



79TH DEUTSCHER BETRIEBSWIRTSCHAFTER TAG SCHMALENBACH-GESELLSCHAFT FÜR BETRIEBSWIRTSCHAFT

PROF. DR. KERSTIN FEHRE – 23/09/2025

AN EVIDENCE-BASED APPROACH TO ANSWER TWO MAIN QUESTIONS

■ **Where** are we going?

- Analysing **M&A deals** to get a sense of **sustainability** transformation

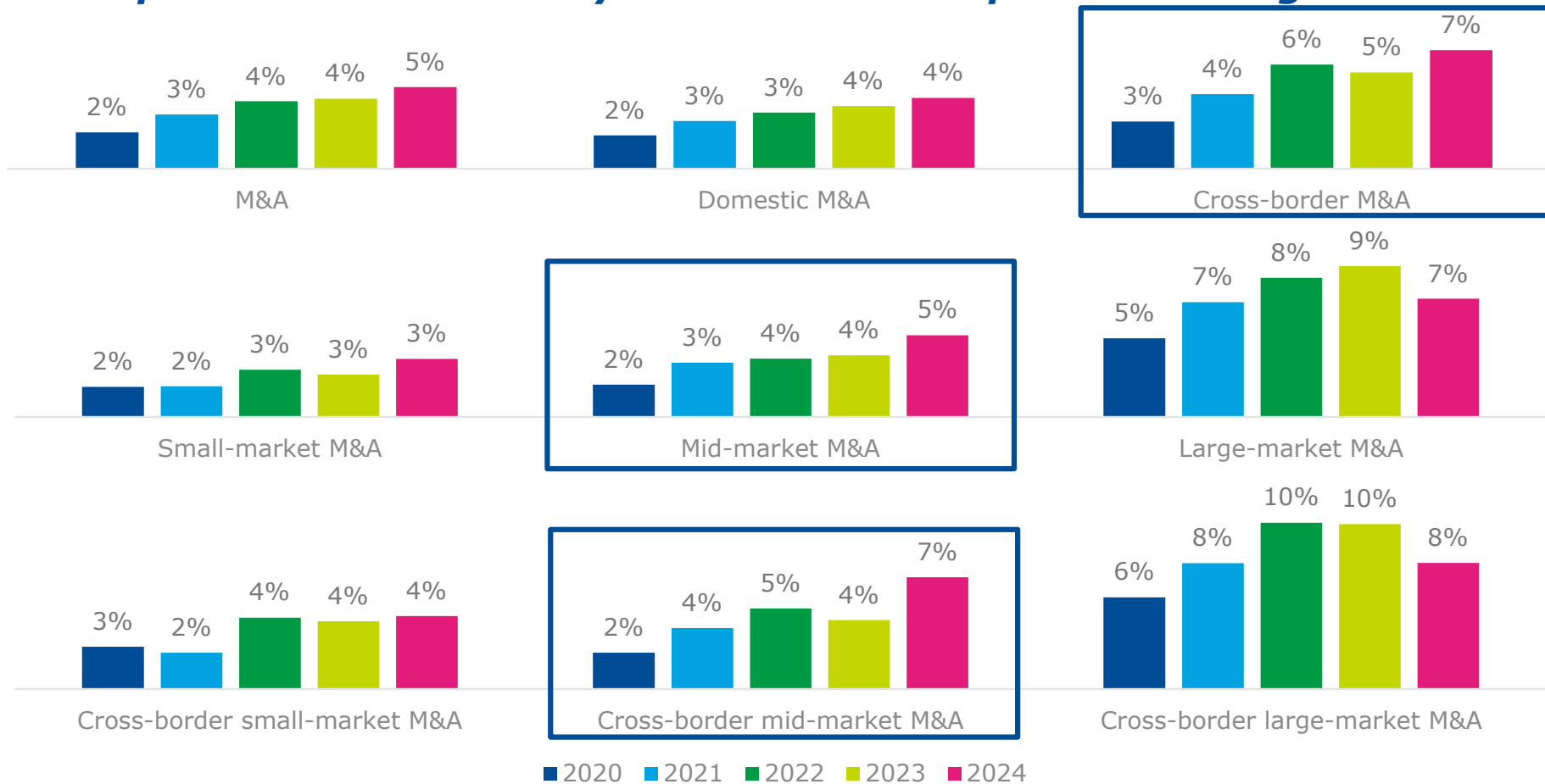
■ **Who/What** is driving the change?

- Analysing **water scarcity** as an example of how to turn **risks** into **opportunities**



IN 2024 MORE DEALS SEEM TO BE MOTIVATED BY SUSTAINABILITY REASONS, STILL AT A LOW LEVEL

Development of sustainability as deal rationale per market segment



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Source: Vlerick/MGCF report (2025)

ANALYSING DEAL RATIONALES CONFIRMS INTEREST IN IT, HEALTHCARE AND SUSTAINABILITY TRANSITION

Topic modelling of deal rationales

story
spain
balance
game
club
vcs
french
gaming
sheet

starquest
cent
delsitech
shiftgood
acting
apps
drw
offer
release
liquidity

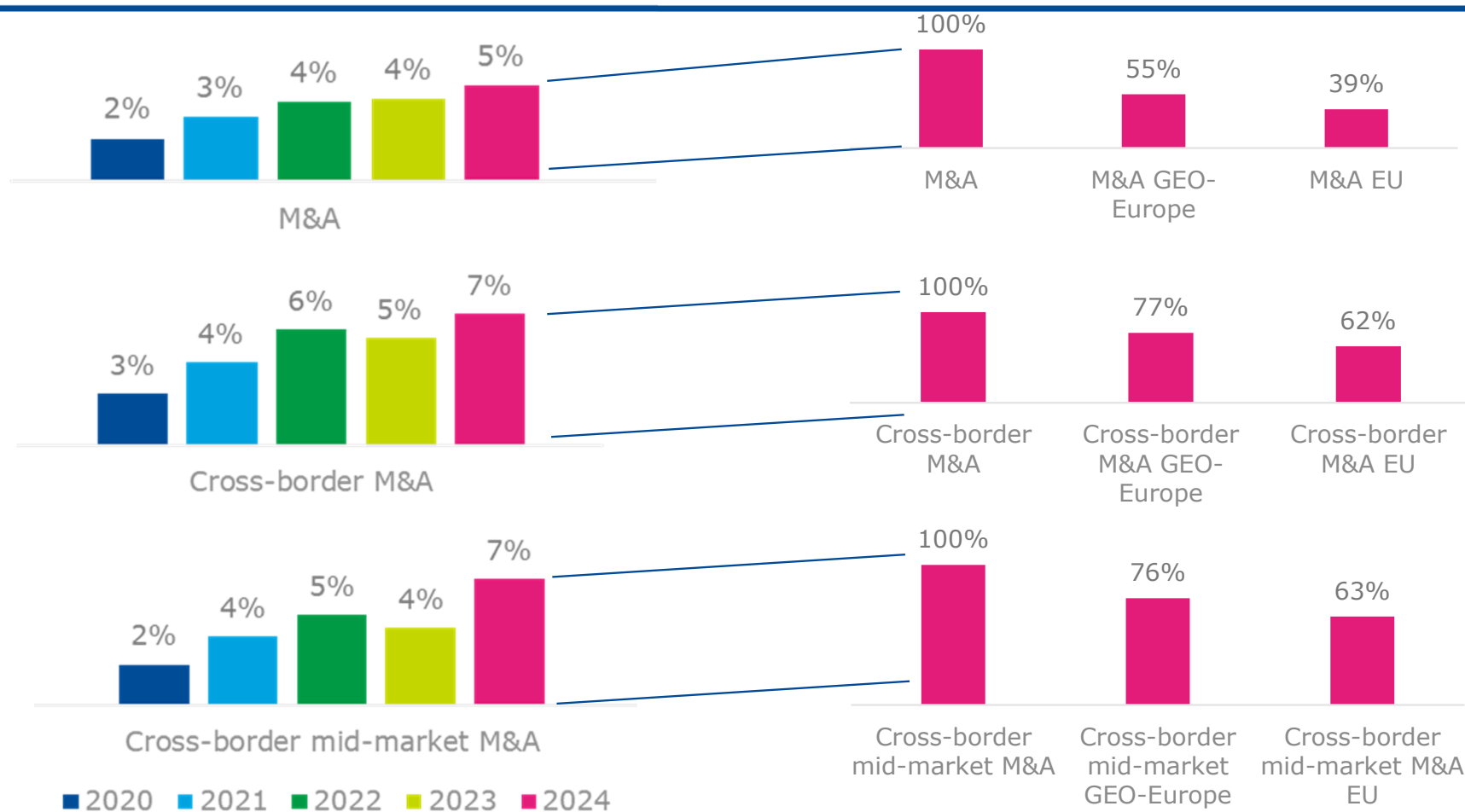
development
clinical
financing
investor
advance
patient
partner
drugsupport
potential

customer
partner
company
technology
growth
business
team
market
expand
product

finance
stake
bridge
car
india
facility
million
computing
kvantify
crypto

transition
carbon
renewable
emission
european
clean
energy
sustainable
battery
financial

ZOOM IN: MOST SUSTAINABILITY-RELATED DEALS HAPPEN WITHIN THE EU CONTEXT



*Based on 1,072 M&A, 468 cross-border M&A, and 152 cross-border mid-market M&A deals regarding sustainability in deal rationales.

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Source: Vlerick/MGCF report (2025)

AT THE CORE OF STRATEGY IS TRANSLATING RISKS INTO OPPORTUNITIES

- Do firms **identify** the issue of water scarcity?
- If yes, how is it **interpreted**?
 - **Risk**: reactive, cost-oriented
 - **Opportunity**: pro-active, revenue-oriented
- **What/who** makes the **difference**?

- German firms listed on the **HDAX** stock market index
- from 2002 to 2012
- 1,203 observations from 158 firms



SOME FIRMS LEAD BY EXAMPLE: EXAMPLES OF OPPORTUNITY IDENTIFICATION

„In the **water solutions growth field**, for example, we research innovative solutions for water treatment, such as novel flocculants. We focus on nanotechnology as the key to **innovation**...”
(BASF, Annual Report 2012)



We create chemistry

With the **acquisition of USFilter**, we have entered a new **growth field: water**.
(Siemens, Annual Report 2005)

SIEMENS

WHAT/WHO MAKES THE DIFFERENCE?

Issue Identification

Water scarcity



- Time
- Industry

Issue Interpretation

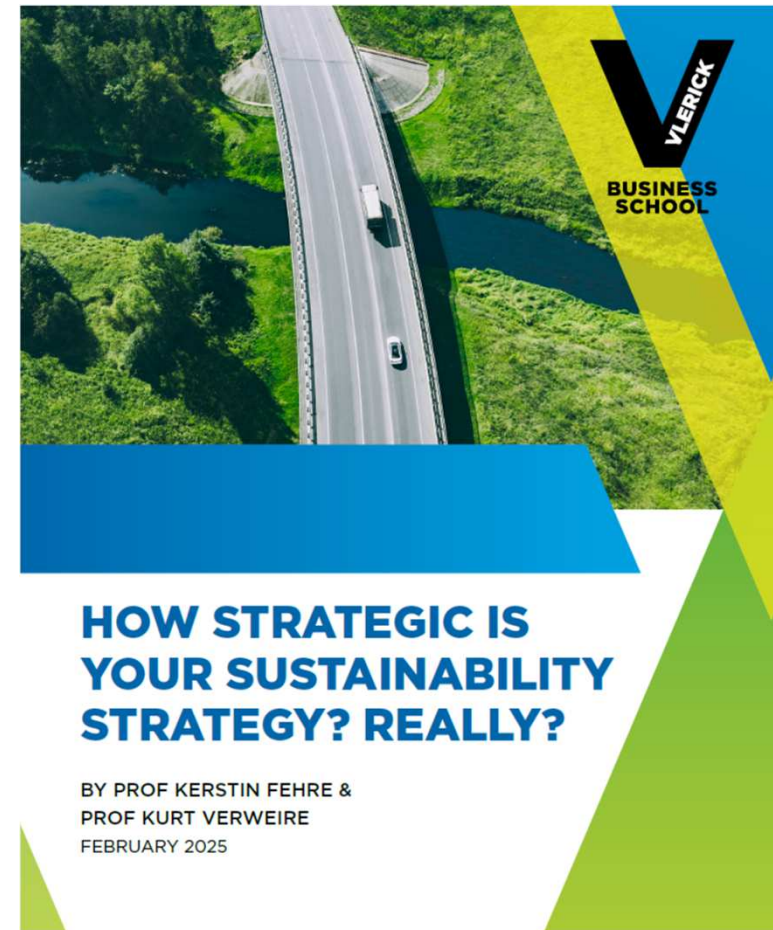
Opportunity or Threat



- CEO, Top Executives

ACCORDING TO OUR EXPERIENCE IT ALL STARTS WITH ANCHORING SUSTAINABILITY IN STRATEGY

- Often firms claim to have a **sustainability strategy**
- A plan is **not** a strategy
- Being clear on whether sustainability is **anchored** in **Business** or **Corporate Strategy** helps



TO SUMMARISE

- Firms are **conscious** and **intentionally** about **sustainability** goals
- **European firms** play a leading role in the sustainability transition
- **Top executives' mindsets** and **a clear strategy** play a crucial role in the sustainability transformation



THANK YOU !



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