

Mentoring for Change

leadership, coaching, mentoring, storytelling

Welcome to the Mentoring for Change newsletter. In this issue:

- Business Sustainability
- The 5 Stages of Sustainability
- The 7 Levels of Corporate Sustainability

With best wishes

Heike the Mentor



Business Sustainability

It's a sign of the times when a leading business guru uses the word "Sustainability" in the title of their latest book. Sustainability has gone from being a preoccupation of the Green fringe to a core business concern. Company failures like Enron and Tyco followed by the fallout from the more recent credit crunch (Northern Rock, Fannie Mae, etc) are making it clear just how important building sustainable, resilient businesses is. The impact of resource shortages (oil, water, metals, topsoil), climate change, pollution, species extinction, population growth, and Asian economic growth will soon make it an imperative.

So it is interesting to see that Peter Senge has named his newest book [The Necessary Revolution: How Individuals and Organizations are Working Together to Create a Sustainable World](#). As ever, Senge is interested in the quality of our thinking. He reminds us of the metaphor of the Bubble. This metaphor was invented by economic historians to make sense of the recurring puzzle that financial overexpansion and collapse occur time and again, drawing otherwise bright and clever people into ruin. Bubbles occur because during periods of expansion two parallel realities develop, one inside the bubble and one outside – and both feel equally real to those who live within each. But the more the bubble grows, the more those within it are drawn into its powerful reinforcing beliefs and perceptions, becoming increasingly disconnected from the reality outside the bubble. But eventually this larger reality asserts itself and, unable to continue expanding indefinitely, the bubble bursts – as, for example, the dot-com bubble did in the late 90s.

Senge suggests that our current economic model - the extractive "take-make-waste" economy - constitutes such a bubble. This bubble is driven by a set of deeply embedded assumptions of which perhaps the most damaging is that we are separate from nature and can thrive and prosper, whatever damage we do to the planet. In fact, the more we inflate the bubble, the more we compromise the basic conditions that support and generate life.

When bubbles burst (as the extractive "take-make-waste" bubble will), there is instability and uncertainty. And because bubbles often collapse far quicker than people expect this can cause huge social and economic damage. But, precisely because of the discontinuity, there are great opportunities for those who see the collapse coming and plan for it. For example, in the 1970s Shell famously moved from being the eighth largest oil company in the world to the second largest in just 2 years because its use of Scenario Planning had prepared it for a whole range of possible futures – one of which was, against the conventional wisdom, a sharp increase in the price of oil. In October 1973 there was just such a surprise price rise and, of the major oil companies, only Shell was prepared for the change.

The questions leaders should be asking themselves are:

- What are the possible futures after the bubble bursts?
- What can we do to prepare for these futures now?

The 5 Stages of Sustainability

The case for building sustainability into business ranges from reactive to proactive, as the diagram on the next

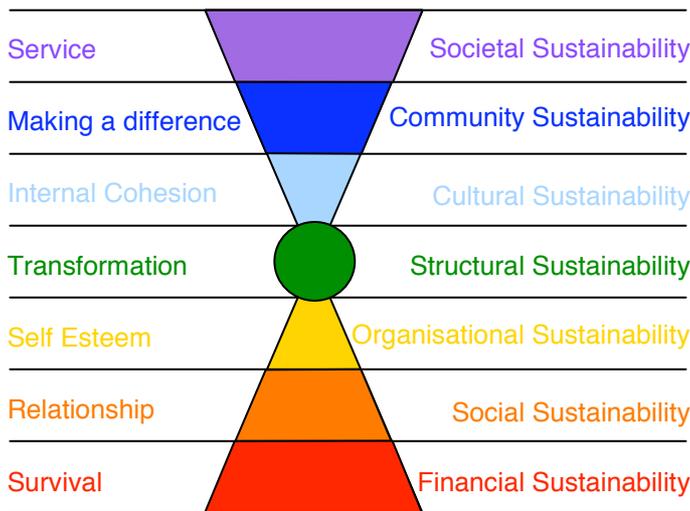
page shows. For each of the 5 stages, there is a distinct organisational character:

1. **Non-Compliance** - **Outlaws** who have yet to meet the prevailing legislation
2. **Compliance** - **Compliers** who take a minimalist approach, merely seeking to comply with the legislation
3. **Beyond Compliance** - **Case-makers** who recognise and act on the convergence between environmental and social performance, and commercial self-interest
4. **Integrated Strategy** - **Innovators** who recognise the opportunity that a shift to sustainability-based business models offers and who fully integrate sustainability into their corporate strategy
5. **Purpose/Mission** - **Trailblazers** who recognise that all companies will soon have to be making a sustained positive contribution to a regenerative society and environment if they are to have society's licence to operate a profitable business. They therefore realise that not developing these new business models will leave them at a long term competitive disadvantage.



More in Bob Willards book [The Next Sustainability Wave: Building Boardroom Buy-In](#)

The 7 Levels of Corporate Sustainability



One approach to creating a sustainable business aligned with core values is to use Richard Barrett's 7 Levels of Consciousness model. This model, based on Brian Hall's research into values (see Values Shift), proposes that there are 7 different perspectives that individuals and organisations need to embrace (lhs of diagram). Corresponding to these are 7 dimensions of sustainability (rhs of diagram):

1. **Financial** – ensuring the business is profitable and employee health and safety needs are met
2. **Social** – focuses on interpersonal relationships between employees and customers/suppliers. It includes values such as open communication, conflict resolution, customer satisfaction and respect.

3. **Organisational** - implementing best business practices and systems that improve work methods and delivery of services/products. Values include productivity, efficiency, professional growth, and quality.
4. **Transformation** - focuses on learning and continuous improvement, and the development of new products/services. Values at this level include accountability, employee participation, innovation, teamwork, and personal development.
5. **Cultural** - building internal cohesion and a sense of community spirit inside the organization. It includes values such as trust, integrity, honesty, values awareness, cooperation, excellence and fairness.
6. **Community** - deepening and strengthening of relationships and employee fulfilment. Inside the organization, it includes values such as leadership development, mentoring, coaching and employee fulfilment. Externally, it includes values such as customer and supplier collaboration, partnering, strategic alliances, community involvement, environmental awareness and making a difference.
7. **Societal** - reflects the highest order of internal and external connectedness. Inside the organization, it includes values such as vision, wisdom, forgiveness and compassion. Externally it includes values such as social justice, human rights, global perspective and future generations.

Creating a sustainable business involves energising all of these levels. Contact me or visit valuescentre.com for information on using the measurement tools associated with the 7 Levels model.