

Start-ups for a Sustainable Future: Assessing the Impact towards the UN Sustainable Development Goals

The world is facing severe challenges trying to create a sustainable future. While responsibilities were previously directed towards governments and political figureheads, the past few years have put more weight on the private sector. An innovative approach is highly desirable when working with a wicked problem such as sustainability, giving start-ups a key role. However, start-ups working with sustainability assessment today face several difficulties.

The 17 Sustainable Development Goals (SDGs) were announced by the General Assembly of the United Nations in 2015, with the objective to meet the urgent challenges facing our world. Contrary to earlier initiatives like the Millennium Development Goals, the SDGs covers all parts of the triple bottom line: economic, ecological and social. Furthermore, they are developed with the expectation that the private sector will take ownership and contribute towards reaching the goals. Despite this, there is no clear guidance available for companies to understand how to make a sufficient assessment of their contribution towards realizing the SDGs.

Considering the innovative nature of start-up companies, they are key players in the journey towards a more sustainable future. While there are several advantages for start-ups working with the SDGs, such as higher flexibility and less hierarchical structures, they are also subject to rapid change and have less resources in form of capital, knowledge and time. In order to remove barriers for start-ups who desire to understand their impact, more support is needed in the SDG assessment process. Today, there are a number of tools available for this purpose, but it can be difficult to choose among them and apply them in the start-up context.

The available tools for SDG assessment differ from each other in many ways. While some of them cover the whole assessment process, others are only guiding specific areas such as measuring or reporting. They also carry different strengths and weaknesses when it comes to factors that are favourable for start-ups conducting an SDG assessment. Because of this, it is important for the assessing company to put consideration into which characteristics are most crucial to them, and how they can use one or several of the available tools to fulfil their specific needs.

Unfortunately, all of the available tools leave something to be desired. The complexity of the SDGs inevitably leads to trade-offs between the goals, which all assessment tools fail to include. Furthermore, there are no clear key performance indicators to use for companies in order to make adequate quantitative measurements. This creates difficulties to perform an objective assessment that will easily be understood by stakeholders and other external parties. It will also lead to the assessment requiring more time and knowledge, two resources which are generally limited within start-ups.

In order for the start-ups to be able to get further in their sustainability work and to better understand their progress, it is recommended that they engage in partnership. This will not only generate new perspectives and insight, but can also be an asset when it comes to time and knowledge about the SDGs. Additionally, further development among tools and guidance regarding the SDGs are desired in order to assist start-ups to deliver on our shared goals and build a sustainable future.