

5 sustainability trends that will shape business in 2021

By [Christelle Marais](#)

21 Jan 2021

As employees return from their well-deserved holidays, organisations are ramping up for the new year. While 2020 was dominated by the impact of the global pandemic, it intensified the ambition of organisations to become more sustainable. These are the sustainability trends that will continue to shape business in 2021 - which businesses should take note of if they want to achieve their future sustainability goals and become more profitable in the process.



Christelle Marais, IQbusiness sustainability consultant

Acceleration of company efforts to meet the 2030 SDGs

The 2030 Sustainable Development Goals (SDGs) are the goals that UN member countries have agreed to work towards in an effort to end poverty, improve health and education, reduce inequality, increase economic growth, and curb climate change. These goals are also the [globally agreed upon sustainability framework](#), that investors use to guide and support investment decisions. The [Business and Sustainable Development Commission](#) estimates that achieving the SDGs could unlock at least \$1.1tn for the private sector in Africa by 2030, and create more than 85 million new jobs.

As we enter the last decade before we need to meet the 2030 SDGs, companies are increasingly using the SDGs as a guide to identify opportunities that will increase profits, create positive social and environmental impacts, and improve investor sentiment. They are also aligning business strategies to meet the SDGs and measure, monitor, and report on their contribution. We've seen organisations forge closer partnerships with other companies, NGOs, and government to address some of the most critical challenges in unlocking SDG value creation.

Shifting from integrated reporting to integrated sustainability

Although South Africa is a leader in adopting and implementing integrated reporting, there is a growing awareness that integrated reporting alone is not a true reflection of an organisation's performance and sustainability.

To address this, organisations are increasingly aiming to integrate sustainability into every facet of their business. This

includes how they develop strategy, manage risks, perform, and report on outcomes. Organisations are adopting new operating models to decentralise sustainability functions and reduce silos. They are implementing sustainability criteria into organisational and supplier performance management and enhancing the use of data and analytics to better understand, integrate, and track financial as well as environmental, social, and governance (ESG) performance.

Using technology and innovation as a sustainability enabler

According to the [Global e-Sustainability Initiative, GeSI](#), technology has the potential to contribute to all 17 of the SDGs – including over 50% of the 169 sub-targets. Technologies associated with the fourth industrial revolution (such as artificial intelligence, blockchain, and the internet of things (IoT)) are rapidly becoming mainstream. As an example, artificial intelligence is being harnessed to create forest directories to support sustainable forest management. IoT improves data-driven decision-making, which is required to improve water and air monitoring and management, and drive energy efficiency.

Green tech, like wind technology and bioenergy, is being used to reduce our dependence on coal-based electricity generation. We've also seen food manufacturers move towards developing plant-based meat substitutes and invest in innovative precision farming initiatives to reduce carbon emissions associated with food production.



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Recognising procurement as a key enabler for organisational sustainability

Businesses are increasingly addressing sustainability challenges within their supply chains through responsible buying and sourcing practices and more collaboration with suppliers. The role of procurement is therefore changing from cost and risk management to social, environmental, and economic value creation. Global initiatives, such as the [Sustainable Procurement Pledge \(SPP\)](#), are mobilising organisations to embed sustainable sourcing and buying practices by 2030.

Building resilience by becoming more agile

Covid-19 has shown us that companies can quickly and easily adapt to changing environments and risks. Organisations will continue building resilience to external factors by adapting and promoting change - both productively and cost-effectively - without compromising product or service quality.

Hopefully, this decade will see organisations' understanding of sustainability shift from "soft issues" to business goals like innovation, resilience, and adaptability. This will require organisations to take key learnings from the 2020 global crises to build truly sustainable and resilient businesses.

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