

SUSTAINABLE BUSINESS INITIATIVE STYRIA

SUMMARY OF THE EVALUATION REPORT 2006

by André Martinuzzi and Judith Galla
Vienna University of Economics and Business Administration

What is the Sustainable Business Initiative Styria?

Styria is one of Austria's nine federal provinces with nearly 1,2 million inhabitants. The Sustainable Business Initiative (Wirtschaftsinitiative Nachhaltigkeit, abbr. WIN) was started up as a co-operation between the Styrian Federal Province Government, the Styrian Economic Chamber and the Styrian Business Promotion Agency in December 2002. The program is co-financed by the Austrian Federal Ministry of Agriculture, Forestry, Environment and Water Management. Companies benefit from the program by subsidies for consulting services offered by affiliated consultants. These consulting services are grouped into three core areas and ten modules:

- Core Area A - Sustainable Development:
 - Sustainability Check
 - Sustainability Strategy
 - Sustainability Report
- Core Area B - Management Systems:
 - Management Check
 - EMAS
 - ISO14001
 - Integrated Management Systems
- Core Area C - Environment and Climate Protection:
 - Eco Check
 - Eco Consulting
 - Waste Management Concept

The sustainability check, management check and eco check are designed as one- to two-day on-site consultancies meant to be a starter and lure for continuing efforts and participation. All checks are subsidised with 70% of net consulting costs (with a maximum subsidy amount of €1.000). All other services are subsidised with 50% of net consulting costs. So far, 280 companies have participated.

The first evaluation of this program was carried out in winter 2006 by the Research Institute for Managing Sustainability of the Vienna University of Economics and Business Administration (see www.sustainability.at). It include interviews with companies, consultants and stakeholders, an analysis of the projects database as well as of regional economic data.

How successful is this program?

The program has established the structures necessary to cover a broad spectrum of the holistic concept of sustainable development in Styrian businesses. In the relatively short period of its existence, WIN has succeeded in building up a large pool of consultants, in addressing a considerable number of businesses, and in achieving first documented effects. The co-operation of three important Styrian institutions turned WIN into a one-stop-shop for facilitating corporate sustainability in the province.

So far, WIN tackles the concept of sustainable development in rather broad terms. Thus, we suggest to narrowing its focus in the second program period. The structure of the program is thematically straightforward and flexible in order to integrate new issues in the WIN program. The use of public funds is efficient and the share of public subsidies is 32% in the short term and 12% in the long term. While the realized environmental effects are similar to those of other programs facilitating corporate sustainability, the share of fully implemented measures is lower than in other cases. Since the actual success of WIN depends largely on the implementation of measures that are in the planning status currently, the assessment of its ecological, economic and social effectiveness is only preliminary at the moment. However, the businesses participating in the WIN program are mostly satisfied. They regard the qualification of the consultants and the services provided by them as outstanding, and they are satisfied with the achievement of qualitative objectives. Since objectives that were not achieved in a satisfactory way are regarded as secondary for participating in the WIN program, they did not result in frustration among businesses.

What recommendations can we derive for improving the WIN program?

Overall, the evaluation has shown hardly any weaknesses of the WIN program. However, there are possibilities to improve its performance:

- Developing a catalogue of program objectives guides all actors engaged in the program and give them orientation, helps to define success criteria for the program ex ante, and to make the PR of the program consistent.
- Defining success criteria for the program module „Sustainability Strategies“ in co-operation with consultants can facilitate a transparent evaluation of the module and it can minimize the risk that a broad understanding of sustainable development results in vagueness in the program design.
- Accompanying and supporting the implementation of major measures taken by consulted businesses can make sure that the intended effects of key measures are actually realized. Establishing monitoring and evaluation mechanisms as accompanying tools of implementation can help as well in this respect.
- Establishing a good practice award (and developing the relevant quality criteria) can help to shift the focus of the program from consulting services to achieved effects, that is, it would entail a change of perspective from “the business that was consulted” to “the WIN-business that has accomplished an honourable result”.
- Focussing on the implementation of measures in core area A and B or designing a measure oriented module in core area C could increase the environmental, ecological and social effects and therefore the effectiveness of the program.
- Distinguishing between project-based consulting services (=problem solving for Small and Medium-sized Enterprises) and systematic appraisal service (=basic appraisal for businesses that are interested in participating in other modules) can help to further develop the module „Eco Check“.
- Concentrating support activities on those consultants that are actively involved in conducting consulting projects in the context of the WIN program can help to make efficient use of limited support capacities and to improve co-operation with and among consultants.