

A RECIPE FOR Sustainable Supply Chains

A structured approach to avoidance, monitoring, detection, and mitigation is the recipe to move sustainability from aspiration to an implemented competitive advantage. We are sharing some of the best practices to help as you begin to change your operations:

The perfect blend incorporates structure, strategy, and executive support.

1. Find and recruit diverse support

All sustainability efforts are driven by executive buy-in, employee advocacy, and consumer commitment. Generate a goal and ensure that everyone from leadership to the people making better decisions are committed to your firm's role as a change agent.

2. Measure and benchmark

Build transparent assessment - the more comprehensive your measures and acknowledgments become, the more opportunities you'll identify for improvement.

3. Include your suppliers

Information transparency isn't perfect and the best way to get information is to ask for it. Work with your suppliers to acquire Scope 3 measures and collaborate with them on the mitigation of those impacts. Drive stronger partnerships with shared responsibilities and identify who your best suppliers are as you pursue sustainable supply chain goals.

4. Balance KPIs in models and score cards

Mature organizations will find the optimal balance between increasing cost and reducing impacts. Some initiatives will save on both as the cost of extended supply chains is often matched by a focus on cost per unit. Adjusting the balance between cost controls and impact reductions provides a menu of potential options for creating a series of improvement initiatives.

5. Set targets and prioritize quick wins

Make a public statement of the goal and demonstrate the commitment. Identify the quick wins and the simplest changes on your path to build a sustainable supply chain. This can give credibility to budding programs.

6. Be S.M.A.R.T.

The same logic of personal goals applies to sustainability initiatives. Make sure goals are S.M.A.R.T.: specific, measurable, attainable, relevant, and time-bound, otherwise they can fail to create the behavioral change that delivers results.

7. Sustain the sustainability

Design sustainable supply chain programs that not only correct the existing course, but also put in safeguards to monitor your supply chain and raise flags when something is amiss. Trust, but verify, continuously.

8. Integrate with product development and onboarding

Proactively add elements to your contracts and supplier onboarding, setting out clear values, goals, and expected adherence to them. Create thoughtful recipes and bills of material that remove undesirable components and raw materials and consider the sourcing of the ones you keep in. Conduct product sampling and facility tours early and implement irregular, asynchronous auditing practices. Apply machine learning tools to detect trends in information or malfeasance in provenance.