPI has become increasingly sustainability-focused across the whole value chain. For example, they provide wood fibres to clothing producers for the sustainable fashion movement. It's also known for its sustainable plantations and processing, with environmental impact considered in every stage of production."

Formal sustainability governance councils which meet to share best practices and measure progress against goals will become more of a must for corporates, as businesses increasingly integrate sustainability into their environmental, social and governance imperatives.

The 2019 PwC non-executive directors report suggests we'll soon get to a point where ESG factors will be integrated into performance conditions. PwC believes, "This will mean that senior employees will also be compensated for the broader societal benefit of their long-term decisions—by looking at the number and quality of jobs that they have created, their contribution to the creation of sustainable infrastructure, or (for larger companies) the impact that they have had on the country's overall gross domestic product."

Additionally, the report mentions that companies are likely to need to do more to engage with Sustainable Development

Goals, as part of their key performance indicators.

Williams says, "As businesses' social impact is increasingly conscientized, we'll see more triple bottom-line models where emphasis is placed on shared value across a three-part framework that includes social, environmental and financial value. Corporates will have to go beyond virtue signalling, to the point where they're doing good, authentically, with real impact."

He says much of this dramatic shift is driven by the end-user. "Impact-conscious consumers want to engage with companies that are a force for good. As a CEO, you don't want to publicly get on the wrong side of <u>Greta Thunberg</u>, for example. She's the voice of a powerful new generation that expects brands to 'be better'."



Jamie Williams, partner at Odgers Berndtson Sub-Saharan Africa

Going forward, Williams believes sustainability roles will also evolve. "I think there'll be sustainability auditing roles, where companies will be assessed against global best practice standards. I also foresee more sustainability communication roles, where companies' ESG efforts are consistently narrated to the public.

"Businesses can't afford to ignore the call for corporates to be bastions of sustainability. Their reputations will increasingly depend on how they 'Do Good'. So, their human capital agenda will need to progress this business imperative," Williams concludes.

For more, visit: https://www.bizcommunity.com