THE SIGMA GUIDELINES- TOOLKIT

SIGMA OPPORTUNITY AND RISK GUIDE

The SIGMA Project

SIGMA SUSTAINABLE DEVELOPMENT OPPORTUNITY AND RISK GUIDE

Contents

ACKNOWLEDGMENTS

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1. Introduction

The SIGMA Sustainable Development Opportunity and Risk Guide is intended to provide a basic overview and simple guidance and tools to enable organisations to improve their understanding and management of risks and opportunities relating to sustainable development. It is not intended to be a comprehensive guide to all elements of opportunity and risk management.

It represents a collation of work and thinking from organisations involved in a pilot of the SIGMA guidelines and from the SIGMA project team. The content reflects the focus of activity from the pilot, which primarily covered identification and assessment of sustainable development, and in particular social and environmental, risks and opportunities.

It is aimed at people with responsibility for sustainability management and also those with responsibility for risk management within organisations.

2. What are sustainable development opportunities and risks?

Sustainable development opportunities and risks are threats to the ongoing success of an organisation as a result of an environmental, social or economic issue[1]. This includes not fully realising opportunities that may contribute to this success. It concerns those risks and opportunities that are not adequately covered by existing management approaches. They can arise in three key areas:

2.1 Operational opportunities and risks

This relates to how an organisation impacts on the interests, values and actions of specific stakeholder groups and broader society through its operations. The potential risks and opportunities result from an organisation failing to achieve objectives that are dependent on stakeholder support and good will. Examples would be: where environmental damage occurs as a result of an operational failure such as a pipeline leak polluting a river; when labour conditions are poor such as use of sweatshop labour in the supply chain; or where an opportunity exists due to a gap in the market for an improved product or service such as a chance to develop a chemical leasing service rather than just supplying chemicals.

2.2 External opportunities and risks

This relates to the impact of external factors in society upon an organisation's activity, the results of which may lead to constraints and limitations to an organisation's operations. Examples of these include; climate change limiting the ability to use traditional energy sources or working in conflict zones where business continuity and the safety of personnel may be at threat.

2.3 Relationship opportunities and risks

These risks are apparent when there are conflicting interests between an organisation and its stakeholders. Getting it right and optimising the relationship between the organisation and its stakeholders can provide many

opportunities and minimise any threats. An example would be appropriately planning and locating new operations in a community.

3. How do I manage them?

Figure 1 provides a process guide to managing opportunities and risks relating to sustainable development. It should be noted that there are strong links between some aspects of risk assessment and many other management needs, such as procurement processes, health and safety assessments and sustainable marketing processes.

Many organisations will already have risk management processes in place. It is normally preferable to enhance and integrate these processes rather than try to create a new layer of risk management. Indeed integrating sustainable development risks and opportunities into existing risk management processes will improve organisational understanding of wider uncertainties and opportunities relating to sustainable development issues. This, in turn, will support cultural change in an organisation.

The process detailed below recommends key stages and considerations, rather than a definite model that has to be followed exactly. In many situations the process stages may not happen in this order, some may run concurrently and they may be amended to align to other existing activities.

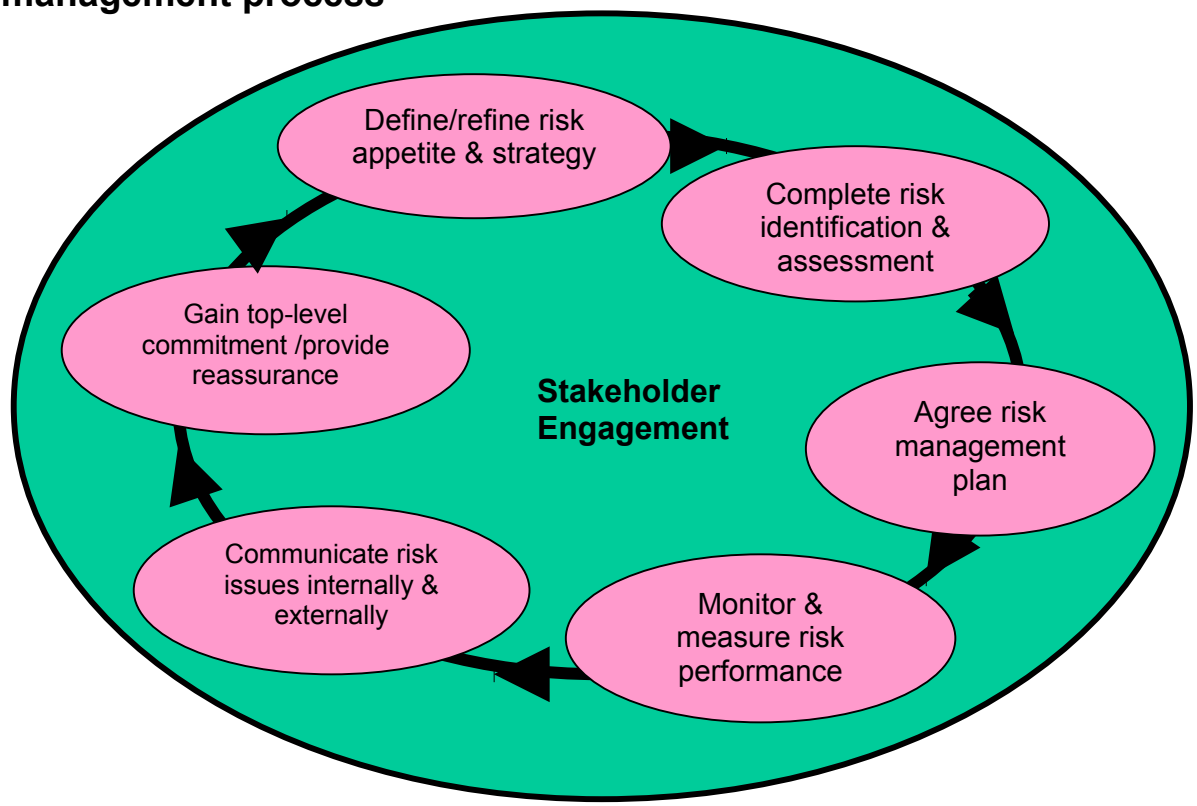
The sustainable development opportunity and risk management process will now be explained on a step by step basis.

3.1 Gain top-level commitment

Top-level commitment to sustainable development opportunity and risk management is essential as it helps to raise the level of awareness of the risks and opportunities associated with sustainability issues. Top-level commitment is also required to ensure the ongoing effectiveness of the sustainable development opportunity and risk management process, including the allocation of an appropriate level of time and resources to the subject.

For quoted companies, top-level commitment may relate to a Board desire to fully implement the combined code on corporate governance (Turnbull Report) in order to meet legal duties. For other organisations this commitment can also be driven by a need for more effective management. There are close links to the development of a business case for sustainable development activities in organisations.

Figure 1. Sustainable development opportunity and risk management process



3.2 Define your sustainable development risk strategy and appetite

An existing organisational risk strategy may be extended to consider sustainable development opportunities and risks or, if appropriate, a separate opportunity and risk strategy covering sustainable development risks and opportunities should be defined. The opportunity and risk strategy should include:

- Risk appetite boundaries and approach
- Significance of, and priorities for, market opportunities identified
- Roles and responsibilities
- Timetables and milestones
- Resources and budgets
- Monitoring and review process
- Top-level management endorsement

The risk appetite refers to how risk adverse an organisation is. Factors that affect an organisation's risk appetite include:

- How far the organisation is committed to working to the SIGMA sustainability principles or to similar operating principles or codes of conduct

- The organisations level of commitment to sustainable development issues, evidenced in operating principles, policies, strategies and adherence to guidelines and standards
- The degree to which opportunity and risk management activity supports the organisation's business plan, operations and core business processes and decision-making

The risk hierarchy, shown in Figure 2, provides a guide to the priorities of managing sustainable development risks and opportunities and can help to define an organisation's risk appetite, response strategy and opportunity and risk management plan. The options represent choices on how to tackle sustainable development risks and opportunities with the top of the hierarchy being the most preferable and the bottom being the less preferable option.

There are other options to manage risk, which may be appropriate at any level of the hierarchy in addition to other risk management activity. These are:

- Accept the risk
- Transfer the risk
- Insure against the risk

3.2.1 Roles and responsibilities

There is a danger that opportunity and risk management remains the preserve of a small number of risk professionals in an organisation. A successful opportunity and risk process involves a broad spread of personnel representing all key business areas. This ensures that the range of risks and opportunities, are adequately captured, considered and managed in such a way as to minimise the negative and maximise the positive.

Figure 2.
Risk management hierarchy

Expanding existing responsibilities or capturing existing information is more effective than creating a new layer to manage these wider risks and opportunities; or relying on a small number of experts to understand all business risks and opportunities. Whatever approach is adopted should always include a clear definition of roles and responsibilities.

3.2.2 Strategy review and refinement

Opportunity and risk strategies may not need to be reviewed and refined as regularly as opportunity and risk assessments and monitoring programmes. However, timescales for review should be clearly stated and ideally be incorporated as part of the organisation's wider strategic review process.

3.3 Opportunity and risk identification and assessment

Sustainable development opportunities and risks are those that are material not only to meeting the organisation's vision, mission, operating principles and objectives, but also those that are material to stakeholders and are therefore dependent on engaging with them. Appendix 1 - Guidance for opportunity and risk assessment can help organisations determine if a risk or opportunity is material or not.

3.3.1 Identification

When identifying opportunities and risks the following factors should be considered:

- Each life-cycle stage of the product and/or service from concept, design, research and development through the supply chain, production, marketing and use phases to end-of-life and re-manufacturing or re-use processes
- The boundaries of responsibility that the organisation has for the product or service, and stakeholders' perceptions of those boundaries
- Changing markets for products or services
- The full range of stakeholders, including consideration of changing stakeholder priorities
- Stakeholder perceptions, as well as actual impacts
- The full range of sustainable development issues and risks
    - Environmental risks and opportunities, e.g. eco-efficiency gains, such as minimising pollution, waste and energy use, or dematerialisation, such as providing a service rather than a product
    - Social opportunities and risks, e.g. employee and customer health and safety, community involvement, labour standards in the supply chain
    - Economic risks, e.g. changing markets, changing products, business continuity, impact on local economies, local regeneration

For a guide on a range of these issues and explanations refer to the Sustainable Development Issues and Explanations guide.

3.3.2 Assessment and Prioritisation

There are no easy answers to the assessment of the full range of sustainable development opportunities and risks. However there are a number of considerations that can support this process.

3.3.3 Assessment boundaries and roles

Opportunity and risk information collation and analysis can be based on: business roles, areas and objectives, product ranges, or service delivery processes. Inputs can be provided at all levels of risk responsibility:

- For the whole organisation, for example, governance based central risk programmes
- At a departmental or functional level, for example, marketing based opportunity and risk assessments
- By specialist teams or guided non-specialist teams, for example, at annual stakeholder workshops

- Through individuals, for example, updating risk assessments on a quarterly basis based on the individual's expertise.

Benefits can be gained from bringing together personnel with responsibility for managing risks or for identifying and realising opportunities. This can help to underpin a more systematic approach to the identification of interrelated risks and opportunities that may otherwise be overlooked - even if they are significant. It provides an opportunity for cross-functional teams to bring together information and best practice on the management of a range of opportunities and risks.

3.3.4 Systematic sustainable development assessments

Existing frameworks and business management systems (e.g. ISO14001 or EMAS), enable organisations to systematically assess and manage their significant environmental impacts. These systematic impact assessments usually rely on so-called "hard science" to identify and determine the significance of environmental impacts, i.e. environmental impacts are usually very tangible or visible and can be quantified.

However, the assessment and management of the social aspects of an organisation are generally more complicated and less tangible. They are often based on value judgements and qualitative information, which in turn is influenced by different business and societal cultures and other intangibles. Similarly, an organisation's assessment of its wider economic risks and opportunities (beyond traditional financial risk assessment), to clearly establish its individual contribution to economic change may be very difficult. This is because economic change is often the result of an accumulation of economic investment / divestment decisions from a range of organisations operating in a specific geography or economic sector.

In order to overcome some of the potential obstacles mentioned above, Appendix 1 - Guidance for opportunity and risk assessment provides a series of questions, covering the key common assessment factors, to help make these value judgements. A level of assurance, such as an audit or verification trail, can also be provided using the guidance document, by completing the control information column for each question.

3.3.5 Scoring and ranking systems

There is a wide range of opportunity and risk assessment approaches and scoring systems that can be applied by an organisation and are applicable in specific circumstances. Appendix 2 – Examples of opportunity and risk management approaches and their main uses provides a guide to some of the more commonly used approaches.

When scoring systems are used, care should be taken to ensure that any ratings or rankings are fit for purpose and represent a valid indication of the likelihood or consequence of the assessed risk. Simple generic appraisal systems are more appropriate for comparisons across product and service ranges as they can be completed more quickly, with less resource inputs and

can offer comparable results enabling opportunity and risk trends to be identified.

3.3.6 Integrated and cumulative opportunities and risks

Integrated and cumulative risks are especially important in a sustainable development context as sustainable development issues are often complex and involve many interrelated aspects.

An integrated risk impacts on an organisation in a number of ways. For example, a failure in a safety valve in an industrial process, at an inadequately prepared site, may lead to a spill of a toxic substance. This may result in health impacts for employees and local residents, as well as polluting the environment. Negative media coverage of the incident may reduce reputation and this may lead to a loss of confidence from investors and a reduction in the economic value of the organisation.

Cumulative risks or opportunities are those that accumulate into a significant risk or opportunity. For example, exposure to a single pesticide or pesticide residues may pose an insignificant risk to infant health. However the accumulated risks of exposure to all pesticides through all pathways may result in a significant risk to infant health. Key issues to consider are small but frequent risks and similar risks or opportunities that can be considered together in a broader context.

Robust opportunity and risk assessments should seek to understand relationships between risks and their outcomes.

3.3.7 Tailored approaches

It is recommended that each organisation tailors its approach to its specific opportunity and risk assessment needs - keeping in mind the key purpose of any opportunity and risk assessment: to enable priorities to be identified so that management plans can be focused and resources allocated accordingly.

Focusing on the minutia of individual assessments is likely to lead to ineffective opportunity and risk management. So it is important that organisations strike a balance between the need for individual assessments (as a means of providing reasonably reliable management information) and the need for a strategic overview of the significant sustainable development opportunities and risks it should be managing.

3.4 Agreeing and implementing an opportunity and risk management plan

Improvement planning is best tied to existing processes in the first instance. Alignment with existing systems and procedures helps to ensure buy-in from personnel and minimises the need for additional resources. Sustainable development opportunity and risk strategy reviews may indicate if new processes or resources are needed over time.

Opportunity and risk management is an iterative process. Organisations should be open to the development of sustainable development opportunity and risk processes, where the findings of strategic reviews illustrate they are necessary. One option open to the organisation is to pilot a new process or approach to determine its effectiveness and improve upon it, rather than to try to rollout a new approach across a wide range of geographies or sites at the same time. Once the pilot programme has tested and proved the new process or approach the organisation can roll it out to other sites or geographies.

The organisation's risk appetite can be used to help prioritise actions in a management plan. These may have been defined in the opportunity and risk strategy and are likely to relate to the most obvious risks that are material to the organisation's business area.

Finally, organisations implementing their management plans should ensure that they are action focused and result in positive change.

3.5 Monitoring opportunities and risks

Evaluate the process and the organisation's performance against objectives and targets as defined in the opportunity and risk strategy and wider sustainable development policies. Feed the evaluation back into the management cycle through updated strategies, approaches and through effective communication.

3.6 Communicating opportunity and risk issues

Establish clear processes for the communication of risks and opportunities. Information and engagement should be designed to meet the needs of different internal and external stakeholders.

For example, a regular slot at a Board or senior management meeting can be used to communicate the outputs and status of the opportunity and risk management process. This can provide reassurance and give confidence to senior managers that the whole range of sustainable development opportunities and risks are being effectively managed or realised.

4. Key lessons and things to avoid

4.1 5 Key lessons

1. Sustainability risks and opportunities are those that are material to not only meeting the organisation's objectives but also those that are material to the organisation's stakeholders
2. Many risks and opportunities are inter-related. Using workshops to make team assessments, rather than relying on individual risk or opportunity owners to make assessments, makes it more likely that inter-related risks and opportunities will be highlighted
3. When assessing risks and opportunities consider product or service life-cycles as well as functional areas of the business

4. If you are unsure where to start, consider the most obvious risks and opportunities that are relevant to your organisation or use a generic list of sustainability issues, (see the SIGMA Guide to Sustainability Issues at www.projectsigma.com) or look at issues that more advanced organisations are tackling and develop your approach from there
5. Act on the significant risks and opportunities identified – ensure that roles and responsibilities are allocated and effective action plans are developed and implemented

4.2 5 Things to avoid

1. Ignoring sustainable development opportunities and risks due to inadequate understanding. Not being able to make an adequate opportunity and risk assessment does not mean that the opportunity or risk does not exist
2. Inflexible approaches that do not take account of the differences between risks and opportunities. Risk management tends to focus on minimising harm and mitigating risks, whereas opportunity management should focus on innovation, spotting gaps in the market and seeing the potential in a situation
3. Overcomplicated opportunity and risk management. Try to keep the approach simple without compromising its integrity. For example, when using a scoring or ranking system try using 1-3 or High, Medium and Low to make an assessment rather than 1-10 or other complicated allocations. This is especially important when different people are involved in the assessments
4. Inappropriate assessments of integrated or cumulative risks and opportunities. For example, care should be taken if combining the scoring and weighting of opportunities and risks, as the assessments may result in opportunities and risks cancelling each other out or provide a misleading indication of the probability of the opportunity or risk occurring. It may be preferable to split the opportunity and risk assessments.
5. Missing the opportunity that is reflected in the risk.

5. Links and resources

- AA1000 Series Risk Management module (Forthcoming) Accountability (www.accountability.org.uk)
- Realising the value, enhancing business success, Advisory Council on Business and the Environment (ACBE) (Jan 2003), www.defra.gov.uk/environment/acbe/pubs/pdf/acbe-realisevalue.pdf
- Association of British Insurers (2001): Investing in Social Responsibility, Risks and Opportunities (www.abi.org.uk)
- Strategic Reputation Risk Management (2003) Judy Larkin, Palgrave Macmillan

- PD 6668: 2000 - Managing Risk for Corporate Governance - Mike Robbins and David Smith - published by BSI (www.bsi-global.com)
- The Institute of Occupational Safety and Health, http://www.iosh.co.uk/
- The Institute of Chartered Accountants in England and Wales (1999): Internal Control: Guidance for Directors on the Combined Code (The Turnbull Report) http://www.icaew.co.uk/cbp/index.cfm?aub=tb2I_6242
- Department of Trade and Industry (2002): Modern Company Law: Final Report (Company Law Review) www.dti.gov.uk/could/review.htm
- Health and Safety Executive, http://www.hse.gov.uk/
- Construction Best Practice. http://cbp.idnet.net

Published by the SIGMA Project, September 2003
SIGMA Project, 389 Chiswick High Road, London, W4 4AL

[1] Sustainable development opportunities and risks can be considered as risks affecting the Five Capitals and Accountability, the core SIGMA guiding principles. It should be noted that the AA1000 Series Risk Module focuses on social, ethical and environmental (SEE) risk management.

Appendix 1 - Guidance for opportunity and risk assessment

Options for using this guidance:

- To support the development of risk/opportunity models
- Provided to risk/opportunity owners as an 'aide-memoir' for opportunity or risk evaluation
- To use as guidance at risk/opportunity workshops
- In support of the audit/verification process and design of materials

This is not an exhaustive list of considerations or a recommended format. Moreover, it is meant to supplement existing thinking and to enhance the opportunity and risk identification and assessment process, especially for social risks.

Sustainable development opportunity and risk considerations	**Information needs for assurance** Please record the following information: • **How has this issue been considered?** • **When was it considered?** • **Who considered it?** • **Who was consulted?** • **What action was taken as a result?** • **How effective was that action?**
Legal issues	
How do we know what the legal requirements are in this area?	
Do these processes provide awareness of ALL legal requirements?	
If not, do the process gaps represent a potential risk?	
Sources of risk knowledge	
What risk incidents have happened elsewhere in the industry/elsewhere and could this incident have happened in your organisation?	
Do our competitors think this is an issue? - What are they doing? - Where should we be in relation to them?	
Do our stakeholders think this is an issue? - What are they doing/expecting? - Where should we be in relation to them?	
Determining significance for stakeholders Note: Consider direct impacts, e.g. operations and indirect impacts, e.g. supply chain and through product or service use, disposal or re-use / re-manufacturing	
Is there any research / evidence of customer interest, e.g. requests for information from customers, consumer surveys, in tender requirements?	
Which type of stakeholders does this impact on, e.g. local community, customers, regulator?	
How widespread is the risk or opportunity? How many people will be affected by its impact?	
Will the risk or opportunity affect a particular location? Is the location particularly sensitive to the risk event or opportunity?	
What is the duration of the risk event or	

opportunity? How long will the impacts of the risk or opportunity last? How permanent will the impacts be?	
What is the likelihood of the risk or opportunity occurring? How often will the risk happen or opportunity present itself?	
Do these impacts affect a considerable amount of people?	
Is there a significant impact on particular people or on a particular stakeholder group?	
What is stakeholder opinion of the risk or opportunity? Is there a particular expectation of action?	
Is the stakeholder that is impacted able to significantly influence opinion?	
Can the risks or opportunities accumulate when considered alongside similar risks or opportunities? Are the risks or opportunities small but frequent? Are the risks or opportunities significant when considered in a broader context?	
Do the risks or opportunities identified have any knock on consequences that will lead to increased risks or opportunities in other areas? Are these captured? An example would be the knock on reputation risk of a pollution incident, such as through a community or media campaign	
Risk assessment	
What are the reputation risks of not taking appropriate action in this area?	
Is there a risk of losing business, e.g. are customers demanding or expecting action?	
What are competitors doing in this area - is there a risk of falling behind?	
What are the cost risks of not taking action in this area? – if the solution to this risk is related to investment, what are the short, medium and long-term implications of not making the investment on the forecast level of risk?	
Opportunity assessment	
Can we steal a march on our competitors, e.g. through enhancing reputation, through innovative product and service provision or through supply chain partnerships?	
Is there a link to product and service development, communications or a marketing campaign? If not, should there be?	
Can we improve our reputation with a significant stakeholder if action is taken in this area?	
Is there an event or a good time to take some action here?	
Could we have developed opportunities that have been capitalised on by competitors or related industries? What lessons can be learnt?	
Is there a product or service need that is not being met related to this issue?	
Are there cost savings that can be made by realising or managing this opportunity?	
Are there potential revenue benefits (direct or indirect)?	
Influence or Control	
Can we do something directly about this risk, opportunity or issue?	

Can we identify who has control over this issue?	
Are there potential partners that can enable gaps to be closed?	
Is this an issue/a risk/an opportunity for an Industry body, trade association or professional body to do something about?	
Can we lobby or put pressure for this issue to be improved/the risk to be reduced/opportunity to be realised? E.g. increased government funding /tax breaks for environmental technologies.	
Is current regulation or the regulator, preventing the best course of action being taken to reduce risks? – if so, what actions do we have to take to ensure that the regulator understands the operating constraints and the risk potential?	
Do stakeholders perceive this to be our responsibility?	
Importance to current business plan	
Does this issue fit well with the current business plan priorities?	
Should this issue be flagged as important to future business and business plan development?	
Even if this isn't in the current plan, is it important enough to require immediate action?	
Should we/could we be making a difference?	
Would failure to act put us in breach of principles or codes of conduct that we support?	

Appendix 2 – Examples of opportunity and risk management approaches and their main uses

Opportunity and Risk Approach	Main Use	Summary
Cumulative Risk Analysis	Health, environmental protection	Cumulative risk analysis provides an approach for improving our understanding of risks and impacts in a full, real-world context. Integrated information about the range of possible effects of risk causes, events and impacts, enables a more accurate overall assessment to be made. For example, when looking at the health risks of pesticides, cumulative exposure through multiple media, such as, air, water, food, drink, soil and dust can be taken account of.
Environmental and sustainability Accounting	Sustainable development research and development	Developments in environmental and sustainability accounting are providing limited opportunities to financially account for sustainability risks. This can enable risks to be assessed on a similar basis to financial risks. Examples include putting a value on an organisations reputation and putting financial values on environmental externalities caused by the organisation. Please refer to the Sustainability Accounting Guide for further information.
Hazard and Operability Study (HAZOP)	At design stages especially in industrial processes	A Hazard and Operability study (HAZOP) is used to identify all possible deviations from the way in which a design is expected to work and to identify all the hazards associated with these deviations. Where deviations arise that result in hazards, actions are generated which require design engineers to review and suggest solutions to either remove the hazard or reduce its risk to an acceptable level. These solutions are reviewed and accepted by the HAZOP team before implementation.
Fault Tree Analysis	System reliability and performance, especially in Engineering	A fault tree analysis (FTA) involves specifying a key risk or top event to analyse followed by identifying all of the associated elements in the system that could cause the top event to occur. Fault trees graphically represent the interaction of failures and other events in the system. Basic Events at the bottom of the fault tree are linked via logic symbols (known as

Opportunity and Risk Approach	Main Use	Summary
		gates) to one or more Top Events. These Top Events represent identified hazards or system failure modes for which predicted reliability or availability data is required
Failure Mode and Effect Analysis	Design of products, processes or services	Failure Mode and Effect Analysis (FMEA) examines every function and every component of the machine or system to discover the scale of the risk: (1) What could fail or break? (2) What is the probability of failure in operation? (3) What are the consequences of failure? FMEA is a technique of estimating and ranking risks to guide action planning and prioritisation.
Fish Bone Analysis (Cause-and-Effect Analysis, Ishikawa Diagrams)	Projects and systems	The Cause-and-Effect Diagram is a method of identifying the different factors that cause a particular problem. The fish-bone or Ishikawa diagram, as it is also known, links a problem to the inputs, methods and processes that contribute to that problem. Parts of the system that have no bearing on the particular aspect are ignored. The problem or effect that needs influencing is placed at the head of the fish and the causes and influencing factors feed into its spine along its ribs.
Forcefield analysis	Change Management	This technique is normally used by groups to identify the key influencing forces on a situation. Driving forces help to move the situation towards a goal, whereas restraining forces prevent the situation from improving. The technique is used to identify and influence these forces helping to achieve the change sought by the group.
Risk Matrices	Broad usage	Matrices are often used to bring together opportunity and risk information. This includes understanding where risks are apparent, the magnitude of the risk, risk responsibilities, management and other information.
Suggestion schemes	Operational or product improvements	These can be employee or customer focused and generally work on the principle of rewarding good ideas for operational or product improvements
Design for Environment and Sustainable	Product and Service design	Design for Environment and Sustainable Product Design is a systematic approach to consider environmental or sustainable

Opportunity and Risk Approach	Main Use	Summary
Product Design		development issues during the design process. By focusing on the actual output required and defining clear boundaries the methods can stimulate innovation and increase competitiveness. The approaches often using indicators and assessment methods to establish sustainable development impacts of potential products or services.
Scenario planning	Strategic planning	To understand alternative visions of the future and to plan responses if these visions materialised. The aim is to stimulate innovation and test current processes and management approaches to see where enhancements can be made.
Industrial symbiosis	Manufacturing	This happens when manufacturing organisations develop partnerships to minimise waste and to develop life cycle based solutions to waste and resource problems. Typically this involves grouping industrial processes so that the waste of one operation can be used as the feedstock for another.
Appraisal processes	Broad usage	Providing financial and other recognition for the development of sustainable development solutions by tying results into the personal appraisal process.
Partnership and engagement based approaches	Broad usage	Using stakeholder led approaches such as community partnerships to drive new product and service development through improved understanding of customer needs.
SWOT analysis	Broad usage	Assessment of the Strengths, Weaknesses, Opportunities and Threats of a situation, a decision, a plan or a policy for example.

About the SIGMA Project

The SIGMA Project - ***S**ustainability **I**ntegrated **G**uidelines for **M**anagement* was launched in 1999 with the support of the UK Department of Trade and Industry (DTI) and is led by:

- British Standards Institution - the leading standards organisation
- Forum for the Future - a leading sustainability charity and think-tank
- AccountAbility - the international professional body for accountability.

The SIGMA project has developed the SIGMA Guidelines and a series of tools to provide clear, practical advice to organisations to enable them to make a meaningful contribution to sustainable development.

The SIGMA Guidelines consist of:

- a set of **Guiding Principles** that help organisations to understand sustainability and their contribution to it.
- a **Management Framework** that integrates sustainability issues into core processes and mainstream decision-making. It is structured into phases and sub-phases.

The SIGMA **Toolkit,** consists of targeted tools and approaches to help with specific management challenges, and case studies explaining how organisations have used the SIGMA Guidelines and Toolkit to tackle real issues.

More information including the full SIGMA Guidelines and the accompanying SIGMA Toolkit are available at: www.projectsigma.com.