

Sustainability for Competitive Advantage

In Search for Slovenian Path



A School with a View



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A Fashion or Value Add?

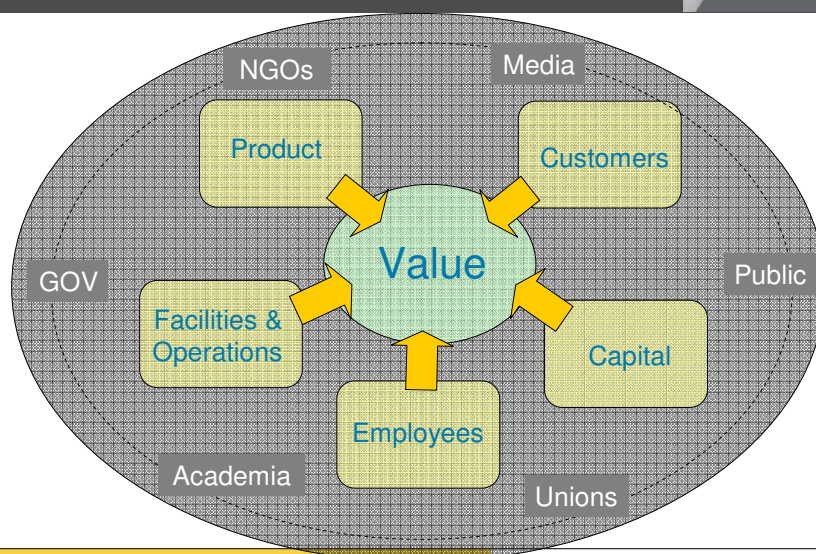


Sustainability for Sustainable Advantage

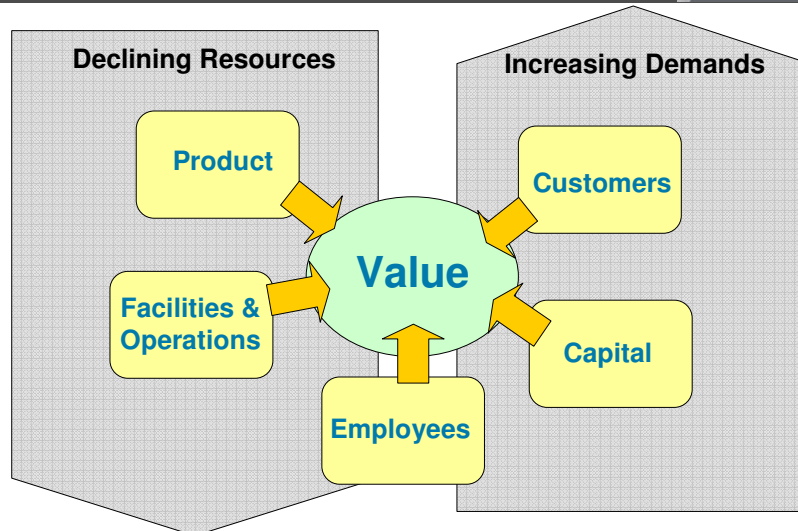
So, we will touch upon

- We will NOT talk about
 - Ethics
 - Social Responsibility
 - Philanthropy
- What we WILL talk about
 - Value creation - old formulas, new trends & forces
 - In other words, STRATEGY

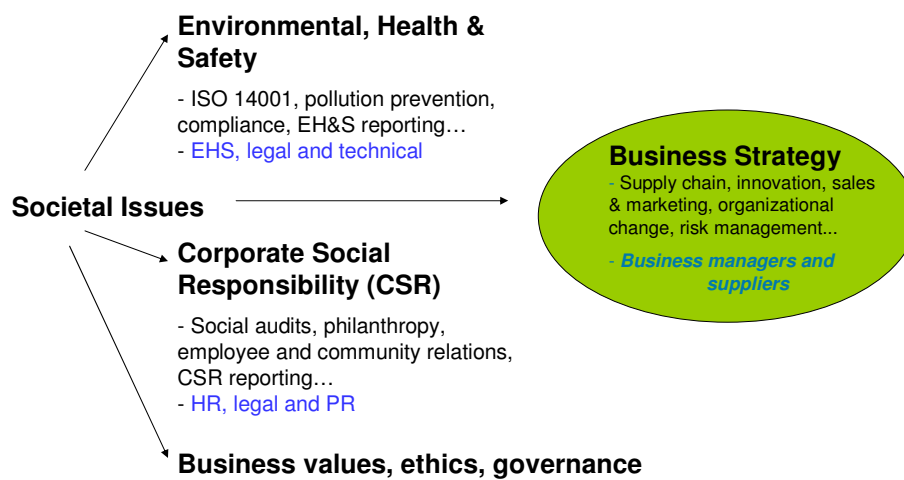
THE Value Shift



THE Value Shift



A Revolution in Business Strategy



The New Global Reality

BUSINESS and PEACE

a product of **ecomagination**

GE imagination at work

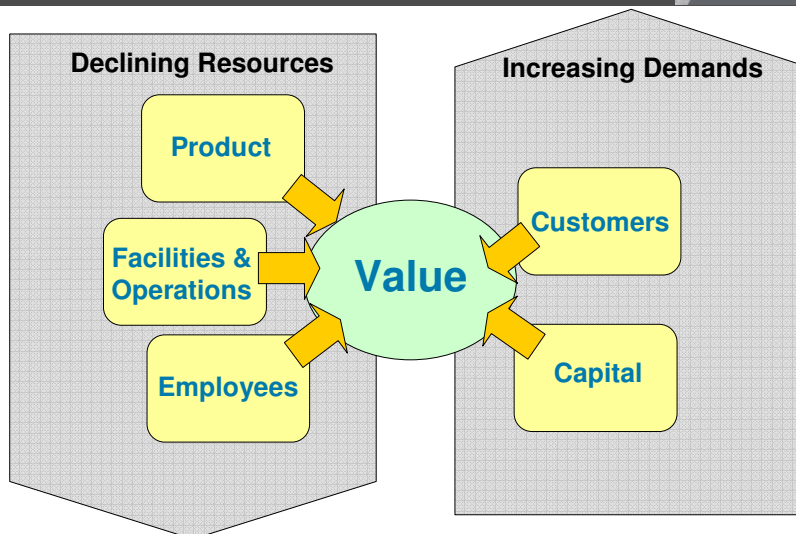
MICROFINANCE
Developing Paths to Self-Sufficiency

FORTUNE
START YOUR OWN HEDGE FUND - THE FUTURE OF COMPUTING
WAL-MART SAVES THE PLANET
Well, not quite. But CEO LEE SCOTT's green campaign, which started as PR, is becoming a force of nature.

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Sustainability 7

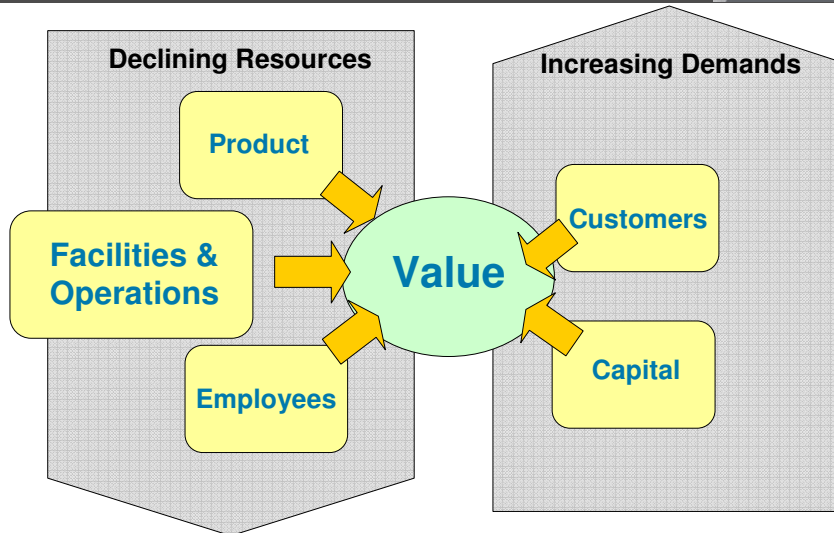
Sustainable Value



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Sustainability 8

Sustainable Value



Wal-Mart

Example: Sustainability goals at



To be supplied 100% by renewable energy

- Stores 25% more efficient in 7 years
- Fleet 25% more efficient in 3 years

To create zero waste

- 25% reduction in solid waste in 3 years

To sell products that sustain our resources & environment

- 20% supply base aligned in 3 years

Source: speech by Wal-Mart CEO Lee Scott October 24, 2005 and company internal data

West-Siberian Metallurgical Combine (Novokusnetsk, Russia)



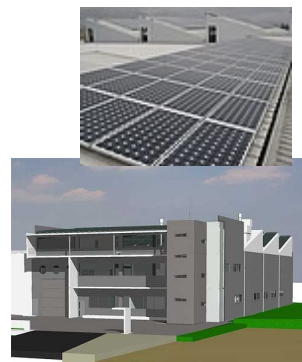
- Invented an ecologically clean process for utilization of used car tires as a source of energy for metal processing
- Pilot phase - 40 thousand tires
- Patented technology



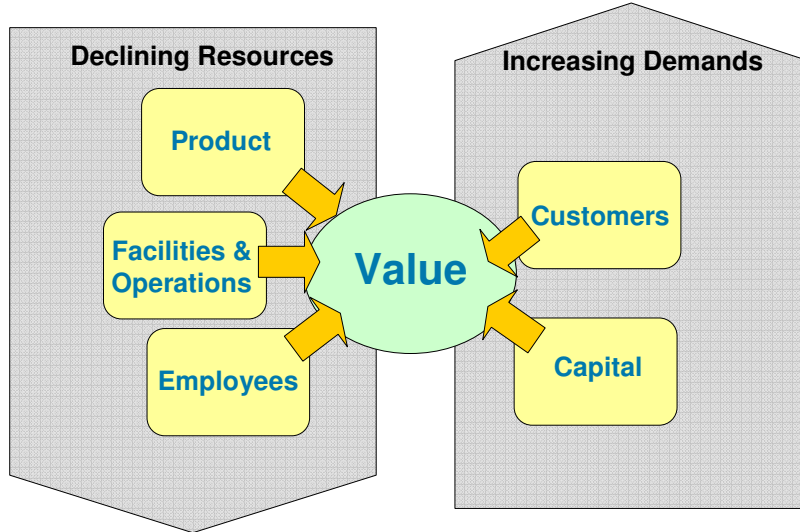
Pipistrel



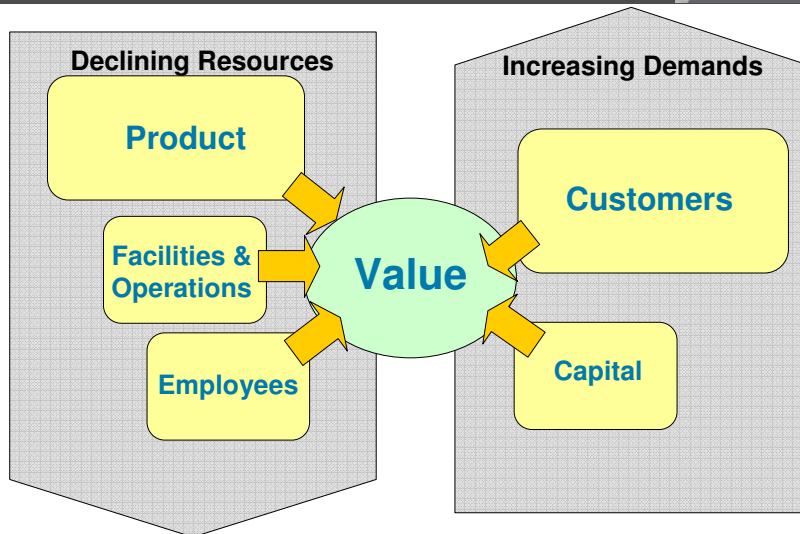
- Built the largest private solar power plant on the Balkan peninsula
 - No air or hard particles emissions, no CO2 impact
 - Thermal heating
 - High-efficiency air conditioning
- Became officially qualified for production of electric energy – solar+gas co-generation



Sustainable Value



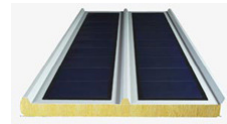
Sustainable Value



Trimo



- Social and environmental efforts started with traditional community development efforts such as an annual Environmental Day
- Went into R&D - new EcoSolar PV roof panel – an integrated photovoltaic system that combines a roof and a PV module – represents a unique product that offers environmental, economic, architectural, and aesthetic benefits



Shaw Industries



Peace Works

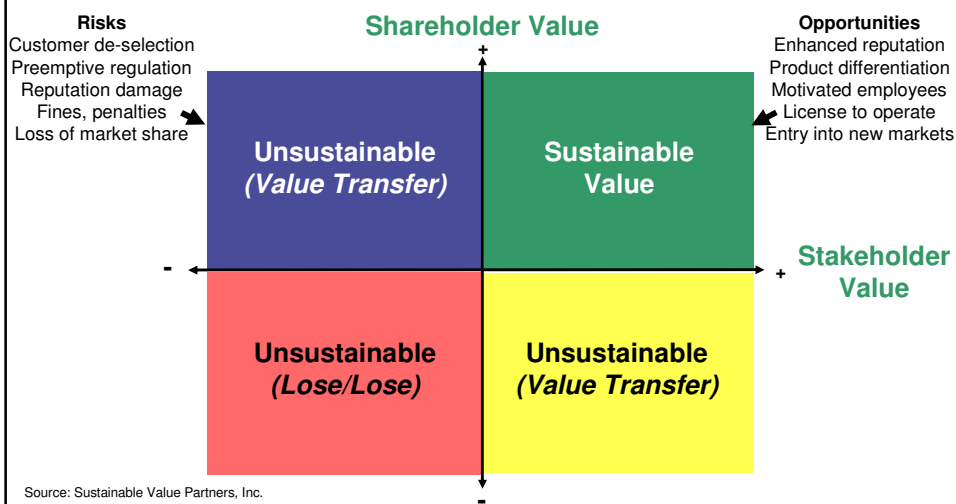
A not-*only*-for-profit company



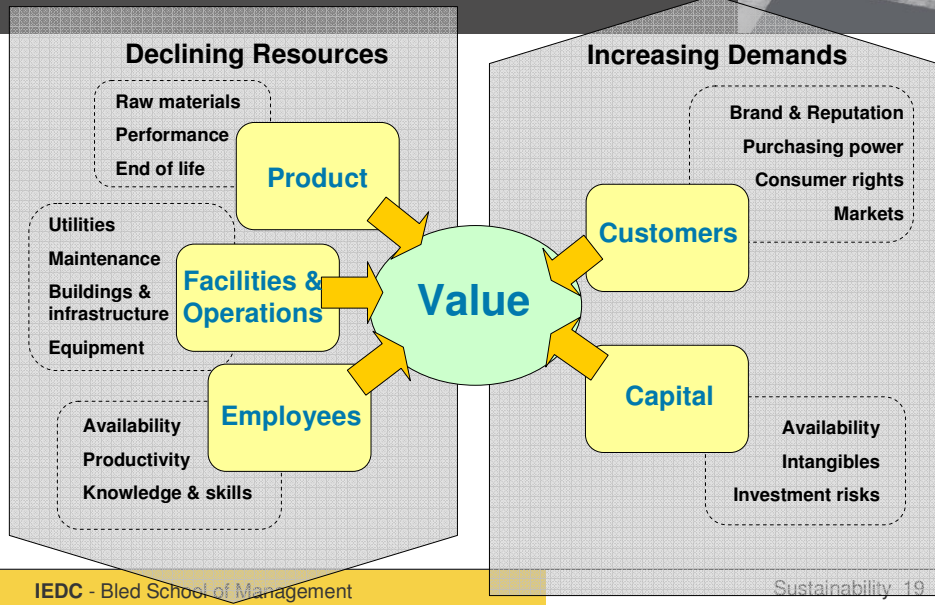
- **Product innovation** – importing healthful food products that are produced by neighbors on opposing sides of political or armed conflicts, whose cooperative business ventures are facilitated by the company
- Doing business with with Israelis, Palestinians, Egyptians, Australians, Turks, Indonesians and Sri Lankans
- Selling to a conscious consumer - right positioning



The Sustainable Value



Aligning the Strategy



Let's Try

Suggest an opportunity - a new channel for **sustainable value creation** - for an every day product



And here is how Coca-Cola does it



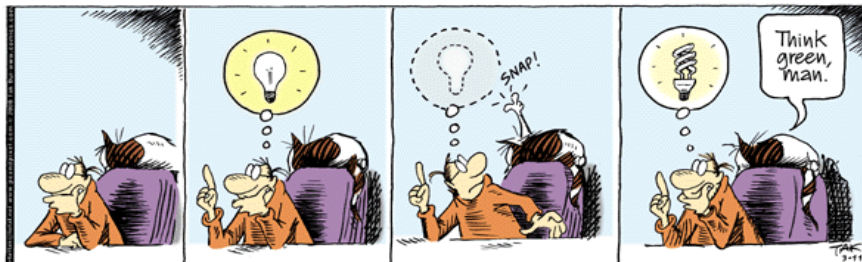
Drink2Wear – new line of apparel by Coca-Cola on sale at Wal-Mart



As a means of concluding: Sustainability for Competitive Advantage



Sustainable Value creation is not about creating a new business strategy, but instead using social and environmental opportunities to enhance the existing strategic strengths – and, ultimately, performance - of your company



**As a means of concluding:
Sustainability for Competitive Advantage**



- Your Thoughts?

Thank you!



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