



Sustainability | Leadership | Innovation

ACCOUNTING FOR SUSTAINABILITY



2015 WINNER
Finance leader of the future

LESSONS IN DRIVING BUSINESS SUSTAINABILITY

CONNECTING FINANCE AND SUSTAINABILITY

George Cobb uses his finance role to question the status quo and give credibility to his conclusions. He is keen for accountants (or finance leaders) of the future to have the tools to keep sustainability goals embedded in business.

George Cobb was recently promoted to the position of Group Sustainability Accountant at SSE, having previously held the role of sustainability accountant for three years.

The role is a new position created to illustrate SSE's commitment to bridge the gap between traditional finance and its aspirational goals in sustainability. With a capital investment programme of £1.5-£1.7bn each year, there is a key need to link the two and to reinforce SSE's company value of sustainability.

'This has been an exciting opportunity and challenging role for George, but one he has embraced fully and performed extremely well in,' says Gregor Alexander, Finance Director at SSE. 'He has been key in helping the organisation to illustrate the fundamental links between finance and sustainability, demonstrating the business case for social and environmental consideration as well as economic analysis.'

'George is not a traditional accountant – he obtained a PhD in financial reporting and an MA in ethical investing before gaining his chartered accountancy qualification with ICAS while working for PwC. He approaches sustainability from a unique perspective and has repeatedly demonstrated his ability to quickly identify the wider value to the company and society, as well as understanding how to convert it to the language of business in terms of monetary return.'

Cobb's work on the sustainability impact assessment of the £675m Beaulieu Denny Transmission project in the north of Scotland proved how sustainability can be successfully embedded into financial decision-making – indeed the project was awarded the Large Business Award in the 2015 Finance for the Future awards. This project has become a key foundation within SSE, and across the wider utility industry, for demonstrating how to look at projects in a longer-term way and consider the merits in a holistic way, going far beyond economics alone. This project has broken new ground in the field.



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Finance for the Future spoke to George after his win.

Do you think your accountancy training gives you a particular insight into issues surrounding sustainability?

I think so. I've never been called a traditional accountant, even when I trained at PwC. I did accountancy at university, and then I did a Masters in ethical investing followed by a PhD, so I think I already came from that critical mindset that means I can challenge the status quo.

I became an accountant because I wanted to have the skills to be able to make those challenges and help people believe in sustainability, so it's important to have credibility. I think that's what finance brings. When I trained in accountancy I did audit and risk assurance where you really do feel the pain of business in terms of projects, so that gives you that critical mindset. Then when I joined SSE, I went into the audit function. For 18 months I got to go round the business and just learn, ask a few silly questions, to poke and prod around and build up a fabulous network.

What parts of the business did you explore?

I got the chance to look at operations, trading and supply chain. Just going and learning from different departments was extremely useful.

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Through that work I was able to build up an internal network which, when the time came, helped overcome a number of issues in the new project. When I first started looking at the Beaulieu Denny project, the project manager said: 'This isn't happening. I need to focus on project delivery and budget. I don't have time for this' – meaning that he didn't have time to look at the environmental and social as well as the financial value of the project.

I was able to say: 'Well the Finance Director wants it.' So I have a shiny star that allows me to kick the door open, but you then need to be there working with them, giving them something back so they allow you to stay in the room. And I think we succeeded because we generated some early results, new information that the business didn't know before but has been helpful for project stakeholders.

Do you think accountancy institutes and employers are doing enough to equip accountants with the necessary skills to help respond to the sustainability issues facing their organisations?

It's something that we need to be looking at, because we probably have the next two years to change the curriculum before the trainees that will become the first 'post-2020' accountants to come through. So the skills they need to provide assurance to finance institutions, and to be able to embed these new calculations into capital projects to ensure that resource allocation is done appropriately, really needs developing.

What is your advice to accountants at the beginning of their career who want to pursue sustainability in their work?

Be bold. You are the builder of your own destiny and there are always opportunities. It's a case of getting to know the business, looking for where you can 'add value' because any boss worth their salt will encourage talent. They will push you forward to develop that, because that's what keeps your staff happy; that's what keeps people motivated to work hard for their company.

When I first joined, I said to my boss that I had a keen interest in sustainability, one of SSE's core values, and I started chatting to procurement about our recycling process and how we dealt with the canteen and how we looked at the cups and the waste and things like that. So talk to people, find stuff out.

Alongside that, it's important to build a network of people internally and externally, because some of my best ideas have been from a conversation with someone else. For accountants it's a case of being able to take that good or new idea and refine it for wherever they are working; because there aren't many new ideas, there are just ideas that you can apply to your business to make it work that little bit better.

What are your aspirations for the future?

In the short to medium term, my main aspiration is to continue to work with SSE on their journey to embedded sustainability in finance, and to build a catalogue of great war stories of project successes and failures so I have the experience to be a true advocate of why sustainability and finance need to be together. Longer term, it would be to reach Chief Sustainability Officer /Finance Director level so I can give the next generation of finance professionals the opportunities SSE and my Finance Director have given me.

WHAT THE JUDGES SAID

While George has been given a degree of support from senior board directors, the onus to define and develop his role and the vision for sustainability within the SSE organisation has been driven by him. The examples he gave of the impact he is making, especially turning a skeptical team into supporters, were extremely impressive.

His vision for the future is clear and the role that he has already played and will play in delivering it is equally so – even though it means working himself out of a role. The wider support for the cause and the work that he does outside of SSE shows that he is not just a passionate internal advocate for sustainability, but he is always thinking of the wider issues and solutions.