



Financial Short-Termism a Major Obstacle to Sustainable Change in Business: Expert Poll

Nairobi/ Paris, 26 January: Financial short-termism represents a critical barrier to businesses' transition to sustainability, according to a new poll.

The latest wave of *The Sustainability Survey* - GlobeScan and SustainAbility's regular survey of attitudes across businesses, NGOs, academia and government - reveals that a very large majority (88%) of the 642 experts polled see pressure for short-term financial results as a barrier to businesses becoming more sustainable.

The survey, conducted in December 2011, asked experts to say whether they considered a range of factors as being barriers to increased sustainability by businesses. Although most of those polled identified multiple barriers, financial short-termism was seen as the most significant by some distance. The next most significant barriers were inappropriate regulations and low awareness of the business imperative, both cited by 65% of respondents. Low consumer demand was identified by 57% of respondents, followed by the lack of effective management tools (45%) and the lack of international standards (50%).

While financial short-termism was consistently identified as a barrier by large majorities of all groups, the survey revealed that experts' views differed on the importance of other factors according to their sector.

Experts working in academia (56%) were much more likely to identify the lack of international standards as a barrier than those working in corporations (43%). Experts within academia were also more likely to blame low awareness of the business imperative for sustainability among business leaders (71%) than their corporate counterparts were (58%).

In contrast, experts within corporations were more likely to identify lack of consumer demand for green business practices, products and services as a barrier to sustainable transformation (66%) than other groups of experts, particularly those within NGOs (46%).

These latest survey findings will be featured in a forthcoming UNEP report on the business case for the Green Economy, to be published later this year.

Achim Steiner, UN Under-Secretary General and UN Environment Programme (UNEP) Executive Director, said: "The Green Economy analysis by UNEP and partners clearly outlines pathways towards growing the global economy, generating employment and combating poverty while keeping humanity's footprint within ecological boundaries.

"This survey underlines that governments must play their part, national and internationally, in setting the standards and backing the smart policies needed to promote sustainability over extraction and degradation of the world's natural resource base. It is happening, but not fast enough. Rio+20 in June offers an opportunity for governments to accelerate and to scale-up a better future for seven billion people," he added.

GlobeScan President Chris Coulter commented: "Clearly, more work needs to be done to help business find ways to overcome financial short-termism as a barrier to corporate sustainability. It may be timely for a multi-stakeholder initiative to explore new thinking to tackle this major obstacle to facilitate the transition to sustainability."

Jeff Erikson, Senior Vice-President at SustainAbility commented: "The experts in our poll are telling us that of the many factors that make a transition to sustainability difficult, impatience from

shareholders is the most important. This implies that understanding and communicating the business case is critical. We are excited to be working with UNEP once again on their upcoming report, which will provide further support to the business community to make the case.”

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Editor’s notes

UNEP is hosting a private-sector focused day on 17 June in Rio de Janeiro, Brazil. *ROI for Rio +20*, a dialogue between business, finance and governments, will be held under the umbrella of the UN Global Compact's Corporate Sustainability Forum. For more information, www.compact4rio.org

About *The Sustainability Survey Research Program*

The Sustainability Survey research program is a unique, collaborative platform using research-driven expert insights to explore solutions to material sustainability challenges. The program is designed to help leaders navigate the challenges and opportunities related to sustainability by leveraging the insights from the most influential thought leaders in the sustainable development arena. These quantitative results then inform forward-looking strategic counsel and ongoing trends analysis for leadership organizations.

About GlobeScan

GlobeScan is an international opinion research consultancy. GlobeScan provides global organizations with evidence-led counsel at the nexus of reputation, brand, and sustainability. Established in 1987, GlobeScan is an independent, management-owned company with offices in London, Toronto, and San Francisco, and a research network across 50+ countries. www.GlobeScan.com

About SustainAbility

SustainAbility is a think tank and strategy consultancy working to inspire transformative business leadership on the sustainability agenda. Established in 1987, SustainAbility delivers illuminating foresight and actionable insight on sustainable development trends and issues. The company operates globally and has offices in Europe, North America and India. For more information, visit www.sustainability.com

About UNEP

Created in 1972, UNEP represents the United Nations’ environmental conscience. Based in Nairobi, Kenya, its mission is to provide leadership and encourage partnership in caring for the environment by inspiring, informing, and enabling nations and peoples to improve their quality of life without compromising that of future generations. UNEP’s Division of Technology, Industry and Economics - based in Paris - helps governments, local authorities and decision-makers in business and industry to develop and implement policies and practices focusing on sustainable development. The Division leads UNEP’s work in the areas of climate change, resource efficiency, harmful substances and hazardous waste. www.unep.org