

Business transitions for sustainability

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Over the last twenty years, it has become apparent that government and business play an important and active role in achieving sustainability. In particular, understanding to what extent one's own business is sustainable, identifying where one needs to *actually* be at (target) and making plans to get there - i.e. transforming for sustainability - requires identifying a clear path to progress and set of behaviors' and actions to achieve the same. A key aspect to sustainable business is business models for sustainability i.e. normative sustainable business models. But how do we exactly get there? How do we identify which business models are more or less likely to succeed?

What we do know is that planet Earth is in crisis and there is no planet B. Resources on planet Earth are finite and business as usual driven by consumerism with a make, use and dispose of approach to society and the environment is not sustainable. Plagued by climate change, over-consumption, pillaging of natural resources, loss of biodiversity, pollution, corruption, poverty, social injustice, gender inequality and more, humankind in its various (business) groupings needs a long-term strategy. [**Sustainability matters!**](#) Which Enterprises have a successful strategy?

A logical place to start is to envision the society we aspire to be and devise plans to ameliorate the situation we find ourselves in towards it. This is what is more technically known as [**backcasting**](#): define the future we seek and work backward to the present whilst setting milestones along the way. This prompts us to embrace a strive to thrive philosophy, requiring a change at scale and speed and scope unseen before. Business strategy which is the enactment of a collection of business models across the three pillars of sustainability, being the economic, social and environmental, provides the basis for advancement. What ought Enterprises be doing to become more sustainable?

Clearly, *we cannot manage what we cannot measure*. A more pertinent question is whether we are *measuring what matters*. All too often a corporate assessment of sustainability occurs out of context and the need to employ tools using science-based targets within the inner and outer limits of our planetary boundaries is paramount. Given the milestones and

targets, and knowing what strategies work better than others, Enterprises can and have been developing plans of action to achieve the same. However, what lies in their way as Enterprises make the ever-higher leaps to sustainability?

Let's look at some specific known challenges and possible approaches to transition to a more sustainable Enterprise. First, consider ***institutionalization*** which connects the leadership with the culture of an organization. Essentially it demonstrates the ambition of the top management team and the level of embeddedness of routinized practices. Case studies show that Enterprises, where there is little buy-in from leaders and managers into sustainability objectives, perform poorly. Thus, Enterprises with top management teams looking to pursue a sustainability agenda should look to implement educational programs, attract and retain employees (at all levels) with a '*sustainability*' mindset and implement systemized procedures and processes to ensure adherence to sustainability principles throughout.

Next, let's consider ***globalization*** which includes an understanding of doing business in other countries, dealing with regulatory issues and a fair dose of risk-taking. For example, whilst there are cost savings to be derived from outsourcing services to less developed countries, challenges remain in the area of doing so sustainably i.e. not at the detriment of the local people or environment. Technology-enabled innovation is often seen as a resolve for this, especially in the creation of ***innovative business models*** which in some cases have disrupted entire industries. One way to be at the fore of worldwide integration and minimize risk is through collaborative efforts of *open innovation* with those in a similar or allied industry. Using outputs from one organization as inputs to another thus minimizing waste and cost of materials; or working together to achieve synergies in production processes; or even collaborating on standards of manufacture, communications or design for use, recycle and re-use of products, can all have a net-positive effect on sustainability.

Lastly, but by no means, the least is the mindset. Implementing sustainable measures and achieving sustainability has often been characterized as a costly proposition. However, several empirical studies and organizations have shown that by implementing *holistic restorative and regenerative initiatives* has indeed translated into economic as well as social and environmental benefits. Transparent access to public corporate sustainability performance measures prompts business leaders to compare their performance with their peers and for the public to reward those Enterprises who are making positive efforts towards sustainability. A formal systematic framework such as the ***THRIVE Sustainable Performance Scorecard*** (SPS) makes this a reality, echoing the sentiments of

groups working on such a ranked 'leagues' table like the [World Benchmarking Alliance](#). Thus, depicted below is an exemplar of such a ranked scorecard and associated ***Ciambella Chart***, highlighting an enterprises contribution to a select set of GRI material topics (or alternatively SDGs).

In practice, there are several obstacles facing Enterprises wishing to transition to more sustainable outcomes. Indeed, *wicked problems* require radical, even disruptive transformation. By taking stock of where Enterprises are positioned and where they ought to be, employing [backcasting](#) techniques to identify the path forward and ingraining sustainable processes deep within the fabric of Enterprises based on the best available scientific know-how, well positions an Enterprise for sustainable success.

Ultimately, stakeholders that are educated and informed of the merits of being a sustainable Enterprise are best able to make decisions and *drive change for peaceful partnerships for people, planet, profits with purpose and prosperity*.