

Use the SDGs to bring value to your

HR

department



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## Introduction

The Sustainable Development Goals (SDGs), set by the United Nations in 2015, lay out the global agenda for sustainable development for 2030. They address all the global challenges faced by the world today: from poverty and climate change to economic growth and peace. The Goals mobilize global action of governments, NGOs, private sector as well as individuals. They call on every business to create, innovate and implement new solutions to address sustainable development challenges.

Therefore, the SDGs provide an opportunity for companies to tap into economic potential and internal progress. For the private sector, SDG's market value opportunities are estimated to be at least US\$12 trillion globally [1]. True commitment from businesses on SDGs is now essential, because their primary stakeholder group –the Millennials– are not

entirely convinced yet that companies will put sustainability first [2].

Each business department will gain by working upon SDGs. This e-book directly speaks to HR managers and employees. But how can SDGs be relevant to the Human Resource department and what could be gained by working with the SDGs? We have discovered that employee satisfaction, engagement and productivity, among other advantages, will be enhanced. Moreover, human resource management plays a central role in the environmental and sustainable performance of companies [3]. Therefore, some SDGs along with their specific targets have been selected to provide practical examples and advice on how the Global Goals can benefit your HR department.





































Sustainable
Development Goals
(SDGs) Adopted by
all United Nations
Member States in



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2030 Builders is helping companies design an SDG impact plan, and is enabling them to innovate and build a sustainable strategy which includes the Sustainable Development Goals, that will both create long lasting impact and tap into economic opportunities.

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## **Gender Equality**

Sustainable Development Goal 5 aims at achieving gender equality and empowering all women and girls everywhere. Such a goal is particularly relevant for businesses as gender inequality in the workplace is still a problem: in the US, women earn 80% of what is earned by their male counterparts [4].

However, evidence has showed that investing and promoting gender equality and diversity is of key importance for economic growth [5], corporate development and productivity [6] as well as a firm's financial performance. In fact, a report by Catalyst on corporate performance revealed that companies with the highest percentage of women in board positions outperformed in financial performance compared to companies least gender representative [7]. This is exactly what is aimed by target 5.5, which ensures women's equal opportunities for leadership.

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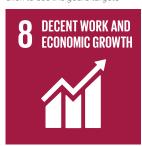
in the US, women earn 80% of what is earned by their male counterparts [4].



Furthermore, for your HR department, gender diversity is of key importance for retaining in the company diverse abilities and backgrounds, necessary for a high skilled talent pool. A study conducted from MIT has disclosed that mixed teams tend to be more productive and creative as "greater social diversity implies a greater spread of experience" [8]. Also, if women feel more represented, they'll perform better with a higher degree of satisfaction [9]. In fact, there is a proven correlation of women's job satisfaction in the workplace where gender equality is promoted [9].

Investing in gender equality is not only principally fair but will increase your productivity, employee satisfaction, and will give you access to a skilled talent pool.





### Decent work & Economic growth

Sustainable Development Goal 8 sets the foundations for quality jobs for all, including vulnerable working groups such as people with disabilities, migrants or lower educated people.

Luckily, the 2017 Deloitte global human capital report, has disclosed that diversity and inclusion is rated by 69% of business executives as a major priority for their companies [10]. An impressive example is given by P&G which invested in a diverse workplace and increased the number of people with disabilities in their workforce [10]. The initiative enabled the company in finding skilled and qualified workers while at the same time promoting empathy [11]. Employing people with disabilities is beneficial in terms of opportunities to untapped skills and talents and workplace morale [12].

Furthermore, going into the specifics of SDG 8, Target 8.8 promotes a safe and secure working environment for all. This is extremely important because only 29% of the global population is provided with comprehensive social security [13],





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meaning that the rest of the population lacks primary protections and decent working conditions. A safe and secure workplace should be prioritized by all companies. Harvard Business Review denotes that firms protecting workers against negative events, reduce employee stress and create a positive workplace [14]. From an HR perspective, employees' satisfaction is fostered when safety is provided.

Therefore, decent and fair work for all is good for society and for businesses.

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#### Reduced *Inequalities*

Reducing inequalities requires a transformative change by everyone. We have selected Target 10.2 and 10.3 as the most relevant for your HR department. Working on Targets 10.2 and 10.3, you will create a positive impact as well as obtain benefits in terms of employee satisfaction, engagement and talent harvesting.

Inclusion is the only way to build diversity within a corporation. Inclusion is what creates an environment of involvement. respect and connection, leveraging on a diverse pool of skilled talent and backgrounds [15]. An inclusive environment benefits the employee and the employer. According to a Deloitte report, when individuals feel included in the workplace team performance is increased by 17%, decision-making quality by 20% and collaboration is raised by the 29% [16]. Moreover, 72% participant to a Deloitte survey, stated that they would be willing to leave an organization for a more inclusive one [17], meaning that investing in an inclusive workplace is crucial for retaining talents as well as lowering employees' turnover.





to a Deloitte report, According when individuals feel included in the workplace team performance is increased by 17%, decision-making quality by 20% and collaboration is raised by the 29% [16].



Target 10.3 aims at reducing inequalities of outcome, including the elimination of discriminatory laws and policies. There is evidence that high pay differences in the same company lead to a low staff morale, high employee discontent, and a low level of well-being in the workplace [18]. However, inequality in gender pay is still an issue. Luckily, some good examples exist out there. For instance, the cloud computing company Salesforce, spent 3\$ million to raise the pay of 11% of its global employees after realizing some gender inequalities were present [19]. As a result, the company did rank up on many awards, including Fortune 100 Best Companies to Work for 2018 (ranked No. 1) and Best Workplace for Millennials 2018 (ranked No. 2), [20] and demonstrated that caring about employees pays off.



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### Responsible Consumption and **Production**

Sustainable Development Goal 12 aims at ensuring sustainable and responsible consumption and production patterns. Different aspects make it relevant from a HR perspective.

Firstly, target 12.8 ensures that people are aware and possess all the relevant information for sustainable development, therefore, it plays a fundamental role for your employees' education. If you're planning to adopt a new corporate sustainable strategy, it is crucial that also your employees are highly educated on it. When employees are involved in the company's "big picture" they are more productive, more engaged and have an enhanced morale [21] [22]. Additionally, employees will be more likely help finding new innovative solutions for your sustainable business strategy [23].

Secondly, an interesting insight given by SDG 12 concerns food waste in the workplace.



When employees are involved in the company's "big picture" they are more productive, more engaged and have an enhanced morale [21] [22].

Target 12.3's goal is to halve the global food waste. Educating your employees on the topic is the first step your business can take to play an impactful role. Such a strategy could be a win-win situation for you and your workers. Besides increasing awareness, employees will feel motivated working in an environment that takes care of global issues and your company will reduce its internal costs [24].

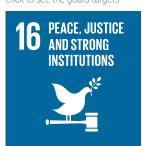


Lastly, promoting an effective recycling system within your company will contribute to a more positive working environment. It is beneficial for not only the environment and cost savings, but mostly, your employees will be satisfied. Studies show that employee motivation is increased when the workplace is environmentally-friendly and are less likely to leave the company [23]. Also, employees in the workplace who make use of environmental-friendly practices are proved to be 16% more productive than the average [25].

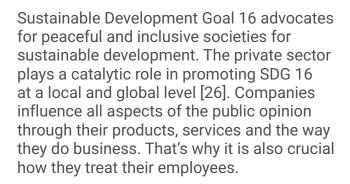


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### Peace, Justice and Strong Institutions



Firstly, promoting an honest and ethical business behavior, as stated by Target 16.5, in which corruption in any form is not accepted, is the right thing to do and the best for your company. Corruption leads to financial losses, brand reputation damage but above all, an extremely negative effect on employee morale [27]. Also, it raises the chances your employees will leave the company or will not feel any working motivation, as they will perceive their contribution is marginalized by bribery and corruption schemes [28].



Secondly, working upon Target 16.6 and 16.7 signifies promoting an accountable, fair and transparent working environment within your organization. Employees satisfaction, engagement and productivity derive from a workplace where they feel lacks barriers. The SHRM's 2015 Job Satisfaction and Engagement Survey [29] disclosed that trust between the employee and the senior manager is rated as extremely important by 64% of participants for their engagement at work.



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# Appendix:

#### Sustainable Development Goals & their targets

"Adopted by all United Nations Member States in 2015, the sustainable development goals, SDGs, are a call for action by all countries - poor, rich and middle-income - to promote prosperity while protecting the environment." (United Nations: SDGs, knowledge platform)

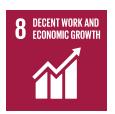
In this chapter, the goals used in this eBook are listed along with their targets. <u>Click here</u> to read about all the 17 Goals on UN's website.



Goal 5: Achieve gender equality and women's empowerment

5.1 End all forms of discrimination against all women and girls evervwher

5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision- making in political, economic and public life



Goal 8: Promote inclusive and sustainable economic growth, employment and decent work for all

8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value

8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment



Goal 10: Reduce inequality within and among countries

10.2 By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status

10.3 Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard



Goal 12: Ensure sustainable consumption and production patterns

12.8 By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature

12.3 By 2030, halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest losses

12. 5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse





# Goal 16: Ensure sustainable consumption and production patterns

- 16.5 Substantially reduce corruption and bribery in all their forms
- 16.7 Ensure responsive, inclusive, participatory and representative decision-making at all levels
- 16.6 Develop effective, accountable and transparent institutions at all levels





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