

SUSTALAB

Accelerating awareness, facilitating sustainable action.

Sustalab impacts family-owned, medium-sized and large enterprises.

www.sustalab.be

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SUSTALAB SUMMARIZED

In this report, we present you Sustalab: a learning, leadership and consultancy for good initiative that grew within the Faculty of Business and Economics at the University of Antwerp in Belgium. Sustalab is a team of master's students and young alumni that combines academic rigor with impact consultancy. The creative approach and the dynamic vibe of the team guarantees them a seat in many board meetings of Belgian companies. Sustalab actively valorizes academic insights by putting them into practice.

The relatively small team has had a huge impact on companies, sector federations and even the Flemish government. Sustalab has as a mission to raise awareness for the transformative agenda of the Sustainable Development Goals (SDGs) and to facilitate hands-on and practical implementation. Furthermore, it has developed an approach with regards to sustainable innovation that allows companies to use the insights and creativity of the millennial generation to build resilient strategies for tomorrow.

This is what we strive for at the Faculty of Business and Economics. We stimulate our students to become critical and ethical leaders of tomorrow, with a long-term vision and the know-how to use management science and methodologies. These skills will enable them to build better companies that in turn create more economic and societal value in an ever-changing world.

Koen Vandenbempt
Dean, Faculty of Business and Economics, University of Antwerp



Introduction we are Sustalab

Sustalab, short for sustainability lab, is a consultancy for good spin off from the Faculty of Business and Economics at the University of Antwerp. Our core student team consists of business engineers, business economics students and young alumni. In total 50 students and alumni participate in our Sustalab network.

Sustalab bridges the gap between academia and the business world. I believe that Business Economics students, with the help of business-oriented professors, can translate theoretical models into the workplace in a way that really makes a difference.

Sustalab thrives on idealism and the will to improve the sustainability of companies and organizations. At the same time, we build up practical knowledge. The Sustalab team is active in various sectors and focuses mainly on family-owned, medium-sized and large enterprises.

Sustalab aims to accelerate the realization of the Sustainable Development Goals' agenda by using a pragmatic, business-oriented approach. In this way, we offer businesses an opportunity to implement sustainability in their daily practices. We use hands-on management methods and self-developed tools to facilitate change and to ensure sustainable impact.

Sustalab is sponsored by a number of Belgian companies to cover general operating costs, but the work is done voluntarily. The Faculty allows students to use the Sustalab experience in the credit program for their master's thesis. This way, our students are incentivized to explore the business world whilst studying.

Sustalab has become part of the Faculty organically, without red tape, in real start-up style. I am proud of my 'Sustalabbers'!

The Faculty of Business and Economics (FBE) is one of the largest faculties at the University of Antwerp. Our students enjoy the benefits of studying in an international city, the economic cornerstone of Flanders, with its rich cultural heritage and location in the heart of Europe.

Our graduates become critical, creative and strategic policymakers in all kinds of organizations. It is our ambition to shape the leaders of the future with a special focus on sustainability and the wide opportunities for business and societal value that the SDGs offer.

Sustainability is at the core of our different tracks of Business Economics and Business Engineering and it is embedded in practice through a variety of initiatives.



Hans Verboven

founder and coach of Sustalab, entrepreneur and professor Sustainability Management and Business Ethics.



WHY SUSTALAB THE CHALLENGE

Economic growth and value creation by private companies is key to increasing welfare and wellbeing for all. Ecological and social externalities of unlimited and unchecked economic growth, however, pose an enormous threat for mankind. The awareness of this challenge is high amongst political leaders. In 2015, the United Nations formulated the 17 Sustainable Development Goals (SDGs) to jointly combat these global challenges.

The SDGs set a global agenda of change and urge academia, business leaders, civil society and governments to act with this framework. The 17 SDGs are clustered into 5 themes; people, planet, prosperity, peace and partnership and linked to 169 specific targets. The SDGs are developed to be universally applicable. Compliance with the SDGs is therefore a license to operate and an effective and constant communication framework.

Five years after the introduction, we see that the world is not on track realizing the strategic agenda – for a variety of reasons. Companies have difficulties to translate the global agenda into concrete action. This accounts both for the strategy-building as for operations. Many companies have a sustainability policy in place that is (partially) detached form their general strategy. Businesses need a different, more pragmatic approach to map, monitor and measure their own strategic sustainability impact.

Although businesses are aware that sustainability is becoming a basic condition of entrepreneurship, business leaders often still feel ill-equipped to respond to the current challenges their businesses face, even with help of the SDGs. This relates to the society-centric set-up of the SDGs, the fact that they are an agenda to raise awareness more than facilitating action and the lack of SMART business objectives and metrics to monitor and measure the progress.

We believe in the transformative power of the SDGs and made it our goal to translate them into programs and tools that actually work for businesses. We raise awareness and facilitate concrete action.



Figure 1: Sustainable Development Goals (SDGs)



"Businesses need a different, more pragmatic approach to map, monitor and measure their own strategic sustainability impact."

> Charlotte, 24-year-old business developer Sustalab

What we do about it

COMMITMENT

DEFINITION

Sustalab helps companies with:

- sustainable growth;
- sustainable optimization;
- sustainable strategy and innovation.



Figure 2: Sustalab sustainability definition

In order to accelerate sustainable business transformation we needed an aligned vision on the notion of 'sustainability'. Sustainability is not always easy to define, especially in business. Sustainability for us is an opportunity for continuous improvement and strongly linked to the lean thinking definition: maximum value creation with minimum waste.

This is an approach where on the one hand sustainability consists mostly out of process optimization and excellence within existing business models. On the other hand, sustainability must also be able to inspire business leaders to make strategic changes and innovations. This approach, based on a 80/20 rule, makes it easier for businesses to understand the building blocks of sustainability.

OBJECTIVE

Our 'ongoing' objective with Sustalab is to develop programs and tools to motivate and facilitate businesses to integrate sustainability in the core of their operations in a pragmatic manner. This can be achieved through the development of a sector specific online tool, a unique methodology, motivational sessions, board meetings, research, etc. We hope to transform the mindset of entrepreneurs, and especially their assumption that sustainability is merely about climate and environment.

Our ambition is to increase the level of participation of family-owned, medium-sized and large enterprises in the field of sustainability. We want to create sustainability ambassadors that can be role models for other companies to engage into sustainability. Our approach has no ambition in replacing the SDG framework but wants to have a complementary function – business centric and bottom-up, working inductively from actions towards strategy.





"I help a building material company in the transition to circular economy through a product-as-service solution, where the material will be recycled and reused after the first lifecycle. I would never have thought to have such impact with my master's thesis project!"

Stephanie, 23-year-old business engineer



"When I think of sustainability, it's more than the environment (bio-juice and tree hugging). It's making things last, realising that the end of one thing is the beginning of something else - but most of all, making sure you do what you think is right."

> Lorenz , 24-year-old Sustalab alumnus & business engineer



"We put theory into practice, helping companies and at the same time completing our master's thesis - a win-win! With our team, we have a lot of fun without forgetting that we are doing important work and that a good result is the absolute standard."

Arnaud, 23-year-old business engineer



"We don't strike for climate, but we do skip some lessons to assist in board meetings or company workshops. It is great that CEOs actually listen to what we have to say."

Anse, 23-year-old business engineer

How we do it Facilitating Action

A. Working on Optimization

We greatly value the practical valorization of research. Sustalab founder Hans Verboven developed an open-source tool with support of the Flemish government. The tool offers a translation of the current global SDG framework into pragmatic, business-oriented and concrete actions. In other words, a translation of high-level targets into low-level actions close to daily operations. It also offers a sustapedia of practical knowledge to implement sustainability in all areas of daily business operations.

The Sustatool is a research-based management tool and methodology that enables sustainability and CSR implementation and follow-up in SMEs. Sustatool emerged from the synthesis of academic and management literature and existing CSR tools. The Sustatool method consists of a 5-step PDCA-based cyclical process, a thematic framework and catalogue with actions and KPIs. In collaboration with the Flemish government it was developed into an online sustainability tool and it is now the government supported standard for SMEs in Flanders.

Sustatool situates sustainability on three levels: product /service excellence, operational excellence and organizational excellence. Since sustainability is a broad concept, the three excellence levels contain fifteen themes, five each. These themes cover various aspects - from HR to energy, mobility and purchasing policy. To further map sustainability, these 15 themes are devided in 90 projects or sub-themes with more than 1.000 concrete proposed actions and performance indicators+. Everything had to be measurable, so companies can also achieve real results, such as kilograms or kilowatt-hours saved, or a decrease in absenteeism when looking at employee satisfaction.





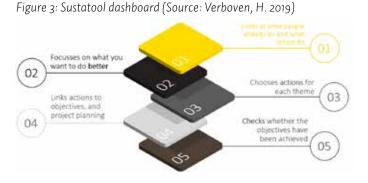


Figure 4: Sustatool underlying PDCA ongoing process (Source: Verboven, H. 2019)



B. FACILITATING SUSTAINABLE INNOVATION

We facilitate strategic thinking about sustainable business innovation and new business models. Though we are not always familiar with the specific technological knowledge, we are well able to assist boards in a more strategic trajectory about new business potential. Innovation contributes to sustainable development by thinking of far-reaching innovative outcomes and business models innovation. For this program we found it crucial to target the board level, since this is where we can have the largest impact.



Figure 5: Sustainable business models framework

In collaboration with a large Belgian-French bank, we were able to reach the CEOs of the top 50 Belgian companies. Through a variety of networks, including our own alumni, we have access to the board of more than 500 companies in different sectors.

We independently productized the corporate innovation track, calling it 'Battle of the Boards'. The aim is to position the 'board of millennials' against a 'board of directors' for an entire day. Sustalab challenges the status quo, reacts on the board's defense and in a third fase, works towards (more) sustainable and innovative business models. The reactions to this approach are very positive. Some of the top 100 companies of Belgium and large sector federations collaborate with our team.

We believe that a team of millennials can stimulate breakthroughs or disruptive ideas due to the fact that the academic knowledge they have acquired stands far from the company specific sector, and that they are less biased not being employed within the company. In our opinion, boards of directors often lack the diversity and capability to step outside their context and look at the company from the point of view of another sector, another generation or another logic. The result: zero change.

External consultants can challenge this status quo and are able to achieve moderate change and incremental innovation. Breakthrough innovation, however, can only be achieved by bringing in people with many ideas and with weaker ties to the board and the sector. That way, you may start with 50 options, of which you can quickly discard 40, write off another three after a more profound look, and keep three good ideas to foster innovation.

Research has shown that 90% of all business model innovations is derived from a combination of 55 fundamental patterns. These patterns, and cross sector thinking are the basis of a creative rethinking of the status quo in companies (source: St. Gallen Business Model Navigator)

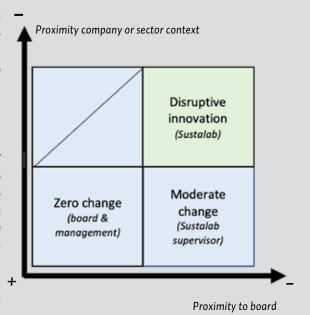


Figure 6: Battle of the Boards, innovation matrix (Source: Verboven, H. 2019)



"Sustalab is a fantastic bunch. I found it particularly interesting and stimulating to work with these millennials. It is great to see that the youth can work so enthusiastically on my product offering, which is quite boring at first sight. Both the environment and the dynamics between the different people and generations have led to an eye-opener for the future of my company."

Ingeborg Symons, CEO Multigas



"Hans and his team bring innovative ideas in a structured way. They do this in workshops with us, the management, but also with our workers, carpenters, drivers etc. The Sustalab boys and girls are also very well aware of the challenges in our sector. Everyone likes to have them on board!"

Joeri Beneens, CEO Building and Interior Company Beneens



"I get to sit next to businessmen and women you read about in financial newspapers. They listen and actually adapt their plans when we offer sound motivation. That is so great."

Katia, 23-year-old Sustalab consultant



"Sustalab is a fun and innovative concept with a mix of strong and weak ties, a lot of creativity, in combination with a good coach. This allows the latent energy and expertise to be synchronized and creates a ,hot spot' of innovation."

Geert Verachtert, Group Director Strategy & BD at Van Roey



"Working with Sustalab was a very inspiring experience. Hans & his team helped us make our 2020 - 2025 strategy more sustainable"

BATTLE OF THE BOARDS INSTRUCTIONS

ROUND 1: ATTACK OF THE MILLENNIALS

The Millennial Board attacks your business model. We question the fundamentals. We present you worst-case scenarios. We check if you are fragile, robust or anti-fragile. Our coach Hans whispers the attack tactics. Don't let our appearances deceive you: we are ruthless and have done our homework. In this first round, we use a number of strategic models tailored to your context and sector. During this round, the Board of Directors will undoubtedly suffer some hard blows, but the battle is not yet decided! Our coach is now switching sides - he joins the 'dark' Board side

ROUND 2: THE BOARD STRIKES BACK

The Board of Directors recoveres after a short break and a much needed coffee. The Board is now presented a number of lines of thought that provide 1.0 answers to the challenges of today and tomorrow with the help of the coach. Certain parts of the current business model can be adapted through a number of simple frameworks and methods. The Millennial Board remains critical. There is an initial assessment of what works and what doesn't. After this round, the sky clears. But the best is yet to come ...

ROUND 3: A New Hope

What if you could really innovate sustainably? What if you would find the right equilibrium between social impact and profit? Between environment and growth? Believe it or not, it is possible! Our Millennial Board is now your ally and sparring partner for creative design thinking. In this round, we do everything we can to map the 2.0 opportunities. We look at how you can become anti-fragile and take advantage of challenges that may have caused headaches before. Again, we demonstrate a number of simple methods that actually work, based on analogies and innovative business models. At the end of this workshop, you will have a roadmap for the day after tomorrow. There is new hope!



"Much to learn you still have...my young padawan. This is just the beginning!"

Yoda, very old Jedi Master

Battle of the Boards Copyright © 2020. Hans Verboven – all rights reserved

SUSTALAB IMPACT

With our 'consultancy for good' approach we aim to achieve sustainable impact. We want to create awareness, facilitate a shift of minds on a strategic level, and provide hands-on advice on how to address operational issues. The Sustalab initiative has made a profound impact on the different organizations that have collaborated.

FACTS & FIGURES 2019 - 2020

- 1.000+ companies use Sustatool
- 50+ students work for Sustalab
- 900+ people attended workshops
- 35+ workshops organized
- 20+ board battles organized
- 2.000+ improvement actions issued during workshops and audits
- 5.000+ thumbs or likes on our LinkedIn and Instagram
- 2.400 hours spent on sustainability research valorization
- 150+ CEOs talked to Sustalab team members
- 2 new webtools in development
- **150.000** views for the top 5 LinkedIn posts



IMPACT - SETTING A GOVERNMENT STANDARD

In 2019, Sustatool was set as government standard for sustainability for SMEs. A variety of initiatives are taken by government organizations and sector federations to foster the adaptation of Sustatool. Sustalab continues to play a role in this, targeting specific sectors such as food and construction.

The development of the Sustatool has been a turning point for many organizations. It functions as a navigator that can map, monitor, measure and meet the sustainability goals that businesses prioritized in their strategic ambitions.



"We actually set the government standard. Large consultancy firms look at us and wonder - are they for real? That is so fun!"

Anthony, 23-year-old business engineer









IMPACT - PITCHING TO THE QUEEN OF BELGIUM



"The queen actually asked us to explain what we are doing and expressed her hope in our generation. That rocks!"

Laura Koninckx , 23-year-old commercial engineer

On Thursday February 20th 2020, the panel event "Business and the SDGs: are the leaders of the future fit for purpose?" was organized at Antwerp Management School in collaboration with the University of Antwerp, Vlerick Business School, UHasselt, KULeuven and UGent.

The subject of the day related directly to our mission: how to translate the SDGs to actionable tools and work methods. Our Sustalab team member, Laura Koninckx, joined an inspiring panel discussion alongside Her Majesty the Queen Mathilde of Belgium and the Belgian Federal Minister of Finance and Development Alexander De Croo.

It was an intense, thought-provoking & forward-looking panel discussion, which made clear that the mobilization capacity of young people in favor of a more sustainable planet is omnipresent. With regards to the implementation of the SDGs, this event has once more emphasized that today's students react promptly, are connected and come up with creative solutions. Sustalab got great media coverage through this event.

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HER MAJESTY THE QUEEN OF BELGIUM MATHILDE AND SUSTALABBER LAURA





IMPACT SUSTAINABLE CONSTRUCTION

Today, Sustalab collaborates with the Construction Confederation to work on the transformation of Sustatool into Sustabuild: a tool tailored to the construction sector. There are certain themes that, in the context of sustainability, are of particular importance for the construction industry and that are not sufficiently covered in the standard Sustatool.

Confederatie Bouw Provincie Antwerpen Bouw, energie & milieu Sustalab has organized five workshops based on these particular themes: circularity, quality & lean, industrialization BIM & innovation, employees & safety and environment & energy. In each session, 20-30 business leaders were invited from both large and small companies. We will take the findings from these workshops with us in preparation for the launch event of Sustabuild on the May 5th 2020, where the tailored online tool will be introduced.

IMPACT - HELPING THE TRADE UNION

For the liberal trade Union of Belgium (ACLVB) we developed a light version of the Sustatool tailored to the needs of trade union representatives in companies. We translated SDG 8: decent work and economic growth to the needs and work context of the trade union representatives. We stripped the Sustatool method to the absolute minimum and ended with a list of 150 actions covering topics such as work-life balance, employee incentives, safety, lean improvements, etc.

We formulated the process in a way that one can always see the win-win for both the employee and the company/ society. It is a model that aims for an appearement of social relations in companies.

We organized ten workshops for a total of 300 trade union officials in collaboration with the trade unions own education institute.







IMPACT - CHANGE THE FOOD SECTOR

COLLABORATION WITH THE BELGIAN FOOD FEDERATION (FEVIA)

Sustalab helps the federation of the Belgian food industry to realize their mission to:

- evolve towards a sustainable food 'ecosystem';
- invest in healthy eating patterns;
- guarantee quality and food safety throughout the chain;
- continue to invest in innovation across the whole chain (sourcing-producing-supplying) in order to cope with shifting consumer needs and demands;
- evolve to a climate neutral chain;
- develop and encourage talented employees.

CREATING SUSTAFOOD

We have designed and tested a sector specific framework Sustafood, which provides a more specific answer to the following topics:

- the global challenges for the food- and beverage industry;
- the challenges on a local, Belgian level;
- the most useful sector specific actions towards achieving a continuous improvement;
- how can all actions and methods related to innovation be communicated in a clear and structured way?
- a plan for implementation in the sector.

In total, 75 companies participate in the Sustafood program and through a learning network Sustalab crowdsources best practices and actions. Upon finalization (June 2020), Sustafood will enable food & beverage companies to implement sustainable solutions and actions across all company processes and units along the value chain.



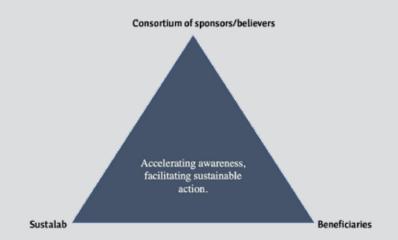


APPENDIX How We Work

Our case is rather particular and therefore it is important to distinguish our different partners. To clarify this, we have come up with a triangle:

OUR INITIATIVE IS

- Paid by a consortium of sponsors/ believers: Sustalab is sponsored by a number of organisations. These organisations are particularly Sector Federations, Employer Associations and the Trade Union. The total amount of sponsorship fees we obtain is approximately 50.000 euro a year and enables Sustalab to cover basic costs and a part time employee. These sponsors support Sustalab to allow us to achieve our goals; facilitate awareness and strategic change. These sponsors have signed the declaration of authorship as clients in the attached file.
- Used by beneficiaries: These beneficiaries are companies that collaborate with Sustalab. A few CEOs have signed the declaration of authorship pars pro toto, as they declare that Sustalab offers them strategic insights trough interesting workshops and board battles.
- Delivered by Sustalab: We do the work.



Sponsors/Believers









BENEFICIARIES



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SUSTALAB

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