Companies are supporting some SDGs at the expense of others – here’s how to tackle that

Submitted by: BlueSky Education
Tuesday, 14 September 2021

There are 17 Sustainable Development Goals (SDGs) with 169 underlying targets. Now new research from Rotterdam School of Management (RSM) explores why companies engage more with some of the goals than others – and how to tackle that.

All 193 United Nations member states adopted the SDGs as a blueprint to achieve a better and more sustainable future. Attaining these goals requires the involvement of the private sector.

According to the research, two aspects of an SDG are found to be most important for businesses; a goal’s actionability and the ethical duties that it conveys.

On actionability, some SDGs can be advanced within companies’ value chain operations while others can only be promoted outside of the company’s direct influence. Regarding ethical duties, there are SDG targets that simply seek to avoid harm while other targets seek to “do good” by making additional contributions to the well-being of people and planet. For instance, ‘reducing corruption and bribery’ is an SDG target that is internally actionable and aimed at avoiding harm. In contrast, ‘providing affordable housing for all’ is externally actionable and aimed at doing good.

The research surveys 81 of the largest European and North American companies to indicate what extent they engage with the SDGs.

The results show that companies engage more with SDG targets that are actionable within their operations than those outside of it, and more with SDG targets that “avoid harm” than those that “do good”.

According to Jan Anton van Zanten, the lead researcher; “Although companies responded supportively to the launch of the SDGs, by engaging primarily with internally actionable and “avoiding harm” SDG targets, companies can remain relatively passive agents. In order for the private sector to take a more active role, companies must be drawn into action on externally actionable SDGs and seek to drive positive contributions.”

The researchers also reviewed 876 academic articles and industry papers to discover companies’ impacts on the SDGs. Findings reveal companies have ample opportunities for advancing the SDGs. Most are sources of economic productivity and drive industrialisation while many create and/or distribute goods and services that help people meet their basic needs. Yet negative impacts are widespread – afflicting ecosystems, driving climate change and harming human health.

The researchers then scored 67 types of corporate activities in relation to the SDG targets. The results identify four types of companies based on their activities’ impacts;
1. “Core activities” have mainly positive impacts, encouraging companies to up their contributions even more
2. “Mixed activities” have moderate/high degrees of both negative/positive impacts, suggesting such companies need to decouple these effects

3. “Opposed activities” cause significant adverse impacts, implying that companies must transform to support the SDGs
4. “Peripheral activities” have immaterial impacts, inviting companies to explore avenues for contributing to SDGs

The researchers therefore suggest that instead of treating SDGs as isolated silos, an approach should be used to advance multiple SDGs simultaneously while reducing the risk that contributions to one SDG undermine progress on another.

“Such systemic corporate sustainability strategies are sorely needed to drive progress towards achieving the SDGs and to safeguard companies from “SDG-washing,” says Jan Anton van Zanten.

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For more information, a copy of the research paper, or to speak with the researchers, contact Kate Mowbray at BlueSky PR on Kate@bluesky-pr.com or call +44 710022871