



The Sustainable Execution Model:

A Playbook for Driving Impact and Reducing Business Risk Through Local Engagement



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INTRODUCTION

Corporate leaders face a myriad of challenges as they strive to meet their sustainability goals:

1. Government regulations and new policies are being enacted at home and abroad, forcing companies to adjust the way they produce, ship, and sell goods and services;
2. Sourcing commodities from disaggregated global supply chains creates a world of complexities, especially in an era of supply chain disruption, conflict, extreme weather events, inequality, and other externalities;
3. Consumers, employees, and shareholders not only expect—but require—more accountability on a huge range of sustainability issues, including human rights, carbon emissions, plastics reduction, fair labor practices, nature loss, and many others.

With so much at stake, it's hard for leaders to know if the programs and partnerships they develop will actually impact people and the environment. To address the challenge of building impactful approaches on the ground, DT Global has developed the Sustainable Execution Model. It's based on learnings over the last 60 years, as we built, helped finance, and implemented thousands of programs in communities in every region of the world, positively impacting millions of people. These programs are often built in partnership with global and local companies who have a vested interest in engagement with supply chains, manufacturing, employees, and the communities they serve.

This playbook provides a road map for using the DT Global Sustainable Execution Model to build programs that will have long-term impact for people, communities, and the environment.

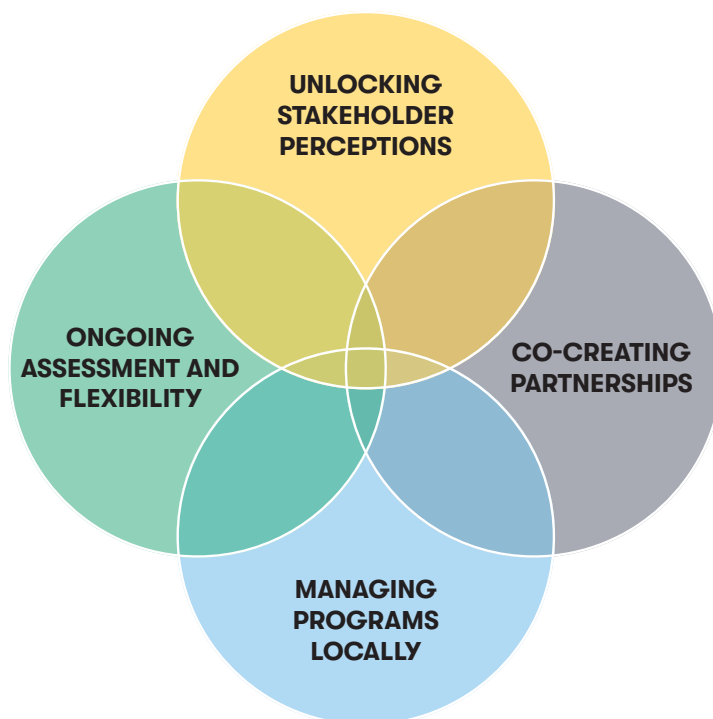
WHAT IS SUSTAINABLE EXECUTION?

The DT Global Sustainable Execution Model focuses first and foremost on the local communities that are impacted by the work of global organizations. By using this model, companies can formulate a greater understanding of local perspectives; reduce risk; build relevant, effective, and long-term partnerships; create appropriate interventions; and measure results. Ultimately, the model is designed to drive sustained economic growth and prosperity in the communities that your company serves.

The DT Global Sustainable Execution Model has four interconnected elements:

1. Unlocking stakeholder perceptions
2. Co-creating partnerships
3. Managing programs locally
4. Ongoing assessment and flexibility

Below, we'll unpack each element, while providing examples and tips on how to use the model for long-term positive effect on communities and people.



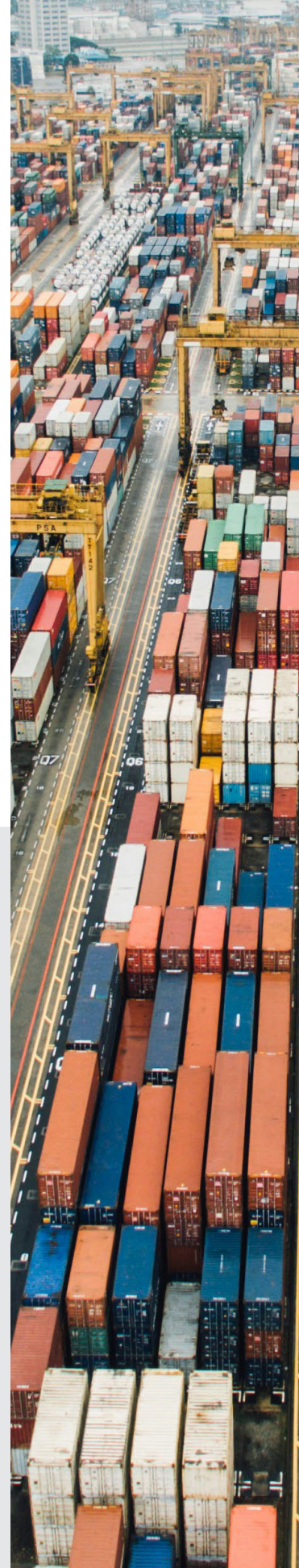
UNLOCKING STAKEHOLDER PERCEPTIONS

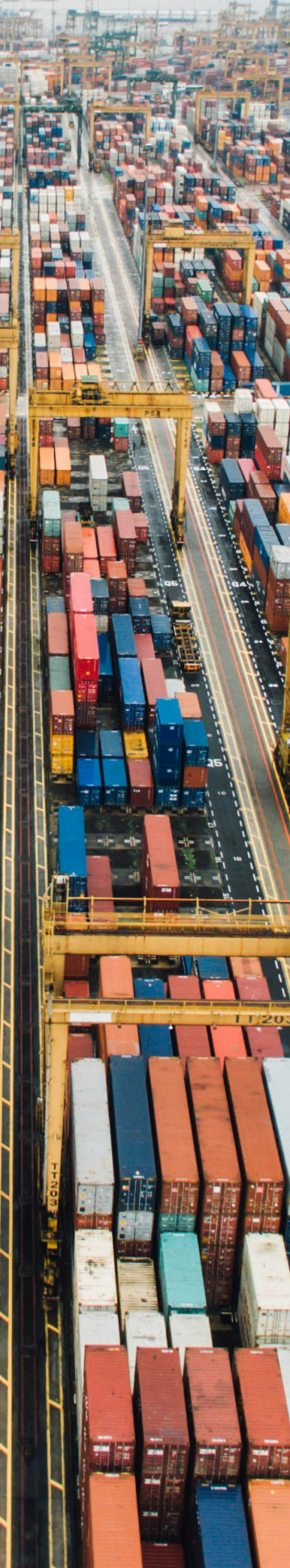
Business leaders recognize the importance of data-driven decision-making—whether it’s financial forecasting, consumer trends, or technical data supporting research and development. A strong point-of-view, informed by local perspectives, is foundational, whether you are building a new facility engaging farmers or suppliers, or supporting local development initiatives. The greatest opportunities for impact—either positive or negative—are where people and communities are affected directly and indirectly by a company or donor’s actions, investments, facilities, or programs.

It’s important to recognize that all contexts are local, and that stakeholder perceptions are shaped by what they see in their lives every day. If you invest in economic development programs or are opening a new facility, begin by understanding the perspectives of people who live in the communities you serve (their challenges and hopes), the systems of which they are a part (what services—private sector, government, civil society—they rely on and the state of those services), and the ecosystem in which they live (natural environment, economic, political, social/cultural).

CASE EXAMPLE INDONESIA PUBLIC WORKS ACCOUNTABILITY

In Indonesia, DT Global initiated a program to empower a provincial-level public-private advocacy body to build greater trust between government and citizens in quality maintenance of local roads and accountability of taxpayer resources. This forum became a prominent feature of the local government service landscape, increasing transparency and accountability of government performance in public works and providing a platform for road users and public to be heard. The forums were a key part in creating a sustainable model for using conditional grants to incentivize better governance, quality, and value in maintaining public assets. Forums at both provincial and district levels were broadened and, as a result of increased levels of stakeholder confidence in government services, other funding partners were happy to enter the program with a view to scaling.





Understanding the local context—what we call ground truthing—will lead to well-designed strategies and plans, sensible impact targets, and the seeds of trusted partnerships. To do this well, we recommend working with highly trusted local organizations or representatives who can approach key stakeholders with empathy, authenticity, and humility. Staff and partners living in and around the communities you serve will know which organizations have a good reputation.

Ground truthing is important because it reduces the chances that bias could be skewing your perspectives. Every community has many simultaneous dynamics—political, class, social, economic, etc.—which can influence the success or failure of an initiative.

To get to the root of dynamics in a community, ensure that research considers elements of equity, such as gender, disability, and social inclusion—data points that can help determine who might benefit or be left behind when investments are made in a community.

This is not to suggest that hard data isn't important. Macroeconomic studies, market analyses, and quantitative research, when combined with ground truthing, play an important role in shaping a holistic perspective of a community.

By conducting thorough local research—both qualitative and quantitative—and engaging members of a community, you and your team will build trusting relationships and give a voice to people who live there.

KEY IDEAS

HOW TO UNLOCK STAKEHOLDER PERCEPTIONS



Identify organizations or institutions (research firms, think tanks, academic institutions, NGOs) that have a track record and/or local staff in the country.



Work with the partner to build qualitative and quantitative research that will help you understand the community and its nuances.



Include stakeholders who might not benefit from programs to ensure that their perspectives are reflected in your research.



Develop a plan for communicating or disseminating the results of the research to key stakeholders, including those in the community.

CO-CREATING PARTNERSHIPS

Why are partnerships important?

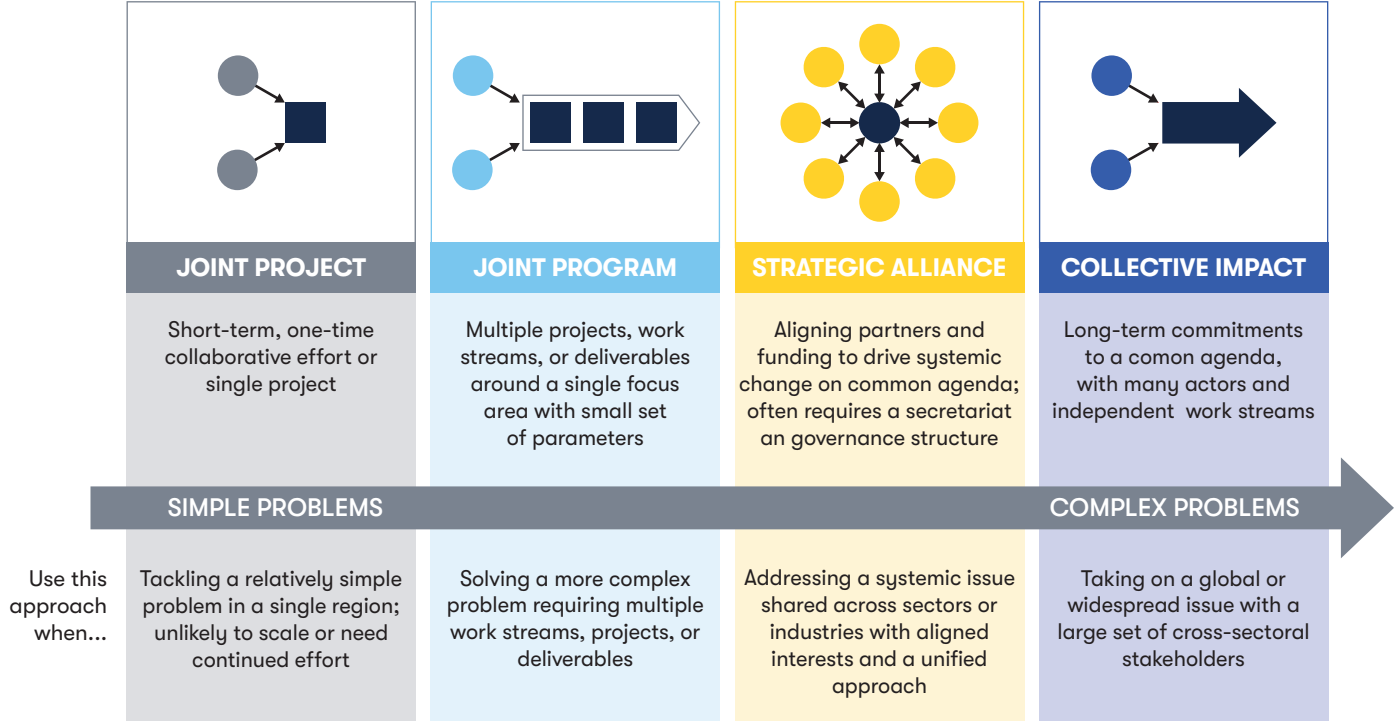
Addressing complex and interconnected challenges, both globally and in communities, requires that multiple partners collaborate to bring perspective, resources, and engagement. Companies play a critical role in addressing these challenges by bringing purchasing power, engaged local staff, investment, technology, skills, and other resources.

Partnerships can have a meaningful business impact if they are built intentionally and incorporate local perspectives. They can be deployed to de-risk supply chains; leverage financing and resources from other organizations; scale programs and reach; increase positive impact in communities; support brand loyalty; and enhance public perception. However, many

companies view partnerships as the strategy, rather a means to achieve the strategy.

In a recent qualitative survey of companies in the food and beverage industry undertaken by DT Global Commercial Advisory, we learned that many apply a *scattershot* approach to partnerships, based on executive relationships, the need to make an announcement, or as a way of addressing a public relations challenge. However, some market-leading companies take a different approach. They identify risks in their supply chains—labor, gender, environmental—and instead build partnerships that are designed to address that risk surgically through collaboration.

Partnerships come in all shapes and forms. Here are a few of the most common formats and how they can be used. Reprinted from *Partner with Purpose: Solving 21st Century Business Problems Through Cross-Sector Collaboration* by Steve Schmida, 2020.



How to form successful partnerships

Develop an internal partnership strategy and culture.

The first step is understanding and articulating why you need a partnership strategy in the first place. Corporate leaders should make a clear-eyed internal assessment of business drivers, key sustainability priorities (e.g., public commitments, regulatory requirements), and past partnership successes and failures. Like any other part of the business, it's important to develop success metrics and articulate a theory of change about why your organization would enter a potential partnership. This will ensure that partnerships are intentionally designed to advance business objectives while also positively impacting communities.

Second, build the internal “muscle memory” for partnerships by establishing an internal culture of partnering. Build the relevant skills among key staff, both at headquarters and in the field. Invest in training to ensure that teams:

1. Take the time to understand the perspectives, strengths and weaknesses of a potential partner;
2. Establish a co-creation process that will allow for open and honest conversation with partners, create clear objectives, allow for open communications, and define governance structures;
3. Build a clear process for assessing the value, return on investment, and impact of a partnership. Begin by developing a baseline measurement and continued assessments throughout the partnership (see below).

Seek organizations with mutual interests and complementary skills.

Next, assess organizations that are already working in the sector or geography where you want to engage. Then determine which have complementary skills and aligned missions. This can be done through a stakeholder mapping exercise that outlines the key interests of prospective partners.

For example, if several peer companies are sourcing different crops within a crop rotation (e.g., soy and corn) from a single farming community or region, they can collaborate to implement regenerative agriculture practices among the farmers, build extension programs, and share demonstration farms.



Or a mining operation might be a major employer in a region where a pharmaceutical company is considering building a new distribution center. The two companies could work together to ensure that they invest in the local workforce, improve families' healthcare, and build up small enterprises to support their businesses and the community that hosts them.

International donors may have a vested interest in the region where a company is operating, so it's worth researching current and past donor-funded projects in the region (such information is publicly available). You should also consider a range of potential local partners, including relevant government agencies, community-based organizations (CBOs), and non-governmental organizations (NGOs). You can connect with like-minded partners through simple desk research or interviews with organizations. Once you understand the partnership landscape, you can begin a partnership development process.

Build a partnership development process. Designing a successful partnership means spending time building relationships with prospective partners. You should work with partners to develop objectives and outcomes that can be shared by partners while still achieving the overall goals of the partnership. Working through this with your partners helps foster relationships, builds trust, and can set the tone for a partnership to live on even after its initial phases.

Engage honestly, humbly, and authentically; stick to your objectives, but also be willing to be flexible.

If you are engaging with smaller organizations, it's important to remain aware of power structures and imbalances. Intentionally create time for partners to contribute to conversations.

The time you invest early in partnership creation will pay off over the long run. Too often, people feel forced to work toward a deadline or deliverable, such as a memorandum of understanding (MOU) or an event. Resist the urge to rush. A thorough and intentional engagement and co-creation process, with carefully crafted governance, open lines of communication (when, how much, how often), and a clear conflict resolution process, will pay long-term dividends.

Consider outcomes before funding. An important aspect of building a partnership is defining the goals of the partnership—rather than focusing on the goals of any single organization. Do this before you talk about resources and funding. One important caveat: If local partners—especially smaller organizations—are involved, it's important that they understand whether they will be compensated for the work they do on the partnership, either financially or with in-kind resources.

KEY IDEAS

HOW TO IDENTIFY PARTNERS



Conduct a partnership landscape analysis to identify partners, preferably local or regional, that are working in the areas or on the issues you care about.



Develop a co-creation process that will encompass voices from all stakeholders, gain insights, and generate buy-in.



Seek out other global organizations working in the region.



Build a governance structure for the partnership, including communications, impact measurement, and dispute resolution mechanisms.



MANAGING PROGRAMS LOCALLY

One of the most important elements of the DT Global Sustainable Execution Model is to identify and engage a local implementing partner to run local programs. It's ineffective to manage a complex program or partnership from afar. Implementing organizations could be international or locally and regionally based consultancies and NGOs. The right implementation partner will largely depend on the needs of the program or partnership. DT Global and other firms have staff and resources around the world and often play this role for donors and companies.

When choosing a local implementer, you should assess the skills of local staff, the depth of technical expertise, and their ability to “crowd in” additional financing or partners. As you determine what local partner is right for your project, use these criteria and questions to identify the most promising organizations:

1. **Business Fit**—Can the partner advance the goals of your company? Have they worked with multinational businesses in the past? Are they specialists in a technical area or are they generalists? Do they have specific, additive skills (such as an expertise in results-based financing) that can help accelerate or amplify a project? Will they be able to take over the partnership if you exit?
2. **Geographic Fit**—Does the partner have operations in the countries that you are targeting? Does it employ local staff and how well do they understand the local political, cultural, and economic context? Do they have networks across a country or region?
3. **Cultural Fit**—Do the partner's values align with yours? Are they credible and well-respected within the communities they serve? How do they advocate for the work that they do? Is this a partner with whom you can develop a long-term relationship?
4. **Funding Fit**—What is the funding/financing model for the partner? Is it pay-for-service, payment by results, do they take debt/equity positions, do they rely on foundations, governments, or others to fund their work?

If at all possible, you should also involve your local field staff in the engagement and selection of an implementing partner since they will be working together on a daily basis. Staff who live and work in a country and speak the language will be better able to assess the effectiveness of a prospective partner.



KEY IDEAS

HOW TO IDENTIFY AND ENGAGE IMPLEMENTATION PARTNERS

- ✓ Ask peer companies and other organizations working in the country or region who they work with.
- ✓ Leverage local staff, community organizations, and partners to help identify credible implementation partners.
- ✓ Set up structured interviews with firms to better understand their capabilities and reach; ask for formal proposals from a small number of firms.
- ✓ Build a scoring rubric to assess the importance of the four criteria to the left, as well as others that might be specific to your project.
- ✓ Include the implementing partner in the co-creation process, whenever possible.

ONGOING ASSESSMENT AND FLEXIBILITY

It's virtually impossible to anticipate the learnings that will take place over the course of implementing a partnership or program. Both internal factors (e.g., team dynamics, staff additions and departures, or funding delays) and external factors (e.g., elections, natural disasters, economic upheaval, or conflict) can have serious implications on how a program is executed on the ground.

The final element of the DT Global Sustainable Execution Model is to approach any local program with a mindset of learning and adaptation. Schedule intentional periods where your teams and partners can pause to iterate and reflect on the lessons learned and how to integrate them into programming. Don't be afraid to modify or change the direction of the project based on these learnings.

We've learned the value of this approach based on our own role as an implementer of projects around the world. We developed guidance around adaptive management techniques that we apply

to every project (see our Guidance Note, linked below). The basis of the guidance is to steer away from "program road maps," which assume that conditions on the ground will remain the same in the future as they are now. Instead, we structure programs around "compasses" that chart an evolving course through iterative monitoring, feedback from stakeholders, applying learnings, and reconsidering priorities and directions.

[DT Global's Introduction to Adaptive Management](#)



Adaptive management helps ensure that you maintain flexibility, responsiveness, reflective learning, and a culture that is empowered to make changes based on circumstances.

As you consider partners and implementers for a program or partnership, we highly recommend that you assess their ability and willingness to adjust as the program goes forward. If organizations or individuals are unwilling to do this, it increases the risk of a program that will at best fail to achieve its potential, and at worst, become irrelevant.

KEY IDEAS

HOW TO BUILD ONGOING ASSESSMENT AND FLEXIBILITY



✓ During the co-creation process, ensure that you develop a "program compass" rather than an inflexible road map.

✓ Ensure all partners and stakeholders understand adaptive management processes and are willing to adjust as the program moves forward.

✓ Build in time for regular, intentional pauses to give partners and stakeholders a chance to reflect on

what is working, what conditions have changed, and what adjustments can be made.

✓ Develop a practice of regularly monitoring changing political, social, environmental, or economic shifts affecting key populations.

✓ Establish a communications protocol for making program or activity adjustments to ensure all stakeholders are aware of new directions.



CONCLUSION

In today's interconnected world, consumers, investors, and employees demand that companies act as stewards of the environment and communities they serve. Sustainability and positive impact are no longer simply “nice-to-have,” but are core elements of corporate strategy because they reduce risk, improve profitability, and positively impact the lives and livelihoods of people around the world. Yet without local engagement and implementation, sustainability and impact programs may miss opportunities to drive real change.

The DT Global Sustainable Execution Model emphasizes the importance of understanding local contexts, building meaningful partnerships, engaging local implementers, and maintaining flexibility and adaptability. The path to Sustainable Execution can be messy and unpredictable. At DT Global, we're committed to helping you navigate this journey. We're here to support you in implementing Sustainable Execution into your programs. Together, we can create a future where sustainability and positive impact are woven into the fabric of every business.

FOR MORE INFORMATION

For help implementing Sustainable Execution into your programs, please reach out to us at Commercial.Advisory@dt-global.com or contact one of our experts:

STEVEN BAKER

Practice Leader, Commercial Advisory, DT Global
Steven.Baker@dt-global.com

SETH OLSON

Senior Sustainability Manager, Commercial Advisory, DT Global
Seth.Olson@dt-global.com



DT Global

www.dt-global.com