

Leading the Change? Insights from Executives on Integrating Sustainable Development into their firms

Student: Max Hyde,
Supervisor: Frank Brueck

The Study

Imperial Business School carries out a 12-week sustainability leadership program that trains executives on sustainability, culminating in a report on their own company's practices and a sustainability proposal. We collected 432 of these anonymous reports and assigned sustainable development goals (SDGs) to the gaps and goals the executives identified. We then performed data analysis in Jupyter notebook using Python.

Aims:

- Identify the type of sustainable development (SD) gaps and goals executives have identified in their firms.
- Understand how executives prioritise different aspects of SD intergration
- Examine how executives plan to implement SD within their firms.

Table 1 shows the reports were mainly from financial and professional service companies.

Industry	Count	Percent
Financials	558	35.0
Data Missing	212	13.0
Professional Services	140	9.0
Industrials	119	7.0
Information Technology	92	6.0
NGO	81	5.0
Energy	81	5.0
Other	104	24.0

Table 1: Top 5 industries

Results

1. Type of SD gaps and goals identified

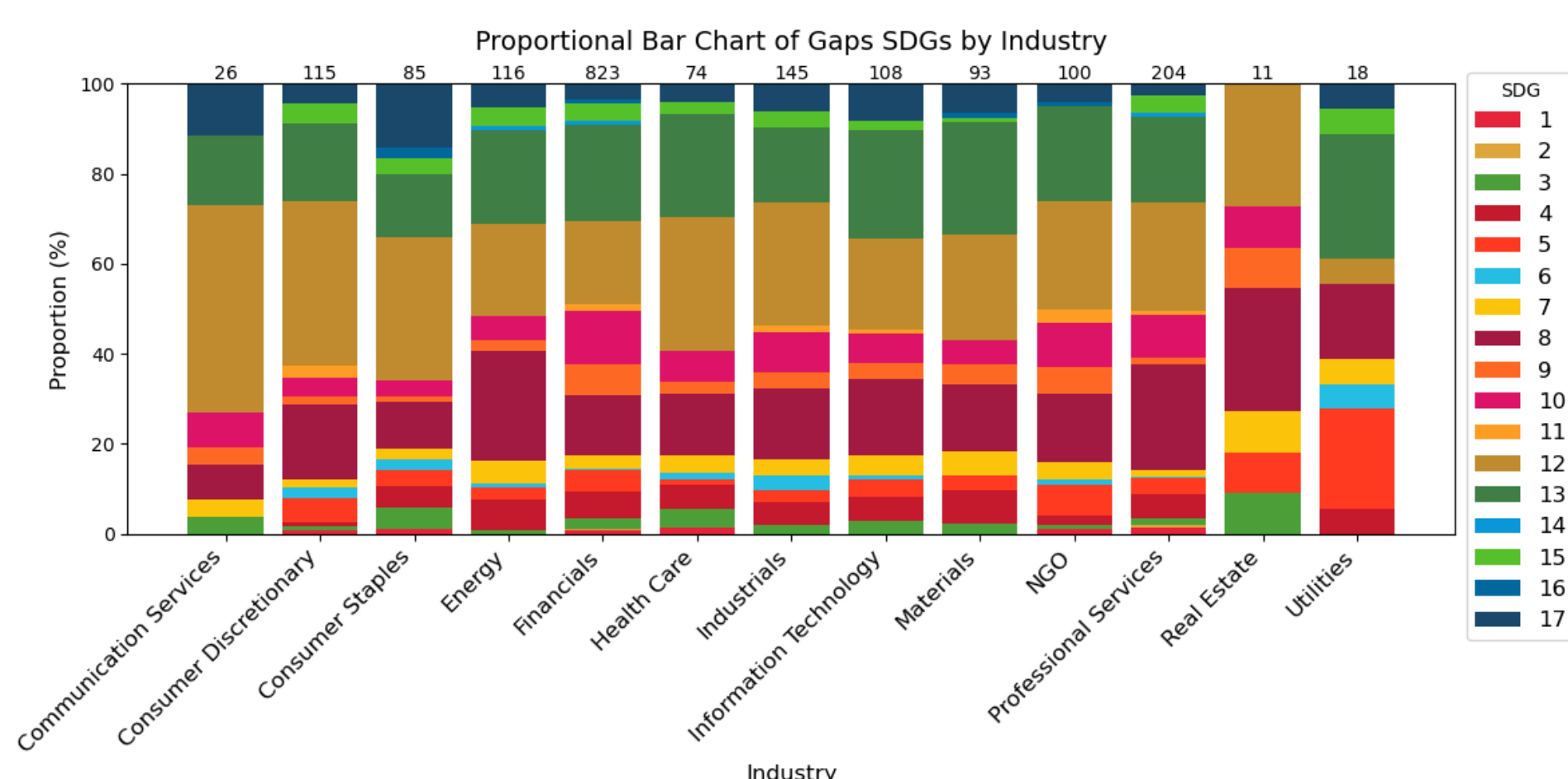


Figure 1: 1. Proportion of SDGs related to gaps identified by executives, by industry

Executives across industries primarily prioritize SDGs 12 and 13 (Figure 1), showing less interest in biodiversity or human well-being. Industry-specific variations exist: energy and professional services focus more on SDG 8, with consumer staples emphasize SDG 17.

2. Executive SD aspect prioritisation

Figure 2 shows that executives tend to focus their solutions on SDGs 12 and 13, despite recognizing a wide range of SD issues. Figure 3 explores whether this prioritization is justified based on their own company ratings on environmental and social aspects.

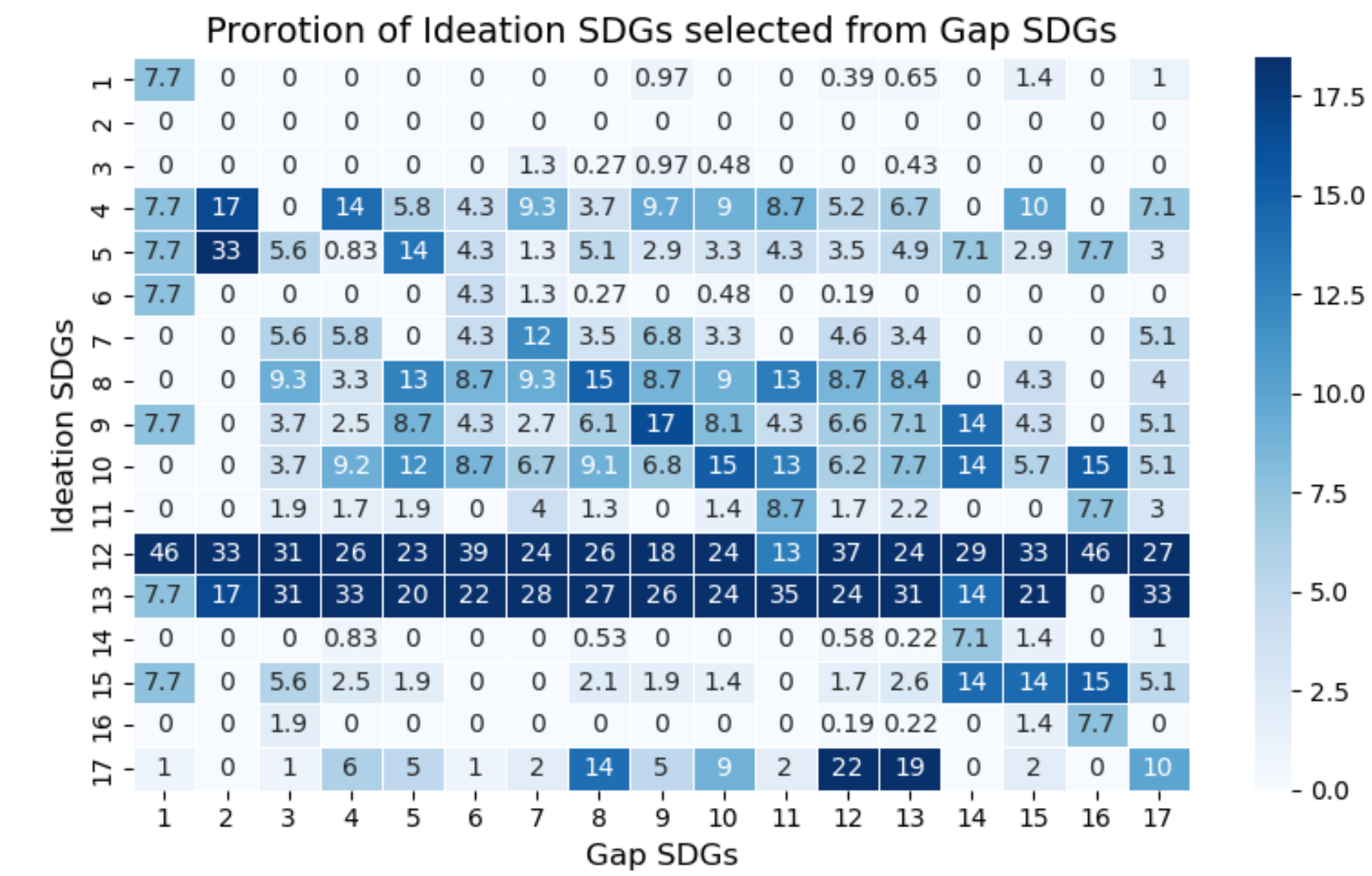


Figure 2: Ideation SDGs that stemmed from a specific Gaps SDGs, by proportion (percent)

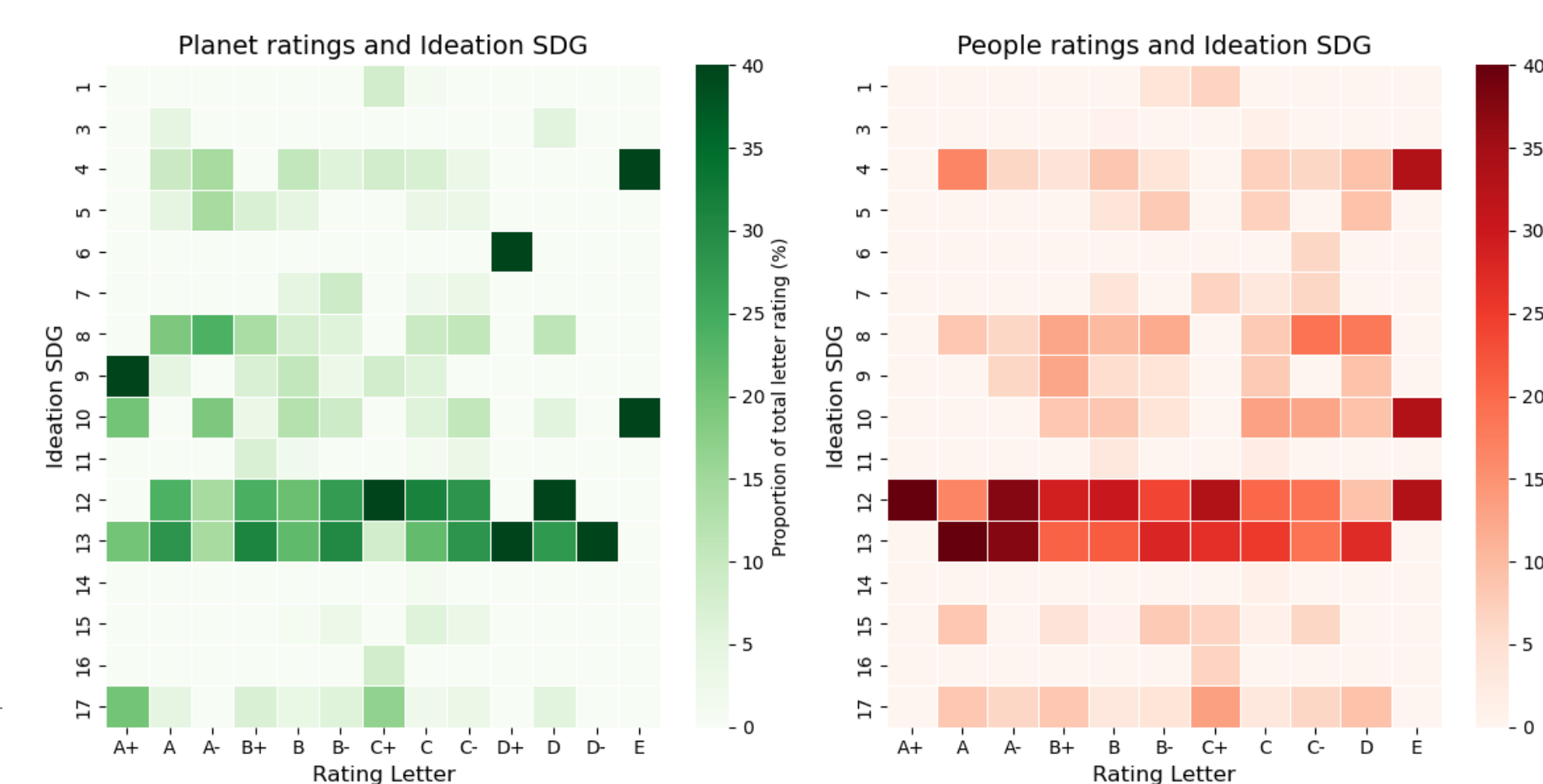


Figure 3: Proportion of Ideation SDGs that stemmed from a company with particular people/planet rating

The chi-squared test result suggests there is an association between the type of SDGs selected in the ideation stage (goal prioritization) and the SDGs gaps.

Chi-squared statistic	p-value
29.2	0.0227

Table 2: Chi-squared test results

Figure 4 show what us driving this result: an over-selection of SDG 12,13 and 4, driven by an under selection of SDG 8.

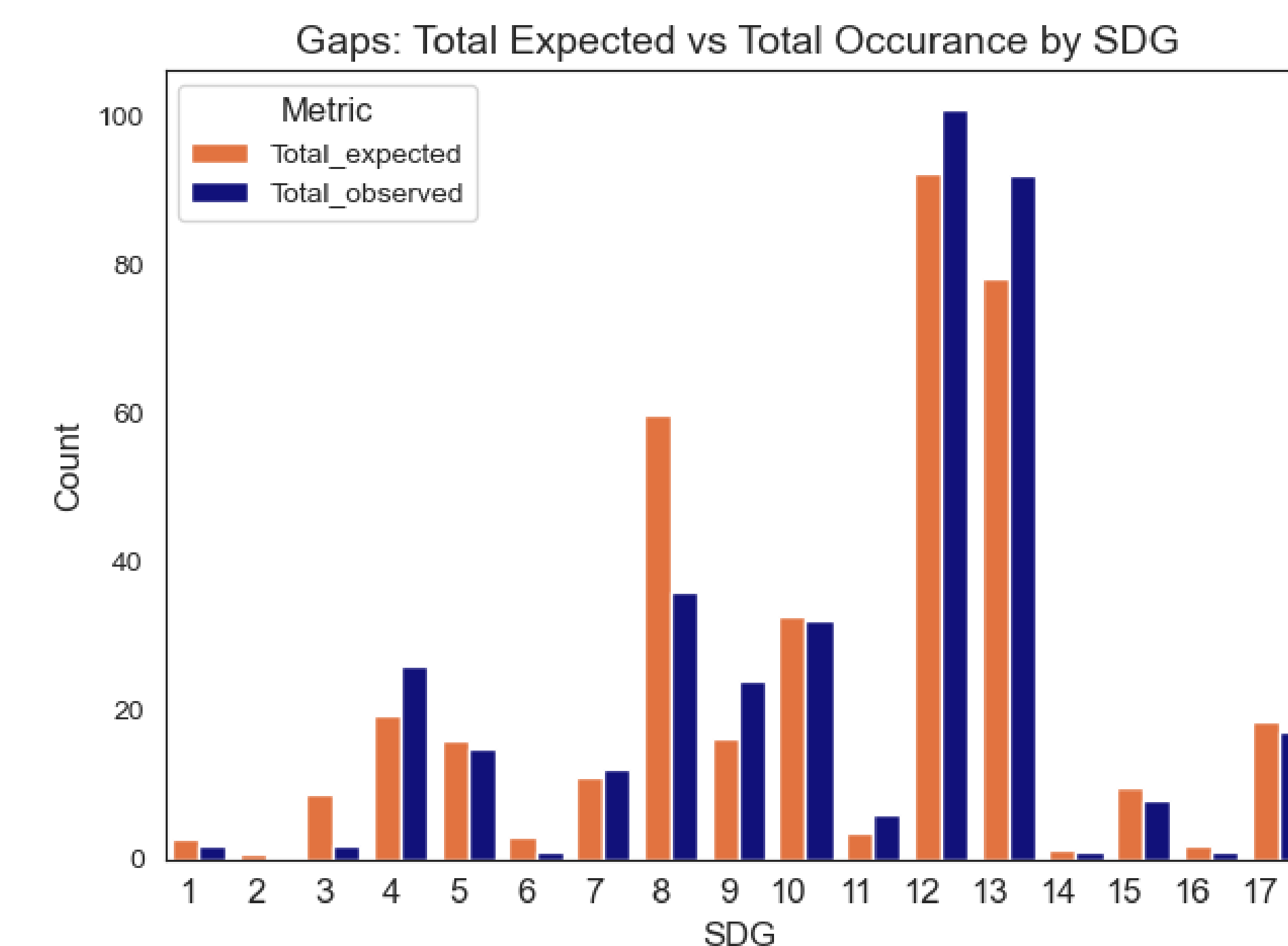


Figure 4: Expected occurrence of each SDG compared against the observed occurrence

3. How do executives plan to implement SD

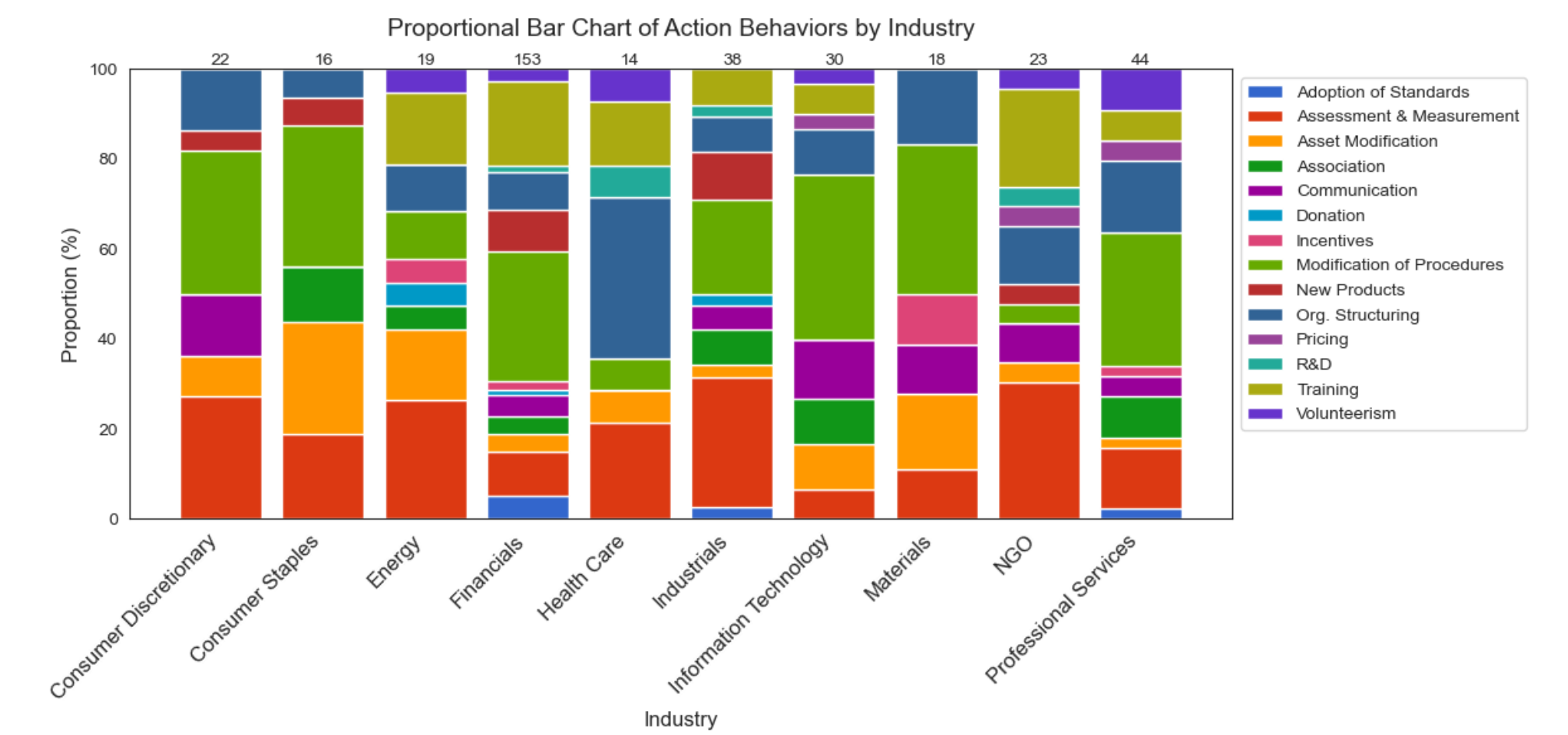


Figure 5: Proportion of behaviours related to actions executives selected, by industry

Figure 5 demonstrates that the sustainability behaviors adopted by executives vary significantly across industries. Manufacturing and natural resource companies tend to emphasize assessment and modification, while consumer-focused industries often neglect training initiatives. The figure also reveals a limited focus on new product creation, with healthcare and NGOs prioritizing organizational structure and training instead.

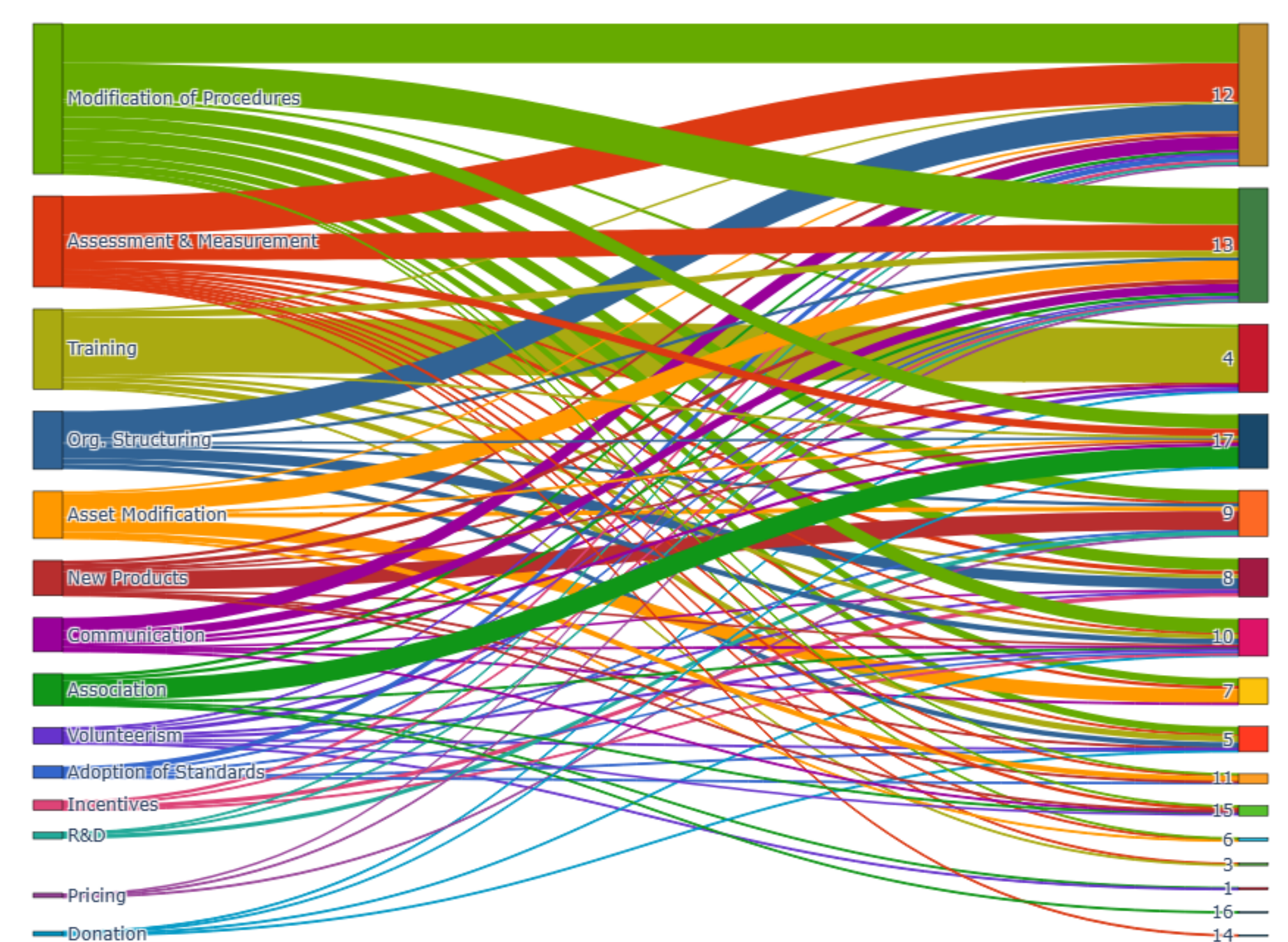


Figure 6: The flows from behaviours of actions executives selected to the SDGs they relate to

Figure 6 illustrates how executives' sustainability actions map onto specific SDGs. Notably, modifications and assessments link to SDGs 12 and 13, while training connects to SDG 4. Organizational structuring largely flows into SDG 12, and asset modification into SDGs 13 and 7.

Conclusion

- Executives approached SD integration in a similar way, yet the pathways of implementation vary across industries.
- Executives prioritize actions related to sustainable consumption and production and climate action, despite executives highlighting issues other areas, such as human capital and human well-being.
- There exists a gap in executive understanding of how to analyse their business model's contribution to biodiversity and well-being.