



Sustainability at Work: Embedding and mainstreaming sustainability
Melbourne Convention and Exhibition Centre
4 August 2010

The relationship among the education, business and the community sectors is vital to align expected need and supply of skills and knowledge for sustainability. The stated purpose and objectives of this forum were to:

- To conduct a forum that explores the role of education in effectively embedding sustainability into mainstream education, business and community practice.
- To reinforce the position that sustainability requires the broad acceptance and application by a variety of significant stakeholders.
- To demonstrate the central role of the tertiary education sector in embedding sustainability throughout business, government and the community.
- To showcase current best practice examples of what is happening in education and how it impacts on business and community sustainability, and to foreshadow future innovative developments.
- To stimulate debate.

Note: Power point presentations can be found on www.bhert.com

John Thwaites, Professorial Fellow at the Monash Sustainability Institute, opened the forum with his keynote address *If sustainability is so good, why aren't all business doing it?* Some major companies are taking advantage of the opportunities arising from sustainable practices – a projected 5000 new jobs (ACTU/ACF Report 2008), 2000% increase in venture capital and private equity investment, the growth in the renewable energy sector outpacing the conventional sources, the reduction of waste and increase in productivity in new and retrofitted green buildings and government financial incentives. This is recognised internationally with China's investment in green technology to grow to \$500 trillion to 2013 and in wind power and solar industry which are among the fastest growing in the world with \$398 billion invested in renewable energy; 81% of Korea's stimulus package was directed to green/sustainable enterprises; the Obama administration has also heavily invested in green technology and companies such as Dupont have shifted to sustainable products. However, many are not doing enough and findings from a survey of Australian SMEs indicate the majority are willing to take action but most are doing very little and the reasons are that the cost is expensive, there is not enough available information or it is untrustworthy. A recent McKinsey Survey found that Australia has the potential to reduce emissions by 25% below 2000 levels at a low average cost in the next 10 years and that reducing emissions costs can be profitable. Most of the current work is undertaken in office buildings but there are opportunities for emissions reductions in retail, hospitals, schools and other buildings, in transport, for farmers and land holders among others. The study identified a number of reasons as to why it is not happening – eg, there is no need to because there is no cost to polluting (need a price on carbon); there is a lack of trust in the information that is out there. Business is more likely to believe universities and philanthropic organisations rather than government. There is a need for more peer based campaigns to get business on-side. Non-economic factors such as habit also represent one of the key barriers. Human beings are not very good at responding psychologically to long term climate change issues from which they have limited personal experience. There is a finite pool of worry and we are heavily

influenced by cultural and political attitudes. In addition to pricing carbon, policies to overcome structural barriers and technologies to make behavioural change easier, we need to have a better understanding of psychology in communicating information and in social marketing.

John Purcell, CPA Australia extended the discussion beyond sustainability to include corporate social responsibility for the triple bottom line of environment, social and governance (ESG). ESG are all interrelated and are the drivers shaping our activities. Accounting is heavily focussed on external reporting which is the end product but as we enter into increasingly complex areas of rapid change, external reporting becomes one of the drivers of professional associations and business. Professional associations play a critical role in driving change in business through advocacy, through leadership, and by skilling the profession which is pivotal. Work is underway to look at the future skill needs of the accountancy profession that must include more than technical skills. Currently there is a lack of clarity regarding sustainability responsibilities for business, poor ad hoc systems for reporting. Integrated sustainable reporting should reflect embedded behaviours and therefore it is important for the professionals to work across the organisation and on a multi-disciplinary basis. International bodies have now formalised relationships to look at international standards which is a pivotal source of change for corporate reporting. All large companies will be required to report on their performance by 2015. By 2020 there should be generally accepted and applied international standards which would effectively integrate financial and ESG reporting by all organisations.

Salvos Stores were an excellent case study in embedding the concept throughout the organisation. **Frank Staebe, General Manager**, emphasised the importance of education for sustainability so that one is armed with knowledge to turn ideas into action. Other forms of support include a champion for the cause, a CEO and Executive Board who are on-side and a positive corporate culture with people who can be motivated and empowered. To truly embed the concept would require 'sustainability training' in primary and secondary school. **Donald Munro, Sustainability Manager**, said that Salvos Stores are essentially recyclers anyway so sustainability is already a part of the business. The public has certain expectations from business so the case that was developed was for Salvos Stores to be the first charity to go green and to be the employer of choice. Green teams were formed throughout the organisation and they were empowered to make decisions. This meant that the people who do the jobs are empowered to deliver and this builds momentum. The green teams came up with a host of changes including the purchase of hybrid trucks, skylights in call centres and offices, rainwater tanks, sensor lighting among others. What works for one team may not for another - it is a very local approach. Salvos Stores have also rewritten their vision and mission to include sustainability, along with accompanying reporting mechanisms. There is energy among the staff to make it happen.

Linda Brown, Deputy Vice Chancellor and Director TAFE pointed out that organisations such as **Swinburne University** have a lot of experts who need to pool their knowledge in order to create a sustainability strategy at a big and complex organisation. A common purpose needs to build value for staff and students while working closely with government at the policy level. How do we move forward? By being bold, by introducing an innovative curriculum, by recognising the unique role played by universities and the importance of the nexus between research and skills. The strategy must fit into key components along with targets and regular reporting. One bold example is introducing sustainability units into the Nursing Diploma course with a relevant perspective for the future nurses. Professional development is critical for staff to acquire the skills and teach sustainability. Two agendas for educationalists are 1) education for students and 2) retraining workers innovatively because sustainability must be recognised as a workplace issue. **Scott McKenny, Industry Programs**, provided a host of examples of sustainability projects that were university/business partnerships.

Garry MacDonald, Director National Centre for Sustainability (NCS), reiterated the importance for staff to exhibit the behaviours around sustainability as business goes forward in a low carbon environment. The way to achieve this is through education. All Australian training packages have sustainability embedded in the curriculum. Education for

sustainability is the basis for achieving that and system thinking, problem-solving, critical thinking, reflection and understanding is part of its philosophy. It's not about what we teach but how we engage with our students. Thinking leading to action is often values based. **Denise Stevens, CEO TAFE Development Centre**, referred to the fact that sustainability is not a new concept and when introduced to it, people are transformed on a personal level as well as professional levels. The TDC proposal to Skills Victoria was a one day program on sustainability which, although it only scratched the surface, aimed to support the teaching staff who are delivering the training packages. The program dealt with 3 key areas: 1) introduction to sustainability (psychology, values), 2) looking at VET practice and 3) maintaining professional competence in their own individual sector. In addition to the 19 workshops completed across the state, the NCS developed a learning guide with structured exercises that could be taken back to the classroom. TDC established an on-line portal to gain further information and has received excellent feedback. Many of the participants have wanted to be more involved on their own campus. The students are demanding green skills training. An issue of concern for the federal green skills program is who is doing the training of these skills?

Following a panel/ audience discussion on the issues raised, **Francis Grey, Sustainability Asset Management (SAM)**, opened by saying that the focus was not on sustainable businesses but on sustainable organisations and what makes it sustainable is not forgetting what we are here for! *Sustainable development is a whole of system concept. Your organisation in the context of everything else.* If we want to educate others about the sustainability journey, it helps to know the process we went through. Organisations need a mud map. SAM is a fund manager that ranks and rates organisations (including governance, innovation, IT, management, brand management, risk management) on their sustainable performance. Organisations need to be reminded of purpose, where it is going in order to take its people with it. A sustainable business has a dialogue within the organisation. To get business attention you need to connect where they are at. Sustainability is the same as organisational performance – one is not the proxy for the other. They are one and the same and business needs to understand this.

Sam Mostyn, Director of Institute of Sustainable Solutions, University of Sydney, presented the final keynote address of the day. She presented the dilemma about sustainability in a corporate context because it offends the concept of growth. This is a whole systems issue for future generations – how are we going to reserve the whole system for future generations? Will we be good ancestors? It is about values and spirit and user prosperity. Sustainability is at the core of how we operate as a community. Business is quietly asking for a carbon price because they want certainty. McKinsey Global trends indicate that the most significant global trend for 2010 boards is the loss of diversity. What is at risk for companies if we lose species?

After summarising the main points of the day, Sam concluded by saying that higher education needs to support more cross-disciplinary, cross-institutional work to achieve sustainable outcomes (comparable to what is happening in the VET sector). It would be good to have more articulation on the VET/HE sectors on the topic.

HE does not need any more sustainability courses/schools – we do need to change the language. We need to be addressing these very complex questions such as how we are going to solve our financial crises? Food? Waste? Water? Well-being and health? HE should be spending more time on emergency management, floods, landslides, tsunamis -these are the beginnings of the trends of climate change. We are not properly prepared for disasters. This is a leadership question that forces us to look at our values and think about what prosperity means.