



Sustainability: The Role of Business

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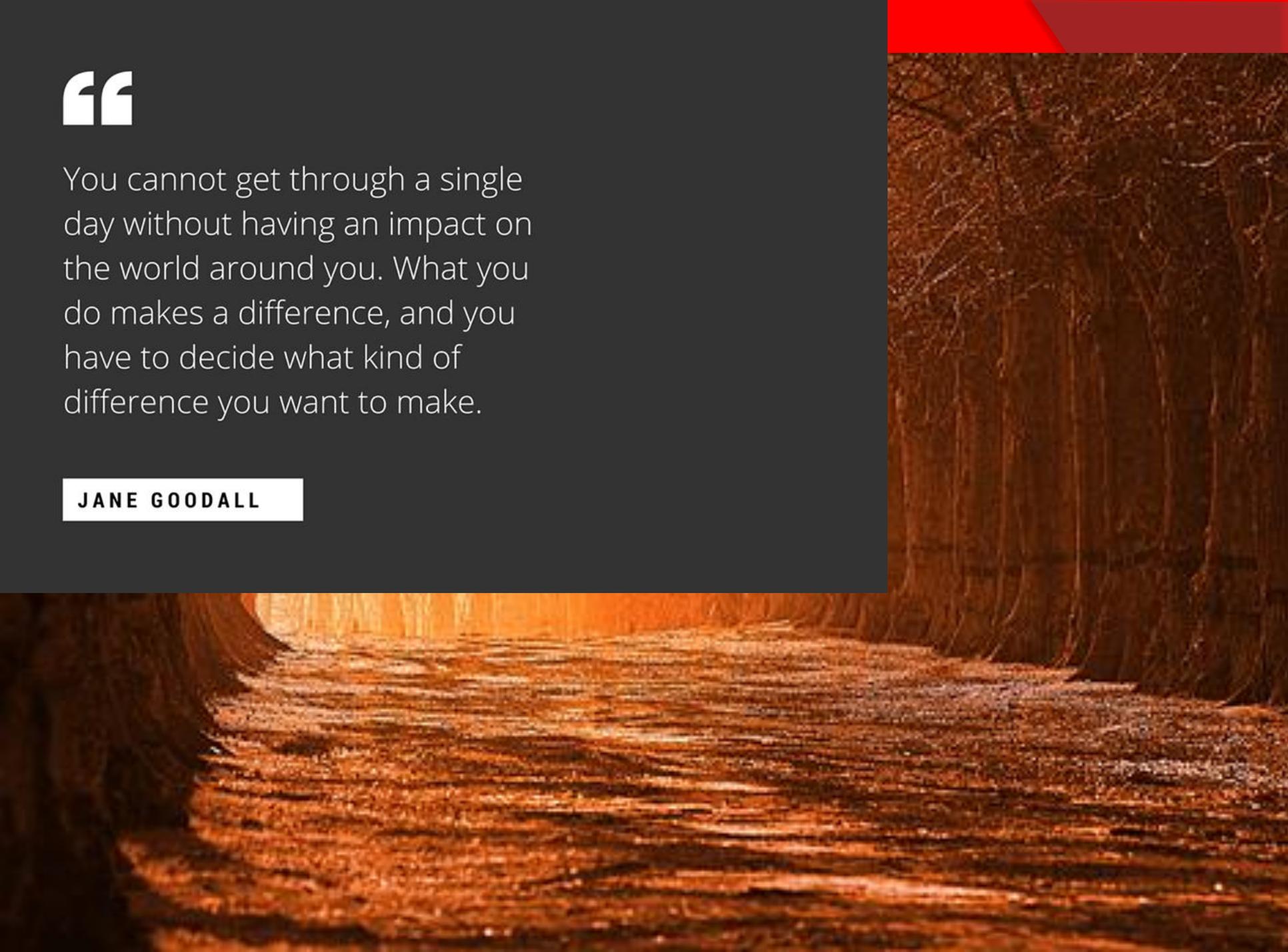
sustainabilitypractitioners.org



“

You cannot get through a single day without having an impact on the world around you. What you do makes a difference, and you have to decide what kind of difference you want to make.

JANE GOODALL



Scope

The Challenge

- Sustainability: the challenge
- The BIG Issues
- Economic Evolution
- How can we become sustainable
- What's it got to do with business?

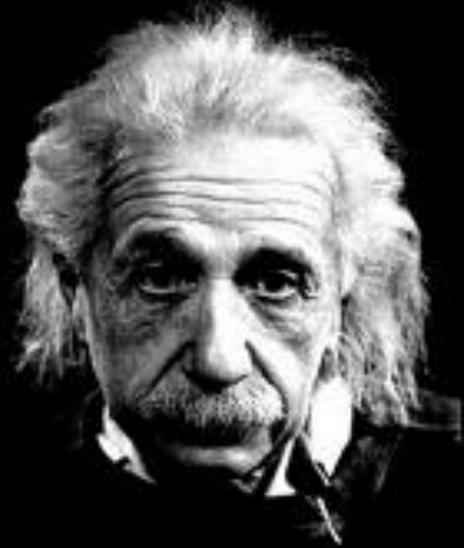
Business Matters

- Six stakeholder Model, Shared Value
- Values and Purpose Led Organisations
- Values to Outcomes

Changing Your Outcomes

The Business Case

“WE CANNOT
SOLVE OUR
PROBLEMS
WITH THE SAME
THINKING WE
USED WHEN WE
CREATED THEM”



The challenge

What are we aiming to sustain?

?

Quality of life

The immediate BIG challenge:
How 10 billion people can live in harmony and
peace, equitably by 2050

What are the BIG issues?

- ⦿ Climate change
- ⦿ Poverty
- ⦿ Bio-diversity loss
- ⦿ Inequality
- ⦿ Human Wellbeing
- ⦿ Resource depletion
- ⦿ Economic systems fit for the future
- ⦿ Population? Or growth in per capita consumption?

What is “sustainability”?

- ◎ “...sustainable development is about five key principles:
 - quality of life
 - fairness and equity
 - participation and partnership
 - care for our environment
 - respect for ecological constraints
- ◎ recognising there are 'environmental limits'”

From Making London Work by Forum for the Future's Sustainable Wealth London project

What is “sustainability”?

- Enough for everyone forever...

Economic Evolution 4 Systems

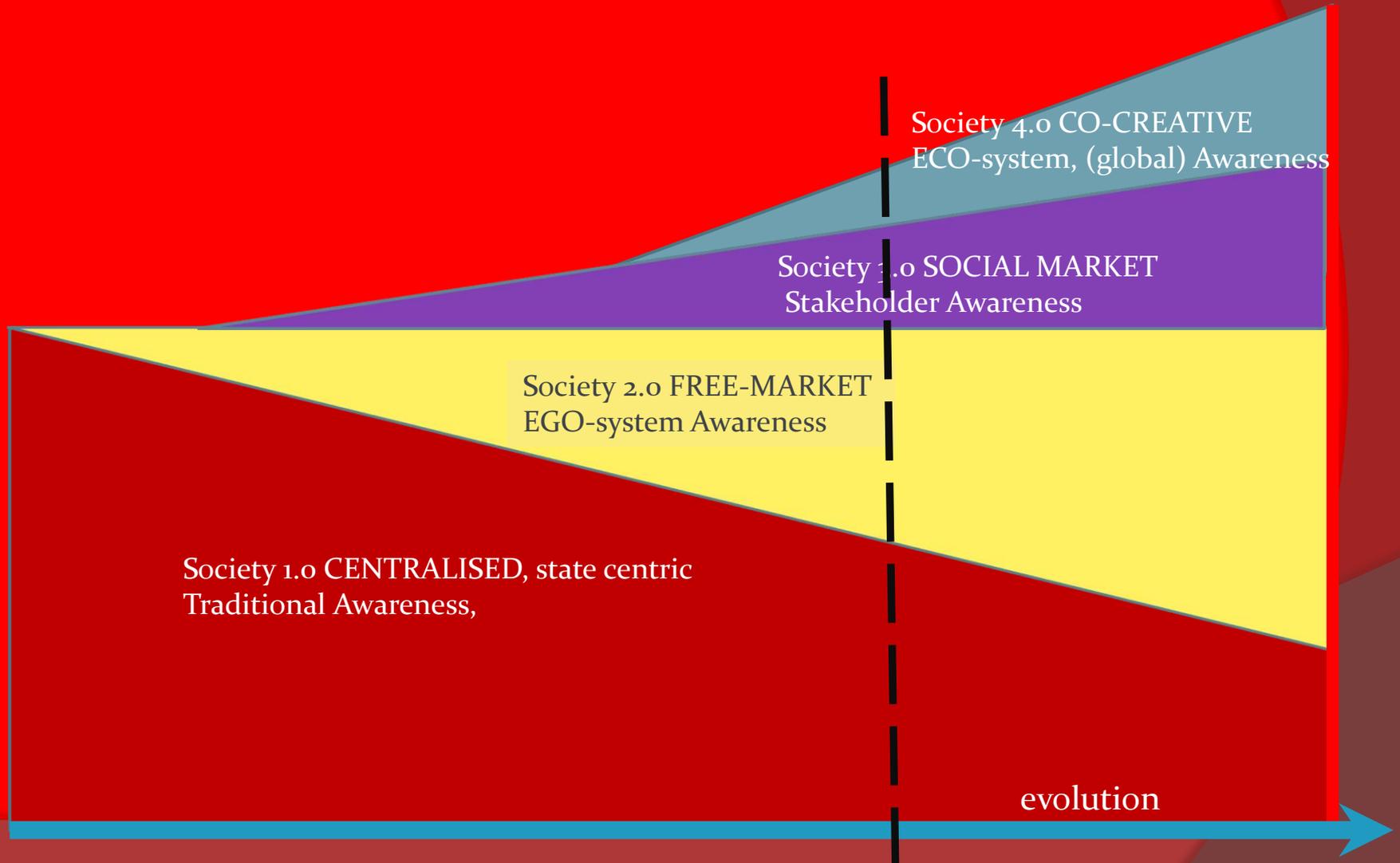
Society 4.0 CO-CREATIVE, Generative,
ECO-system (global) Awareness
Organised around EMERGING WORLD

Society 3.0 SOCIAL MARKET
Stakeholder Awareness
Organised around INTEREST GROUPS

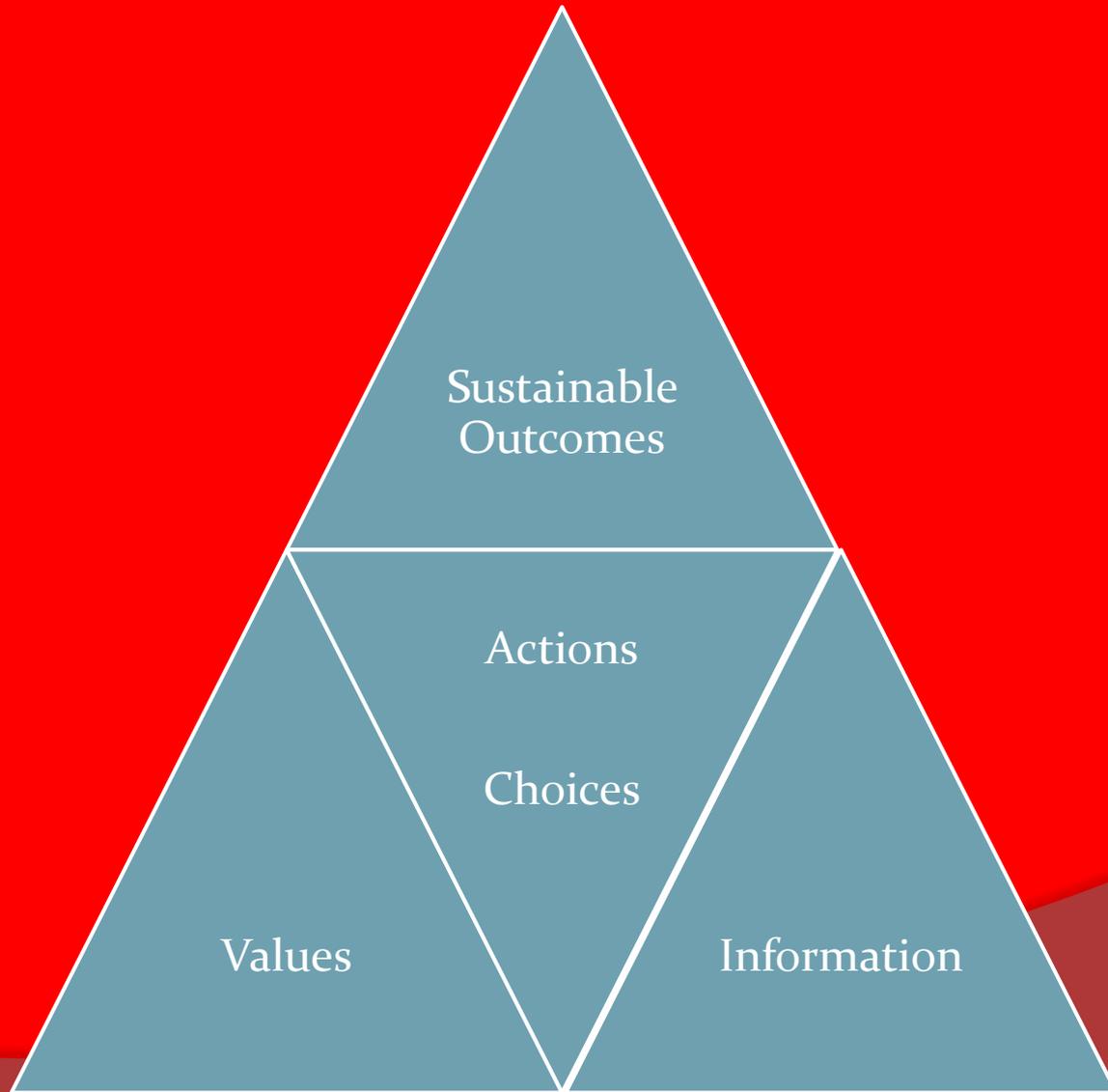
Society 2.0 FREE-MARKET
EGO-system Awareness
Output and efficiency centric
Organised around COMPETITION

Society 1.0 CENTRALISED, state-centric
Traditional Awareness,
Organised around HIERARCHY AND CONTROL

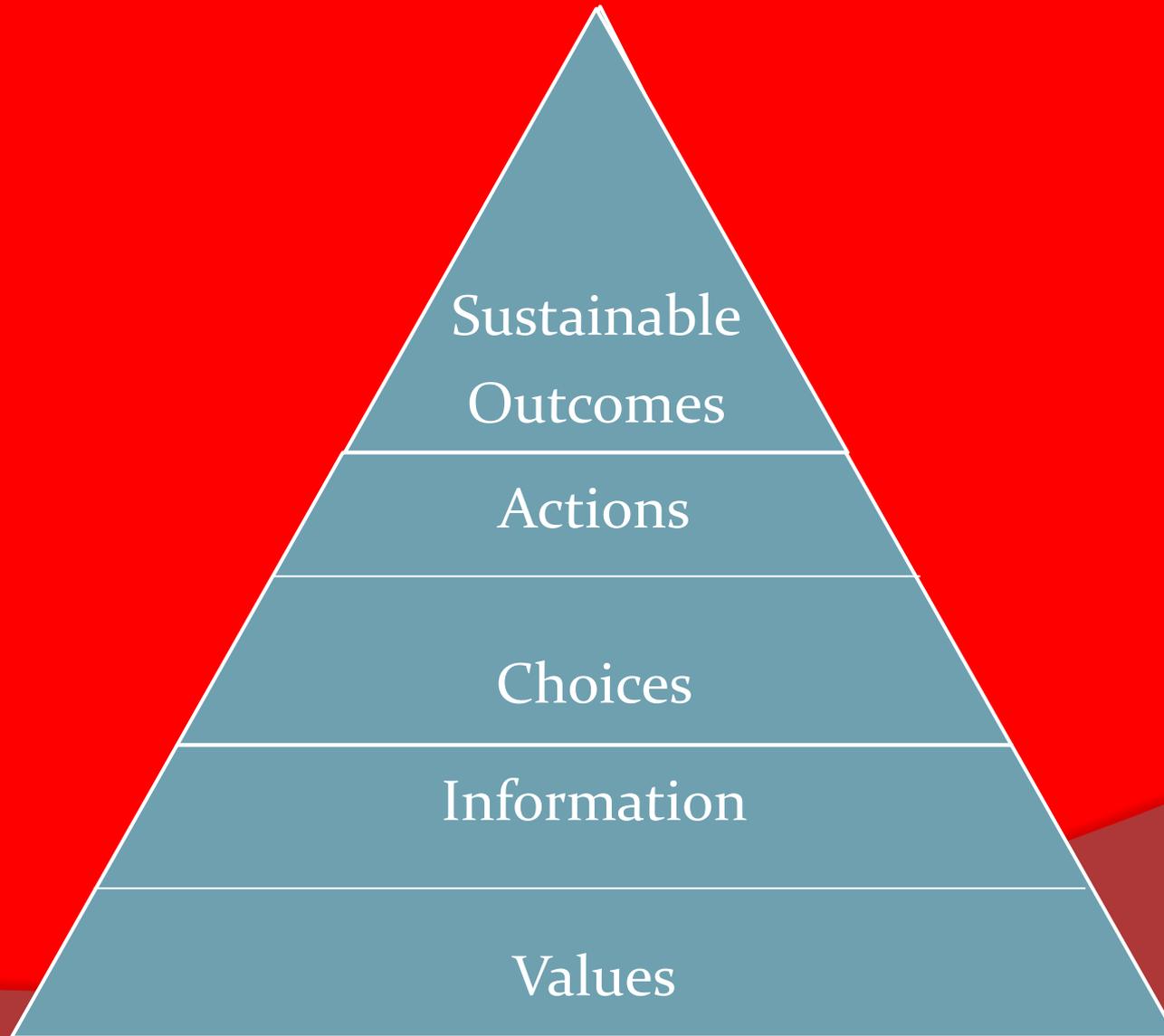
Evolution of Capitalism as an Evolution of Consciousness



How Does Sustainability Come About?



How Does Sustainability Come About?



How Does Sustainability Come About?

- ⦿ Outcomes of Actions
 - intended & unintended consequences
- ⦿ Actions result from our Choices
- ⦿ Choices are shaped by Information, Principles and Values
- ⦿ Values come from organisations, our society, ourselves:
we have the freedom to choose

Being more aware and more conscious results in
more **intended, positive** outcomes
and
fewer **unintended, negative** outcomes

What's it got to do with business?



[Ray Anderson](#)

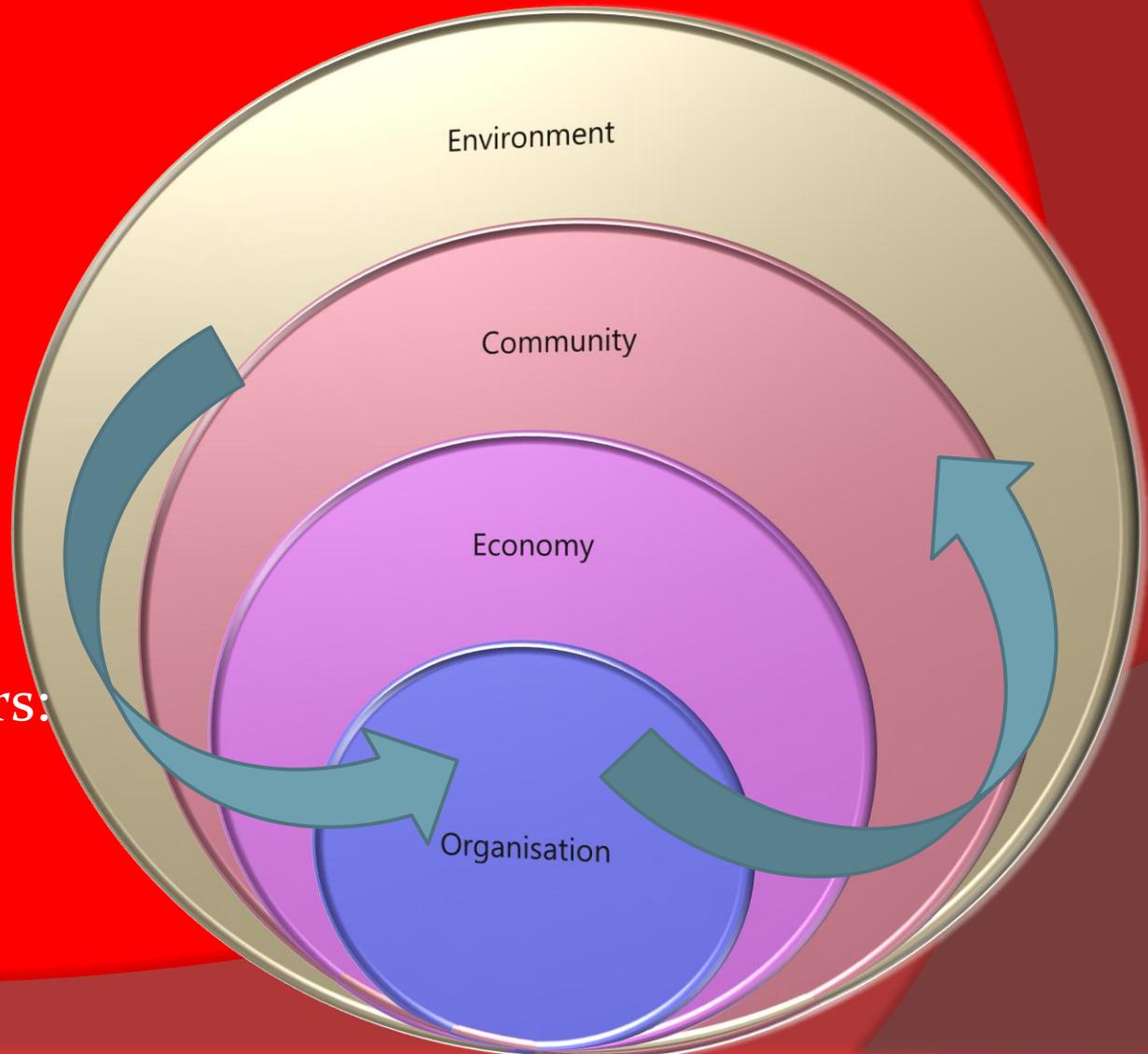
CEO and Founder of InterfaceFlor

What is Sustainability for Organisations?

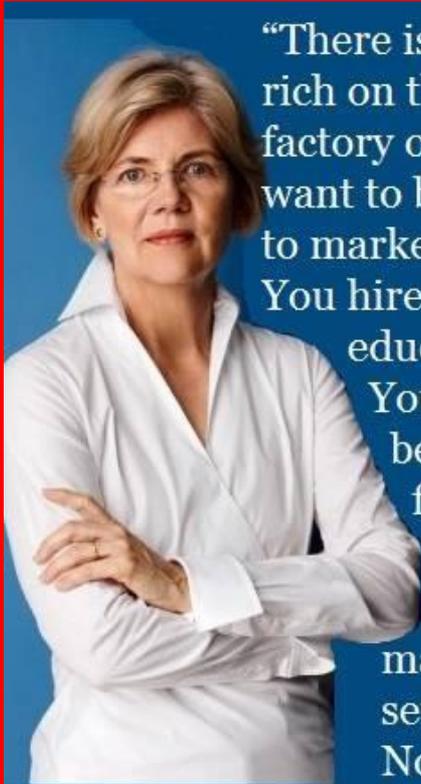
- ⦿ Enough for everyone forever...
- ⦿ ...is the **outcome** of conscious thinking
- ⦿ For organisations sustainability applies to two aspects:
 1. How you operate
 2. What you create (products and/or services)

Sustainable organisations: Six Stakeholder Model

- Environment
- Community
- Investors
- Clients
- Staff
- Business Partners:
 - Suppliers
 - Competitors



Social Capital: Dependencies and Benefits



“There is nobody in this country who got rich on their own. Nobody. You built a factory out there - good for you. But I want to be clear. You moved your goods to market on roads the rest of us paid for. You hired workers the rest of us paid to educate.

You were safe in your factory because of police forces and fire forces that the rest of us paid for.

You didn't have to worry that marauding bands would come and seize everything at your factory... Now look. You built a factory and it

turned into something terrific or a great idea - God bless! Keep a hunk of it. **But part of the underlying social contract is you take a hunk of that and pay forward for the next kid who comes along.”**

Elizabeth Warren

Storm is Coming

Environment

Community

Economy

Organisation

Environmental Capital: Dependencies and Benefits

- Environmental capital, also called 'natural capital', is defined as:

“indispensable resources and benefits essential for human survival and economic activity, provided by the ecosystem, e.g.:

- *Clean water*
- *Bio-diversity*
- *Arable land*
- *Clean air*
- *Ancient forests”*

- Also think of nature’s “services” e.g. pollination, photosynthesis, carbon sequestration

The business case for sustainability

The Business Case for Sustainability

○ Improve marketplace positioning.

According to [Project ROI](#) (ref), sustainability can:

- increase revenue by up to 20%,
- increase market value by up to 6%, and
- build a reputation asset based on your sustainability performance worth up to 11% of the total value of your business.

○ Comply with regulations.

Sustainable practices enable businesses to:

- meet regulations, and
- address these proactively, thus minimising the cost of adapting operations and infrastructures to meet future regulatory requirements.



**“The business
value of
sustainability”**

The Business Case for Sustainability

- Achieve operational efficiencies
 - Department of Energy and Climate Change claim large companies could save over £250 million on their energy bills annually by reducing their energy consumption by a mere 1%.
 - Waste management generates operational efficiencies and savings. Cutting waste output and moving to circular practices reduces disposal costs and landfill tax.
- Attract and retain talent
 - Deloitte's 2017 Global Human Capital Trends: millennials look beyond a company's profit when deciding where to work with only 1 in 5 stating they would stay at a solely profit-driven company for more than 5 years.
 - PwC's report "Work force of the Future": 88% of millennials want to work for a company whose values reflect their own.

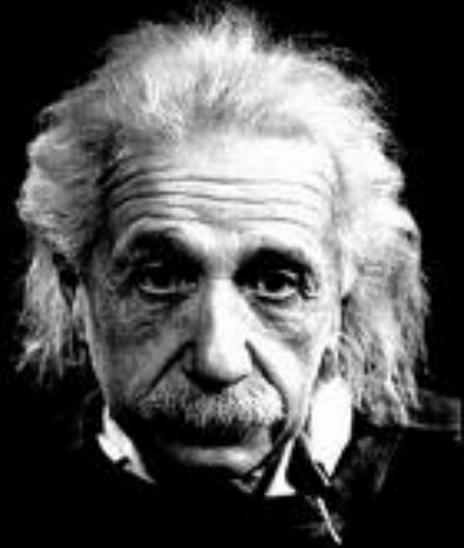


**“The business
value of
sustainability”**

Ray Anderson's thoughts...



“WE CANNOT
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Changing the outcomes

What the world needs us to focus on: Sustainable Development Goals

Planet

Resources

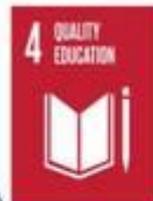


Environments



People

Equity



Social Development



Prosperity

Life



Economic & Technological Development



Benefit Corps – “B Corps”



Jay Coen Gilbert
Co-Founder, B Lab

3,243	Companies
230	In UK
150	Industries
71	Countries
1	Unifying Goal

- Certified B Corporations are a new kind of business that balances purpose and profit
- They are legally required to consider the impact of their decisions on their workers, customers, suppliers, community, and the environment
- This is a community of leaders, driving a global movement of people using business as a force for good

<https://www.forbes.com/sites/michelegiddens/2018/08/03/rise-of-b-corps-highlights-the-emergence-of-a-new-way-of-doing-business/#3bo794322ed2>

Remember this?

“How Does Sustainability Come About?”

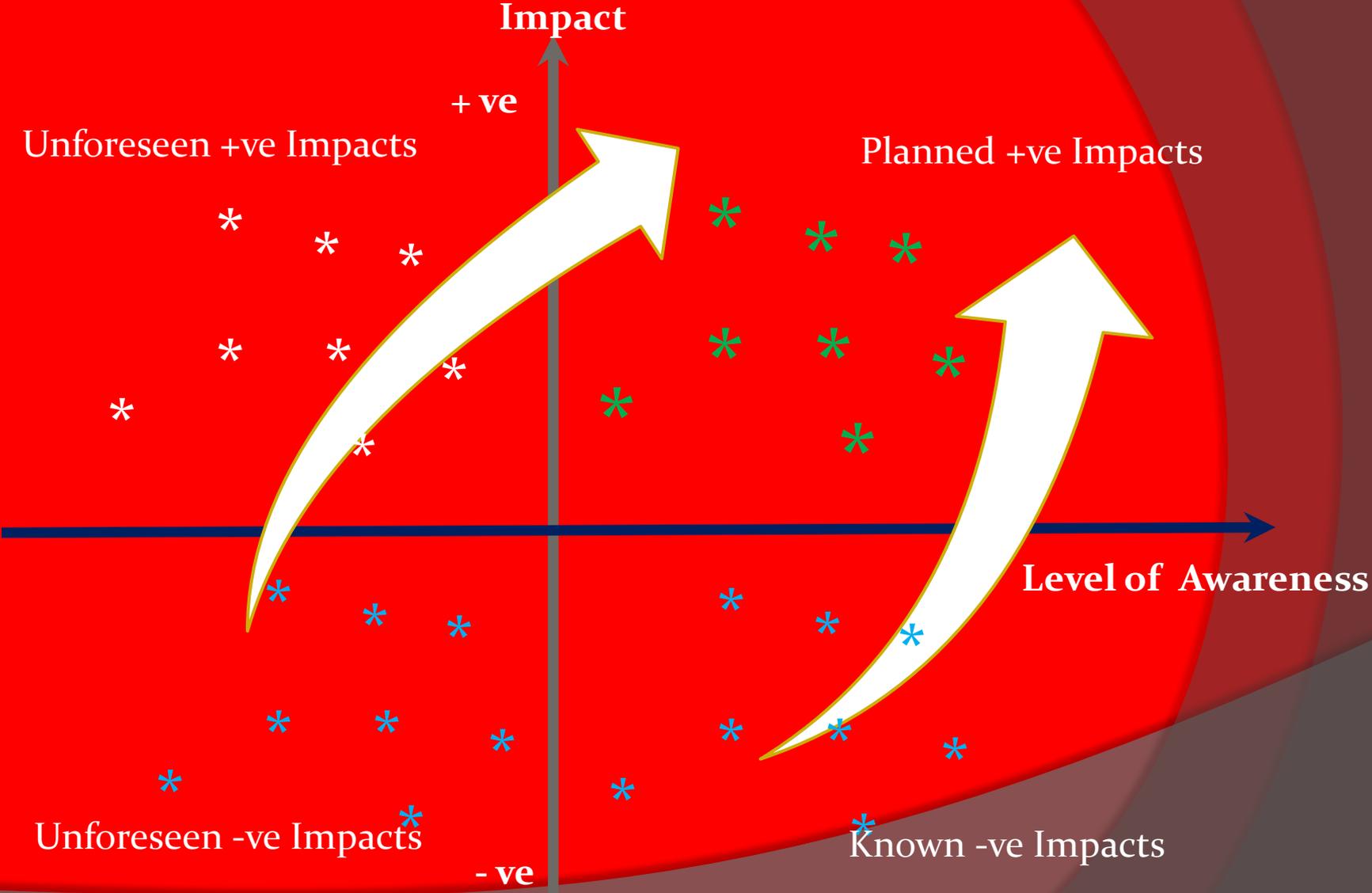
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Managing Outcomes



“What” can you do?

- ⦿ Get a clear understanding of what VALUES you, your people and your organisation want to have
- ⦿ Revisit/revise your PURPOSE statement: align it with SDG's
- ⦿ What OUTCOMES do you need to achieve your PURPOSE – and hence your BRAND?
- ⦿ What OUTCOMES do you currently create that undermine your PURPOSE?
- ⦿ What activities/projects/initiatives do you need to create the required OUTCOMES?
- ⦿ Review all your activities – eliminate ones that don't contribute to the achievement of your PURPOSE
- ⦿ Create a Business Strategy and Plan that result in a valuable and valued business that contributes to sustainable futures for your and my children

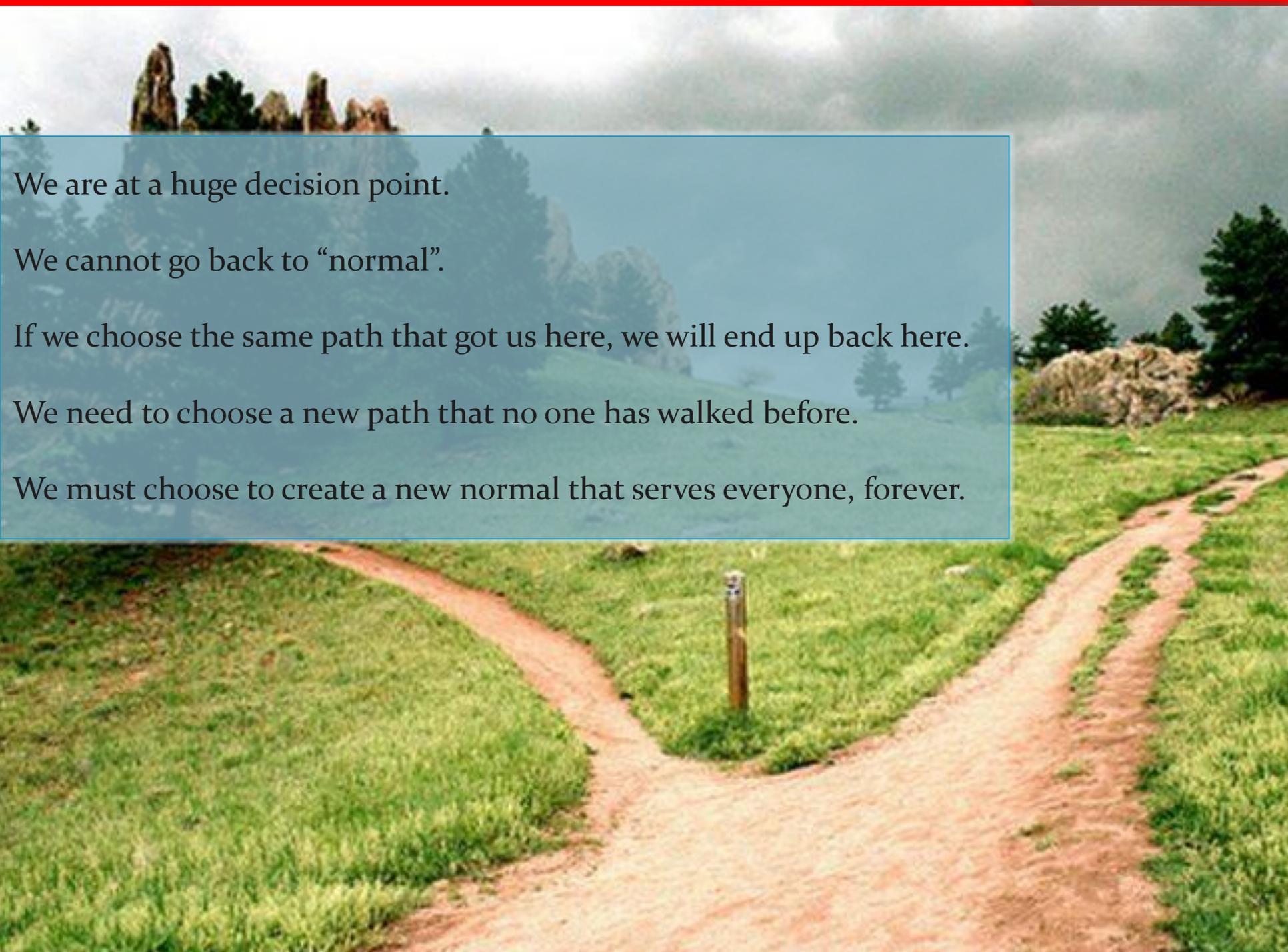
“How”

- Open your mind
 - Be clear about your and your organisation’s PURPOSE
- Open your heart
 - Choose the VALUES that inspire you and represent what you STAND FOR (what you care for and about)
- Become more valued and valuable
 - Determine how your business is dependant upon, and can contribute to, the community, the local environment and your other stakeholders
- Increase your awareness
 - Become aware of what outcomes result from your actions.
- Choose sustainable outcomes:
 - Eliminate the -ve; focus on the +ve

Sustainability is...

- ⦿ ...Enough for everyone forever,
- ⦿ ... the outcome of conscious thinking,
- ⦿ ... created through:

**Values based, purpose-led organisations that
create value for all**



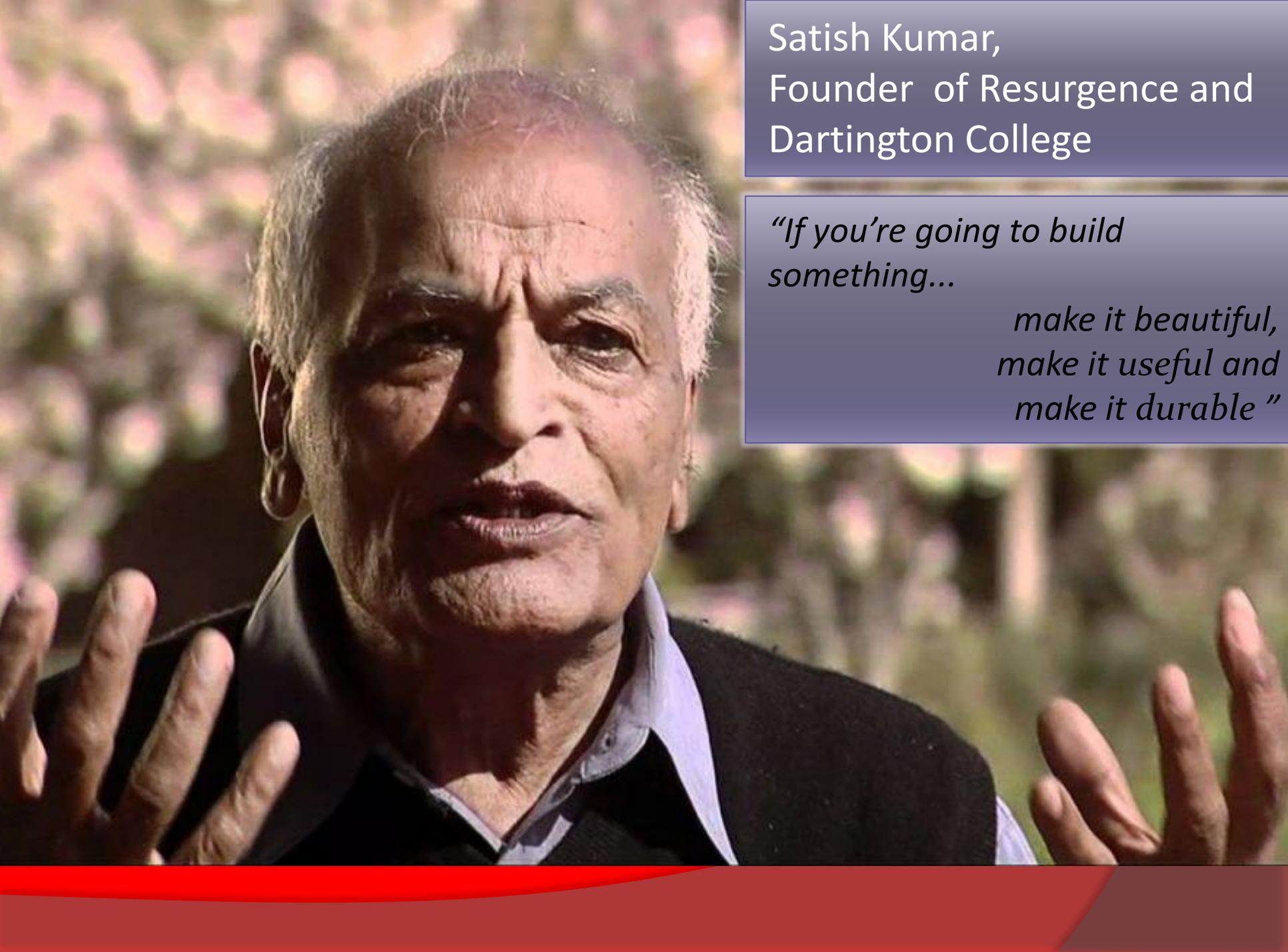
We are at a huge decision point.

We cannot go back to “normal”.

If we choose the same path that got us here, we will end up back here.

We need to choose a new path that no one has walked before.

We must choose to create a new normal that serves everyone, forever.



Satish Kumar,
Founder of Resurgence and
Dartington College

*“If you’re going to build
something...*

*make it beautiful,
make it useful and
make it durable”*



Thank you