

Sustainability Outlook

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Gearing India towards Sustainability

Green
technology



Powering
India through
renewables

NVGs are aligned globally,
yet are very Indian in their character



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THE SUSTAINABILITY MBA: *What does it mean for global companies and the emerging green workplace?*

The business benefits of undertaking the sustainability journey have been well documented. But what about the benefits of hiring managers with MBA degrees or Executive Certificates in Sustainability? What should global companies understand about the graduates of sustainable MBA or executive certificate programs?

One well-understood benefit of hiring sustainability MBAs is obviously substantive domain insight and expertise. Sustainability requires measuring and managing the social, environmental, and financial aspects of the value of a company, something traditional MBAs may not be familiar with. A sustainability MBA graduate can supply the company with needed literacy in specific concepts and practices like supply chain management, GHG measurement, CSR/GRI reporting, and life cycle assessment.

A less understood benefit is the type of manager produced by sustainability MBA and executive programs. Successful corporate sustainability journeys (and the green economy generally) require a relatively undervalued sets of skills that enable these employees to: take an integrated, interdisciplinary, approach to problem solving; collaborate with a diverse group of stakeholders; break through entrenched zero sum and short term mentalities; and integrate solutions in every department of a company. Sustainability managers must be systems-thinkers who transcend department-specific, discipline-specific, and sector-specific managerial mentalities.

Without such leaders and employees, corporate sustainability journeys tend to stall, remain superficial, or capture benefits non-optimally. Conversely, global companies that develop their managers' systems-thinking skills tend to navigate

their sustainability journeys with more ease, impact, longevity and mission alignment. This is because they treat the company holistically as a dynamic learning organization, not as a set of initiatives, as MIT's management guru Peter Senge has explained in *The Fifth Discipline*. While systems-thinking is not unique to sustainability management, it is foundational for sustainability managers because it is so integral to our understanding of ecological systems, and facilitates a common language to describe both ecological and social phenomena.

Graduates from sustainable management programs are trained to help companies to better align themselves with the financial, social, and ecological systems that surround and authorize them. They are therefore tailored for the new future of business—where natural capital is increasingly scarce, but human capital is increasingly abundant.



A model for understanding what sustainability MBAs know

and will do

Since a company is viewed as a learning organization, it is no surprise that models of corporate sustainability management begin by placing a given company on a learning curve. Increasingly, organizations are conducting assessments and strategy development to move themselves through the 6 stages of sustainability activation.

Other models may have more or fewer levels, such as Bob Willard's 5 Stage model, but the point is that in order to move a company along this sustainability path, sustainability managers need capabilities in at least six areas that are underserved by traditional MBA programs:

Providing new perspectives – Today's leader must possess the ability to map and navigate an

entire system and identify new ways of assessing and measuring progress across diverse working groups.

- Bring new frameworks, principles and models to thinking about performance, branding, sourcing and financial results.
- Bring new change leadership skills that build on strengths and generate collaborative approaches to complex problems.
- Bring curiosity about new approaches in order to draw on what market leaders are doing to differentiate themselves in the eyes of internal and external customers who are looking for

(employees, managers, leaders, etc) to create an initial approach and secure short-term successes.

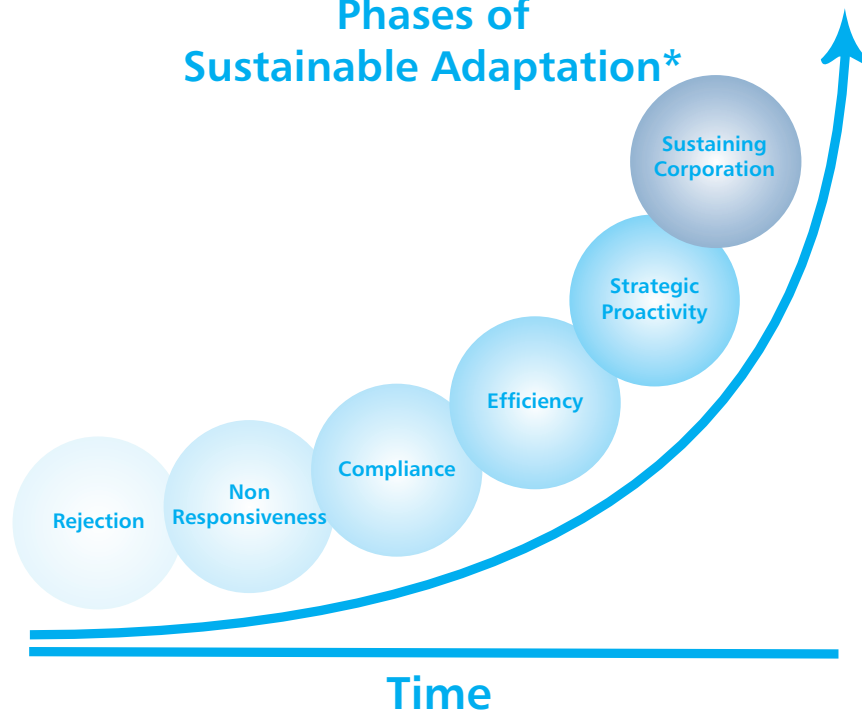
- Remain connected with parts of the organization that have not yet understood the benefits as a coach and champion.

Assessing the Territory – Today's leader must be able to quickly identify where the organization is along the continuum of sustainability practices, how to set achievable goals, and how to measure progress.

- Identify the major strategic drivers for increasing sustainability actions (competitive advantage, customer demand, product differentiation, etc.)

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Phases of Sustainable Adaptation*



additional value and impact.

Engaging stakeholders – Today's leader must be able to engage key people at all levels of an organization and be able to tap into social networks to identify best practices in a rapidly changing world.

- Identify the areas of the organization that will benefit most from improved performance resulting from sustainability initiatives (operations, marketing, sales, facilities, human resources).
- Gather a group of internal champions

- Identify organizational readiness

- Choose an assessment approach (GRI, etc.) appropriate for the business, set benchmarks and begin to track progress.

Designing to Scale – Today's leader must be able to find ways to quickly gain traction around a sustainability initiative by securing short-term successes that improve the bottom line.

- Target a few areas for early action where progress can be easily seen (i.e. recycling, waste reduction, cost reduction, etc.)

*Adapted from Dunphy, D., Andrew Griffiths and Suzanne Benn. Organizational Change for Corporate Sustainability: A guide for leaders and change agents of the future.

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- Map out short term and long term strategies
- Identify ways to make the organization aware of progress

Mobilizing and Implementing – Today's leader must be able to mobilize and champion sustainability within the organization to spread the word about what is happening and how to get involved.

- Provide knowledge, encouragement and resources to support actions
- Measure progress and share with the key stakeholders of the organization
- Acknowledge progress broadly and celebrate successes
- Continually gather new ideas for next steps

Monitoring and Evaluating

Today's leader must be able to quickly evaluate the success of an initiative and apply positive outcomes to future projects.

- Translate measurement into financial and social impact
- Reach out to the organization to identify new areas of focus
- Ensure that the organization is measuring what matters

It is usually not adequate to teach or learn these skills in a few courses tacked on to a regular MBA program. Sustainability should be embedded into every course. This is because conventional business thinking is often blind to or at odds with sustainability's concept of 'shared business value.' While sustainability MBAs obviously must understand standard models of interpreting business value, they also must understand the newer, more disruptive models that seek to remedy the problematic systemic effects of business as usual. For example, sustainability MBAs shouldn't just learn cost accounting; they

should learn total cost accounting along a product and company's life cycle.

This is true for every business discipline, from marketing to operations. Thoroughly understanding the strengths and weaknesses of old and new approaches to business builds the competency and courage to undertake the substantial changes in business behavior that will be required to build a sustainable world.

Sustainability MBA programs also feature a heavier dose of leadership development, change management, and cross-sector partnership training than traditional MBA programs. Implementing sustainability requires integrative, systemic, and change-oriented efforts. Preparing managers to be Chief Sustainability Officers, Directors of Corporate Social Responsibility, Entrepreneurs, Product Developers, Supply Chain architects, etc. requires managers to be able to speak multiple internal departmental languages. Moreover, truly sustainable companies will also find they must work externally with both public and private enterprises to create a 4th sector, where innovation and collaboration thrive to create new options for cities, education and industry.

Cynthia Scott, Carl Shneebeck, and Ryan Cabinte teach at the Presidio Graduate School. For the past 7 years Presidio Graduate School, based in San Francisco, California has been the pioneer of creating a rigorous MBA and MPA curriculum that offers a broad range of students the skills and tools to lead the rethinking of business strategies and implementing new behaviors.