



IN SIGHTS

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Adconterra - we navigate your company to the green hook in sustainability.



The jungle in sustainability is huge. Numerous new requirements are being placed on companies, which, in our observation, often lead to even more question marks.

For example, whether and to what extent one's own company is actually affected by which regulation. In this context, our customers are confronted with a multitude of new terms from the field of sustainability. In addition, new providers and solutions in previously uncharted areas are springing up every week, promising help.

Requirements in a wide variety of areas

The demands on our customers are coming from various directions and are sometimes dynamic.

For example, the legal framework for mandatory reporting in relation to sustainability criteria is currently changing very intensively. At this point, we see a wave of necessary measures rolling towards German SMEs by January 2026 at the latest - comparable to the requirements of the DSGVO at the time rolling towards German SMEs by the CSRD in January 2026 at the latest. Of course, we have been intensively answering questions about sustainability and transparency in the supply chain with our customers for some time now, triggered by the German Supply Chain Due Diligence Act (LkSG). However, the upcoming requirements have a much broader scope and also affect a wide range of business areas.

The topic is also becoming increasingly present across functions. Potential employees

in the recruiting process, for example, as well as existing employees, are making demands on the company's positioning with regard to its sustainability strategy and measures in terms of ESG (environmental, social and corporate governance). As every employee also deals with the topic privately due to an energy crisis, the sensitivity and expectation on one's own employer to position itself accordingly increases.

Here, the up-and-coming Generation Z, which is just entering the job market, will also cause an accelerated rethinking. We are already seeing HR departments struggling to explain themselves in recruitment interviews. For this generation, the sustainable orientation of the company and the deeper purpose of their own work - outside of income generation - is a much bigger decision criterion than it was for previous generations.

Build up your own expertise?

Numerous companies are thus faced with a major dilemma. On the one hand, they are confronted with the challenge of finding a balance between economic, ecological and social objectives. At the same time, however, they are confronted with processes that are still poorly structured in this area in particular, with non-transparent cost potentials and risks, an unclear data situation and little experience with approaches to solutions.

We observe that the companies that recognized the issue early have already created positions for "ESG officers" and filled them with qualified "ESG managers". As a rule, it is rare to find a suitably qualified employee ready to hand in one's own resource pool. And even if you are



lucky enough to find this person, in view of the current shortage of skilled workers, when you consider the full cost of personnel (including non-wage labor costs and other personnel costs), you still have to pay €65 to €100 thousand a year. This additional cost burden will initially cause some managers to frown - and possibly not without good reason. After all, measuring the actual individual resource requirements, the necessary competencies and additional structures/tools with a view to benefit/cost efficiency is not trivial.

We experience the challenges of these CSR (Corporate Social Responsibility) managers in many projects. Often, those responsible initially lack a clear sustainability strategy in order to align the mission and goals of their work accordingly here.

But they also face a Herculean task in other respects. At the same time as the day-to-day business of supplier management, in which the legal requirements and the company's own demands on the supply chain are to be enforced, in the future it will also be necessary, for example, to collect internal and external data, to prepare product CO₂ balances, corporate CO₂ balances or sustainability reports in a wide variety of formats. And this is precisely where reliable structures and processes are lacking today, as well as systemic support and experience.

The first step is usually to set up a project and bring external support and know-how into the company. In this project, the strategic orientation in sustainability is defined and the fields of action are determined in which the most important levers for sustainable adaptation lie for the company (legal requirements, employer attractiveness, competitive advantages, economic advantages). This means that the basic orientation has been drawn accordingly and measures in the sense

of sustainability have possibly already been described. However, the circle is now closed again, and these measures must be taken up, operationalized and executed by competent persons in charge.

It is precisely at this point that decision-makers should answer the question of whether an internal solution can necessarily and exclusively be target-oriented or whether externally purchased resources can represent a smart and cost-efficient solution.

It is conceivable to outsource this area of expertise completely to an external service provider for the time being or even in the medium term, who will take over all the processing fields here and close the gap described between short-term external requirements and available resources.

This can be a cost-efficient option in that only the topics that are to be implemented in line with the sustainability strategy are dealt with in a targeted and modular manner. Moreover, there are no internal costs for training, further education or personnel acquisition. Innovations and market information are actively brought in from outside as expertise.

This approach is common practice in the CSR environment. Many companies, for example, already use external partners to manage supplier audits, and only the results are fed back into the company.

Keeping the overview

The greatest challenge, however, is to maintain an overview in this multitude of topics and measures. The central goal is to reduce the effort required to provide information at the push of a button for the various target channels/reports,



some of which require similar information in a different presentation format.

It would therefore be helpful to have a compass that, in addition to showing the direction, also displays the entire itinerary at the same time. ESG or CSR management systems offer such a compass function. Of course, as in any other good system, it requires appropriate preparatory work and maintenance of the input. However, many of these systems also allow the connection to the own system landscape (ERP for supplier management, risk management system, ...) in order to take the right measures in the sustainability jungle and also to be able to measure the progress.

Unfortunately, we often experience an actionism to quickly start something supposedly sustainable for the company. The lack of an overview subsequently ensures that most of the measures, which in case of doubt are quite sensible if not necessary, come to nothing or in the end do not have the impact on sustainability that was promised at the beginning.



Navigating through the jungle

Whether it's developing the right strategy, planning the measures realistically, implementing the measures with technical and methodological expertise, digitizing processes in sustainability, or even handing over this entire field to a competent

partner while still maintaining an overview with one tool - our consultants think strategy and implementation end-to-end and are much more cost-efficient than an internal job setup. With many years of line experience in this area and as a sustainability first mover, we are much more implementation-oriented and at the same time more long-term oriented than strategy consultancies.

In addition, Adconterra offers a more comprehensive service than competitors from niches that are only committed to certain parts of sustainability, specific industries or targeted issues.

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