

○ Enabler 3



Developing Sustainability Action Plan



**SME Sustainability Roadmap and
Kick-Start Impact Toolkit**



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Partnership for Sustainability
Leadership in Business
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About Enabler 3

So far, the enablers have guided you on how to create purpose statement, establish sustainability management committee and sustainability policies for your company. They are nonetheless pointless if your company does not take concrete actions. Planning is the first step of success, and putting your thoughts in an action plan is essential to drive real changes in your company. While you will need to take some time to research on what can be done and analyse the cost and benefit, the project team has prepared an action plan template in this enabler to suggest a systematic workflow for your consideration and use.



What is Sustainability Action Plan

A sustainability action plan is for the company's management to plan for change. It primarily outlines the concrete actions that a company has identified and wishes to take in the future to improve corresponding sustainability performance with timeline and responsibility. In addition, the associated cost (e.g. equipment, manpower, vendor) and estimated benefit (e.g. additional savings, increased sales) are often included to help the management decide which actions should be prioritised. The plan is thus a tool for your company to better manage sustainability performance instead of only documentation. It is typically limited to internal use.

The preparation along with the sustainability action plan can help your company:



identify areas of improvement in your business



translate commitments into concrete actions



make sensible decision with cost-benefit analysis



track the action status with clarity (e.g. roles and responsibilities, timeline)

Characteristics of Sustainability Action Plan

As a management tool, a sustainability action plan has at least seven components, and they are arranged in table format when used by companies. When drafting the action plan, these components imply the following questions for the company to consider:

Table 7: **Seven components in sustainability action plan and corresponding questions**

Component	Question to the Company
Sustainability issue	What is affecting my business / is being affected by my business that the company needs to manage?
Specific action	Where can my company take action and how?
Timeframe	How long does it need from introducing to completing the action?
Party in charge	Who are the relevant parties for the action?
Budget	How much does the action cost to make it happen?
Estimated business benefit	Why is the action worth taking?
Priority	Based on the information, which action should my company take first?

To keep the decision-making process effective, the plan should be:



Detailed

(specific action, budget, estimated business benefits)



Clear

(timeframe, party in charge)



Practical

(based on resource availability and cost-benefit analysis)

When developing a sustainability action plan for your company, the more details the plan contains, the better. Given that your company wishes to address two sustainability issues: “Energy efficiency” and “Employee wellbeing”, Table 8a which consists of general descriptions of actions and estimated business benefits with some blank cells should be avoided.

* figures are for illustration purpose only

Table 8a: **Possible issues in sustainability action plan**

Sustainability Aspect	Specific Action	Timeframe	Budget	Estimated Business Benefit	Party in Charge	Priority
Resource efficiency	Save energy in operation	1 week		Reduce energy cost		
Employee wellbeing	Prevent injury			Maintain employee’s productivity	OHS team	

Instead, your company should aim to state the items with details as illustrated in Table 8b. To do so, your company will have to take some time to find potential measures to improve the sustainability issues. If the action plan can answer the questions listed in Table 7, it is very likely to be a useful plan (see Table 8b for reference).

* figures are for illustration purpose only

Table 8b: **Revised sustainability action plan**

Sustainability Aspect	Specific Action	Timeframe	Budget	Estimated Business Benefit	Party in Charge	Priority
Resource efficiency	Reduce electricity use in office by replacing all fluorescent lamps with LED lamps	1 month	HK\$50,000	Save 10% electricity use and cost	Admin, vendor	1
Employee wellbeing	Unannounced inspection in manufacturing area every day for proper use of equipment	Ongoing	HK\$ /	Reduce 5% of workplace injury and maintain employee's productivity	OHS team	1

Develop Your Sustainability Action Plan

Having read the above information, you are now ready to create sustainability action plan for your company. If you have already completed our [SME Sustainability Self-check Tool](#), the opportunities stated in your result summary will be a good start. Alternatively, our [Sustainable Value Chains \(SVC\) management framework](#)²⁰ can serve as a reference on which issue(s) you can tackle.

You can find our sustainability action plan template on the next page. Depending on your commitment and desired level of practice to business sustainability management, you can choose how much to work on as indicated by the tags below:

²⁰ The Business Sustainability Dimensions in the Sustainable Value Chains management framework are distilled by the PSLB project team from extensive academic literature on sustainability, sustainable development, corporate social responsibility, business ethics, corporate citizenship, corporate social performance and stakeholder theory, as well as existing standards in the market, such as ISO 26000 Social Responsibilities, SASB and RobecoSAM's Corporate Sustainability Assessment.

For **Leader**

Plan for three issues under all five Business Sustainability Dimensions each

For **High Performer**

Plan for two issues under all five Business Sustainability Dimensions each

For **Beginner**

Plan for one issue under all five Business Sustainability Dimensions each

Sustainability action plan template

Sustainability Aspect	Specific Action	Timeframe	Budget	Estimated Business Benefit	Party in Charge	Priority
e.g Resource efficiency	Replace 40 pieces of T5 lightings with 40 pieces of LED lightings in office	1 week	HK\$,xxx 1 staff 1 vendor	Save xx% electricity use and cost	Vendor Admin	1
e.g. Employee wellness	Inspect office and manufacturing area every day for proper use of equipment	Ongoing	HK\$ 2 staff / vendor	Reduce number of injury and incident	OHS team	1
e.g. Sustainability advocacy	Introduce Fair Trade and our related products via social media for consumer education	2 weeks	HK\$xxx 1 staff / vendor	Increase product awareness Drive potential sales	Marketing	2
e.g. Corporate social innovation	Work with NGO to develop a programme that uses our IT expertise to benefit the elderly	1 year	HK\$,xxx 3 staff / vendor	Extend business reach Maintain responsible brand	Business development	3

➤ What's Next

Having developed the sustainability action plan for your company, you should seek the top management for endorsement to get the necessary resources and start the actions. The plan should also be articulated to all the relevant parties to keep them on the same page. In addition, you can discuss and follow up on the plan in your company's management meetings regularly.

Setting metrics and targets can complement your sustainability action plan by measuring and keeping track of the performance. Our next two enablers will introduce and guide you on each of the topics.



Extended Readings

For SMEs wishing to do more for sustainability

However insignificant they may seem, your sustainability actions can create impact to the international sustainability agenda. The United Nations introduced 17 Sustainable Development Goals (SDGs) in 2015 that call for actions in all sectors, including businesses. You can refer to the SDG Compass to integrate SDGs into your business actions

(https://sdgcompass.org/wp-content/uploads/2015/12/019104_SDG_Compass_Guide_2015.pdf).

For SMEs wishing to get listed in Hong Kong

Having effective management systems will facilitate your company to manage business sustainability performance better. You may find some relevant ISO management system standards to work on

(<https://www.iso.org/popular-standards.html>).