



Effizienz Forum Wirtschaft

Steinfurt

August 23, 2023

SUSTAINABILITY

How to surf the killer wave

Managing Associate Sustainable Growth Associates

Director & Advisor The Natural Step Germany

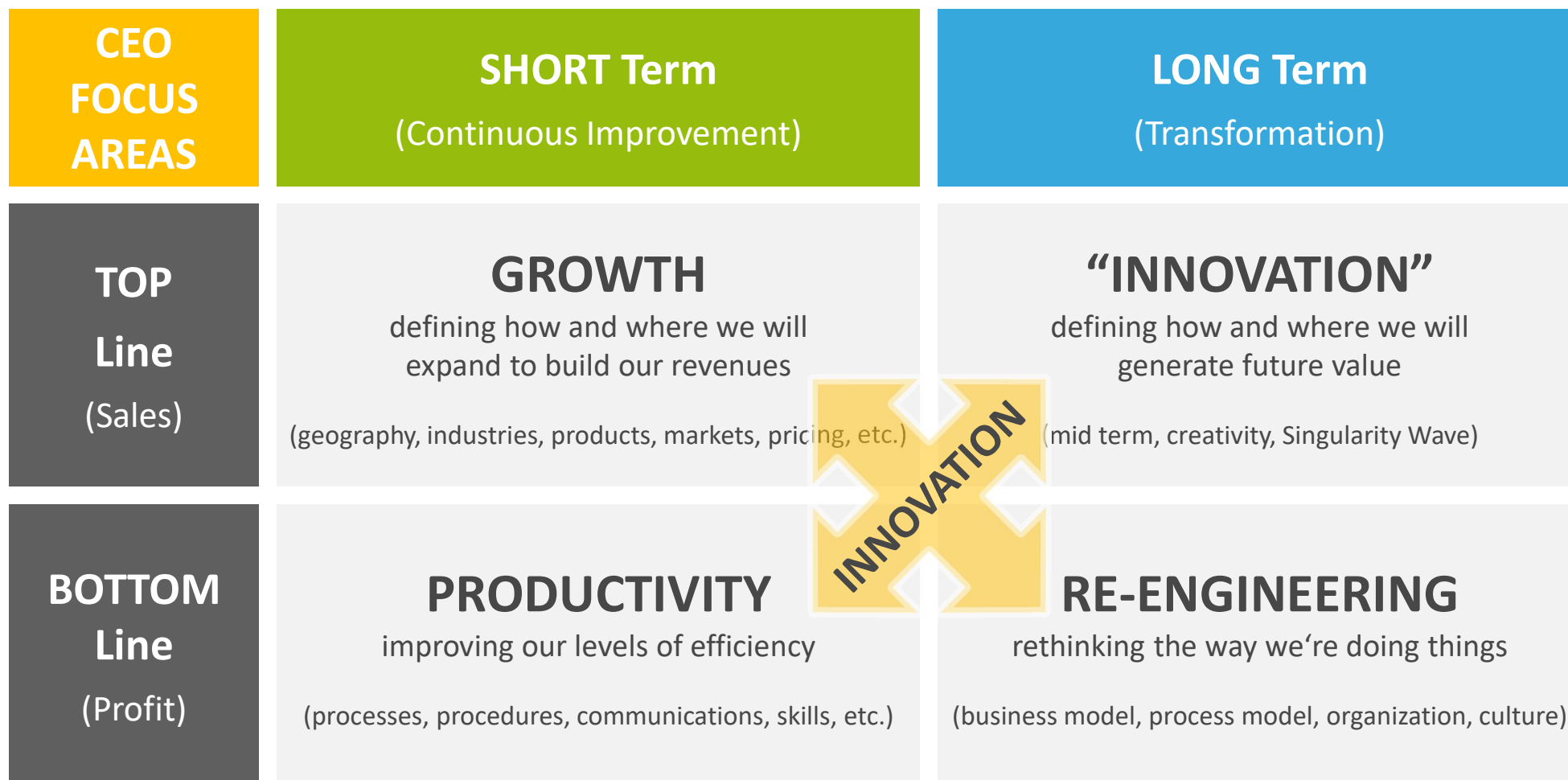
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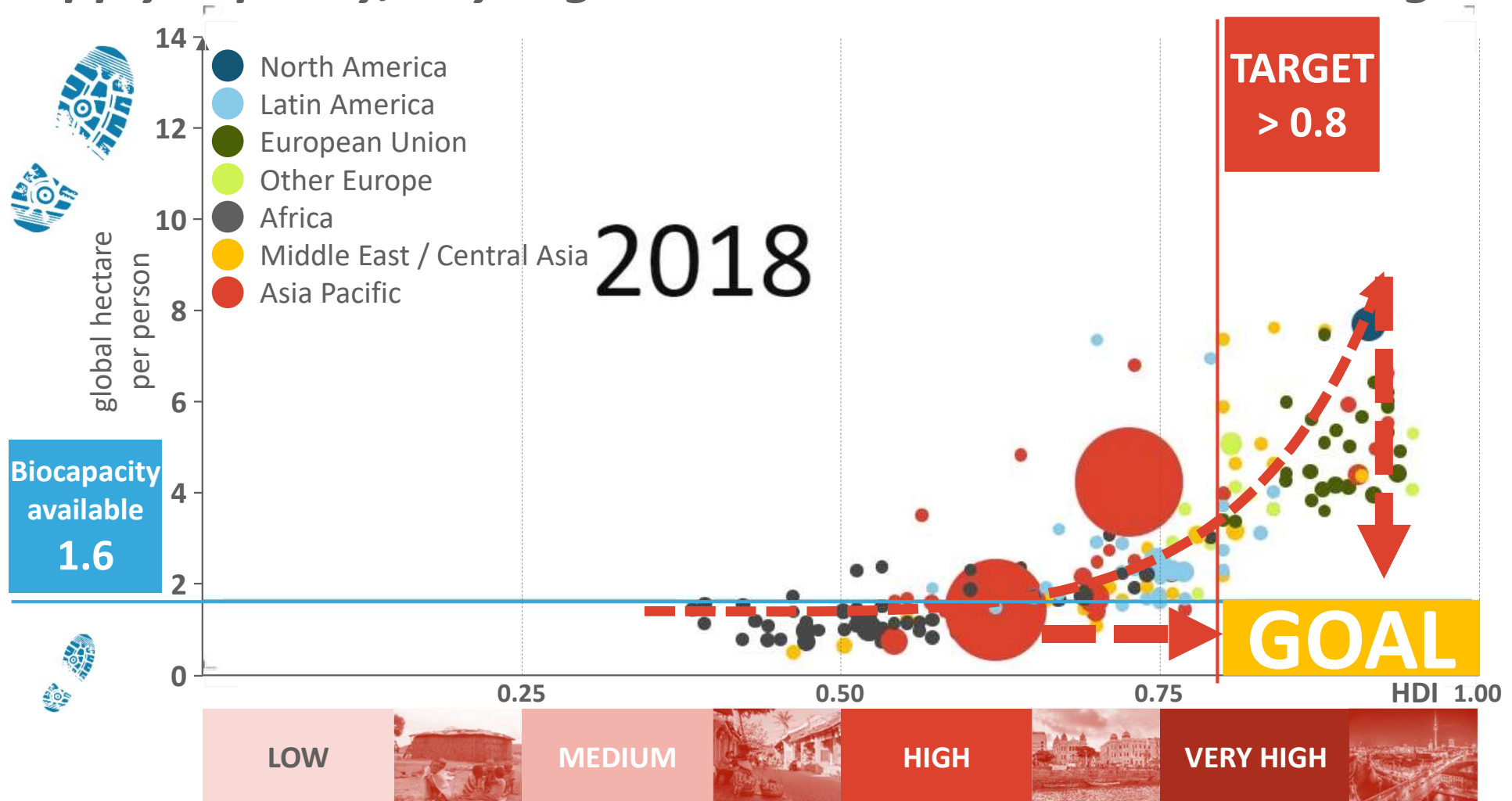
CEO FOCUS AREAS

The “CEO’s Focus Areas” usually comprise strategic short and long-term goals in four top and bottom-line relevant areas



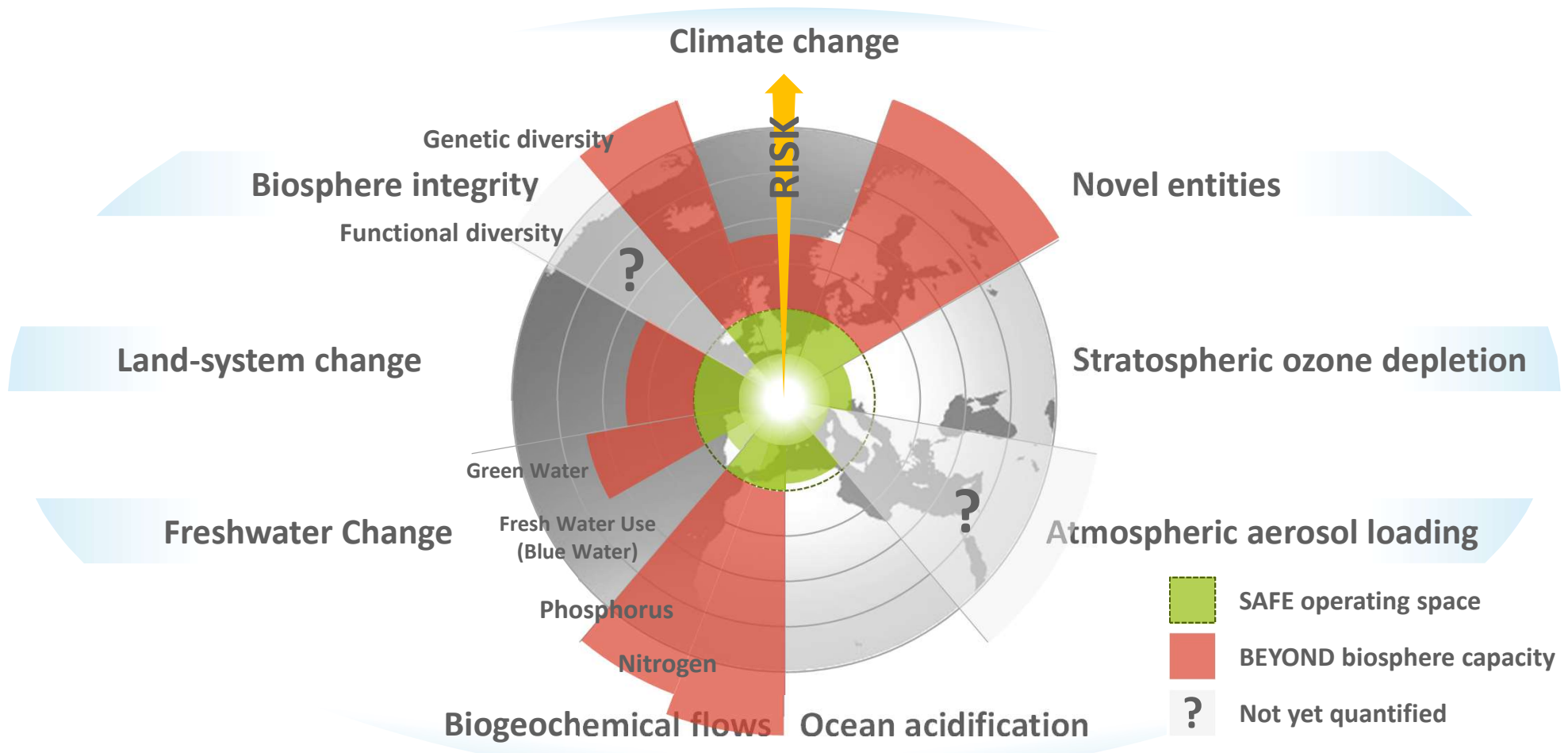
DEVELOPMENT OF DEMAND FOR EARTH'S ECO SERVICES 1990 – 2018

With demand for eco services exponentially exceeding earth's supply capacity, any organization must achieve the same goal



A SICK PLANET

We are operating way beyond our biosphere's capacity to deal with the consequences of our economic behavior



THE PRIVATE PERSPECTIVE — ECOLOGICAL FOOTPRINT — EXAMPLE

A typical German footprint is around 2.5 earths, heavily influenced by mobility and diet, demanding a drastic change



Source: <https://www.footprintnetwork.org/resources/footprint-calculator/>

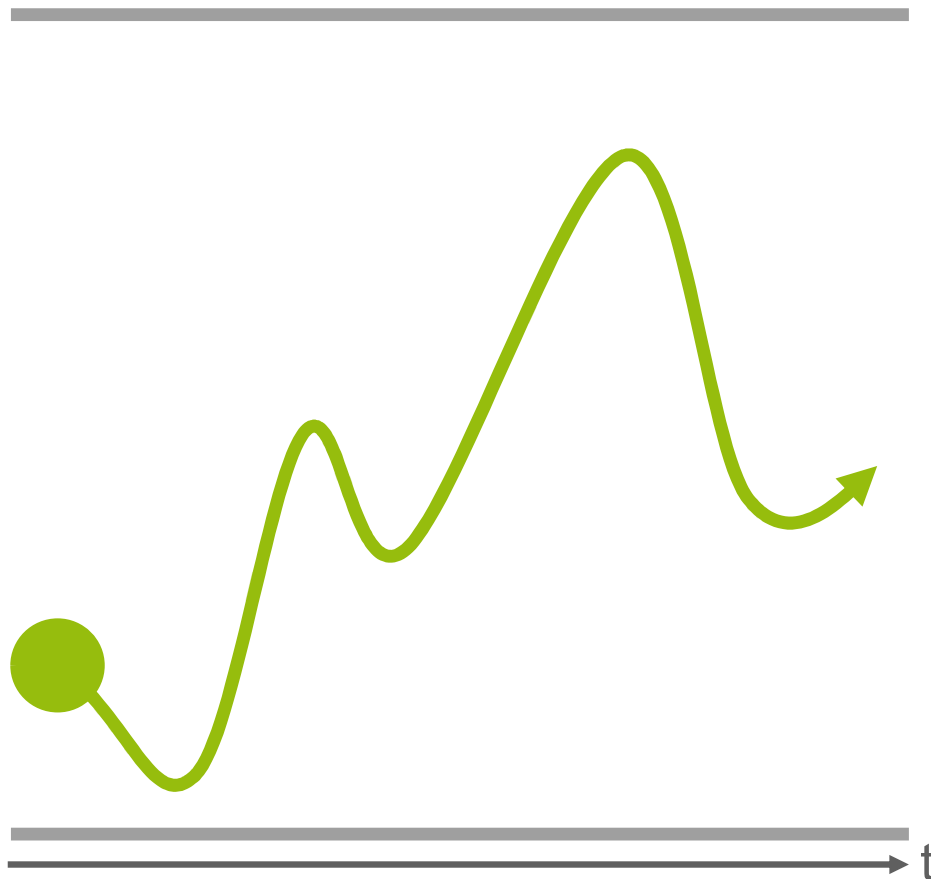
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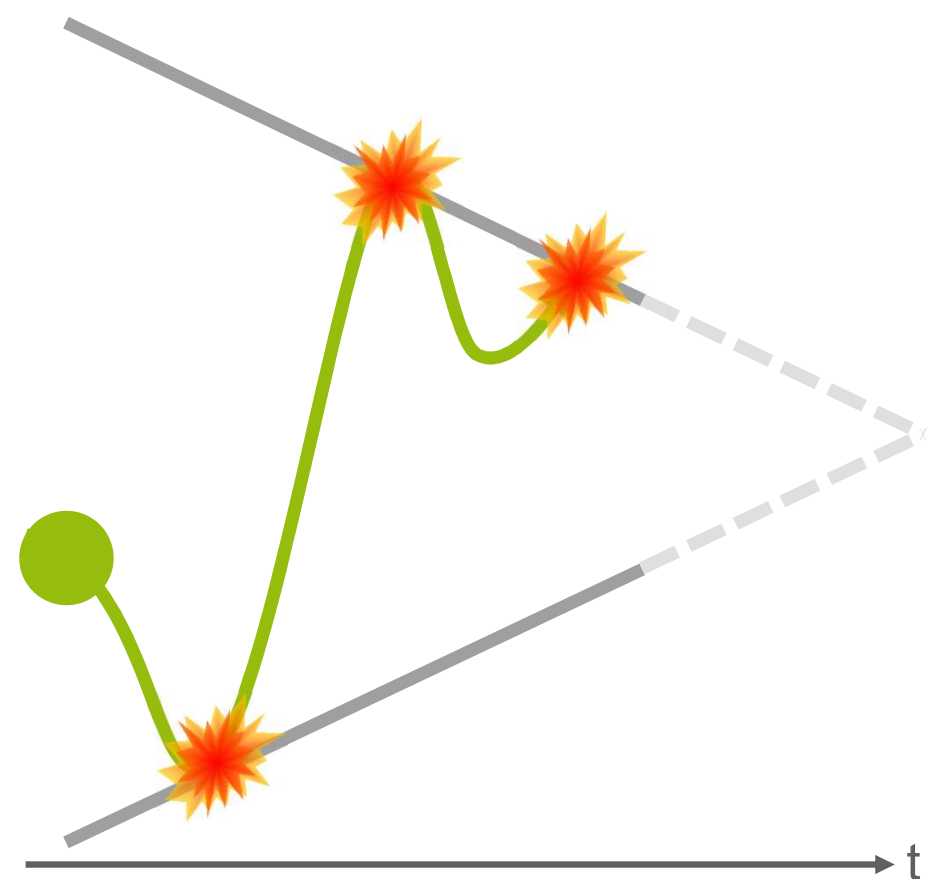
THE (GLOBAL) SUSTAINABILITY CHALLENGE — PARADIGM SHIFT

Your organization, as any other, is confronted with decreasing room to maneuver, demanding an immediate response

The Cylinder Paradigm

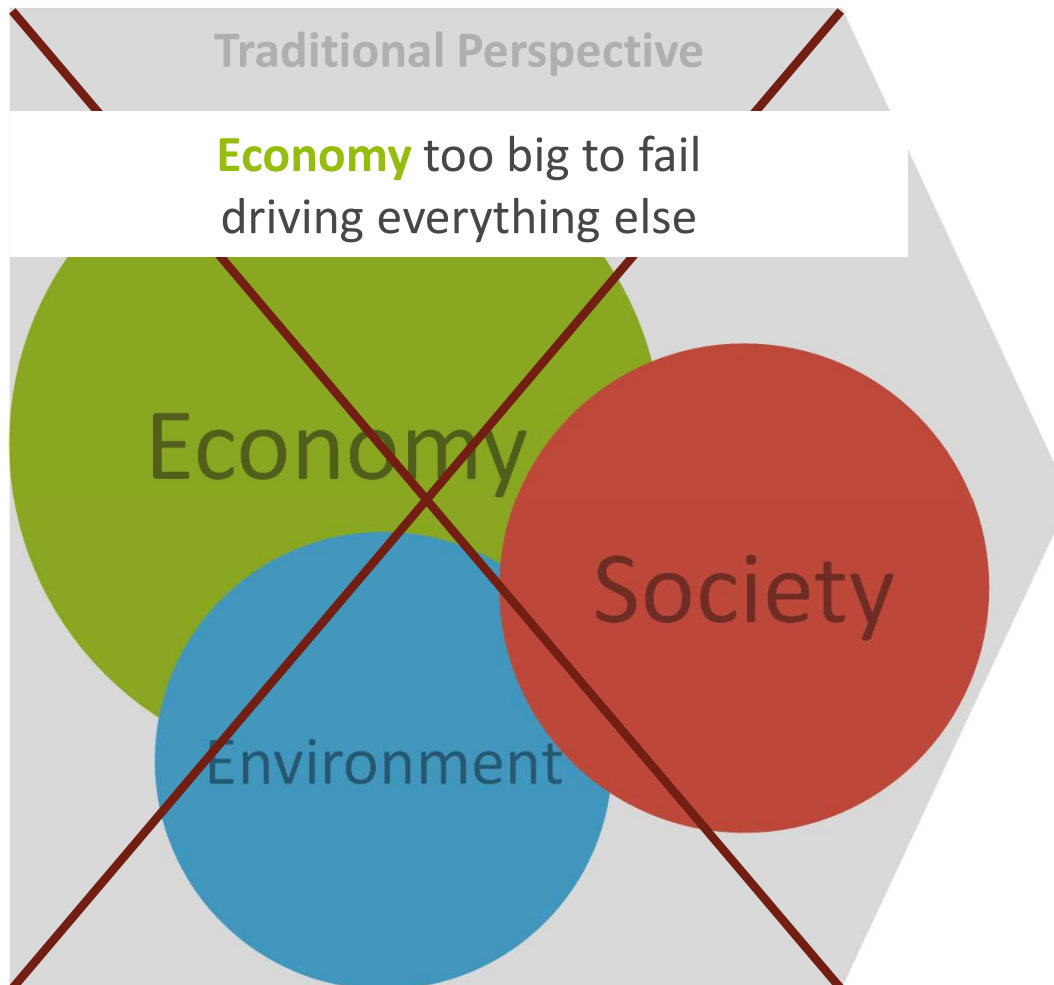


The Funnel Paradigm



SYSTEMS THINKING — THE FRAMEWORK FOR FUTURE FITNESS

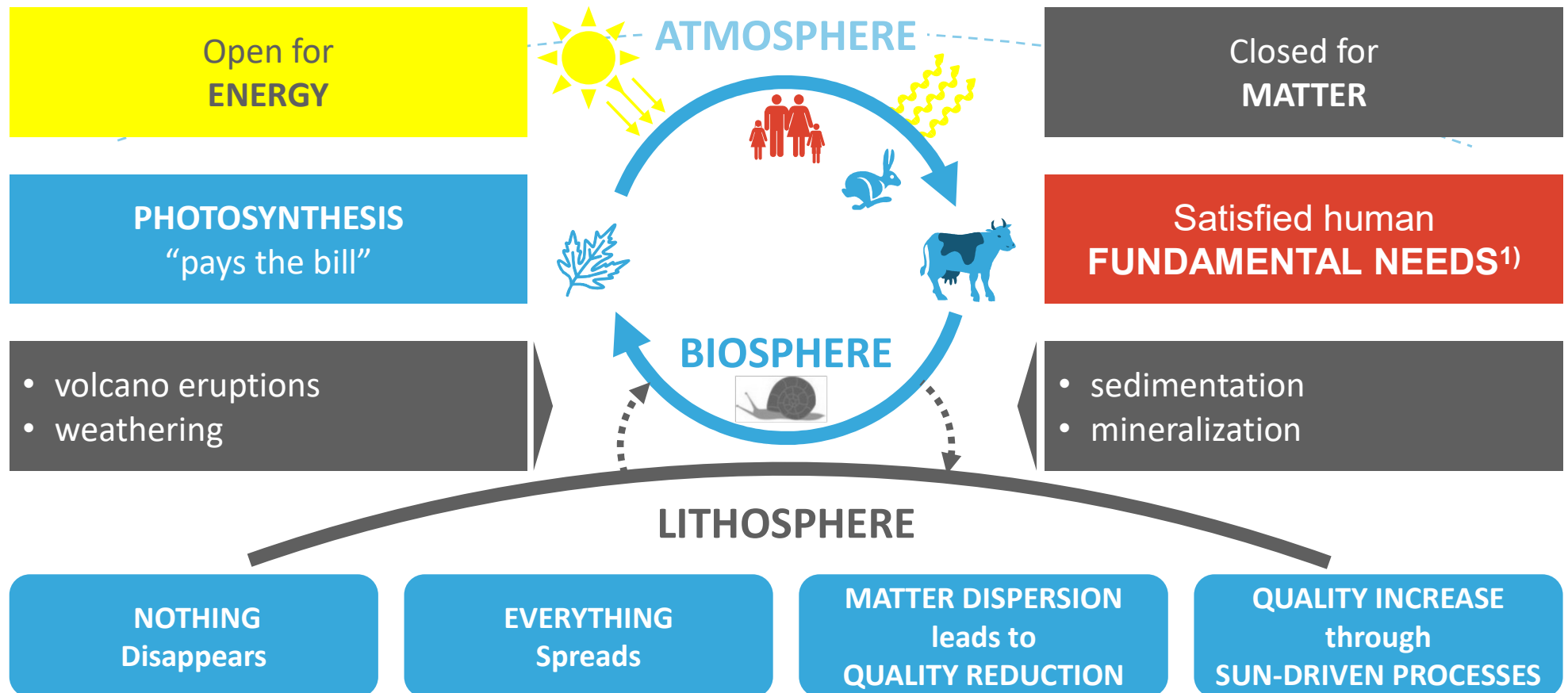
The traditional perspective does not accurately characterize the system interdependencies, thus asking for a fresh view



UNDERSTANDING SCIENCE & FUNCTION OF THE SYSTEM

Systems thinking is a prerequisite for understanding the cycles of nature and society within the biosphere

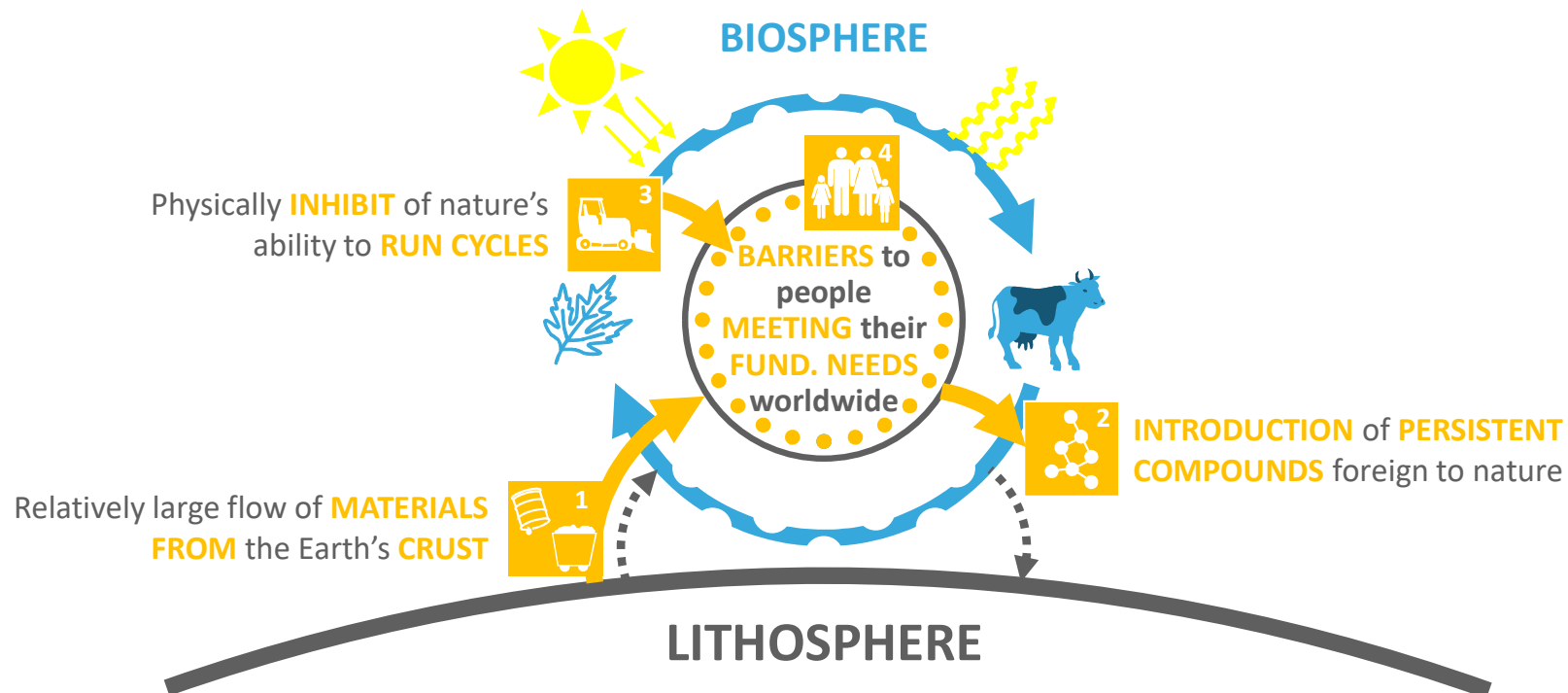
Cycles of nature and society within the biosphere



ROOT CAUSES OF UNSUSTAINABILITY

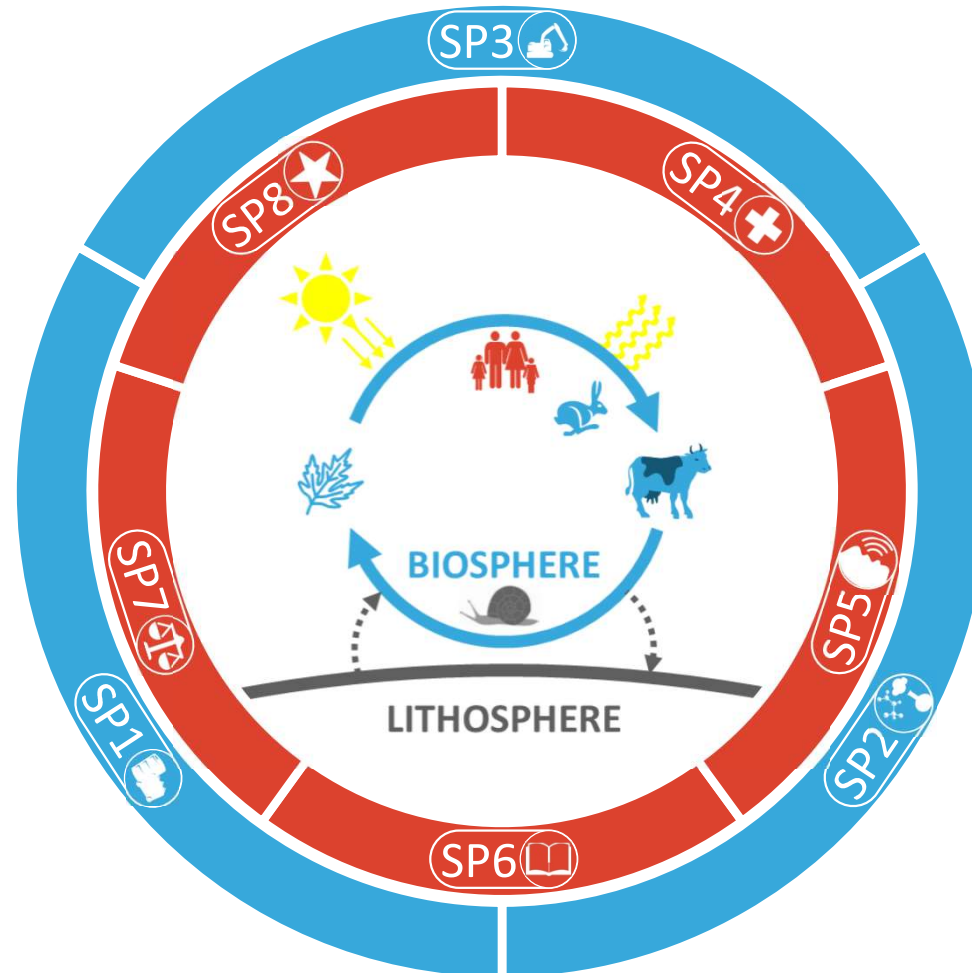
Mankind's influence on nature and society is by no means sustainable

Influence of mankind on cycles of nature



FSSD — ECOLOGICAL & SOCIAL SUSTAINABILITY

*Socio-ecological sustainability requires to meet **3 ecological** and **5 social** Sustainability Principles (SPs), translated into...*



DEFINITION OF SOCIO-ECOLOGICAL SUSTAINABILITY

In a sustainable Society...

NATURE is not subject to systematically increasing ... & **PEOPLE** are not subject to structural obstacles to ...



SP1 ... **concentrations of substances extracted from the Earth's crust.** This means limited extraction and safeguarding so that concentrations of lithospheric substances do not increase systematically in the atmosphere, the oceans, the soil or other parts of nature; e.g. fossil carbon and metals;



SP2 ... **concentrations of substances produced by society.** This means conscious molecular design, limited production and safeguarding so that concentrations of societally produced molecules and nuclides do not increase systematically in the atmosphere, the oceans, the soil or other parts of nature; e.g. NOx and CFCs;



SP3 ... **degradation by physical means.** This means that the area, thickness and quality of soils, the availability of fresh water, the biodiversity, and other aspects of biological productivity and resilience, are not systematically deteriorated by mismanagement, displacement or other forms of physical manipulation; e.g. over-harvesting of forests and over-fishing;



SP4 ... **health.** This means that people are not exposed to social conditions that systematically undermine their possibilities to avoid injury and illness; physically, mentally or emotionally; e.g. dangerous working conditions or insufficient rest from work;



SP5 ... **influence.** This means that people are not systematically hindered from participating in shaping the social systems they are part of; e.g. by suppression of free speech or neglect of opinions;



SP6 ... **competence.** This means that people are not systematically hindered from learning and developing competence individually and together; e.g. by obstacles for education or insufficient possibilities for personal development;



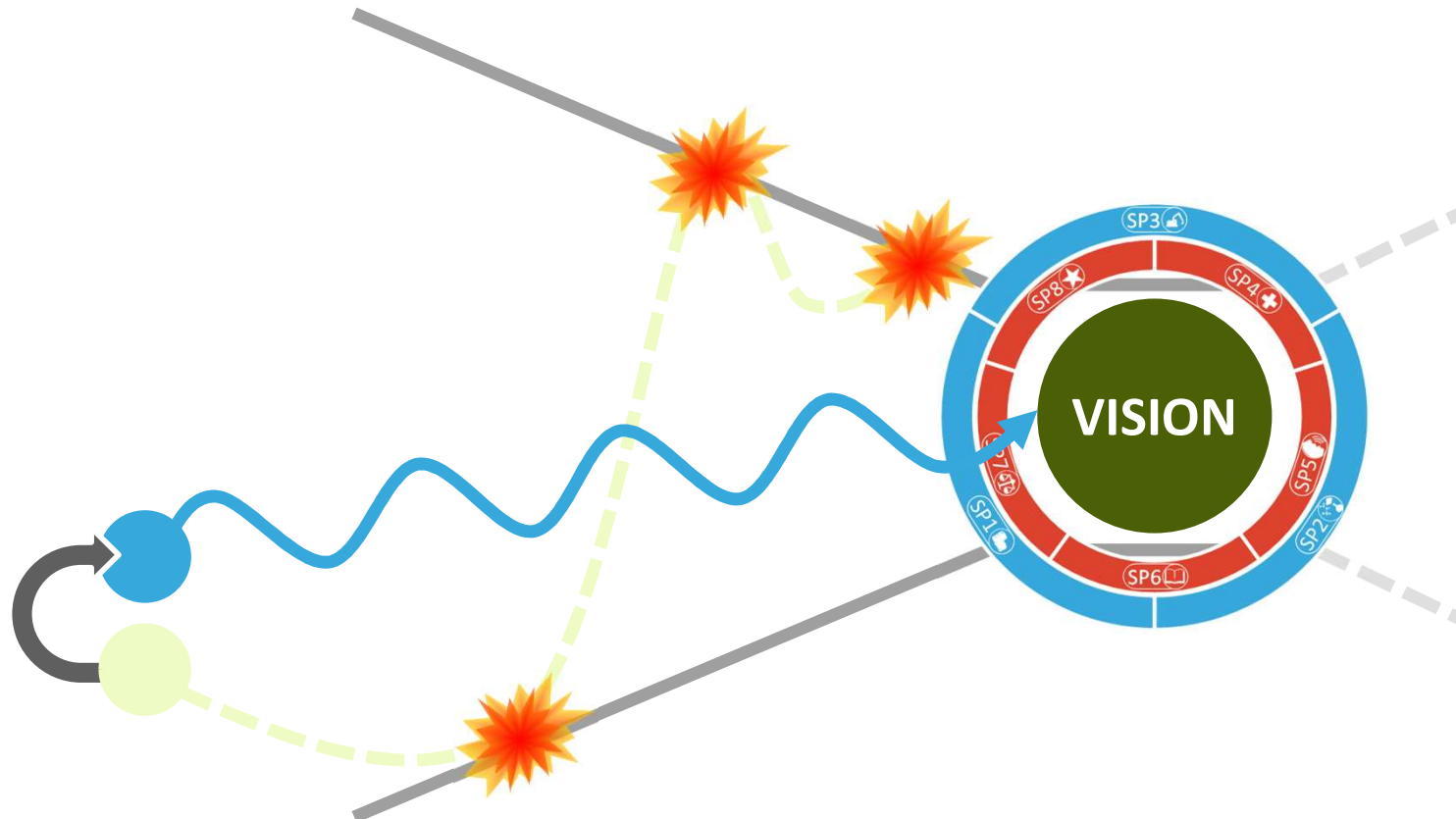
SP7 ... **impartiality.** This means that people are not systematically exposed to partial treatment; e.g. by discrimination or unfair selection to job positions;



SP8 ... **meaning-making.** This means that people are not systematically hindered from creating individual meaning and co-creating common meaning; e.g. by suppression of cultural expression or obstacles to co-creation of purposeful conditions.

THE FUNNEL — STRATEGIC APPROACH TOWARDS SUSTAINABILITY

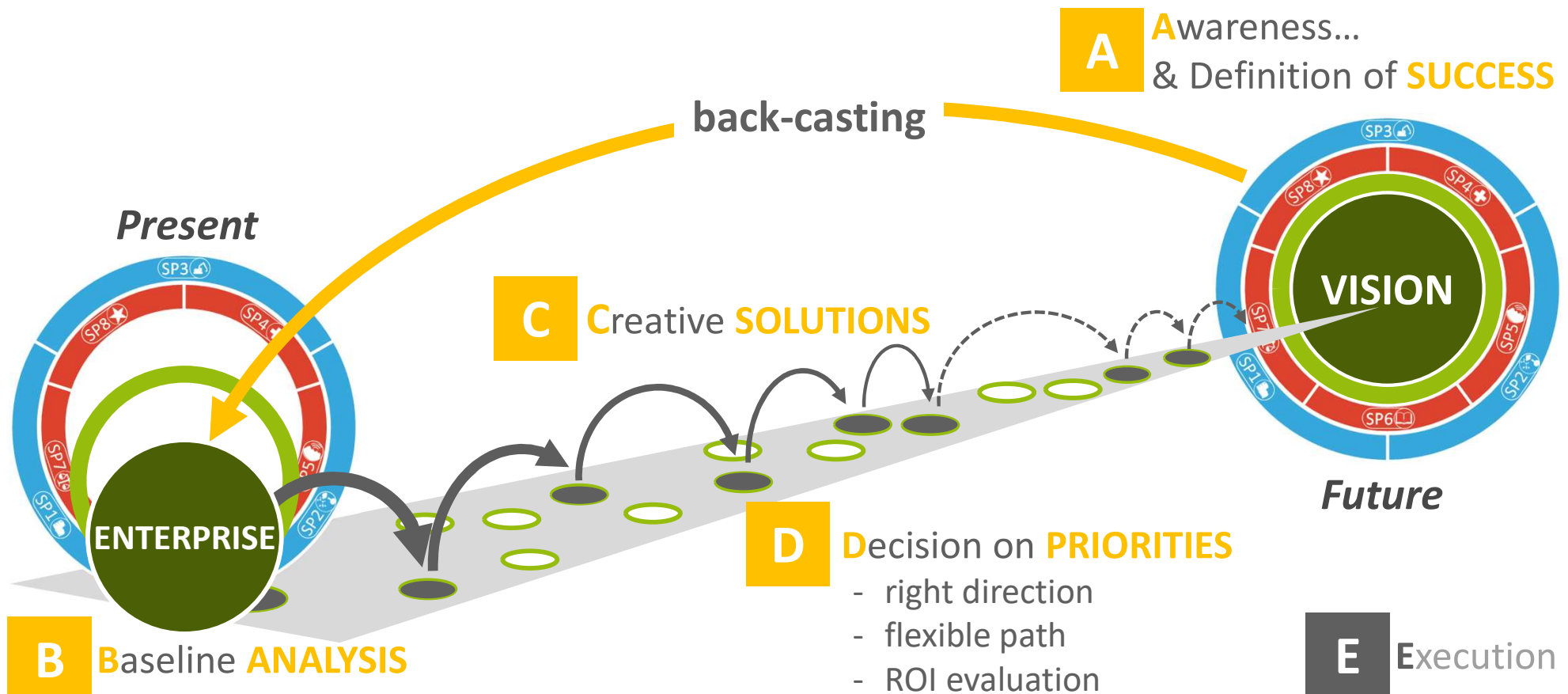
This framework enables organizations to switch from a defensive path towards responsively moving towards success



ADDRESSING SUSTAINABILITY STRATEGICALLY

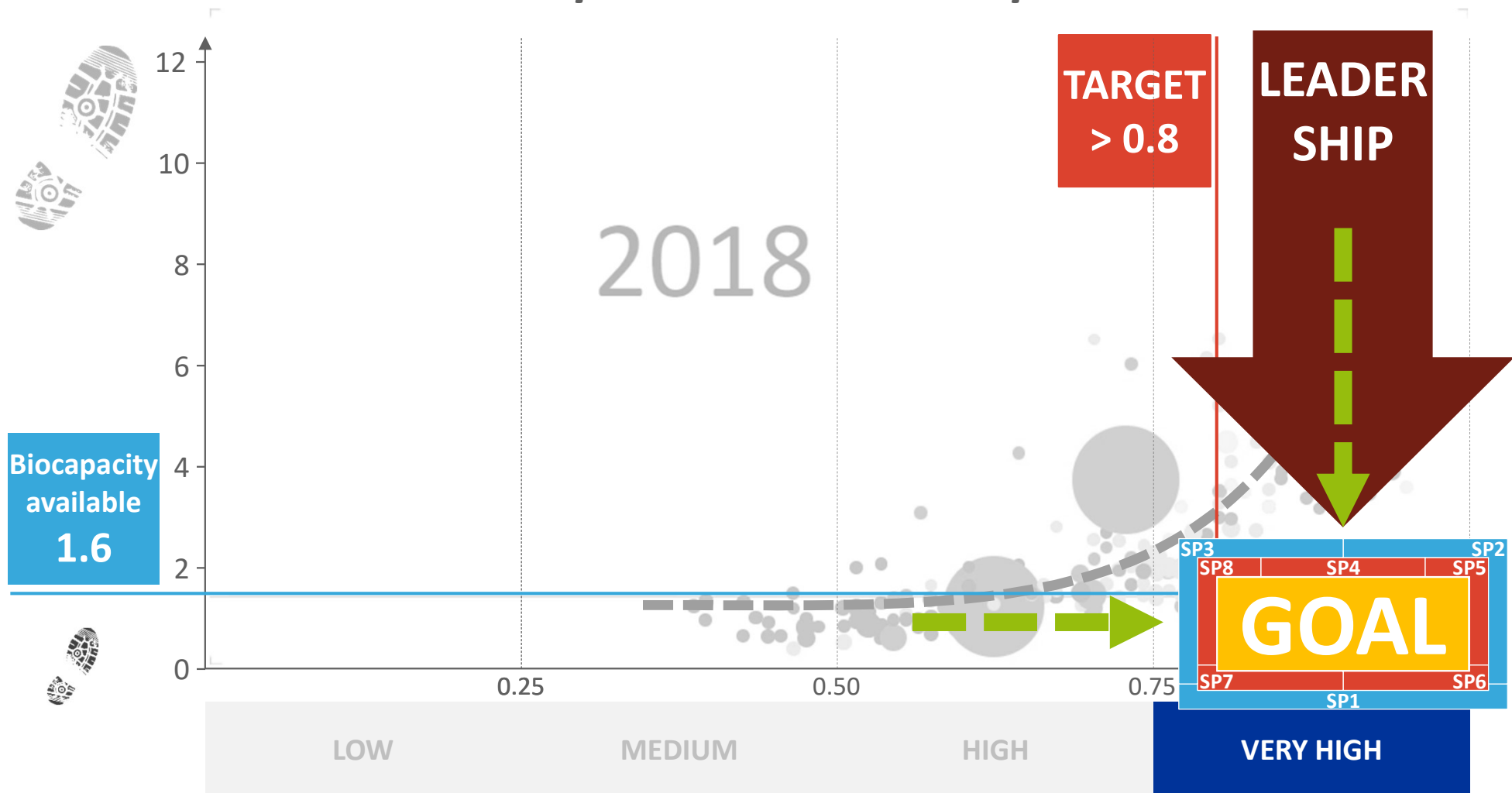
Back-casting from a sustainable future in accelerating times allows for developing and implementing a sound strategy

The ABCD planning process



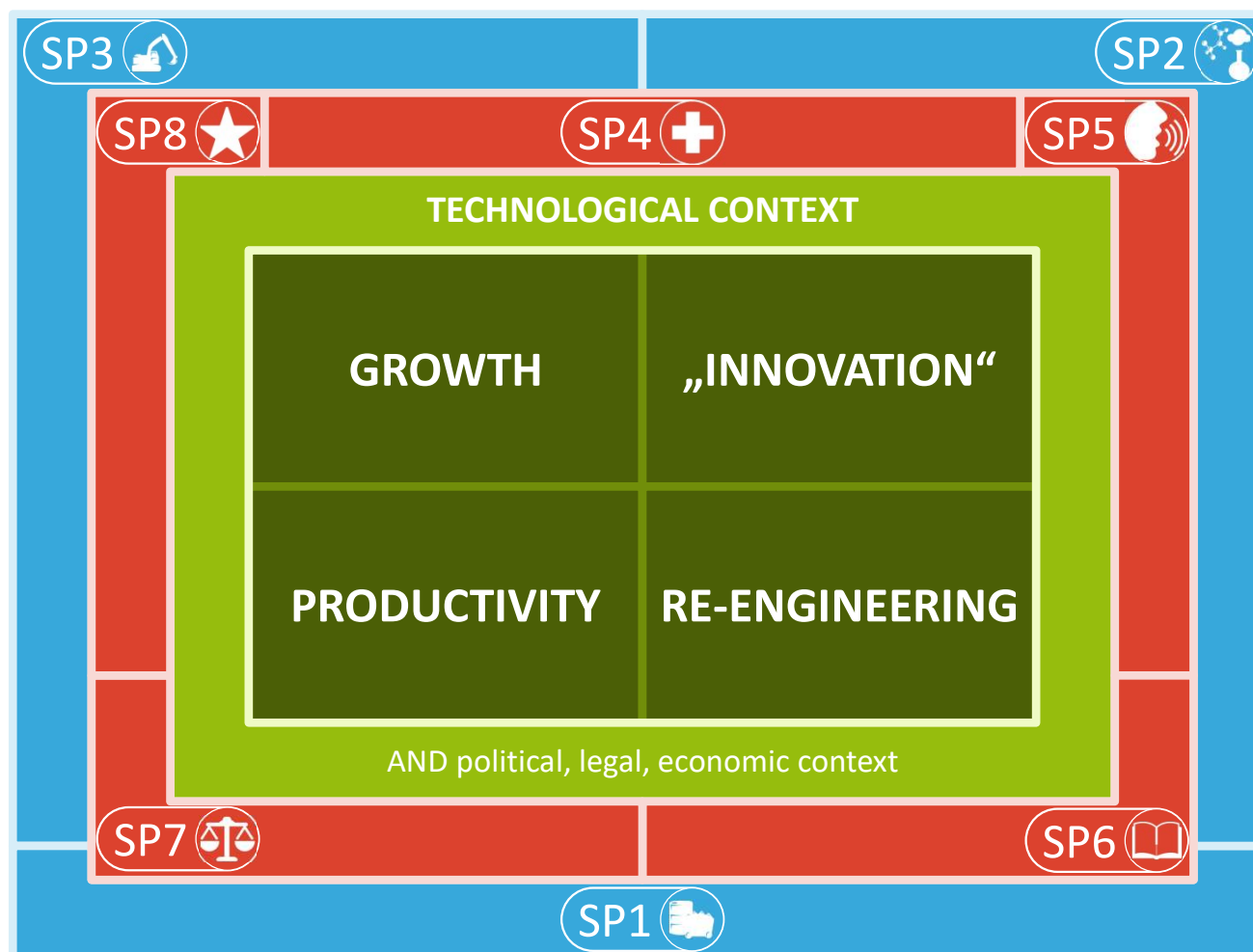
CONCLUSION

*Technology can help us to achieve this paramount goal, but
ONLY conscious and responsible leadership will*



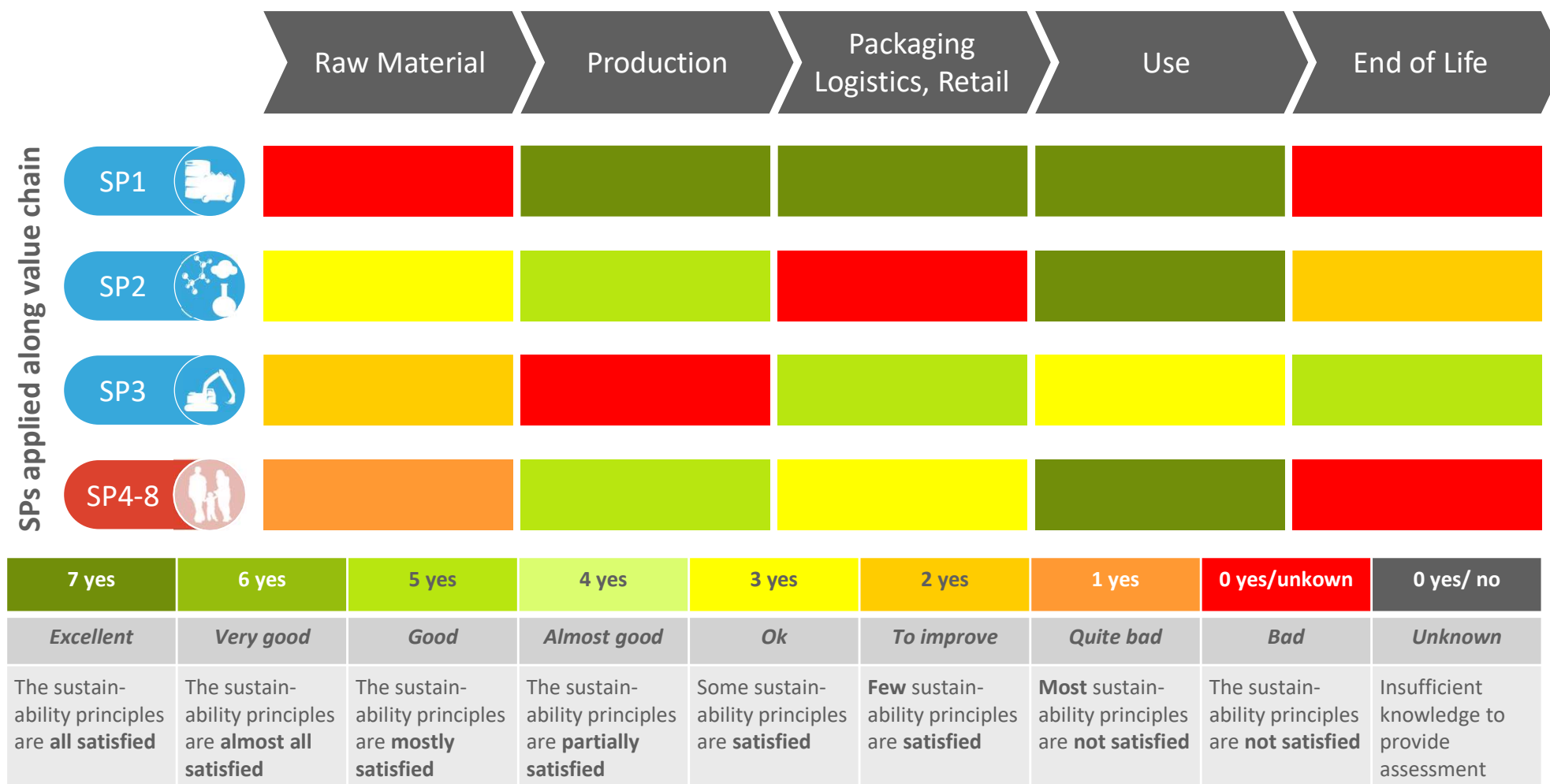
CONCLUSION

Hence, the CEO Focus Areas must be embedded WITHIN our socio-ecological limits, considering the technology acceleration



EXAMPLE ON PRODUCT LEVEL — STRATEGIC LIFE CYCLE ASSESSMENT

Each cell summarizes the results^{)} during the evaluation of the product, in relation to the principles of sustainability*



^{*)} score based answers of 7 questions per cell, 3 on impact, 4 on progress, 140 in total

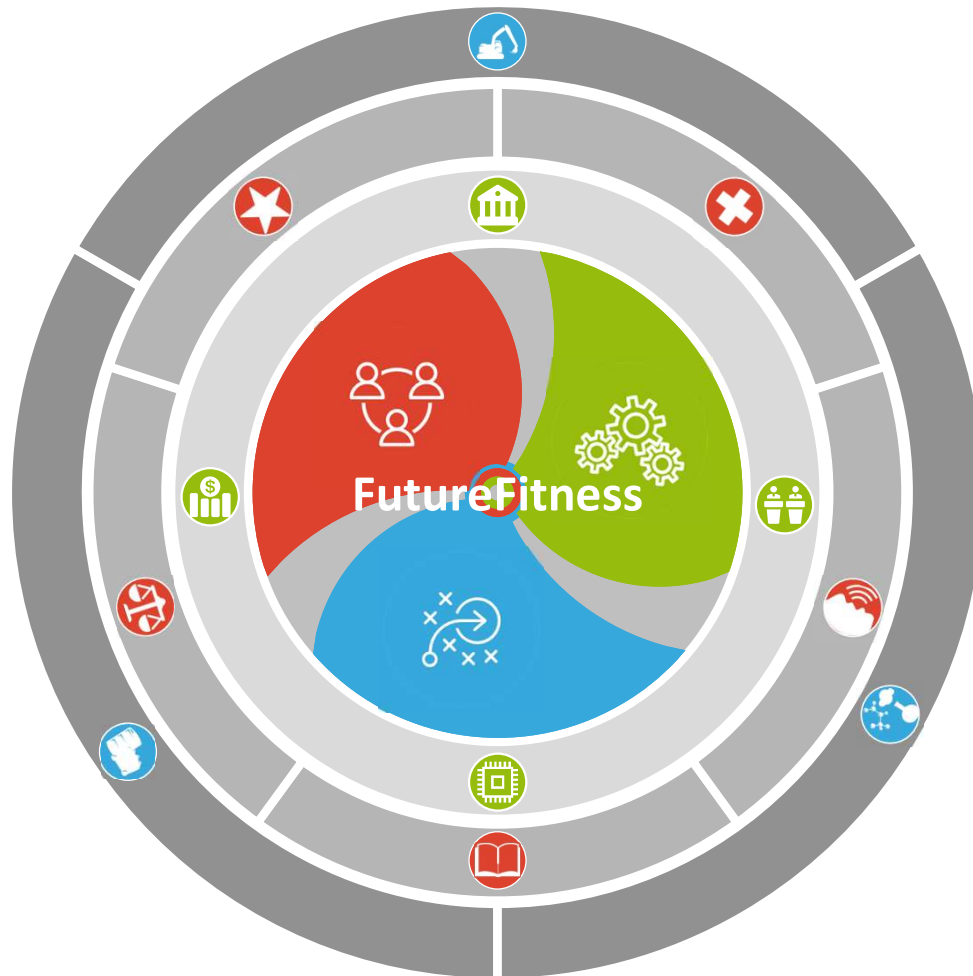
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OUR SYSTEMS PERSPECTIVE — DEFINITION OF FUTUREFITNESS

Sustainable economic success requires a systems perspective on the development of leadership, operations and strategy



FutureFitness¹⁾ *noun*

\ 'fyü-chər- 'fit-nəs \

futurefit, futureproof, fit for the future *adjective*

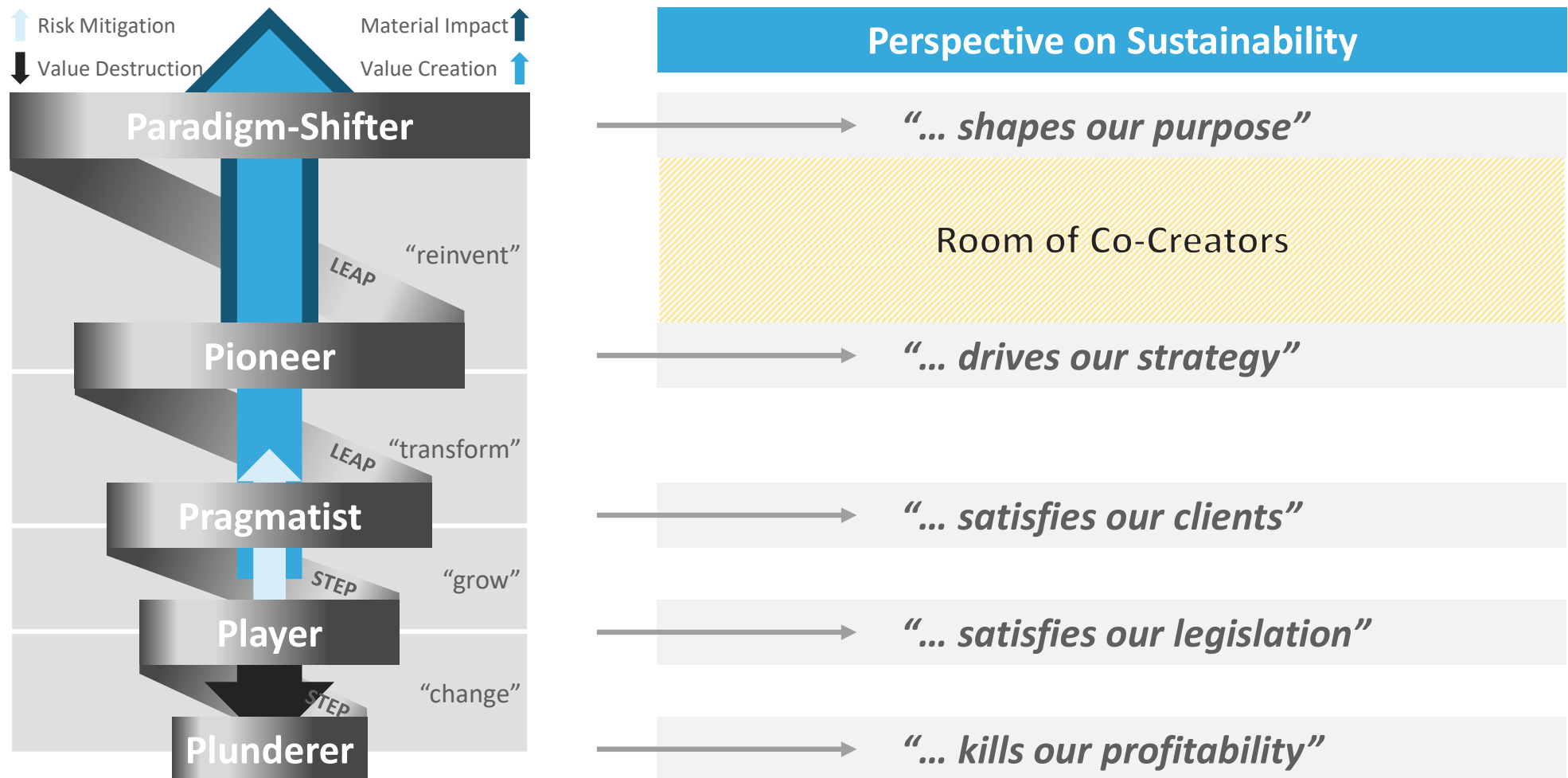
The **Condition** of a **Company**,
when the interaction of
Leadership, **Operations** and **Strategy**
results in **Sustainable Economic Success**,
without systematically violating the
Sustainability Principles²⁾
of the surrounding
Societal and **Environmental** Systems
we depend on,
and preferably contributing to the regeneration
and future thriving of these systems.

1) As defined by Sustainable Growth Associates

2) see Framework for Strategic Sustainable Development (FSSD) – www.thenaturalstep.de

SUSTAINABILITY MATURITY SPIRAL (SMS)

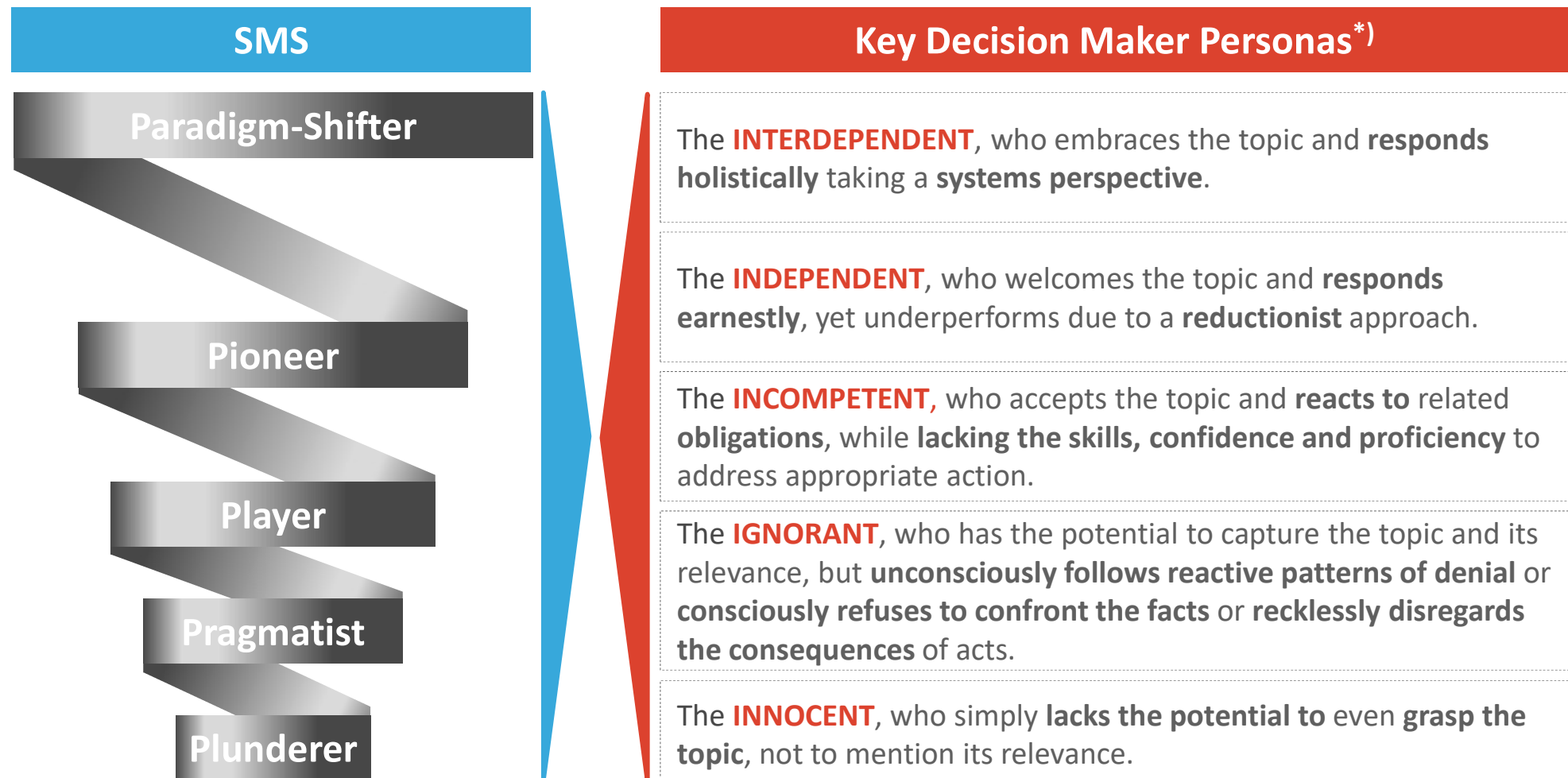
The SMS categorises organisations regarding their perspective and their motivation regarding sustainability



Source: SGA experience and study results, inspired by TNS network e.g., Bob Willard

SMS — LEADERSHIP WORLDVIEWS - KEY DECISION-MAKER PERSONA'S

Ambition and effort to advance on the SMS strongly depend on a company's key decision makers and their persona profiles



*) SGA R. Röhrig & E. Janssen (2019, Rethinking strategic management - Sustainability and Technology Acceleration: How to Surf the Killer Waves)

SUSTAINABLE GROWTH ASSOCIATES — CONTACT

*Your access to our **People**, **Business** & **Enterprise** Developers*

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