Module 1. Define your vision and engage stakeholders

Unit 1.1 Establish a starting point and identify your long-term goal

Developing a vision and mission statement

Sustainability is still considered a growing concept for every industry which includes sports. A rise in the issues which are directly linked to climate change, such as increasing global temperatures, has prompted business owners to run their businesses keeping in mind the impact their operations have on the environment. Therefore, sustainability programmes are increasingly becoming an integral component of an organisation's long-term strategy. Moreover, governments in many countries are starting to develop laws and policies which mandate companies to report on their carbon emissions and report on their action plans to mitigate any negative impacts. Corporate social responsibility (CSR) has been a critical component of a company's business plan, and more and more companies are trying to develop their long-term vision/mission statements, which promise to bring positive change to the planet.

Sports organisations across the globe have started to incorporate programmes that integrate sustainable practices. However, establishing a starting point that is aligned to an organisation's long-term goals can be a daunting task. Especially in the sporting ecosystem, where most sports federations operate as a not-for-profit with limited funding, developing programmes that bring tangible positive impact has remained a challenge. That said, some of the bigger organisations like the International Olympic Committee (IOC), Fédération Internationale de Football Association (FIFA), along with smaller federations, and even sporting clubs and associations, are developing longer-term programmes that aim to promote sustainable practices within the industry.

The biggest question that all business owners need to answer is what their long-term goals are, and they must accordingly identify what business activities will be required to achieve those goals. Adding the sustainability factor to these macro level questions, one needs to consider what impact those business activities are going to have on the environmental, social, and governance (ESG) elements in which they operate. This poses a big challenge for many organisations, as they need to find the right balance between satisfying their stakeholders (shareholders, promoters, customers, etc.) and promoting sustainability to ensure our current and future generations can enjoy the same benefits as we presently do. Therefore, it is extremely important that every organisation, whether it is small or large, spends considerable amounts of time and resources, while developing programmes that have significant long-term implications. Mentioned below are a few steps that will aid organisations.

Becoming a sustainable business starts with establishing priorities and formally writing a sustainability mission statement, or what can be called a “green mission statement”. A green mission statement becomes the foundation of a company’s or organisation’s sustainability efforts. It provides the organisation and its stakeholders with an understanding of what’s most important and what the company can do to protect the natural world and to be more socially responsible.

In most cases, the company or organisation already has an overarching mission statement. The sustainability statement is a supplement – not a new corporate mission statement. It is suggested to take the normal mission statement (assuming there is one), and consider how it can be delivered through a sustainability lens. That is the objective.

How to write a sustainability statement

Companies need to create a sustainability mission statement that will capture the company’s green values and culture, engage employees, and rally everyone to become greener and more socially responsible. Coming up with an official mission statement will hold the organisation accountable to a standard and set of priorities. The statement must capture how they will be more socially and environmentally responsible than in the past, and get into specifics that are relevant to the sector or industry. By making the commitment to sustainability official via a formal public statement, there is a greater likelihood to see continued improvements.

Committing to sustainability may come from the very top, including the CEO and executive team, or from a grass roots employee movement. Regardless of who owns it, the CEO, sustainability team or chief sustainability officer, someone leading the charge should create a focused sustainability statement that defines how the company will interact with our planet. The statement establishes the priorities, becomes the foundation for internal policies, and gets everyone on the same page.

The number one hurdle many organisations face when looking to bring sustainability into their company in a serious way is the same obstacle that slows down many new initiatives – executives having a difficult time defining and communicating a road map. They often do not know how to begin the process of making the products and services they provide more environmentally sustainable, but even when they do, they fail to champion the cause. This is where a strong green mission statement becomes crucial. It clearly communicates what the company already does and what the company intends to do around sustainability and social responsibility, and rallies the troops to get as many people on board as possible.

Sustainability mission statement tips

Coming up with a sustainability mission statement for a company is often a group exercise facilitated via a brainstorming session. The goal is to capture the essence of the company's values and sustainability objectives, which may entail many dimensions, while trying to keep it focused on a few top priorities and core themes. In the end, the mission statement should present the following features:

clear – void of industry jargon and nebulous terms; state specific actions and goals.

Concise – simple and to the point; short enough to remember and paraphrase.

Useful – helps explain priorities; rallies employees to do the things aligned with the corporate and green mission statement.

There is no one formula for the perfect mission statement, but a green mission statement often includes three parts:

why – why is sustainability important to us? What do we believe?

Goal – What is our end goal? What will we do? What do we want to accomplish?

Success criteria – How is success measured? What does our future company look like?

Step 1. Start with understanding your sustainability drivers

Every industry impacts the environment in a different way, and every company will have unique products, services, operations, and situations. The first step in creating a green mission statement is doing an honest assessment of what are the big eco-impact drivers so that a mission can be crafted that actually speaks to the company's ability to improve. No single generic green mission statement works for everyone. For example, a software company may decide that business travel, data centre energy usage, and their office space have the most impact on the natural environment. Their green mission should discuss focusing on those areas that are most relevant to their operations. A restaurant may determine that their food sources, waste stream, and heating/cooling are their keys. They should craft a statement that recognises those drivers instead. Bottomline, every industry and every company is unique, so unique green mission statements are needed.

Step 2. Discuss your "sustainability story"

Once you understand what's possible and what your drivers are, have an open discussion of your current sustainability story and vision. Discuss what is the company already doing and what is the company planning on doing. It can include being more energy efficient, reducing waste, reducing your carbon footprint, minimising pollution, eliminating plastic, changing how you manufacture, sourcing from other sustainable companies. Use your imagination to see what the company looks like in a few years once it becomes more sustainable. The more concrete your sustainability story, the better. Write down the major green initiatives and improvements you have already made and the ones you want to take on. Some of the areas to consider are energy, waste, travel, transportation, office space, inclusion, materials, operations, employee policies, etc. Different organisations will have different priorities when it comes to deciding their sustainability goals and developing long-term plans.

Step 3. Prioritise your sustainability goals

Once you have your list of initiatives, discuss which ones will have the greatest impact and which are more important. Eliminate the ones that are trivial, not important or not very impactful. Once you get your list down to the top 5 to 10 initiatives, try to consolidate to a shorter list. The final part of this step is to stack rank your initiatives based on their priority and impact.

Step 4. Draft, edit, and finalise your sustainability mission statement

The final step is to write a mission statement based on the sustainability goals you have prioritised above. You'll likely go back and cut down the wordiness. Good mission statements serve multiple functions, define objectives, and live for a long time; so, definitely, edit it and get it to the point we're excited about and believe. Note: many companies have segmented mission statements, with sections set aside and categorised by type or goal. Use bullet points or sections if that works for you. Remember: in mission statements, form follows function, as in all business. Make it work for your business and values.

There are several ways to start your mission statement. Here are a few suggestions:

- we will...
- Our mission is...
- Our goal is...
- We are committed to...

The core of your mission statement will describe what you will actually do. Here are some examples:

- eliminating waste and pollution.
- Making our products more sustainable.
- Being energy efficient.
- Using clean energy sources.
- Recycling everywhere possible.
- Treating our employees fairly.
- Being diverse and inclusive.
- Partnering with sustainable companies.

The final part of your mission statement will state your end goals. Here are a few suggestions:

- to preserve the environment.
- To protect the planet.
- To improve our community.
- To minimise our carbon footprint.
- To get to zero waste.
- To get to carbon-neutral.

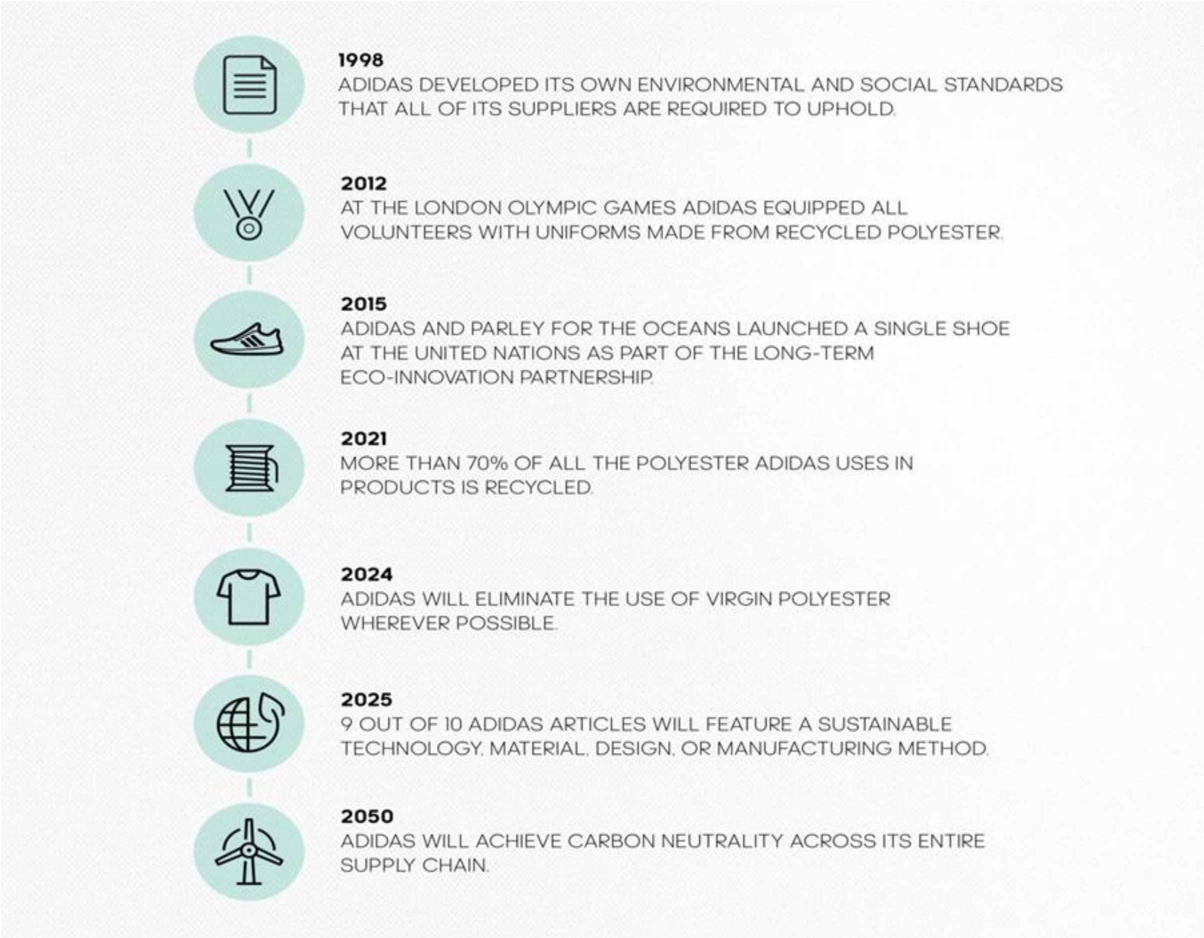
Case study: How Adidas became a sustainability focused company

Adidas, which is one of the most renowned sports apparel brands and has been in the business of sport for over 70 years, is considered one of the pioneers in adopting sustainable practices in their business. For over 20 years, Adidas has been a change leader in sustainability. It was the first to bring eco-innovations to the mass market, and led the industry with the first sustainability report. Adidas is also a founding member of game-changing initiatives like Better Cotton, Leather Working Group, and Fair Labor Association.

The changing dynamics due to climate change and other related factors has taught Adidas many valuable lessons; lessons on winning, losing, and adapting to our athletes' needs, but most importantly on supporting athletes when the odds might be stacked against them. Adidas recognises sustainability is one of the greatest expressions of our purpose; it recognises sport's unique power to change lives, and the company realises that if we don't protect the ground we're on, we soon won't have a space to play sport.

Adidas has taken a new holistic view on sustainability, taking it as an opportunity to use modern and innovative methods to create new products for its customers. These methods are environment-friendly, and, at the same, fulfil customers' demands. Adidas has taken positive strides to implement sustainable processes in their offices and product manufacturing, and to supply chain network. Mentioned below is a brief timeline on Adidas's adopting sustainable policies.

Figure 1. Brief timeline about Adidas sustainability policies



Source: Port, 2021, https://bit.ly/3MDVfHT.

Unit 1.2. Obtain executive leadership support for sustainability

Introduction

Any organisation or company, whether it is small or big, is run by a few leaders who are responsible for taking decisions and navigate an organisation's journey. Most of the large companies in today's time have developed a very highly-structured decision-making process, where important decisions are taken by an executive committee. Members of the executive committee are mostly selected based on their experiences, their ability to add values to the organisation and make decisions that impact every day, and their long-term performance on the organisation.

In recent times, sustainability has become one of the major talking points amongst the executive leaders, as there are increasing calls from the consumers, lawmakers, the general public, and the environment conservationists, to operate business in a more sustainable way. Therefore, positions like sustainable expert which didn't exist a decade back have become a common occurrence in a company's senior management. Their key responsibility is to bring innovative ideas with regards to reducing companies' carbon footprints, making companies more inclusive, and implementing transparent policies. These factors are commonly referred to as environmental, social, and governance (ESG) factors.

Governance in the context of ESG is essentially about how a company is managed by those in the top floor executive offices. How well do executive management and the board of directors attend to the interests of the company's various stakeholders – employees, suppliers, shareholders, and customers?

Financial and accounting transparency, and full and honest financial reporting, are often considered key elements of good corporate governance (Corporate Governance, 2022). Also important are board members acting in a genuine fiduciary relationship with stockholders, and being careful to avoid conflicts of interest with that duty. Are the board members and company executives a diverse and inclusive group? The issue of executive compensation is a primary focus of many ESG investors, who, for example, don't tend to favour multi-million-dollar bonuses for executives while the company imposes a salary freeze in effect for all other employees. Is extra compensation for executives appropriately tied to increasing the long-term value, viability, and profitability of the business?

An example of how responsible corporate governance is put into practice can be seen in the policies of the company Intuit (Intuit, Inc. Common Stock, 2022). One of the company's corporate policies, that is aimed at helping to ensure that company executives take on a strong vested interest in the company's ongoing success – rather than just in earning a quarterly bonus – is a rule that requires the top-level chief executive officer to maintain stock ownership equivalent in value to ten times their annual salary. In addition, executive bonuses depend on more than just revenue or income – factors such as employee, shareholder, and customer satisfaction are also part of the calculation.

Convincing top management or a Chief Executive Officer (CEO) who is widely considered as a face of an organisation to implement any new ideas – especially an idea that can impact a company's immediate financial performance – can be a daunting task. However, as a good manager or a sustainable expert, one should highlight the long-term implications and various benefits a company can gain from adapting to the changing times and becoming more sustainable in their practices. Mentioned below are a few steps that can aid in convincing a top management to adopt an ESG initiative.

Action plans to convince the top management

Action 1: Try to understand life from the CEO's viewpoint

The first and most important action when bringing up a new ESG topic in discussion with the top management – which is in most cases represented by a CEO – is to put all your strategic effort into asking probing questions, active listening, and exploring what the CEO considers or knows already about the selected ESG or sustainability issue – and why it is an emerging theme. Set aside your agenda or desires for a moment and listen to the CEO's view of the world.

One can start with asking about an array of topics: their goals and expectations for ESG and sustainability; what safeguarding concerns they may have and their importance to the organisation; what their timelines and priorities are for ESG; who the relevant people are on the board and in the management team to take up ESG accountabilities; what are different viewpoints around the board table, and even what their own career ambitions are in respect of sustainability, leadership, etc.

Only in the final minutes of the time allocated for the initial meeting, one should raise their approach and provide confirmation of any strategic alignments they have.

Conversations such as these are important in building trust between a sustainability expert and the CEO, and the sustainability function as a component of the corporate framework. The CEO has been given an opportunity to explore an issue at their own pace and given time to set out their world picture, desires, and opinions. The sustainability expert, on the other hand, is now well-equipped to take the next action.

Action 2: Taking onboard the CEO's perspective, to their satisfaction

This next step is difficult for many managers, but rewarding if one can achieve it authentically without any appearance of falsehood. We all have an innate bias and preferences for how the world operates around us; thus, it can be difficult to retain an objective stance, reflection, or confirmation of how another person feels, views, or seeks to act on a topic without putting one's own individual perspective on the issue.

One's outlook is to convince their CEO to agree on that action or direction of travel is good for them, in their best interest, and that has advantages for the organisation. If what is being proposed is not aligned with their best interests, it is important to back away now and rethink the strategy. CEOs can be difficult to convince, but one needs to take into consideration difficulties they have in making these decisions.

It is very important to have some sort of verbal agreement from the CEO with your understanding of their perspective. Without this affirmation, it can be very difficult to move on to the third and final action. A basic agreement on the idea can be a morale booster for a manager, and can also create a foundation for making more inclusive and open discussions between the managers and the top management.

Action 3: Position your initiative strategically in a way that helps the CEO achieve their objectives

It is important to position one's initiative strategically in a way that helps the CEO achieve their objectives. The mindset for this step does not demand that you adopt a Machiavellian persona to trick your CEO into carrying out an ESG action that is onerous for the organisation. It is imperative to demonstrate high professional and leadership ethics while dealing with a top management, especially when it is about making long-term decisions for the company.

A simple way to propose your initiative is to say: "your objectives are X, your fears are Y, so I propose you consider doing Z." This requires a thorough research on methodologies that one is going to propose, and anticipate questions that a top executive might have with regards to alignment of the proposed plan in the company's existing processes and vision/mission statement.

This can be a lengthy process as changing old-established processes can face a lot of resistance from the top management, but one needs to show the larger picture of the company's future, and suggest ideas that have a strong connection with the company's existing and future plans.

Examples: Where executive board supported sustainability initiatives

In the recent past, several companies have come up with sustainability focused programmes that have brought a lot of attention to its executive board and the mastermind behind those ideas. From industry giants like Adidas, to small sports federations like the International Ski Federation (FIS), organisations have built up programmes that are adding new dimensions to their overall corporate strategy. OC Sport is one such company, where the top management took considerable risk and went beyond the normal course of action to stand out and lead with their sustainability initiative.

OC Sport Rethink Sport

OC Sport – the global sports management company specialised in the creation and delivery of outdoor sports events – launched its new sustainability strategy, Rethink Sport, in 2020. The strategy has a central goal of achieving company-wide carbon neutrality by 2028, and sets out to deliver exemplary leadership across all of the company's operations by using the power of OC Sport events to maximise purpose. OC Sport has embedded sustainability principles and practices within all of its operations, and each of the organisation's events to deliver against carbon-neutral targets.

Hervé Favre, The CEO of OC Sport has been instrumental in bringing these big decisions at OC Sport. Mandated to work under a small budget and a very short delivery time, he with the support of BlueShift (OC Sport's sustainability advisor) was able to come up with the Rethink Sport Initiative which has today become the company's identity.

According to the OC Sport CEO:

> Our global events across sailing and mass participation outdoor sports offer an excellent opportunity to showcase sport and also to reach a huge audience. As a company, we have a responsibility to use this reach to take action and raise awareness on the key issues that we face. (Favre, as cited in OC Sport launches sustainability strategy, 2021, para. 7).

Through its initiatives, OC Sport is aiming to become one of the first organisations in the sporting ecosystem to become carbon-neutral:

> As part of the roadmap, OC Sport's mass participation events – which include the Harmony Geneva Marathon for UNICEF, La Tour Genève Triathlon, Run Mate, and the Geneva 20 km by Genève Aéroport – will achieve net-zero carbon emissions by 2025.

In addition to this, OC Sport's sailing events will be carbon-neutral by 2028, including La Solitaire du Figaro, The Transat CIC, Route du Rhum-Destination Guadeloupe, and La Transat en Double – Concarneau – Saint-Barthélemy.

OC Sport will also actively seek to reduce its carbon emissions in its offices in France and Switzerland to have a net-zero carbon footprint by 2023, introduce a travel policy, and a sustainable sourcing code for the procurement of products and services, and develop comprehensive sustainable operations plans for each of its events.

In addition to this, OC Sport has already joined forces with 200+ other global sports organisations as a signatory to the Sports for Climate Action framework, hosted by UN Climate Change. Signatories work together to strive towards climate neutrality within the sports industry for a safer planet, and to get on track for a net-zero emission economy by 2050.

OC Sport's commitment to company-wide carbon neutrality by 2028 recognises the urgency to act, and the significant global influence which can be achieved through the company's portfolio of events. (OC Sport launches sustainability strategy, 2021, para. 3-11).

The key components of the Rethink Sport strategy include: minimise carbon and maximise purpose.

Minimise carbon

· Achieve company-wide carbon neutrality by 2028 with all OC Sport events committing to carbon neutrality targets.
· OC Sport mass participation events to be carbon-neutral by 2025.
· OC Sport sailing events to be carbon-neutral by 2028.
· OC Sport offices to be carbon-neutral by 2023.
· Select carbon offset programmes.
· Introduce sustainable sourcing code for all activities and events.

Maximise purpose

· Develop a sustainability sponsorship programme.
· Identify and engage partners around the sustainability programme.
· Align and embed sustainability goals into partnership agreements, including host cities.

· Target B-Corp certification by 2023, a certification of social and environmental performance. (OC Sport launches sustainability strategy, 2021, para. 14-15).

Unit 1.3. Map and prioritise the stakeholders of your (event) organisation

Why is stakeholder management important

Stakeholder management is the process of engaging, managing, and actively communicating with stakeholders to help keep your business' operations and projects on track (What is stakeholder management, 2021, para. 2). The objective of such a procedure is to involve stakeholders, on a long-term basis, in the planification and adaptation of processes throughout a project lifecycle.

According to Freeman (1984), global challenges such as resource scarcity, digitalisation, poverty, and environmental problems require increased cooperation and stakeholder involvement in order to develop solutions. As it has been demonstrated in the above chapters of the course, organisers are required to align their corporate objectives with considerations raised from the political, societal, business, or even innovation sphere. Organisers are requested to form various collectives to take their social responsibility. In fact, to achieve these aims, organisers integrate numerous social, ethical, environmental, and governance measures into their operation and corporate strategies. In other terms, success relies on the incorporation of the multiple stakeholder interests into your corporate strategy, in a profitable and sustainable manner (long-term vision). Note that inadequate stakeholder engagement can, in extreme cases, threaten an organisations' existence (Freeman *et al.*, 2010).

Therefore, it is essential, at the beginning of your project (i.e., creation of an event or foundation of an organisation), to take enough time to produce an in-depth stakeholder analysis and define your stakeholder management procedures. Moreover, all these contributions will help you to prevent risks and conflicts affecting your event or organisation (i.e., higher degree of predictability of changes and greater organisational flexibility). Finally, these procedures will participate in building your reputation by increasing your credibility and loyalty across your stakeholder network.

The systemic approach: organisers and their environment

Golinelli (2000) advanced that integrated stakeholders' management requires a systemic approach to solve problems. The systemic approach is built on the presumption that an organiser never operates in a silo. An organisation (i.e., club, federation, association, etc.) or the local committee of an event is an actor of a complex, interconnected, and multidimensional ecosystem.

This approach is extremely relevant for managers. The awareness that the organiser is closely linked to its environment leads to an increased responsiveness of the project towards its key stakeholders. Therefore, it is crucial to identify this nexus of dynamics and relationships. These findings will support the conceptualisation of the stakeholder engagement spectrum (c.f. ICICE model: inform, consult, involve, collaborate, empower [IAP2's Public Participation Spectrum]) and your communication strategies.

Figure 2. Example of potential stakeholders of the European football ecosystem related to football club

Source: own source.

If we take the example of FC Barcelona, to be able to deliver such a qualitative football spectacle (service) or offer such a large number of football training sessions (product), the club interacts with many and various stakeholders at macro and micro level. The activities of the football club can be influenced, among others, by local communities and social living conditions; economic and market conditions; local governance and legal system (i.e., authorities, policies, rules, etc.); technological advances (i.e., recovering processes, nutrition innovations, match analysis tools, training software to train precision, coordination or reflexes); environmental conditions, as well as their supporters' consumer behaviours.

The systemic approach underlines numerous opportunities and risks. On the one hand, as Altenburger (2013) remarked, opportunities could emerge from innovations introduced by stakeholders. On the other hand, managers must determine and evaluate risks; create a portfolio of measures to mitigate them, and draw the limits of their actions (c.f. demarcation of the system).

Strategic management

The performance of the organisation is affected by the stakeholder management: organisations are dependent on external groups which provide inputs (i.e., resources), as well as outputs (i.e., goods and services). For example, Adidas commits leader producers to supply production factories to create new footballs.

Strategic stakeholder management refers to the ability of managers to gather and merge stakeholder interests and expectations with the organiser's vision and ambitions. This particularly challenging assembling leads to a co-constructed framework for action.

In practice, strategic stakeholder management policies or procedures result from a team reflection. In order to be able to identify the most important and influential stakeholder of an organisation or an event, a multisectional team has to be composed. This means that the manager in charge of such a duty invites colleagues from different departments of the organisation (i.e., marketing, merchandising, event, infrastructure, youth academy, press, catering, ticketing, administration, etc.) and ensures that various positions within the organisation are represented (i.e., directors, managers, juniors, trainees, players, etc.).

In fact, as a manager, you cannot possess an overview of all the interests of your stakeholders. Your teammates will support the identification of the most important stakeholders, the definition of their needs, and the evaluation of their impact on your business. Their inputs are precious as your colleagues are your eyes and ears on the field.

To be effective, the first step would be a reflection on the following items:

- stakeholders' demands and requirements
- Stakeholders' expectations and stance
- The organisers' relationship with the stakeholder
- The organisers' communication strategy with the stakeholder

When you finished this first brainstorming, the most appropriate way is in a second step to shift into the stakeholder perspective, which means that you and the team members make "your stakeholder" dialogue (i.e., your merchandising colleague knows the best the clients of the shops, your partnership expert is aware of the sponsors requirements, etc.).

Stakeholder theory[1]

Freeman (1984) considered that "any group or individual who can affect or is affected by the achievements of the organisation's objectives" (p. 46) can be qualified as a stakeholder. He pursued (Freeman, 1994) that the stakeholder theory focuses on two key points: the purpose of a particular business and the responsibilities of managers towards stakeholders. Beschorner *et al*. (2004) argued that Freeman's definition suggested a strategic concept that examines the relationship between the organisation and the social environment. In fact, Freeman's approach has been questioned by many researchers, which competed and expanded his definition by including other aspects. This led to the emergence of multiple management models and practical guidelines.

Through the scientific literature and our field experience, we can agree that stakeholders are all individuals and groups operating in a delimited ecosystem that are affected by the organisers' decisions and actions. More specifically, stakeholders encompass collectives or individuals related to your organisation or event which have the perception to be positively or negatively affected by its outcomes (c.f. course 1, module 3).

What are the different types of stakeholders

Internal stakeholders are individuals or groups that are part of the organisation (i.e., players, staff, administration employees, caretaker, steering committee, etc.). Usually, people tend to forget these types of stakeholders. External stakeholders are individuals or collectives which are not part of your organisation, but, however, have an interest in your business.

The following graph enumerates a few examples of stakeholders you can point out in the stakeholder analysis for your project.

[1] https://monday.com/blog/project-management/stakeholder-management/?utm_medium=cpc&utm_source=adwordssearch&utm_campaign=eu1-s-dsa-e-desk-monday&utm_keyword=&utm_match_type=&cluster=&subcluster=&ati=&gclid=CjwKCAjwjZmTBhB4EiwAynRmD4qe18TJbGhjtEz6w32K5TldcRIM3A1QiYv9EWus6d7bQ6HUmA2MqhoCYhkQAvD_BwE

Figure 3. Examples of stakeholders of a sport event or organisation

Internal stakeholders

- Customers, clients, members, fans and supporters.
- Players and staff.
- Organization's team member, employees.
- Sponsors, partners, investors, donors, grant providers, funders.
- Foundations.
- Executives (ex. CEO, CFO, CIO, etc.) and board of directors.
- Business analysts.
- Business and cooperation partners.
- Direct suppliers (i.e. logistic providers, IT, value chain).
- Shareholders.

External stakeholders

- Users of a building.
- General public, local communities, neighbors.
- Regulatory bodies.
- Media and press.
- Regulating and press.
- Governing bodies.
- Competitors (i.e. other clubs).
- Governments, authorities and administrations.
- Politics.
- Transport service, police, Samarian.
- Schools, universities, research institutes.
- Innovation companies and centers.
- Associations and federations.
- NGOs. Political, social and citizen movements.
- Actors of the tourism (i.e. shops, restaurants, hospitality, etc.).
- Subcontractors.

Source: own source.

As you can see, there can be a myriad of stakeholders involved in our organisation or your event. The management of the stakeholder is a complex task. This is why it is now time to reflect and set up a stakeholder management plan and fix the limit of your scope.

Stakeholder analysis

A stakeholder management plan is a document that diagnoses your stakeholders and describes your communication strategies to meet their requirements. Moreover, it permits you to establish a clear classification of your stakeholders, in order to prioritise and categorise them. Consequently, you will be able to determine how many and what kind of resources you need to deliver your project. During this phase, it is recommended to create occasions to share knowledge and interactions between all the parties engaged in the activities of your organisation or the achievement of your event. Here, interviews, workshops, forums, and dialogues will be coordinated.

Stakeholder identification

Firstly, figure out who are the key individual stakeholders and stakeholder groups to your project or business. Please be aware that tension between sporting/economic/social objectives, and interests of every party remain dominant (c.f. complexity of the interconnected network).

A mapping will improve the systematisation and structuring of your stakeholders. Suggestions of questions:

- to whom do our legal or contractual obligations apply?
- Who may be positively or negatively affected by our decisions or activities?
- Who has an interest in our decision or activity? Who can influence our decisions or activities?
- Who are the key contacts of the listed stakeholders?
- Who is relevant for us now and in the future?

Stakeholder matrix

The stakeholder matrix offers a way of grouping stakeholders, an interesting technique for visualising and understanding the relationships of the actors involved. During team discussions, the following actions can be undertaken:

- with Post-its list all the stakeholders related to the project and its activities.
- Position them on the stakeholder matrix by pasting the Post-its on the board.
- Evaluate them by putting one or two black stickers next to their names, according to their importance.
- Also qualify the risk (red sticker) and potential (green sticker) they will bring to your project.

Stakeholder table

After the first selection of stakeholder, you can describe their characteristics in a table.

Table 1. Stakeholder table

Nr.	**Stakeholder**	**(E) Expectations** **(F) Fears**	**(P) Power** **(I) Influence**	**Conflict** **potential**	**Measures** (engagement/ control of the stakeholder)
S1					

Source: own source.

In column 1, indicate the stakeholder **number**. In column 2, add the **name** of the stakeholder or stakeholder group. Column 3 refers to the stakeholder's **expectations** and **fears** about the project (this may have to be defined by the stakeholder himself through an interview). Then, evaluate the **power** or **influence** the stakeholder has in the project through the indicators **1**, **2** and **3**, or **low**, **medium**, and **high**. Repeat the inquiry to determine the conflict potential (**1**, **2** or **3**, or **low**, **medium**, **high**). Finally, indicate which measures should be taken, e.g., to involve the stakeholder or to deliberately keep them away from the project.

Stakeholder prioritisation

Prioritise your stakeholders according to their **materiality**. The effectiveness, efficiency, and integrity of the implemented measures will be guaranteed, and the long-term authenticity of your actions funded. Consequently, distinguish the following aspects (S4D Tools, n.d.):

- who are your key stakeholders? Actors who can use their skills, knowledge or position of power to significantly influence a project. They are usually involved in the value creation and decision processes.

- Who are your primary stakeholders? Actors who are directly affected by the project, either as the designated beneficiaries, or because they stand to gain – or lose – power and privilege as a result of the project.

- Who are your secondary stakeholders? Actors whose involvement in the project is only indirect or temporary, as it is the case, for instance, with service providers.

Interview your stakeholders

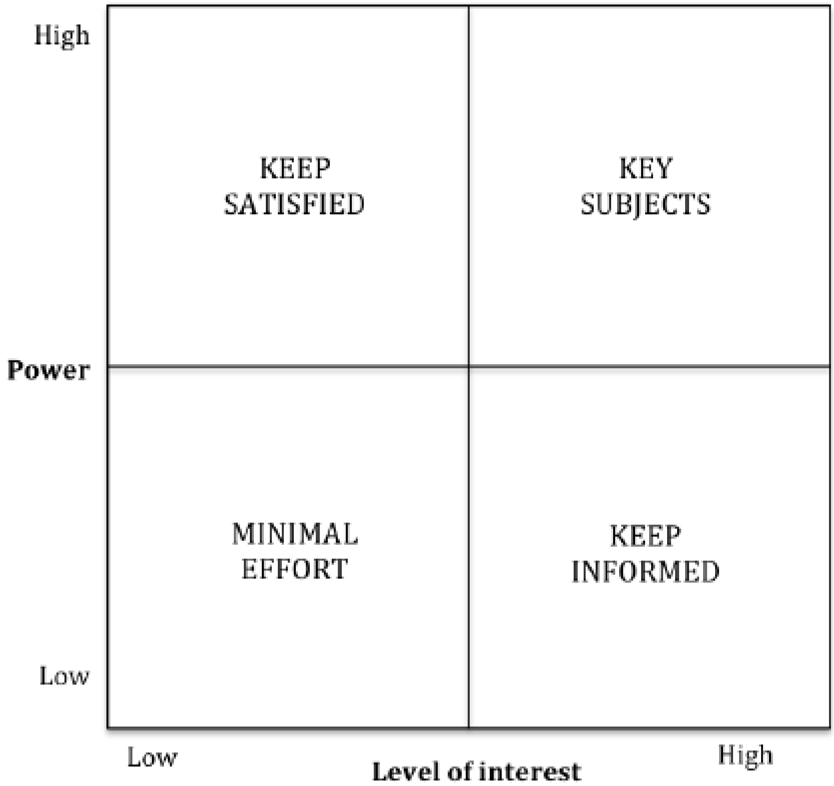
Evaluate their power to influence the business of your organisation and the delivery of your event. In the best condition, the assessment is based on the perceptions of the stakeholders of the project; if this is not feasible, you can rely on the knowledge of your team members. Interviewing your stakeholders is recommended; here are some examples of questions to address:

- what are your expectations for this project?
- Which deliverables are you most interested in?
- Do you feel positive about the project? Explain to us why.
- Do you have worries about this project? Explain to us why.

Power-interest matrix

The power-interest matrix settles the level of power and interest your stakeholders have.

Figure 4. The power-interest matrix



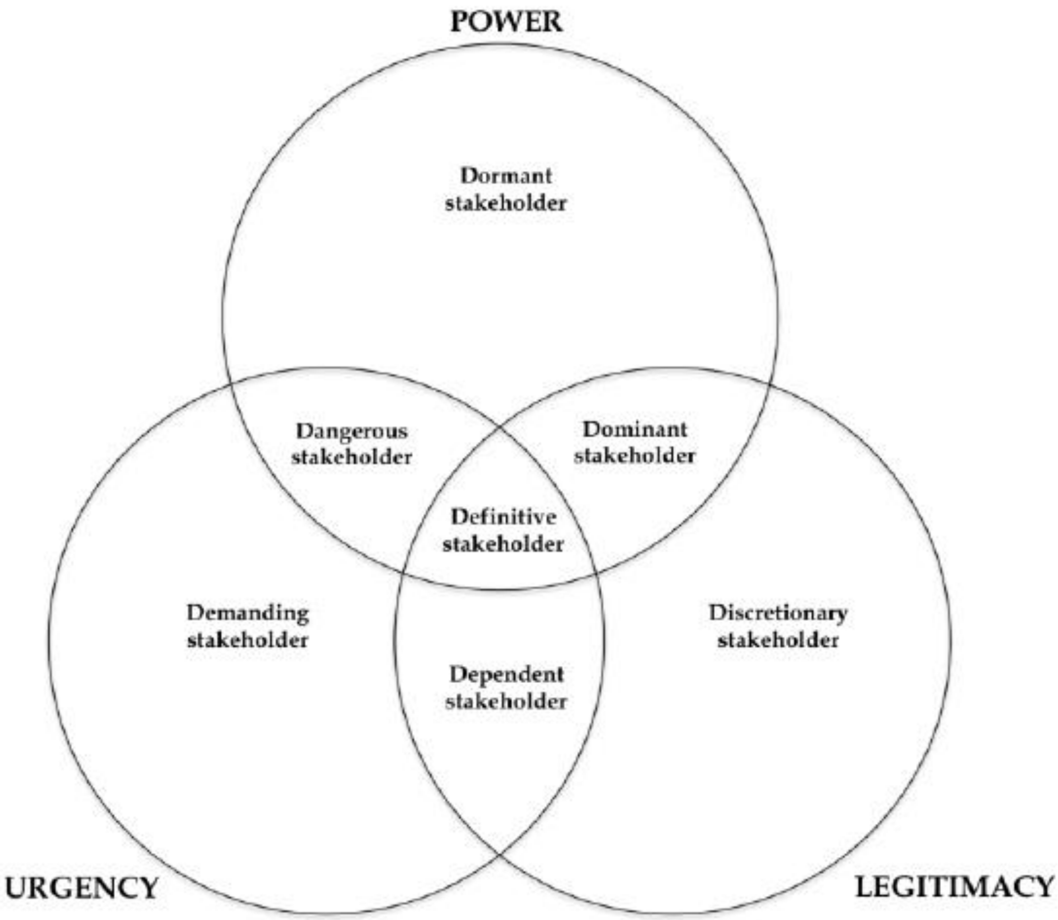
Source: Johnson and Scholes, 1999, p. 156.

Johnson and Scholes (1999) posit that the position assigned to a stakeholder indicates the actions which will be carried out by the stakeholder management team:

- high power, highly interest. Manage closely.
- High power, less interest: keep satisfied.
- Low power, highly interest: keep informed.
- Low power, less interest: monitor them.

Accordingly, some stakeholders would be more or less important than others. Mitchell *et al.* (1997) have developed another categorization of stakeholders, this time regarding specific relationships characteristics such as power, urgency, and legitimacy. As you can see on the following graph, the authors have distinguished seven different categories.

Figure 5. Classes of stakeholders



Source: Mitchell *et al*., 1997, p. 13.

Conclusion

Stakeholder management is an interactive process, which requests mutual respect between stakeholders. These operation schemes fix the long-term orientation of your organisation or event; specify the mutual relationships, dependencies or power constellations; generate innovative solutions, and create new business opportunities across the ecosystem. Moreover, resource management can be planned more effectively. Clear communication is essential.

Unit 1.4. Identify the key issues and scope of your sustainability programme by consulting your stakeholders

Even if an organisation wants to make significant changes in the way they operate their business to become more sustainable, identifying the key sustainability areas and the subsequent action plans are challenging steps. Even after receiving the initial buy in or support from the top management, managers can find it difficult to transform those ideas into actionable programs. Converting an idea into a full-fledged programme will require inputs and support from various stakeholders, which includes investors, policymakers, and employees, as well as the customers. Therefore, it is extremely important that managers in charge of implementing sustainable programmes spend considerable time on identifying the key issues and managing how the various stakeholders interpret and react to the solutions.

Sustainability related issues affect how all companies do business—and increasingly so in recent years. More companies, and their investors, are recognising sustainability as a strategic priority that involves significant business risks and opportunities. But historically, few companies have organisational structures that are designed to treat sustainability as a material business issue. Instead, sustainability activities—and the organisations that support them—have focused primarily on investor relations, public relations, and corporate social responsibility. While those tasks are important, they are also insufficient for sustainability organisations to be successful. Success is more likely when executives empower sustainability managers to engage proactively and strategically hold them responsible for creating measurable impact.

To get sustainability programmes right, companies have big decisions to make. To start, they should choose which issues under the broader sustainability umbrella should be the responsibility of their sustainability organisations, and which issues should be left to other parts of their businesses. The issues range widely, from building new low-carbon businesses and commercialising green products, to managing environmental compliance and ESG reporting more proactively. As companies mobilise to respond to increasing sustainability concerns, many have struggled with the differences between sustainability and other business issues in the trade-offs involved, decision-making, and governance processes, and even in relation to the employee and leader mindsets.

Some of the ways that can assist an organisation to scope their sustainability programmes are mentioned below.

Design according to sustainability topics, not sustainability overall

Sustainability is often used as a catch-all term covering a great of topics. But for any given company, few topics will be of equal importance. Companies address sustainability issues more effectively when they design their sustainability organisations to focus on each sustainability topic the company is prioritising (for example, green hydrogen or its subtopic, operational decarbonisation).

To do this well, companies should define the list of sustainability topics that matter for the organisation, either because they are important to the business or because they are the areas in which the company is uniquely positioned to make a difference. Based on its materiality assessment, a company can then develop a short list of priority topics for its sustainability organisation to cover. This will help companies make better decisions on resourcing and organising around the issues that matter to their business.

When it comes to supporting sustainability work at the topic level, a modular organisational design—rather than one holistic, central sustainability organisation—often works best. A modular design gives companies the nimbleness to address emerging topics in a more agile way. Even if there's a dedicated centre of excellence for a certain topic, it doesn't necessarily need to be part of the central team. Instead, it could be embedded in a business unit that has particular expertise on the topic or will be primarily responsible for leading the company's response to it.

Give your central sustainability team the decision rights to execute change

It's important for companies to have a central sustainability team to coordinate their work on these topics. Companies don't need large central teams to implement their sustainability agendas successfully. Many companies start their sustainability transformations by allocating more central resources to these issues and by supporting a smaller central team that executes the detailed planning and implementation of the sustainability programme. Some of those with highly effective sustainability programmes have lean central sustainability organisations whose mandate is to incubate new sustainability ideas and integrate sustainability initiatives across the company.

What makes the central team particularly effective is having the decision-making authority to execute change, particularly regarding priority sustainability topics that affect multiple functions or that have a material impact on the overall organisation. This authority has several dimensions. First, the central group should also engage the board of directors on critical sustainability topics, since the board holds the ultimate decision rights on such issues and the company's strategic direction. The central team should also be empowered to hold others accountable, which it can do by setting centralised targets.

To ensure broad engagement in and commitment to common sustainability goals, the central team can enlist the company's leaders to develop and define a corporate-level sustainability agenda. Once the idea reached a defined financial milestone and level of technological maturity, the responsibility of business building shifted away from the central team to that business unit. Since the business unit was involved in the effort from the start, the transition of the business's decision rights was smooth. This, in the long run, ensures that everyone in the organisation from top to bottom contributes to a company's sustainability transition.

Find the structure that best fits your sustainability agenda—and your organisation as a whole

The reporting structure is usually the first topic that comes to mind when companies consider organisational redesigns, and so the first question we are often asked is "which organisational structure is ideal for capturing the full potential of sustainability?". In reality, there is no single "right" answer for the design of a sustainability organisation, and no one-size-fits-all approach, beyond the general principle that the structure should be well integrated into—and compatible with—the rest of the company's setup.

Compared with two other models that we see most often today, in which sustainability is embedded in a support function or fully decentralised within business units. These three models help link sustainability to an overall strategy and give a sustainability organisation real decision rights.

Large central team with few business-unit resources

In this model, a large central team plans—and maintains the decision rights to—most sustainability initiatives and also coordinates with individual business units that are actively working on specific sustainability issues or have expertise related to the topic. The central team incubates sustainability initiatives before handing them off to the business units and supports activities that have no other natural owners in the organisation. It also ensures that sustainability priorities across the company have sufficient budgets and staff and that the organisation stays focused on its priority topics.

Lean central team with decision rights and many business-unit resources

In this structure, the prioritisation of sustainability topics is largely a top-down process, led by the lean central team, to ensure that a common company-wide agenda and targets are in place. Business units have a mandate to develop specific initiatives to achieve company-wide goals, which they do by deploying their own resources. Business units also have the flexibility and resources to set up and work on sustainability initiatives of their own, in line with the central team's guidance. This structure can be most effective at companies that have already embedded sustainability in the organisational culture, which increases the likelihood that sustainability becomes a true cross-functional effort.

Central team that deploys agile or SWAT teams to business units

This structure puts a central team in charge of deploying sustainability-focused task forces to individual business units. Once a task force is embedded in a business unit, it helps with the planning and initial execution of that unit's priority sustainability initiatives and builds capabilities so that the business can eventually run its own initiatives, once the task force leaves to support another unit. This facilitates the deployment of sustainability expertise and the sharing of best practices across the company, as well as the nimble reallocation of resources in response to the rapidly changing sustainability landscape. From a talent-development perspective, this model also allows for a clearer separation of leaders—between those who help individuals develop capabilities and those who oversee employees' day-to-day work. The result is that sustainability talent can be developed both ways.

Prioritise the design of processes and governance—rather than reporting lines—that account for sustainability's complexity and dynamic nature

Many companies' default mode is to focus solely on reporting structure, but going beyond "lines and boxes" corresponds with a much higher chance for redesign success: in a McKinsey Global Survey on organisational redesigns, respondents were nearly three times more likely to report successful redesigns if they focused on improving multiple elements of the organisation (for example, performance management, business processes, and culture), not just on changing reporting lines. With respect to sustainability, which involves reorganisations that are more complicated and multifaceted than those of a typical function—and priorities that can shift much more quickly than in other areas of the business—it's critical to think about redesigning sustainability-related processes and governance early on. Several guiding principles can help with this kind of effort.

For one, companies' processes for making sustainability-related decisions should be robust and clearly defined when an issue or decision should be escalated from the business unit to the central sustainability team. Decision-making processes should also include frequent discussions among stakeholders and fast decision cycles so that cross-functional or high-level topics can be identified and resolved quickly. As highlighted above, the central team should be empowered to make decisions on topics that individual business units can't resolve on their own.

Another principle of effective sustainability processes and governance pertains to capital allocation. Sustainability investments often have different risk–return profiles and greater uncertainty than other, more traditional investment types. There, it is important that companies make well-informed decisions to mitigate any financial losses.

Finally, it's valuable for companies to develop sustainability-specific performance metrics. While the specific metrics will vary depending on the topic, the same principles of good performance management of other business activities also apply to sustainability: setting measurable targets (both financial and nonfinancial), establishing incentives (such as linking compensation to sustainability performance), and putting in place regular performance reviews of sustainability.

Sustainability is no longer an issue of compliance for most companies, but rather a strategic and operational one. Once senior leaders integrate sustainability into their corporate strategy, they will benefit from having a dedicated organisation to support their sustainability efforts. There is no right structure that applies to every company; each will need a structure of its own and will likely need to adjust this structure as business conditions and requirements change. A well-designed sustainability organisation, we find, can give the company the capabilities that it needs to capture value and manage risks from sustainability in a systematic and even transformational way.

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