

# MATURITY MAP

## Sustainability factors integrated into strategic planning, budgeting and forecasting to enhance decision making

Does your strategic planning process position your organization to respond to major environmental and social trends? If sustainability is considered at a strategic level, does this flow through into budgeting and forecasting processes? If not, what is preventing this?

The maturity map is designed to enable you to assess what you are currently doing and how you can advance to a leading position. It has been developed as a way to capture the different dimensions of Strategic Planning, Budgeting and Forecasting.

Strategy	Sustainability not integrated into strategic planning, budgeting and forecasting	Elements of sustainability integrated into strategic planning, budgeting and forecasting	Sustainability is fully integrated into strategic planning, budgeting and forecasting
<b>Process</b>	<ul style="list-style-type: none"> <li>There is little or no integration of sustainability factors within the overall strategic planning process.</li> <li>Those that are integrated do not flow through to budgets and forecasts.</li> </ul>	<ul style="list-style-type: none"> <li>A limited number of sustainability factors are integrated within the overall strategic-planning process.</li> <li>Only one or two sustainability issues (e.g. carbon) flow through to budgets and forecasts and therefore affect decision making.</li> </ul>	<ul style="list-style-type: none"> <li>Sustainability factors are fully integrated within the overall strategic-planning process.</li> <li>The budgeting and forecasting process is fully aligned with integrated strategic objectives.</li> <li>A 'totex' approach is used rather than separate opex and capex budgets.</li> <li>Non-monetary budgets (e.g. carbon budgets) are used alongside financial budgets and integrated into decision making.</li> </ul>
<b>Governance</b>	<ul style="list-style-type: none"> <li>Sustainability issues are not within the remit of Board-level governance bodies.</li> <li>Discussion of environmental and social trends and their potential business impact are at most discussed as a separate Board and Executive Management agenda item.</li> <li>Those with knowledge of sustainability issues are not involved in the strategic planning, budgeting and forecasting process.</li> </ul>	<ul style="list-style-type: none"> <li>Sustainability factors are managed outside the core governance structure but material issues are fed into strategic planning.</li> <li>Environmental and social trends and their potential business impact are included in relevant Board and Executive Management agendas on an ad hoc basis.</li> <li>There is ad hoc involvement of sustainability specialists in the strategic planning, budgeting and forecasting process.</li> </ul>	<ul style="list-style-type: none"> <li>Sustainability factors are within the remit of Board-level governance bodies.</li> <li>Environmental and social trends and their potential business impact are included in relevant Board and Executive Management agendas.</li> <li>Sustainability specialists are involved in the strategic planning, budgeting and forecasting process.</li> </ul>
<b>Performance management</b>	<ul style="list-style-type: none"> <li>There is no sustainability strategy, or where there is a strategy it is not integrated or aligned with the corporate strategy.</li> <li>Sustainability-related objectives are not actively managed through the formal budgeting and forecasting process.</li> <li>Short- and long-term incentive plans are not aligned with sustainability objectives, except for those in the sustainability team.</li> </ul>	<ul style="list-style-type: none"> <li>There is partial alignment between corporate and sustainability strategies, but they flow through into separate performance management frameworks.</li> <li>A limited number of sustainability-related objectives are managed through the formal budgeting and forecasting process.</li> <li>Short- and long-term incentive plans are aligned with a limited number of sustainability aims for a subset of departments and individuals.</li> </ul>	<ul style="list-style-type: none"> <li>Sustainability is fully integrated into the corporate strategy which flows through into performance management frameworks.</li> <li>Sustainability-related objectives are actively managed through the formal budgeting and forecasting process.</li> <li>Short- and long-term incentive plans are aligned with sustainability aims.</li> </ul>
<b>Technology and data</b>	<ul style="list-style-type: none"> <li>Data relating to significant environmental and social trends that might affect the business are collated by the sustainability team on an ad hoc basis.</li> <li>Information to support the sustainability strategic planning, budgeting and forecasting process is collected on a manual basis using Excel or similar approaches.</li> <li>Sustainability data is retained separately by the sustainability team rather than held in central systems.</li> </ul>	<ul style="list-style-type: none"> <li>Data relating to significant environmental and social trends that might affect the business are collated by a range of departments.</li> <li>Information to support the integration of sustainability into strategic planning, budgeting and forecasting processes is collated through a mixture of manual and automated systems.</li> <li>Information is retained by the departments involved in the collation.</li> </ul>	<ul style="list-style-type: none"> <li>Data relating to significant environmental and social trends that might affect the business are subject to regular updates and reviews as part of business-wide horizon scanning.</li> <li>Information is collected through or incorporated into integrated IT systems.</li> <li>Information is retained on central systems, enabling cross-business access to the insights provided.</li> </ul>
	<b>Beginner</b>	<b>Intermediate</b>	<b>Leader</b>