

2024 Fujitsu SX Survey

# Charting a course for change

Sustainability Transformation  
in North America: Slow and steady

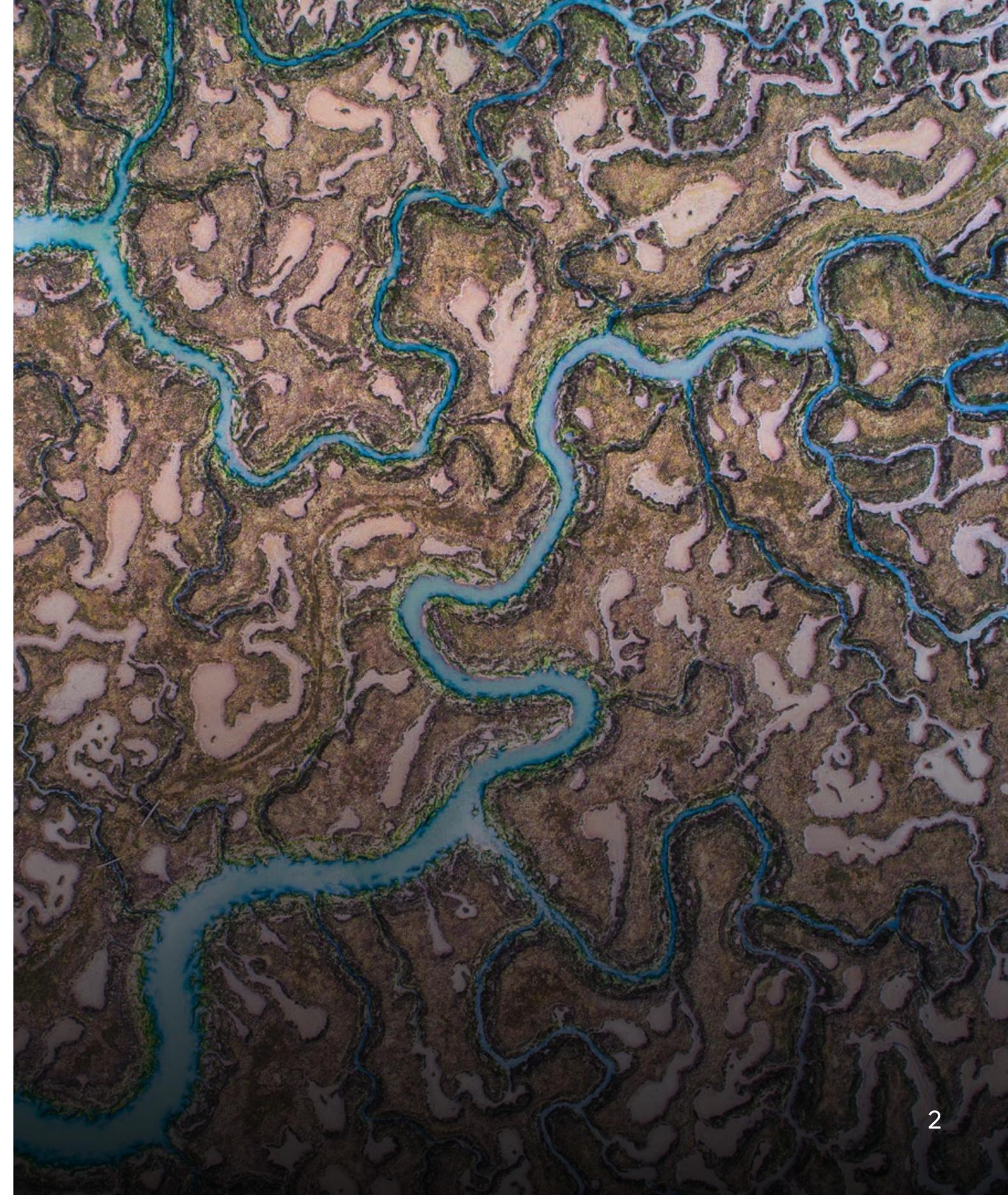


# Executive summary

The urgency of Sustainability Transformation (SX) is front of mind for executives all around the world. However, competing priorities related to business growth continue to constrain many organizations, which are failing to deliver tangible outcomes from their SX initiatives. This is one of the core findings of our latest survey of 600 CxOs across 15 countries.

This report shows how organizations here in North America (the US and Canada) are faring, and how they compare to the global picture.

The 2024 Fujitsu SX Survey reveals that an elite group of organizations – which we are calling the “Change Makers” – is using data-centric collaboration to accelerate progress across the three sustainability pillars of “Planet,” “Prosperity” and “People.” Find out how you can follow in their footsteps.



## Three key findings from the research



- 1. Despite a stated commitment to advancing sustainability, few North American organizations are achieving tangible outcomes from their SX initiatives.**  
North America is on par with Europe and ahead of APAC in terms of the ability of its organizations to generate tangible sustainability outcomes. However, the majority of North American organizations underperform significantly in comparison with the global Change Makers.



- 2. Organizations must work to better define and demonstrate the desired returns from their SX initiatives.**  
Many North American executives are concerned by their organizations' unclear or poor returns from such initiatives. Management must look beyond financial indicators to consider the holistic benefits. The Change Makers show that business growth and sustainability are complementary objectives, as half of North American organizations confirm.



- 3. Collaboration on sustainability is widespread in North America, but data-maturity levels are concerningly low.**  
A small minority of North American executives claim their organizations use data effectively for SX, internally and externally. Organizations must strive to improve in this area in order to nurture more fruitful sustainability partnerships, which, in turn, will bear stronger sustainability outcomes.



## Section 1

Despite widespread commitment to SX, organizations struggle to achieve tangible outcomes



**North American organizations demonstrate a firm commitment to sustainability. In Fujitsu's 2024 Uvance survey, around half assign a high priority to Sustainability Transformation (SX) initiatives across the "Planet," "People" and "Prosperity" pillars. However, relatively few (29%) have achieved tangible outcomes from their SX strategies.**

Most North American organizations appear fully committed to SX. According to 71% of the surveyed North American executives, sustainability is their organization's "number one priority" for the next five years.

This strong commitment is evident in the prioritization of 14 individual sustainability initiatives, which we have grouped into three

separate pillars: "Planet," "Prosperity," and "People." Almost half of North American respondents say their organization assigns a high priority to the initiatives in each of those pillars. For example, 45% say initiatives that help reduce harm to the planet are high-priority, and 44% say the same about efforts to build a more prosperous worldwide digital society.

In alignment with organizations in Europe and APAC, those in North America appear to put initiatives designed to enhance global health and wellbeing at the top of their agendas, as cited by 49% of respondents from the region.



# Planet, Prosperity and People: Understanding the three pillars of Sustainability Transformation

Sustainability Transformation consists of organizations using digital innovation to drive positive, lasting change for our globe's environment, its people and its increasingly digitalized society. It's about contributing to a more sustainable world while simultaneously ensuring business growth.

We believe Sustainability Transformation encompasses 14 key initiatives (as seen in Figure 3, on page 9) that span three areas, or pillars:



**Planet:** Reducing the harm caused to the planet, and driving regeneration



**Prosperity:** Building a more prosperous digital society for everyone



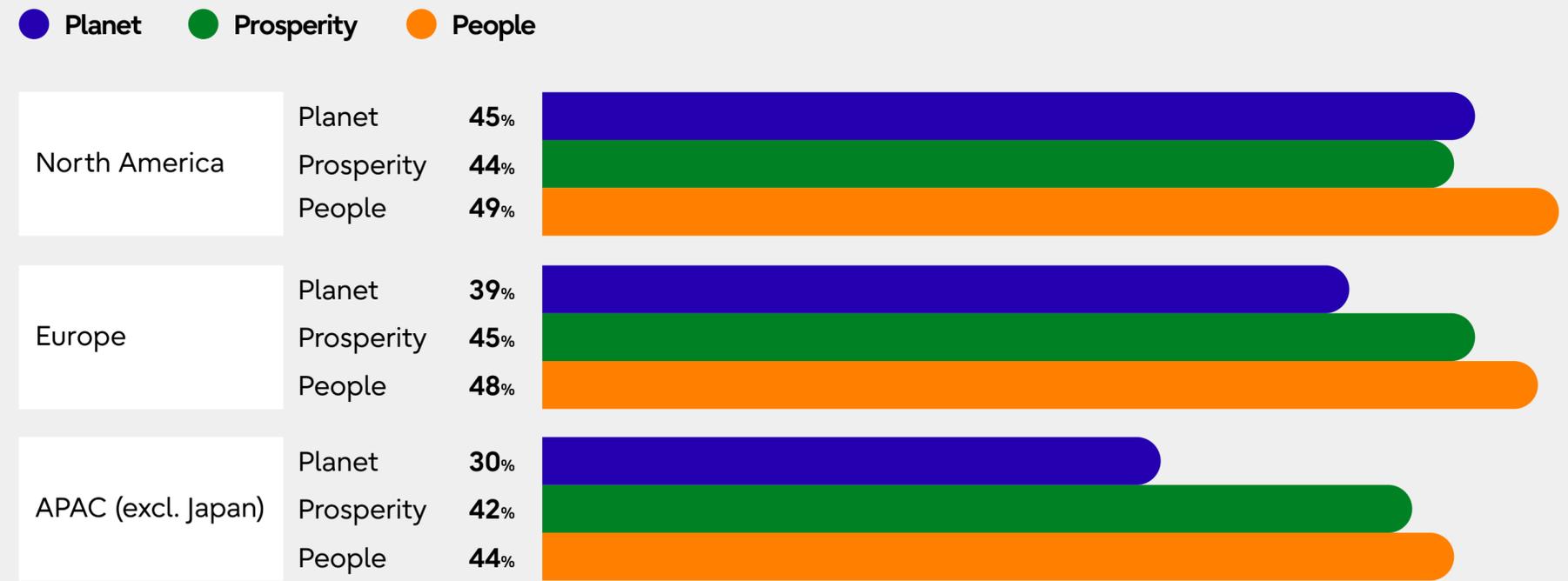
**People:** Enhancing the health and wellbeing of the global population



However, the vast majority of surveyed North American organizations have yet to translate this high level of commitment into tangible sustainability outcomes. No more than 29% of executives report achieving such outcomes from their SX strategies.

In the Prosperity pillar, for example, only 12% can point to tangible outcomes in the ethical use of artificial intelligence (AI) and other technologies. This is particularly concerning, given the global influence that US technology giants wield in pushing the development of AI. When it comes to people-related initiatives, just 8% report outcomes in promoting a responsible supply chain. And, in the Planet pillar, just 12% claim to have promoted recycling successfully.

## Percentage of respondents who consider the initiatives under each pillar as "high-priority": North America vs. Europe and APAC (excl. Japan)



Base sample: North America=200; APAC (excl. Japan)=170; Europe=200

Figure 1: **People-related initiatives are top of North American agendas.** 49% of North American executives say their organizations assign a high priority to enhancing the health and wellbeing of the global population.



I'm telling everyone: supply chains, supply chains, supply chains – that is where the real risk lies, so that's where we need to look to make progress.



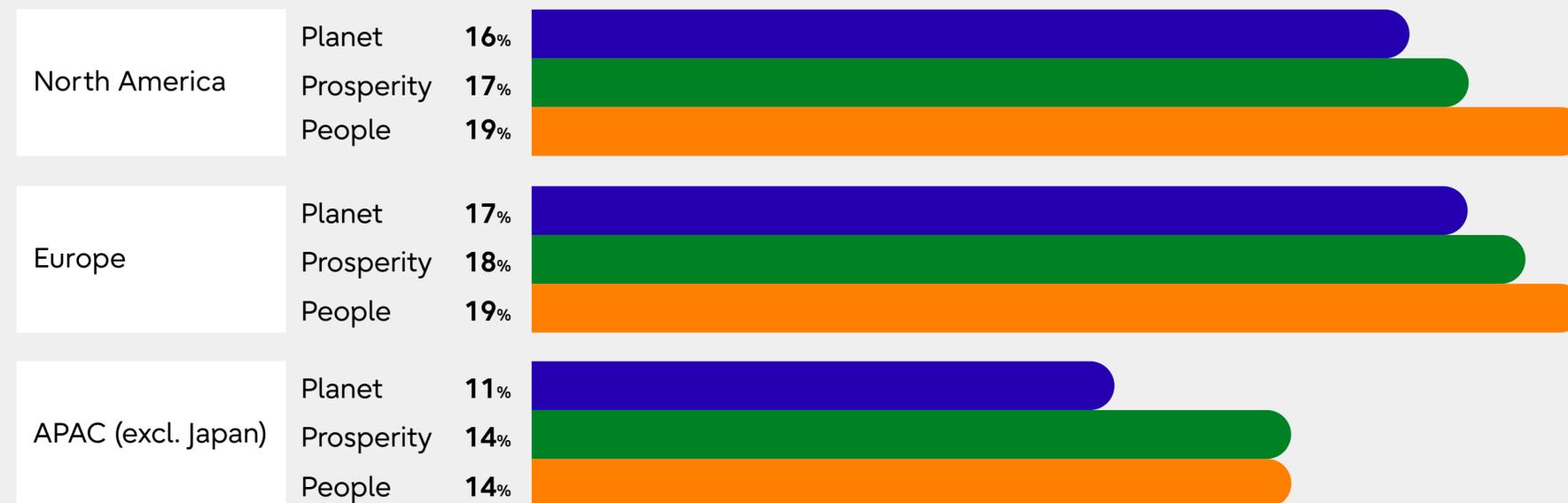
**Jason Mortimer**

Head of Sustainable Investment  
– Fixed Income

*Nomura Asset Management*

## Percentage of executives who say their organization has seen tangible outcomes from initiatives under each of the three pillars: North America vs. Europe and APAC (excl. Japan)

● Planet ● Prosperity ● People

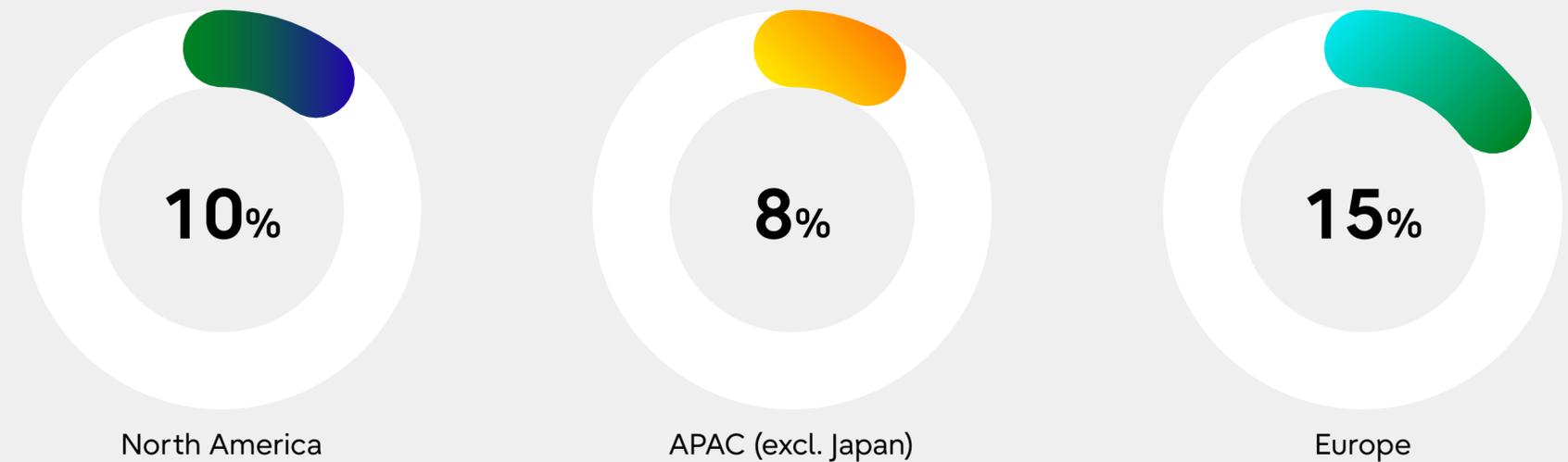


Base sample: North America=200; APAC (excl. Japan)=170; Europe=200

Figure 2: **People-related initiatives deliver more tangible outcomes.** North American organizations see greater gains from initiatives in the People pillar than those relating to Prosperity or the Planet.

This performance pales in comparison with that of the Change Makers. In the global survey, these organizations are more likely to have advanced their sustainability initiatives, and to report that they are delivering tangible outcomes (10% of North American organizations are Change Makers, compared with 15% of those in Europe and 8% in APAC).

## Percentage of firms in each region that are Change Makers



Base sample: North America=200; APAC (excl. Japan)=170; Europe=200

Figure 3: North America's proportion of Change Makers is broadly in line with the global average, coming in at 10%, compared with 15% of those in Europe and 8% in APAC (excl. Japan).

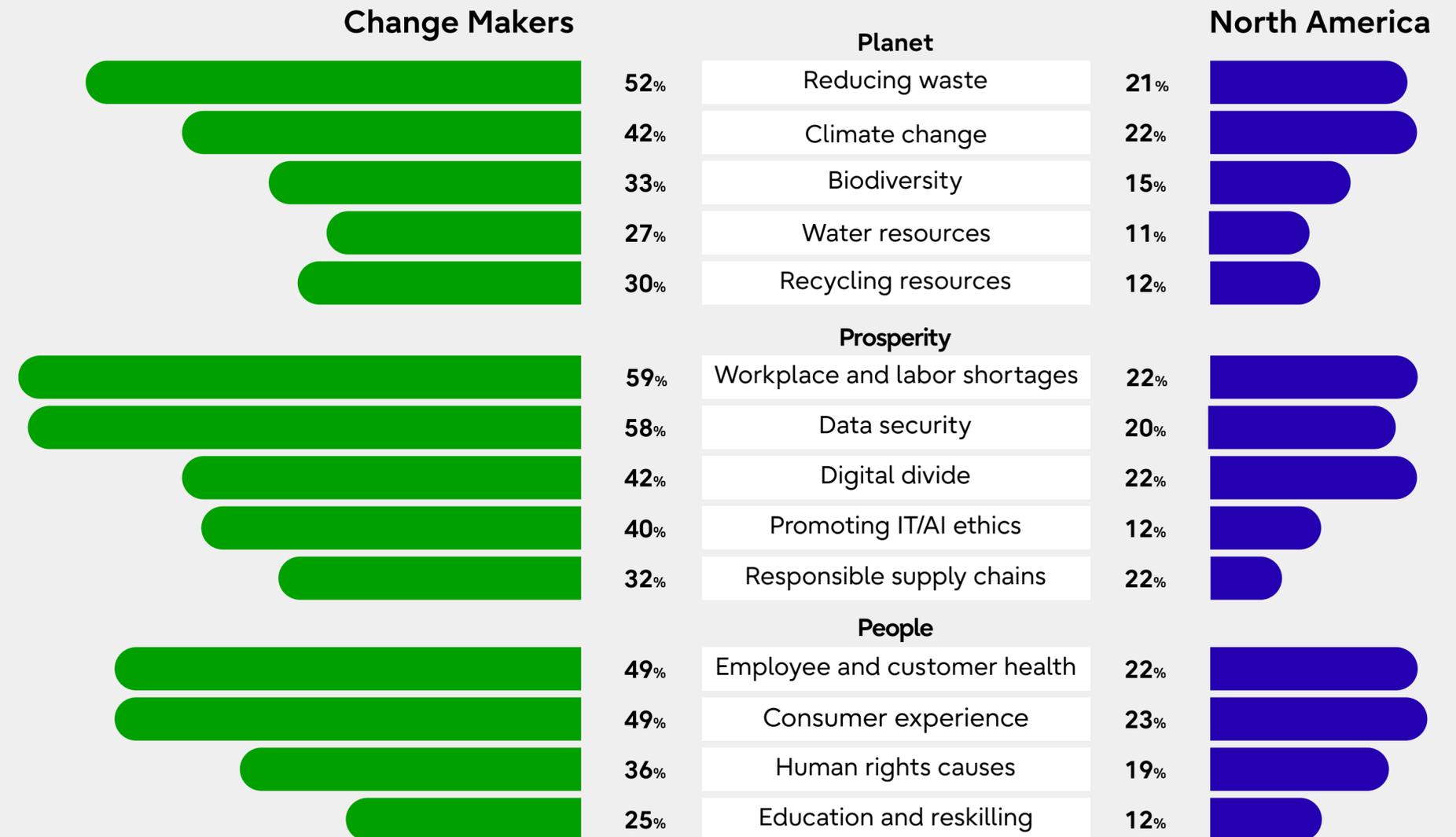
# Who are the Change Makers?

Change Maker organizations are those identified in the global survey that have made the greatest progress on the 14 key sustainability initiatives (Figure 4). Among other attributes, they are more confident than other organizations that they will meet their sustainability objectives on time; more likely to exceed expectations in terms of performance against external sustainability targets; and more likely to report improved profit, share price and market share over the past 12 months.



In terms of generating SX outcomes, three particularly large gaps become evident between the performance of North American organizations and that of the Change Makers. They are in the areas of ensuring data security, creating a positive workplace environment, and reducing industrial waste.

## Tangible outcomes by category: Global Change Makers vs North America



Base sample: Global Changemakers=63; North America=170

(Note: Percentage of respondents who selected each category as a priority, not of the overall sample)

Figure 4: North American organizations vastly underperform in comparison with the Change Makers. No more than 23% of North American executives report the achievement of tangible outcomes in any of the 14 key sustainability initiatives.



We're very community-focused. We're a global company with a headquarters located in a small town. Our 10 manufacturing sites around the US are also in smaller towns and we've kept that DNA in our acquisitions around the world. So, we have a strong connection to the community, we care for the environment, and we carry a responsibility that comes with having products that are in consumers' homes.



**Pamela Klyn**

Executive Vice President Corporate  
Relations and Sustainability

*Whirlpool Corporation*



## Section 2

Defining and demonstrating  
ROI for SX initiatives  
is problematic for  
many organizations



**Demonstrating ROI from sustainability initiatives is difficult for many North American organizations, which frequently cite poor financial returns as a barrier to the success of those efforts. As the Change Makers demonstrate, management must look to balance financial performance with a focus broader view of value creation – one that considers the impact on the planet and its people. Nevertheless, it is also clear that many organizations, including those in North America, are already seeing business growth from their SX initiatives.**

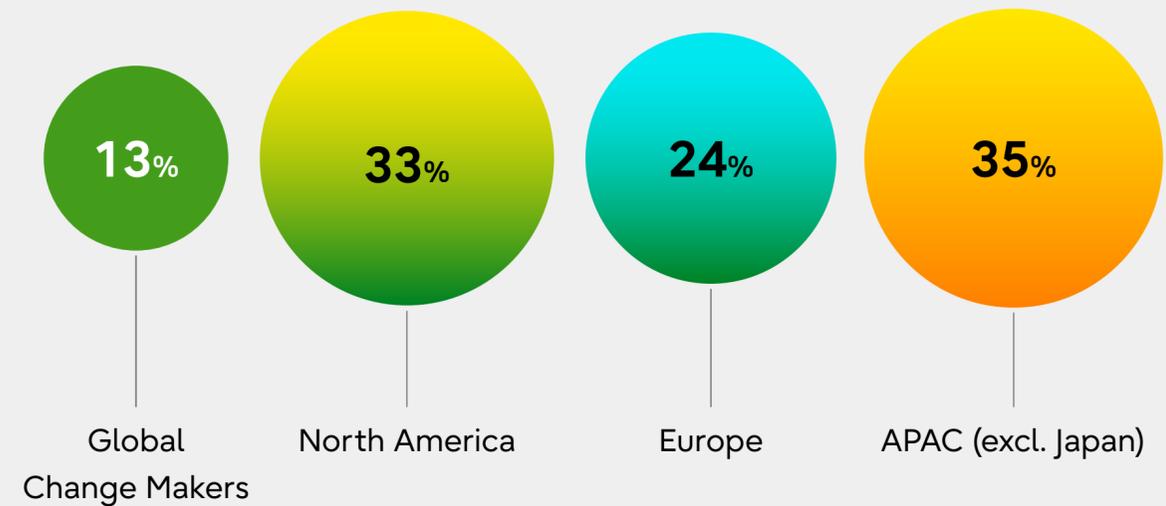
Why do North American organizations struggle to generate tangible sustainability outcomes? Executives from that region most frequently cite high cost as the chief barrier to progress in each of the 14 key initiatives. Poor return on investment (ROI) and limited availability of the required technologies are also among the most common reasons given.

One-third (33%) of the region's executives say that stakeholders frequently challenge them on sustainability investments that do not offer a clear ROI.



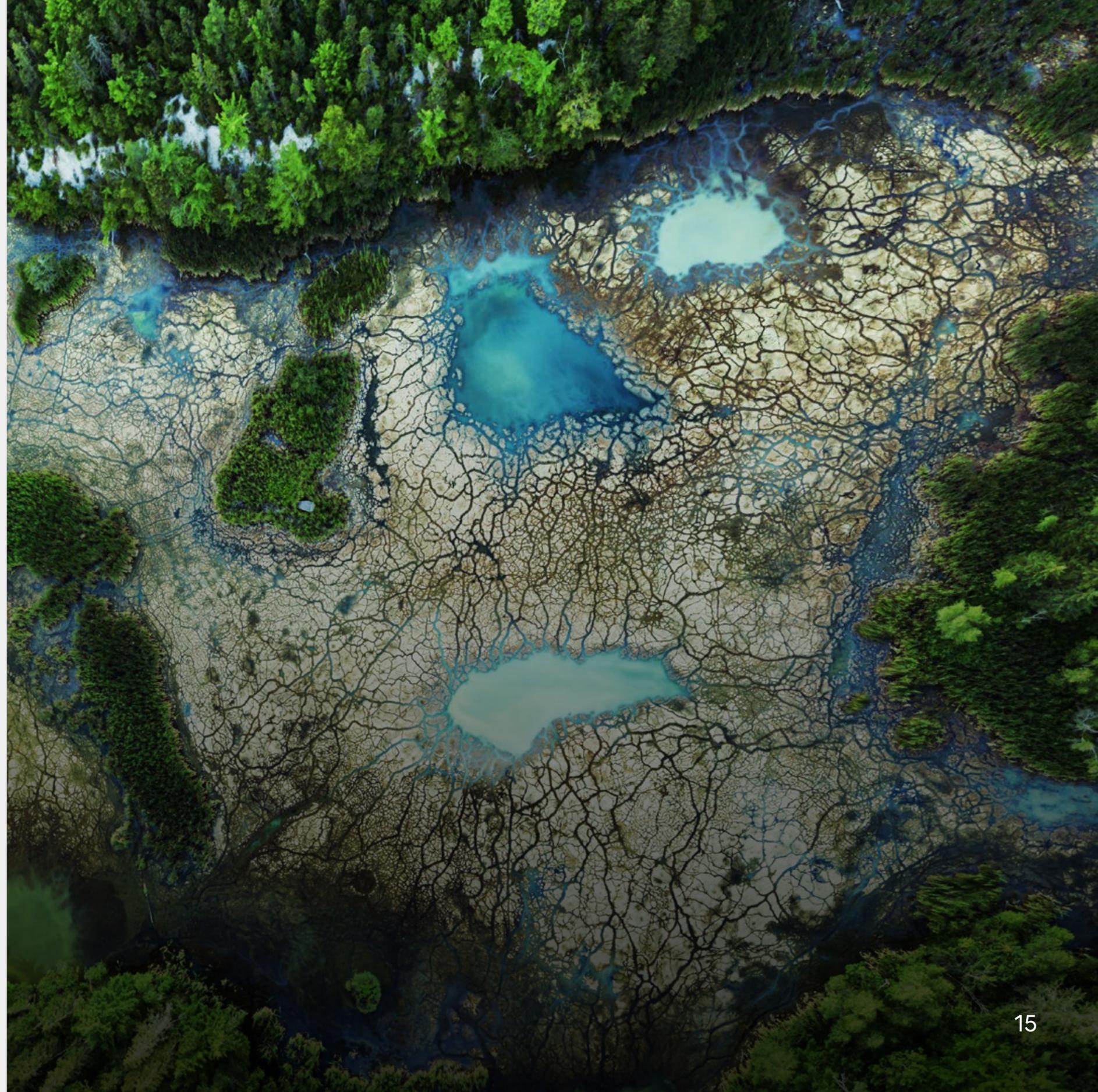
## Stakeholders frequently challenge sustainability investments that don't offer a clear ROI (agree)

"We get challenged on sustainability investments that don't offer a clear return on investment (ROI)"



**Base sample:** Global Change Makers=63; North America=200; Europe=200; APAC (excl. Japan)=170

**Figure 5: Unclear ROI holds back many North American SX initiatives.** One-third of North American executives report that their organization's sustainability initiatives are challenged by stakeholders owing to unclear ROI.





Colgate-Palmolive puts success metrics in place, often based on intangible benefits for their sustainability initiatives, rather than return on investment targets.

“What value means is a question we are discussing right now,” says Tracy. “Because there are many intangible successes whose impacts are harder to measure, such as employee pride.”

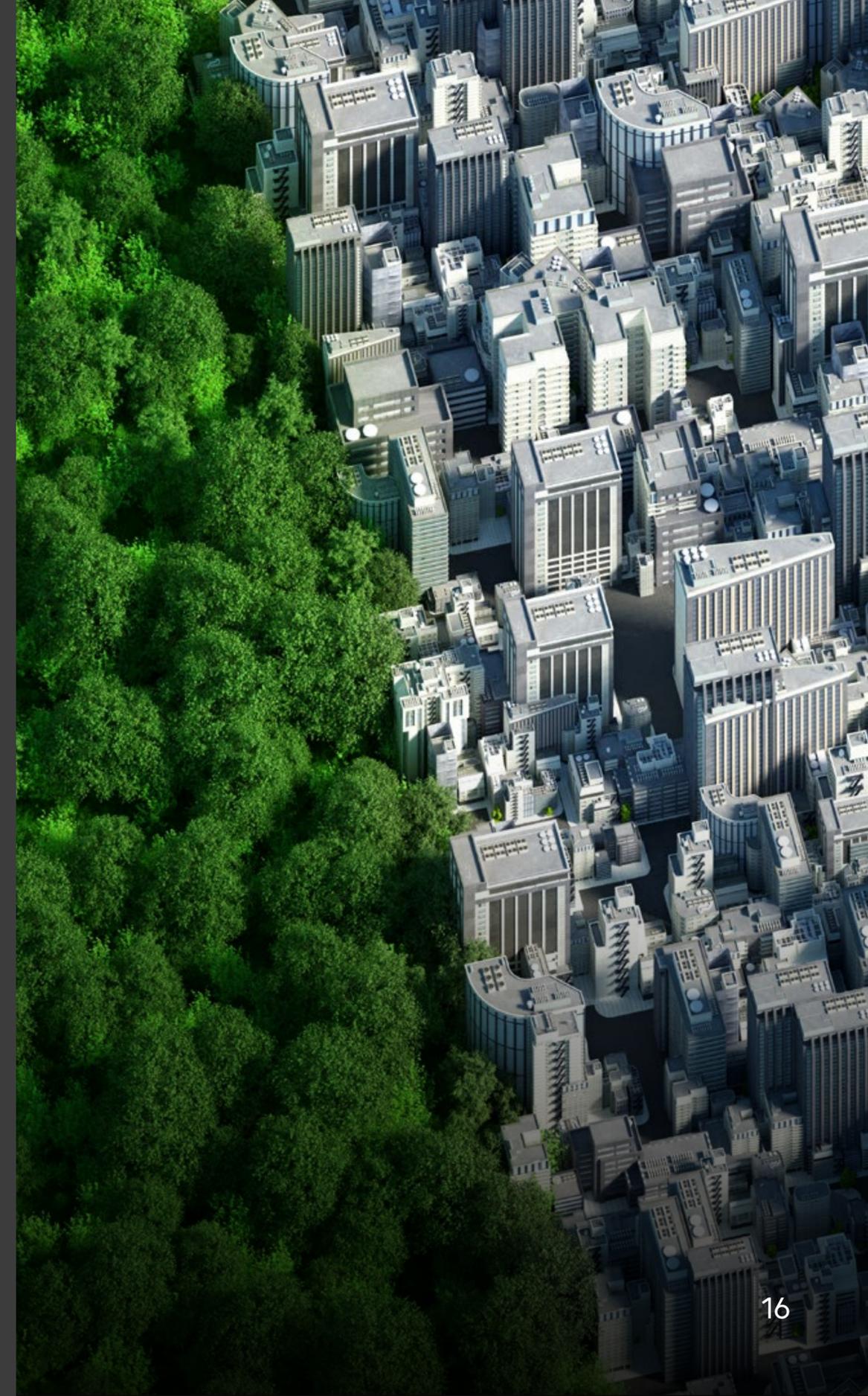
“One of the key themes we are discussing: How do we establish value behind sustainability? Because the perception is – and, in some cases, it’s real – that, when you first design a more sustainable product, it can be more expensive to make. However, we can reduce costs when we scale these products and we know that consumers want to buy more sustainable products which helps to drive growth.”



**Ann Tracy**

Chief Sustainability Officer

*Colgate-Palmolive*



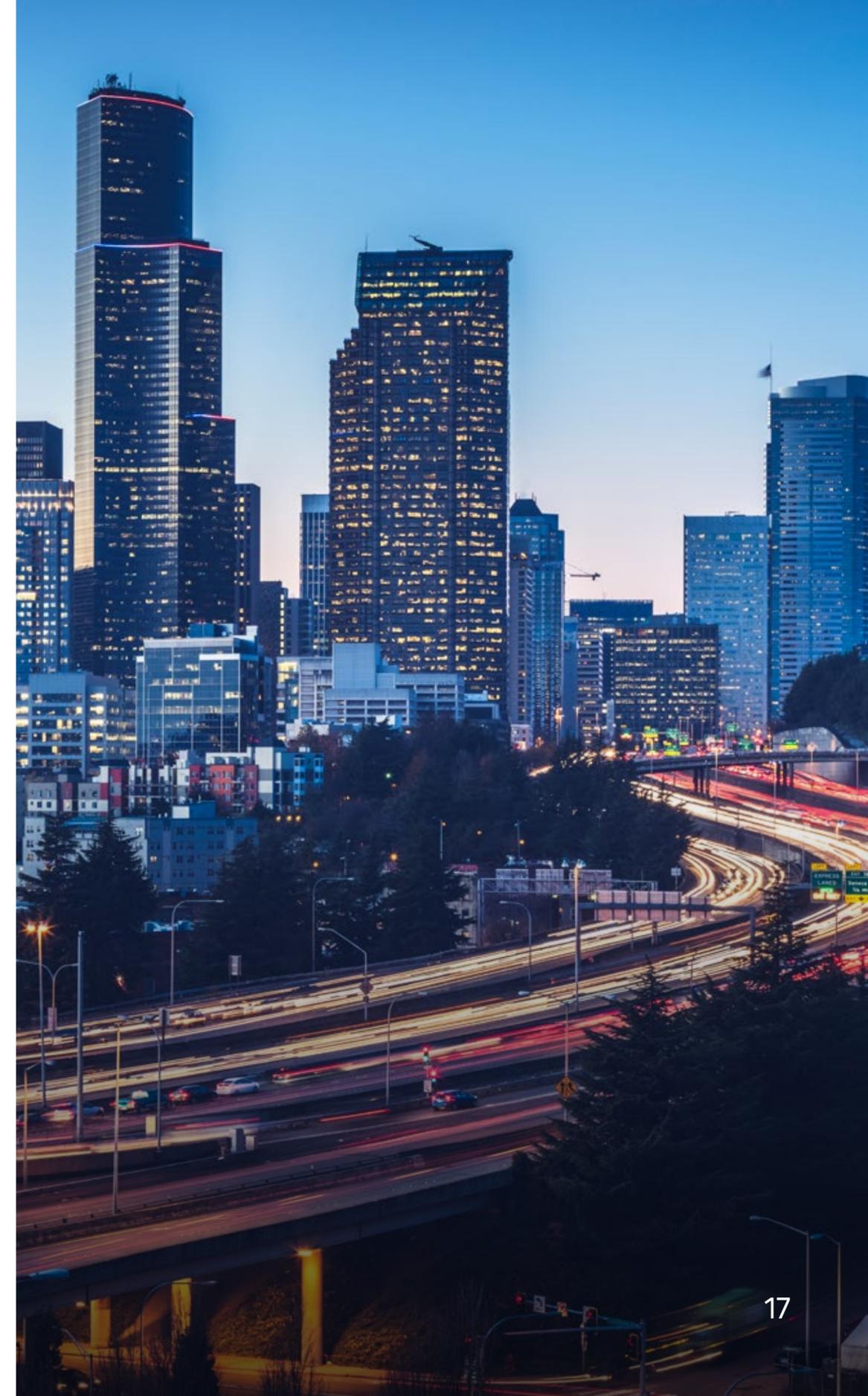
Survey respondents in Europe are less likely than those in North America to complain of ROI posing an issue, but the global Change Makers are far less likely to do so (just 13% of this group). Indeed, this and other survey findings indicate that the Change Makers have a different mindset towards SX than other organizations in the survey (including those in North America). For example, they assign the same – or, in some cases, a higher – level of priority to sustainability goals as they do to financial goals, and making a positive impact on the environment and society is at the heart of their SX strategies. And 54% of Change Makers say that reducing their organization’s impact on the planet is a driver of sustainability initiatives, compared with 44% of other organizations in the survey.

North American organizations are as likely as those in Europe and APAC to ascribe high importance to initiatives that have an impact that goes beyond their own businesses. Half (51%) of North American executives, for example, say their management places a high level of importance on “making a

positive impact on society,” and almost as many (46%) say the same about initiatives to “reduce their impact on the planet.”

But it’s also clear that many also seek business benefits from their sustainability-related activities. “Attracting investment” is a high-importance goal of SX initiatives for 57% of North American organizations, a noticeably higher proportion than in Europe (44%).

Organizations should avoid perpetuating the view that these aims are mutually exclusive. The data suggests that placing sustainability at the heart of the business strategy isn’t just an ethical decision; rather, it can both benefit society and boost financial performance. Among the global Change Makers, 60% say their sustainability initiatives are helping to drive business growth (for example, through the creation of new products and services). Half (51%) of North American organizations recognize this connection, with 54% echoing the Change Makers on this point.

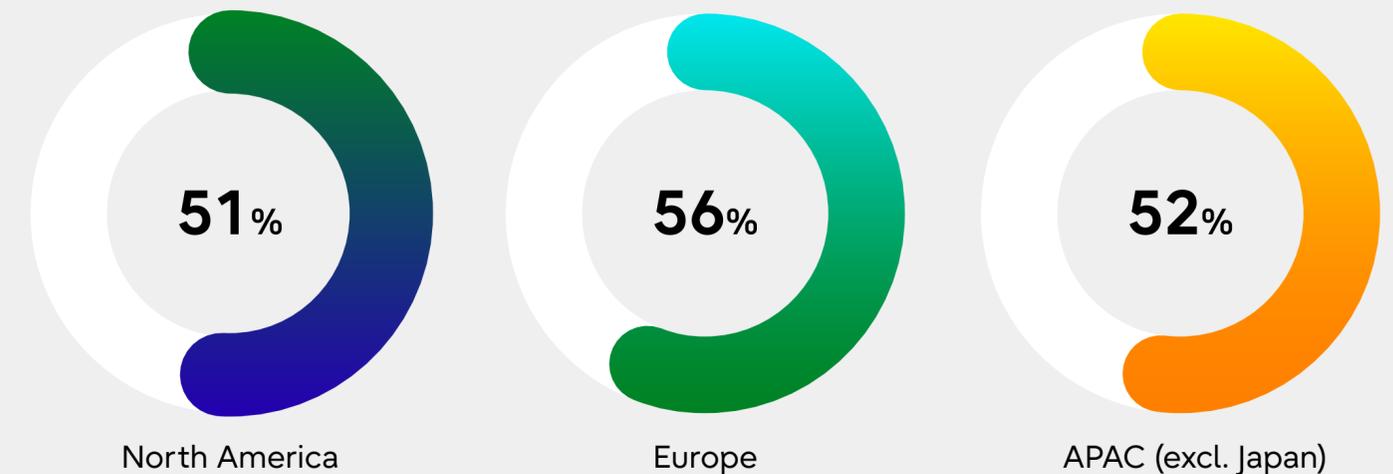


Moreover, the Change Makers show that a focus on new value creation – putting the health of people and the planet ahead of financial growth – is actually a route to stronger financial performance. Global Change Makers are more likely than other organizations to report stronger financial growth over the past 12 months than the rest of the surveyed organizations, including those in North America.

It's important to acknowledge that for many firms, pivoting to a focus on finding a path to new value creation in this space may not be easy – particularly in a challenging economic climate. Collaborating with other organizations on sustainability initiatives can help to accelerate progress on areas such as emissions reductions and circular economy

while reducing the financial impact. “We’re trying to acknowledge what we have and don’t have, and look for opportunities and partnerships to bridge that,” explains Pamela Klyn, Executive Vice President of Corporate Relations and Sustainability at Whirlpool Corporation. “For example, we partner with organizations that have advanced approaches and/or technologies but perhaps don’t have the resources to scale these initiatives. We are able to share our resources and combine our knowledge to help them reach their goals, which provides us access to the talent and technologies that we’re missing.”

## Percentage of executives in each region who report that sustainability initiatives are driving business growth



Base sample: North America=200; Europe=200; APAC (excl. Japan)=170

Figure 6: **Sustainability and business growth are complementary.** 51% of North American respondents say that their organization's SX initiatives are driving business growth today.

## Section 3

Collaboration on SX  
is widespread, but  
data-maturity levels  
are worryingly low



**North American organizations collaborate actively to achieve outcomes from their SX initiatives. However, in order to capitalize on these relationships, they must use data more effectively, both internally and externally.**

Change Maker organizations excel at data-led collaboration. They are far more likely than others in the sample to have reached an advanced level of data maturity, which comprises sharing data with partners across industries, and using that data to drive better SX decision making and coordination.

For example, 25% of Change Makers are part of highly collaborative ecosystems, compared with just 6% of non-Change Maker organizations. They are also more likely to collaborate across all three pillars of sustainability.

Although only 13% of organizations in North America have formed highly collaborative ecosystems, that is nearly double the proportion in Europe (7%) and more than three times that in APAC (4%).



# 25%

of Change Makers are part of highly collaborative ecosystems

# 13%

of organizations in North America have formed highly collaborative ecosystems



“

We are honored to partner with the Roundtable on Sustainable Biomaterials (RSB) to validate and document the sustainability criteria of aviation fuel. This global network has created a sustainability framework and data sharing that enables us to have an honest and transparent debate based on facts and science, because it's in all of our best interest to promote fuels that are sustainable.

”

**Brian Moran**

Chief Sustainability Officer

*The Boeing Company*

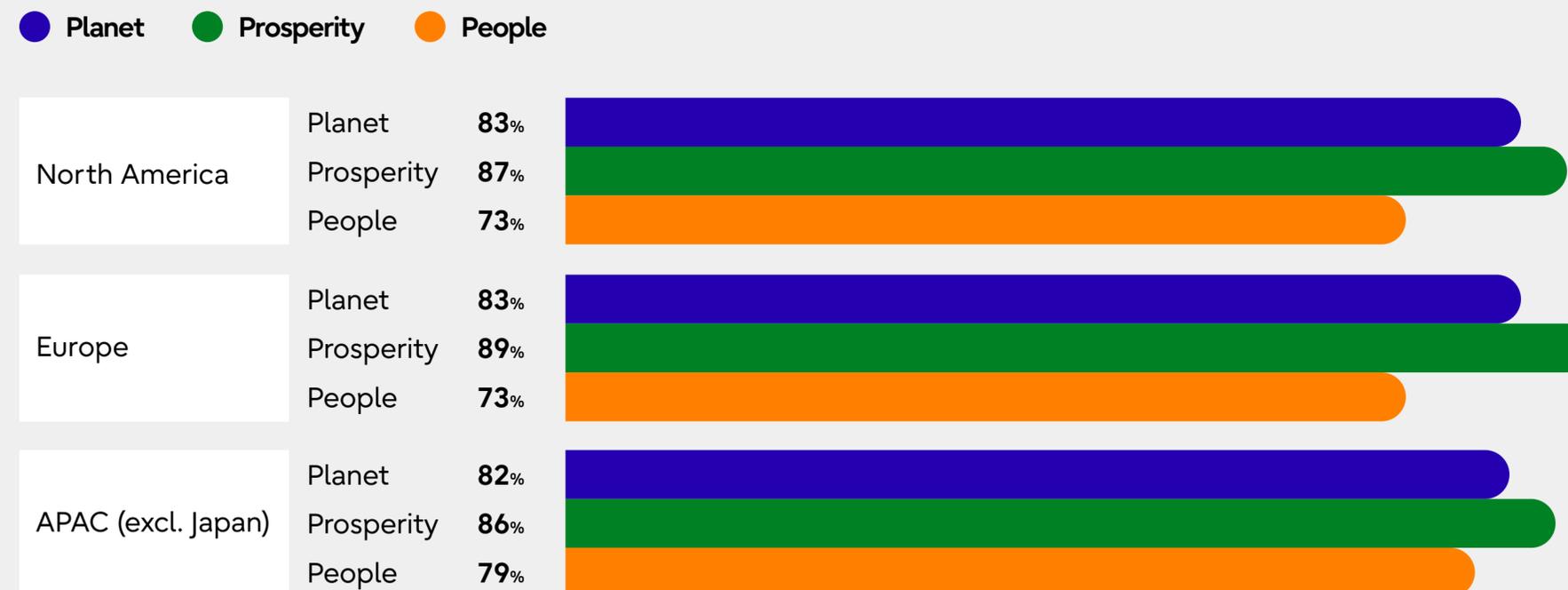
There is clearly a growing understanding among businesses in the region that collaboration within and across industries is the key to achieving sustainability goals. Boeing, for example, shares data on the sustainability criteria of aviation fuels with other organizations in the aerospace industry.

In another example, Colgate-Palmolive shares its technology for manufacturing recyclable toothpaste tubes to facilitate plastic recycling across the fast-moving consumer goods industry.

It is apparent that North American organizations collaborate actively across all three sustainability pillars. Collaboration levels appear highest in the Prosperity pillar, where, among other endeavors, organizations seek to close the digital divide, enhance data security, and promote the ethical use of AI and other technologies.

North American executives put considerable emphasis on strong brand reputation (cited by 34%) as a catalyst for collaboration.

## Percentage of executives who report that their organization is collaborating with other organizations across the three pillars of sustainability



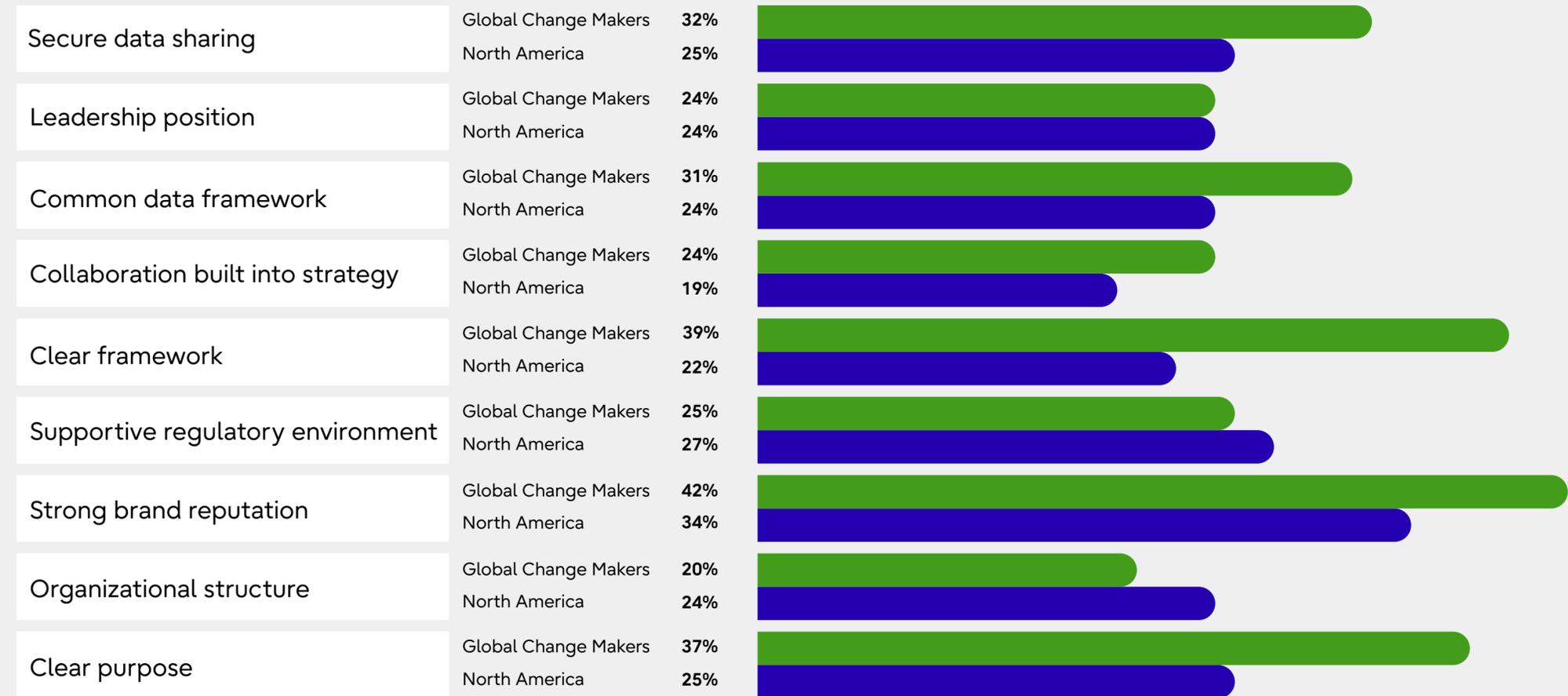
**Base sample:** North America=200; APAC (excl. Japan)=170; Europe=200

(Note: Percentage of respondents who selected each category as a priority, not of the overall sample)

Figure 7: **North American organizations collaborate actively across all three SX pillars.** Respondents in North America say their organizations collaborate most widely in prosperity-related initiatives.

# Enablers of collaboration (North America)

● Global Change Makers ● North America



Base sample: Global Change Makers=63; North America=200

Figure 8: A strong brand reputation is a key collaboration enabler.

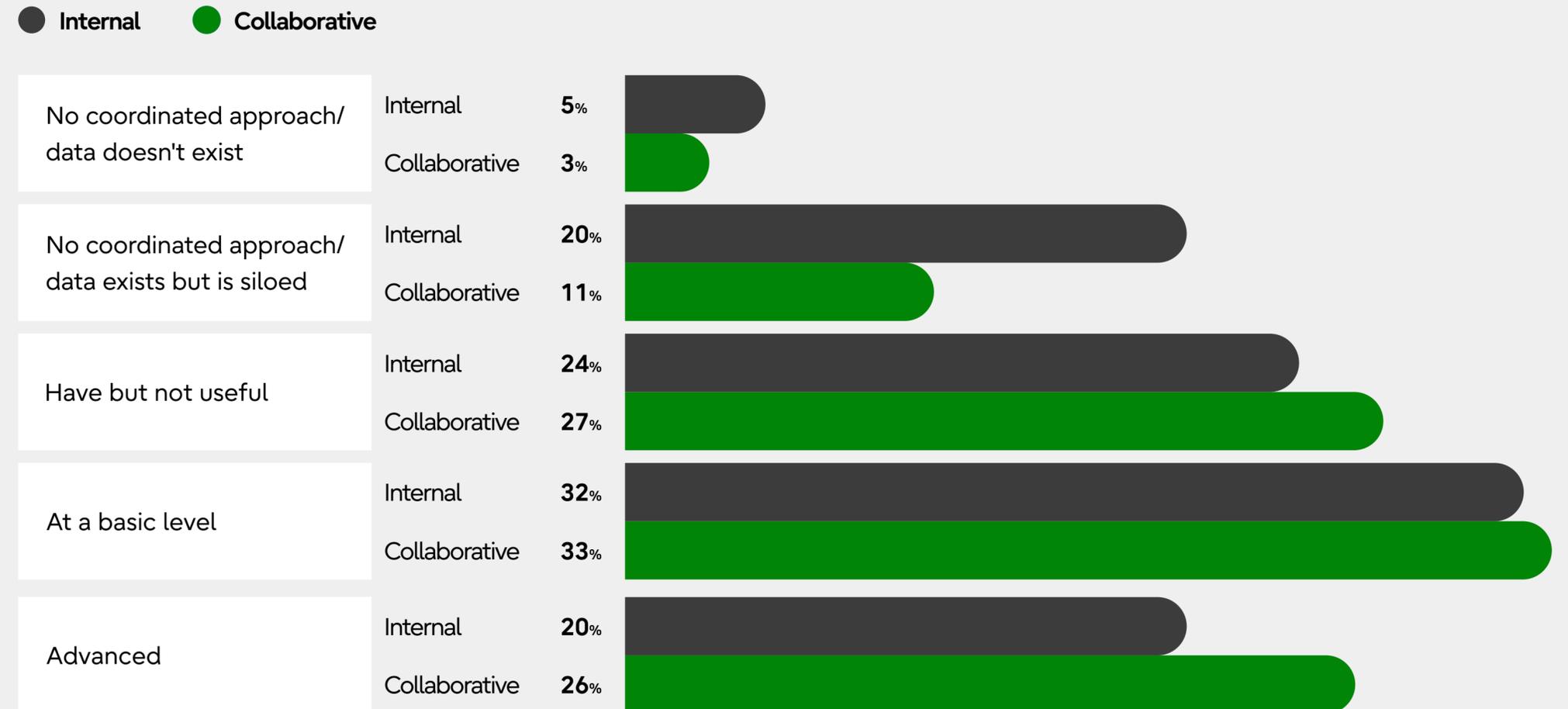
North American executives also cite a supportive regulatory environment, having a clear purpose and the ability to share data securely.



Data sharing, then, is integral to effective collaboration. The global Change Makers excel in data-led collaboration, and a key factor is that around half of them have attained an advanced level of data maturity. This reflects Change Makers' effective use of data, both internally and externally.

Most North American organizations, in contrast, struggle to use data effectively in these ways; most can claim only a low level of data maturity. This means, for example, that they fail to visualize, or otherwise use effectively, their SX-related data, which may be trapped in siloes. In some cases, they may not even collect that sustainability data at all.

## Percentage of North America's executives reporting each level of maturity for using data to drive sustainability transformation: internal use vs collaborative use



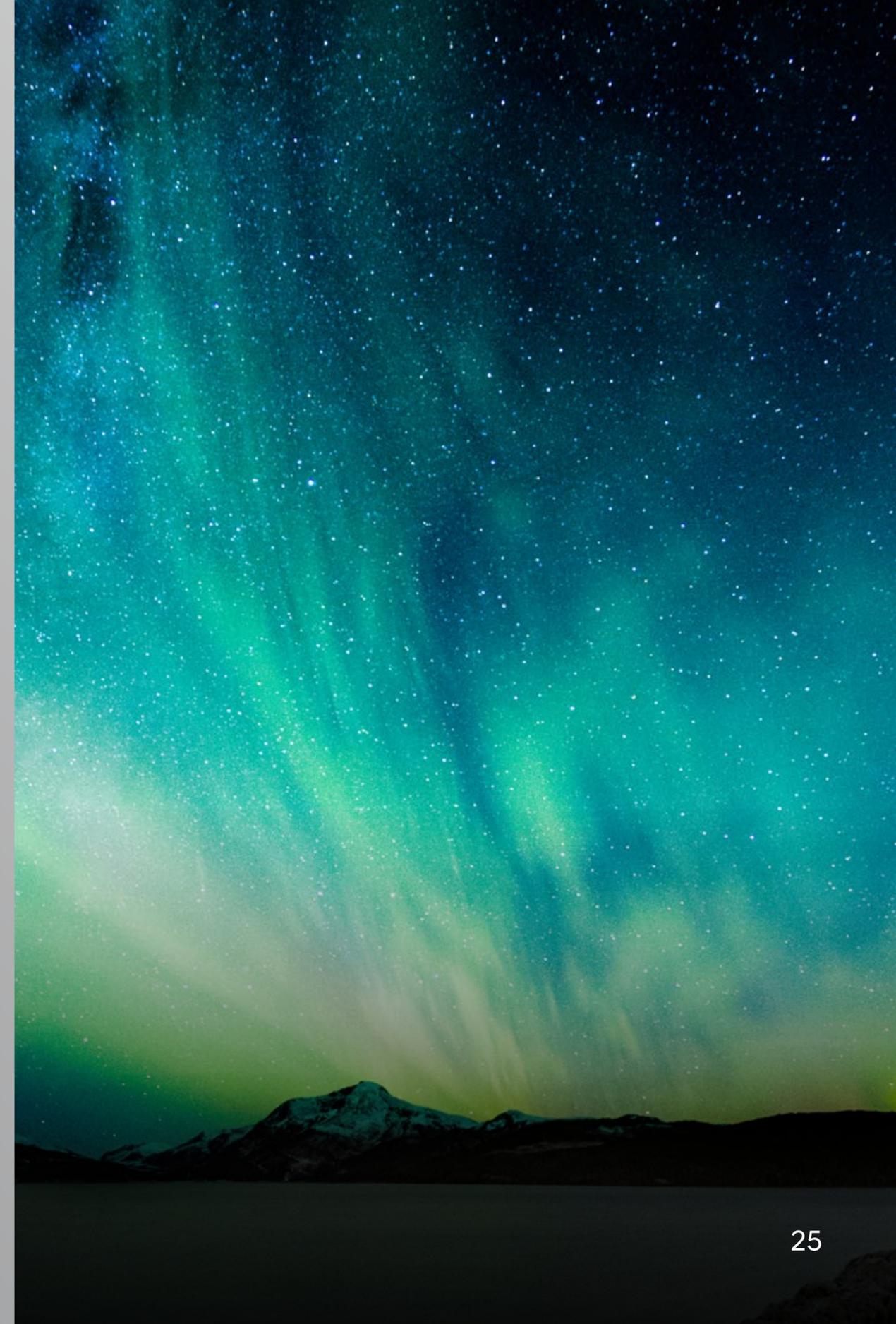
Base sample: North America=200

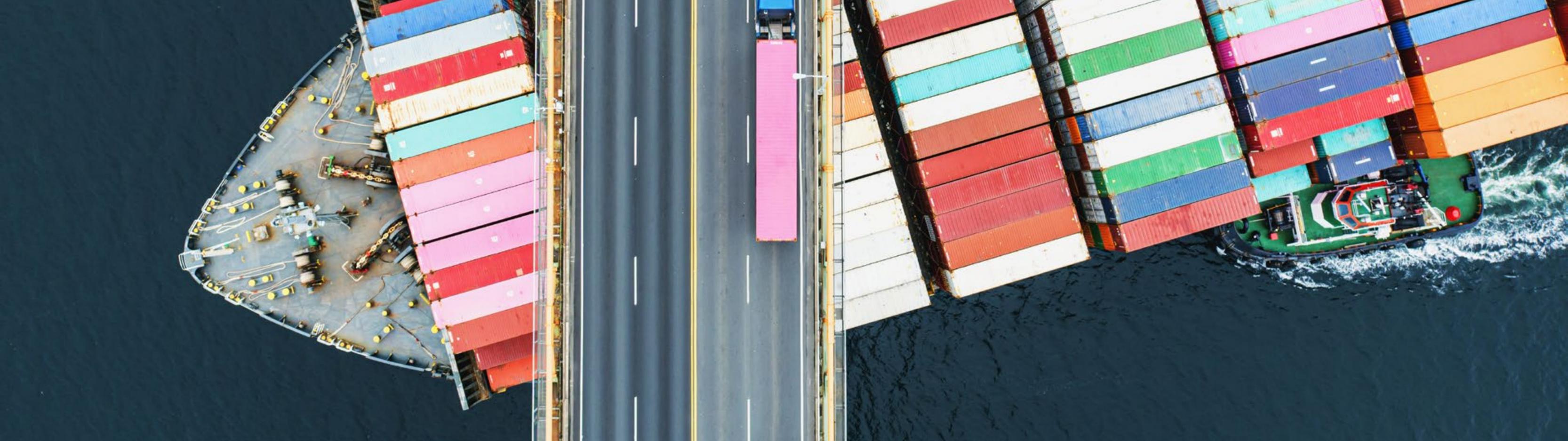
Figure 9: **Data maturity levels in North America are generally low.** Just 26% are advanced in how they use data externally for SX, and the figure is lower (20%) when it comes to internal data use.

## Section 4

# The four steps to becoming a Change Maker

To attain the standards set by the Change Makers, we recommend that North American organizations accelerate their Sustainability Transformation journeys by following these four steps





# Step 1: Identify how far away you are from being a Change Maker

For North American organizations to make real collective progress on sustainability, the current figure of 10% that fall into the Change Makers category needs to grow. A first step to attaining Change Maker status is to define sustainability priorities clearly and ensure that the workforce, at all levels of the organization, understands them. Clarity and clear communication will help build enthusiasm in this endeavor. To build momentum for the effort, employee KPIs can be tied to the organization's sustainability priorities.



## **Step 2: Embrace the “Change Maker” mindset**

Many North American executives cite high costs and poor ROI as barriers to achieving positive outcomes from their sustainability initiatives. But such initiatives may require significant upfront investments. So, leaders must work to identify cost-effective sustainability solutions that benefit the business while contributing to the greater good – and data can play a key role in this. As the survey results from North America and other regions show, a more holistic view can generate business growth.



## **Step 3: Enhance your own data-maturity (internal)**

Harnessing the organization's internal data effectively is another key to making tangible progress on sustainability. But only a handful of North American organizations have attained advanced data. They must constantly be dedicated to collecting the right data and ensuring these data points can be trusted sufficiently to inform decision making. Once a foundation of reliable data has been laid, organizations can build detailed insights into their business processes and how they contribute to – or detract from – progress toward achieving SX objectives.



## **Step 4: Collaborate with others in a data-centric way (external)**

North American organizations demonstrate a genuine enthusiasm for collaborating towards sustainability. An organization's mastery of its own data management is the first step to effective collaboration. A common and clear data framework and the use of secure data-sharing technologies, among other elements, help form this foundation.

# Methodology

## About the total sample of respondents

This study, commissioned by Fujitsu and conducted by FT Longitude, a Financial Times company, is based on a survey of 600 C-suite executives from 15 countries. The demographics of the survey sample are shown below. The survey was carried out over a four-week period between November to December 2023.

There are representatives from across 11 industries: building and construction, energy, financial services, healthcare, manufacturing, life sciences, media, mobility, public sector, tech and telecoms, and retail.

The entire sample is composed of senior leadership, with all respondents sitting at C-level. In terms of the size of the organizations they work for, annual revenues sit above \$500 million.

As well as the survey research, we conducted one-on-one interviews with a number of senior executives and experts, whose insights are featured in this report. Our thanks go to everyone who contributed.

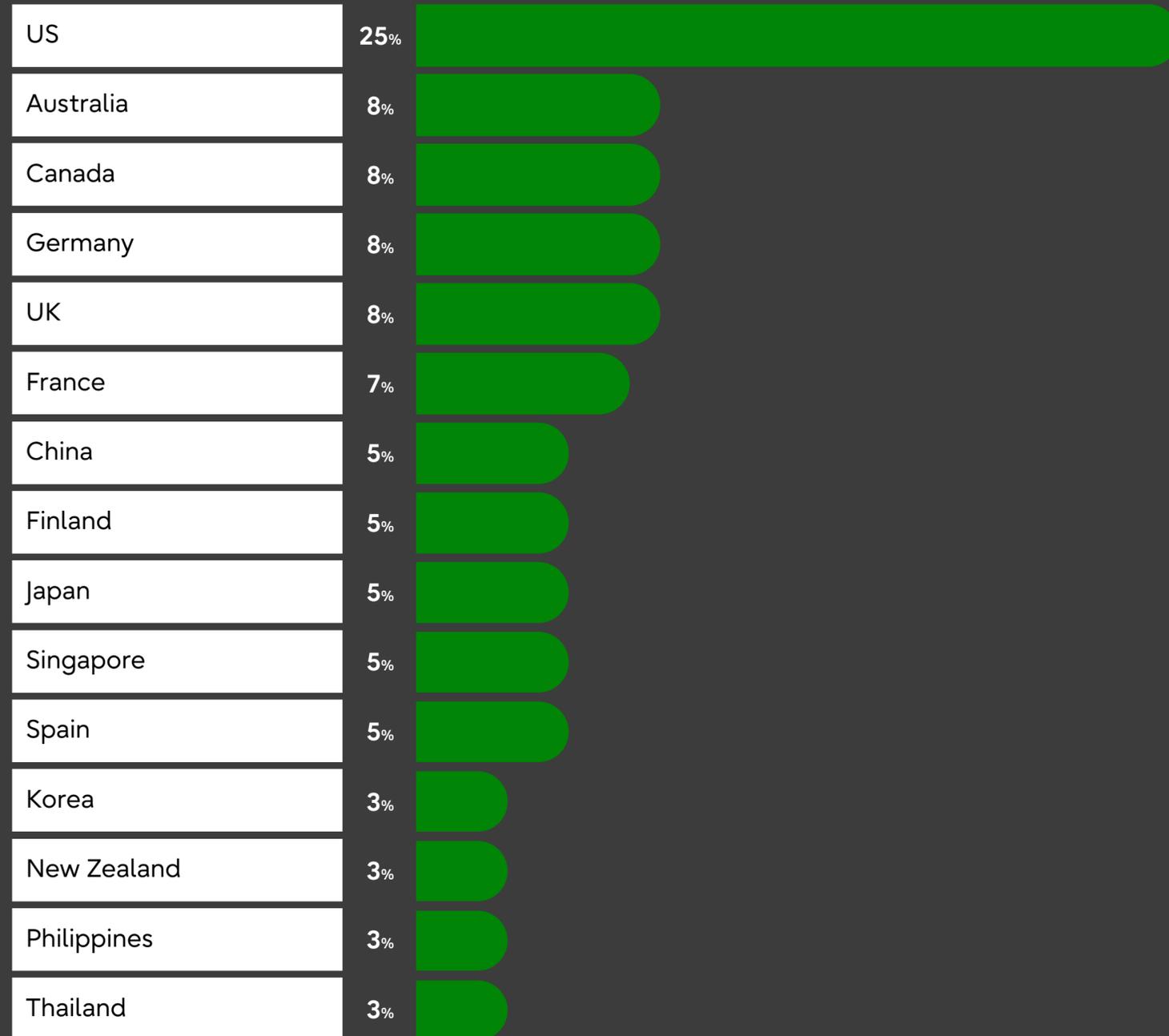
## About the Change Makers

The Change Makers are the organizations in our survey that have made the greatest progress in delivering their SX initiatives. We have isolated this leader group based on how they respond to a selection of questions related to SX that were included in the survey. These qualifying questions measured level of SX maturity, degree of progress in the 14 sustainability initiatives, and maturity of attitudes and mindsets towards sustainability. Change Makers account for 11% of the total sample.

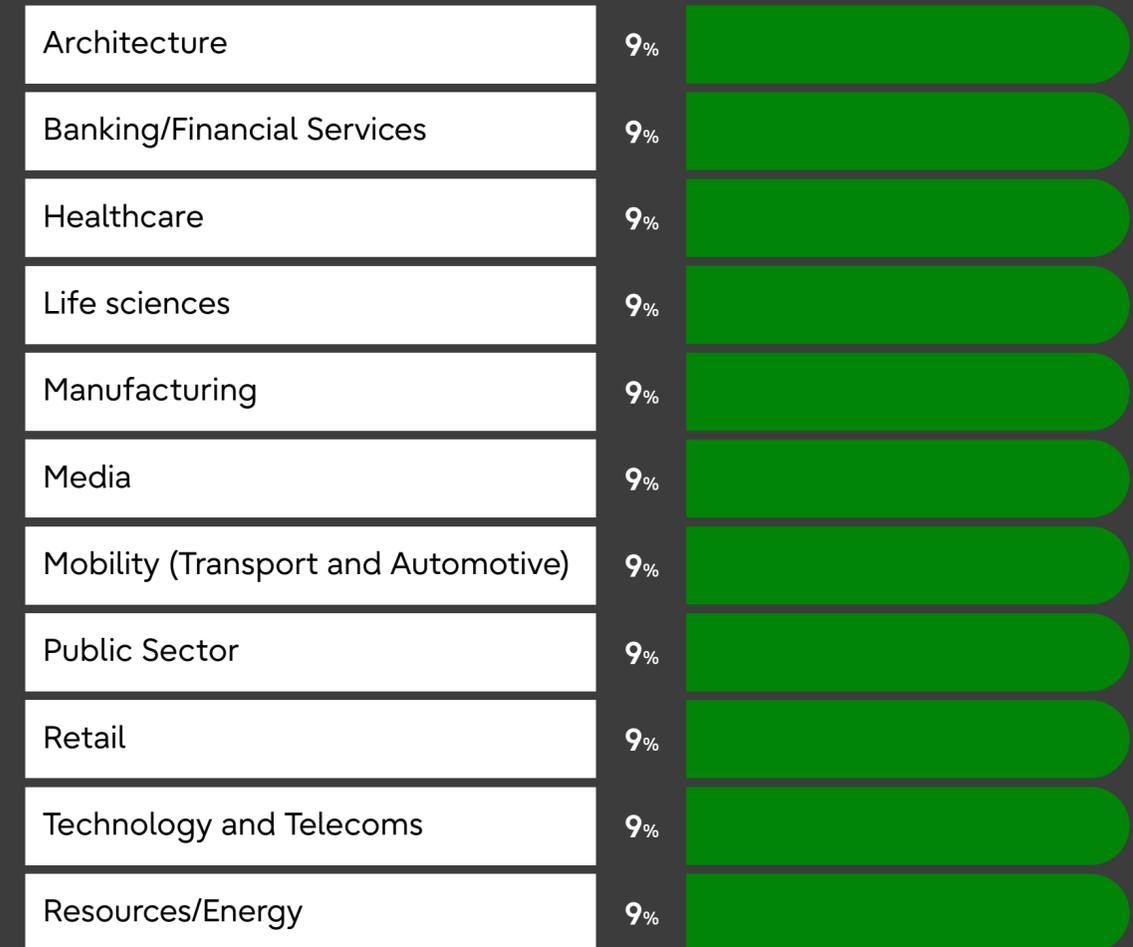
\*Rounding to the correct number of decimal places can cause the total to be slightly different from 100%.



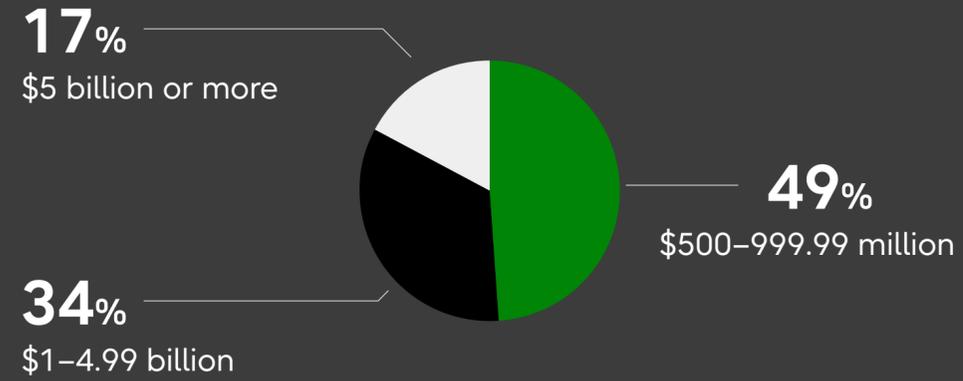
## Countries



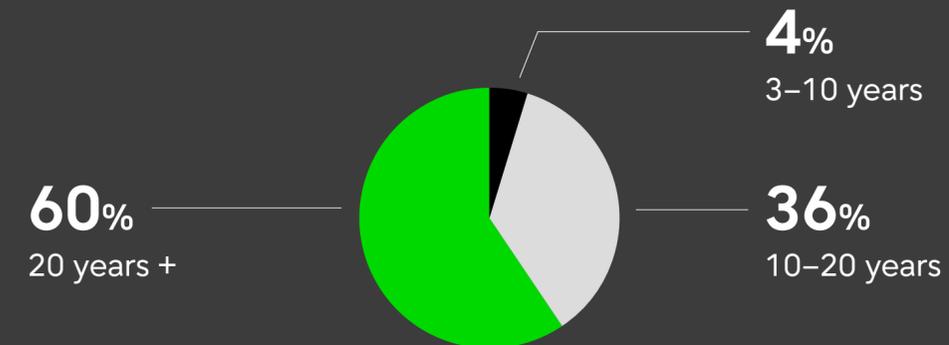
## Industries



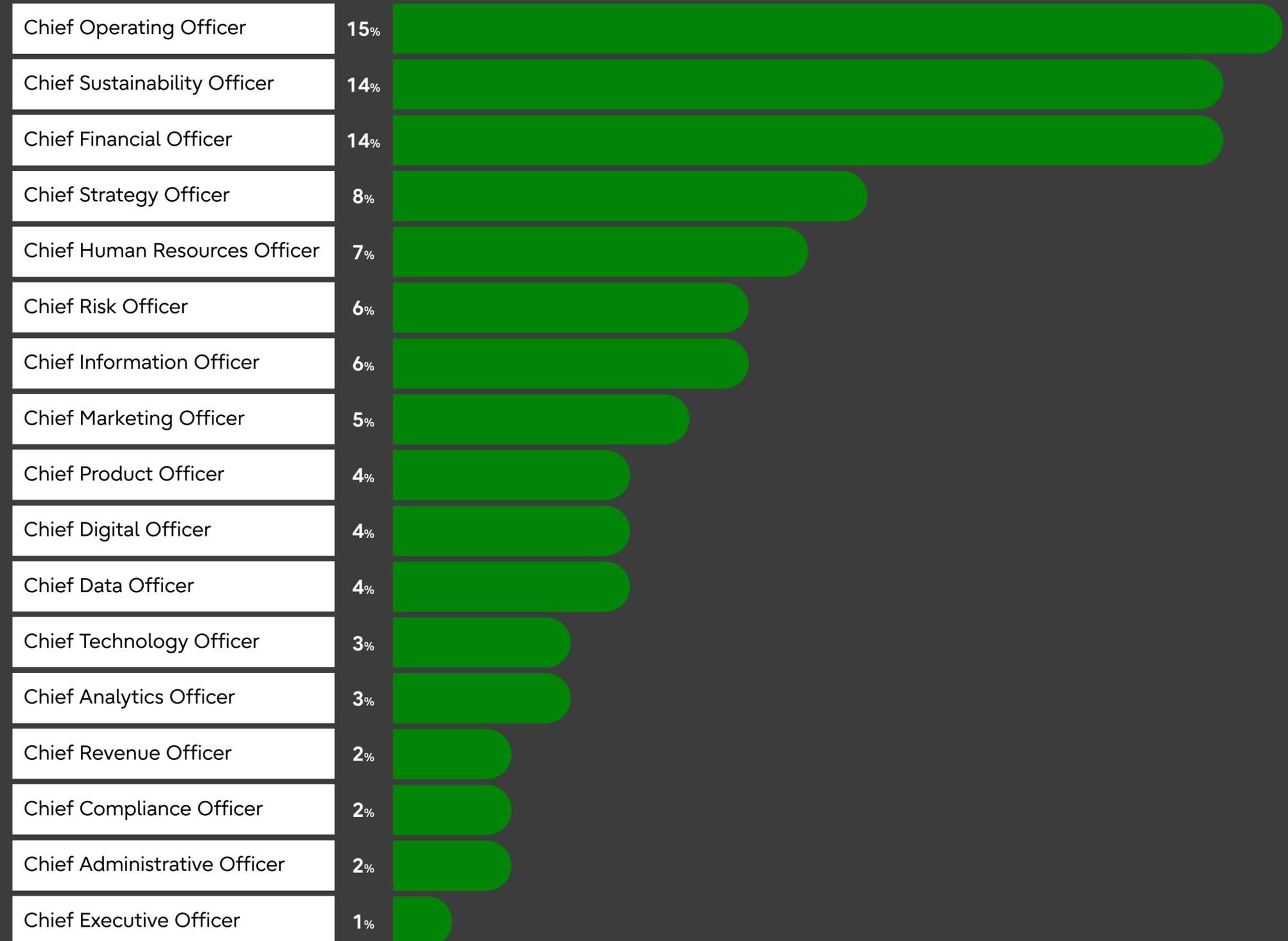
## Total revenue size in USD



## Number of years in operation



## Respondents by role



A person with a backpack is walking away from the camera down a narrow, winding path through a canyon. The canyon walls are composed of layered, reddish-brown rock, showing clear horizontal sedimentary patterns. The lighting is warm, highlighting the textures of the rock. The person is wearing a light-colored shirt, dark pants, and a blue backpack. The path is uneven and rocky.

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**UVance**

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