

Global Sustainability Strategy for a Leading Medical Device Company



A.T. KEARNEY
 OUTLINED A GLOBAL
 SUSTAINABILITY
 STRATEGY THAT
 IDENTIFIED BETWEEN
 \$23 AND \$77 MILLION
 IN COST SAVINGS
 AND \$225 MILLION IN
 INCREASED REVENUES.

Facing deteriorating market share and eroding margins, a multibillion-dollar global medical device company sought a plan to conduct business in a more environmentally sustainable way—within its “four walls,” across the value chain, and throughout the product life cycle.

Challenge

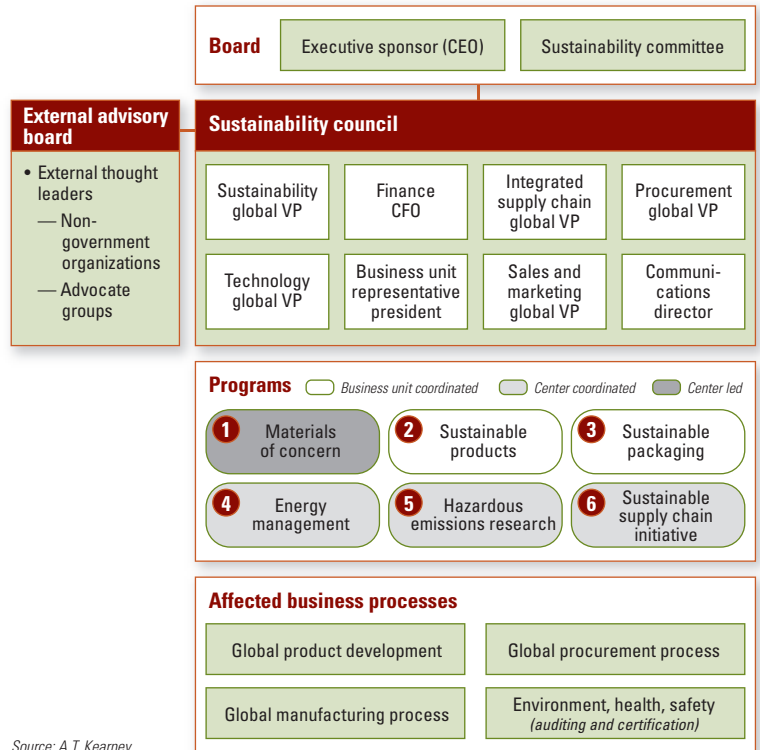
Company executives called on A.T. Kearney to develop a global sustainability strategy that included guidelines and incentives for environmental stewardship, a business case for action, a governance model, and a plan to balance corporate direction with business-unit flexibility. The goal was to develop a five-to-10-year strategic plan, and do so in three-and-a-half months.

Approach

We used a three-phase global sustainability strategy to implement the work plan.

- SET THE BASELINE.** In the first six weeks, we worked at the corporate level to assess the company’s current environmental impact and sustainability practices. We identified all key environmental issues.
- CONDUCT THE PILOT.** The next six weeks were spent rolling out a pilot at the business unit level, developing more hands-on experience and crafting all elements of the strategy, including business cases and environmental targets.
- DEVELOP THE STRATEGY.** Armed with the baseline and information from the pilot, we spent the last two weeks working with the firm to develop a sustainability strategy. We outlined a possible governance structure that included a sustainability council and an external advisory board, and highlighted six new programs and the business processes that would be affected (*see figure*).

FIGURE: Governance structure (example)



Source: A.T. Kearney

Results

The new sustainability focus identified cost savings of between \$23 and \$77 million, with a potential revenue increase of \$225 million.

For more information on how A.T. Kearney’s sustainability expertise can help your business, please contact:

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