Leveraging Organisational Values for Sustainability Initiatives

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Abstract

This author assesses the Spiral Dynamics framework (Value Systems Theory in broad terms) in the context of the theme of sustainability and what it might mean for organisations, regardless of whether they operate within the framework of sustainability. The author provides an overview of Value Systems and how differing Values can be used to generate a variety of organisational responses for Sustainability initiatives as well as assessing whether 'top down' or 'bottom up' approaches are more suitable. The paper suggests that the current future is one that highlights clashes between two core dynamics – 'Life' versus 'Lifestyle', the rights of one person to live versus another's desire for lifestyle improvements. Further the idea of addressing sustainability within organisations particularly those in industrialised countries, will likely need a significant shift in preparation for a greatly changed future and the Value Systems theory is one way to map an effective path forward.

Keywords: Values; Lifestyles; Sustainability; Modelting; Strategy; Behaviour

Introduction

For the industrialised world many consider sustainability to have been time stamped by the release of the book *Silent Spring* (Carson, 1962) and yet the idea of "sustainability" is one that has had moderate take-up by people in the Industrialised world and their approach the future. It can be argued that a push for lifestyle improvement and material goods has had a lagging negative effect that has seen environmental degradation and species extinction on a scale not previously known in the period of Homo Sapiens. Despite increasing concerns, the growth drive measured by the rather limited indicator of Gross Domestic Product (GDP), has become the default setting with nations feeding the ravenous hunger of Western style consumption where the unquestioned mantra is economic growth.

Because the GDP indicator has been almost exclusively relied upon by Governments as a way to judge their country's progress, Governmental policies generally, both by design and default, have

shaped the way that organisations approach what they do in alignment to GDP indicators. As such concerns about environmental disasters and destruction of native habitats were at best on the back seat for most organisations and despite pockets of resistance appearing in countries like Australia, a more solid social shift beyond GDP measures came not through the union movement, but through the late 70's 'Save the Whale' campaign that resulted in an almost total ban on whaling. In Australia this social shift continued in 1982 when the Franklin River in Tasmania was threatened by an industry push for a Hydro electric scheme and the collective, openly questioning the value of progress through destruction of an environmental resource prevented this from happening.[1]

Around the world public awareness industry driven of one-off events (such as thalidomide & dioxin created genetic mutations) increased.[2] Environmental damage continued as the industrialised world expanded its search for fuel for its industrial ovens and resource inputs for their products. The publicly stated belief by most corporations and indeed Governments that new technology could be created to solve whatever problems might have been caused by past efforts to feed to the economic machinery, failed to live up to desired outcomes. Instead, continued public awareness of negative environmental impacts has seen a shifting of power away from Governments as agents of public policy, to one in which PR machines working on behalf of for-profit entities are now going head to head with people powered juggernauts in the form of Greenpeace, Sea Shepherd and Avaaz.[3] We have witnessed the emergence of two organisational structures in the sustainability space – the 'delay change' groups and the 'act or perish' groups both of which aim to shape public opinion to influence Government policy.

Many for-profit entities have made strides towards a more sustainable mode of doing business, leveraging tools like Triple Bottom Line (Elkington, 1997) reporting and Balanced Scorecard (Kaplan & Norton, 1996) approaches to assessing business outcomes. Despite these improvements, addressing sustainability for many organisations remains a difficult nut to crack with by and large, poorly understood methods for engagement in sustainability and minimal preparation for a future in which non-elected people power begins shifting the ways in which businesses will choose or be forced to operate. Perhaps the greatest challenge is leveraging the core values held by all stakeholders in a way that accepts the sustainability challenges ahead, whilst enabling a shift in currently accepted approaches to business.

What is Sustainability?

The United Nations put the notion of 'sustainability' on a global stage when the UN Report Our Common Future (widely known as the Brundtland Report) defined what 'sustainability' meant:

> *"Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs" (World Commission on Environment and Development, 1987)*

Over a decade later, this concept has been more fully developed by Brian Eddy (2001), who identifies that sustainability is an issue of human consumption of environmental resources:

> *"Sustainability is concerned with maintaining a balance of flow of goods and services across the human-environment boundary in such a way that resources are not depleted to a level in which the needs of future generations cannot be met and that outputs from the human sphere do not degrade these resources and environmental integrity".*

More prescient perhaps and succinct was a songstress who decades earlier sang, "...you don't know what you've got till it's gone" (Mitchell, 1969). This is what lies at the heart of the issue of sustainability. Sooner or later, those things that we take for granted today will be gone and there will be no replacement available.

Phillip Sutton (2001) asks us to take one step back before we get into the debate over sustainability by pointing out that "sustainability is the ability to maintain something over time" and that when people talk about sustainability, they are really talking about 'sustainable development'. Thus, "Sustainable development is the change processes in society and the economy that enables the achievement of sustainability and the effective pursuit of genuine progress". Genuine progress is said to meet the gamut of human needs without trade-offs affecting people or nature.

That we've had to create a specific strategy to combat industrial development is a sorry indictment of those who would claim that technology holds the answer to all our ills. Arguably it has been the unfettered use of industrial-created technology that has placed the world in the predicament it now faces. What is most disturbing about the degradation of the earth's biosphere is that 3/4 of the world's population have to experience the negative effects caused by the other industrialised 1/4.

The challenge is captured in what I call a 'Theory of Sustainable Societies' that states:

> *'Sustainable societies seek and encourage ways for members of their society to advance the conditions for their current and future existence. Societies that attempt to maintain the status quo ultimate decay'*

This Theory of Sustainability addresses the drive for improvements to society; the need to improve both current and future prospects; and that 'standing still' is an unsuccessful strategy disabling a society's ability to 'sustain' (maintain) itself. Advanced societies continue to improve the living conditions for all members of their society.

The Theory of Sustainable Societies then leads to my 'Sustainable Society Paradox' (Barber, 2004a) that states:

> *'The degree to which a society can be considered 'truly advanced' is in direct INVERSE proportion to the size of their ecological footprint'*

This paradox pits the drive for advancement (often technical and consumption driven) against the size of the ecological footprint (Wackernagle, 1994).[4] Simply put, the bigger the society's demand on the environment and its resources, the *less* 'advanced' it can be considered regardless of whatever technical innovation may be present.

A key question arises for organisations as they consider a response to sustainability needs – does your organisation's core Values System match your current and emerging operational conditions?

Value Systems

Those in the consumption camp would be wise to heed the words of Clare W Graves, former Professor of Psychology at Union College in the US – "Today's solutions will be tomorrow's problems" (Graves, 1967). Graves' research led to the development of his 'Bio-psycho-social' model of adult human behaviour that identified a series of consistent approaches in the way people deal with the world around them. The model also suggests that at each stage of understanding there is an increase in an individual's ability to deal with more complex challenges, with each stage acting as the default approach to handling problems. The basic tenant of the model he devised is that the 'how' of human thinking is derived from the variations in the *internal capabilities* (mindset, experience, knowledge and understanding) and the *external environment* (life conditions placing demands on the person's ability to survive).

These behavioural frameworks can be divided into two threads – 'change my behaviours to comply with the world around me' or 'try and get the world around me to give me what I want'. In Value Systems language we use the shorthand of *cool* (compliance to others) and *warm* (get what I want) to quickly assess the type of behaviour in operation.

Developed further by two colleagues – Don Beck and Christopher Cowan – Graves' model has become known as 'Spiral Dynamics' (Beck & Cowan, 1996) and the stages identified by Graves became known as 'values' or vMemes in deference to Richard Dawkins' 'memes' (Dawkins, 1976). I will use the term 'Value Systems' (VS) as the main label for the majority of this paper.

The clash between the sustainability strategy and the consumption strategy can often be seen as a clash between differing vMemes. In this case the consumption driven strategy is usually an individually driven approach, whereas the sustainability strategy is more likely to see collective approaches taken.

Précised to a couple of points, sustainability deals with the needs of future generations, environmental integrity and consumption for human ends (in line with Sutton's views) though the reality for many suggests a belief that we have only two choices – sustainability (cool) OR consumption (warm).

Life Versus Lifestyle

Essentially what we have is two competing strategies plying for the hearts and the minds of the planet. The first is the approach that has been favoured by the industrialised nations – the 'Consumption Strategy'. The second is the 'Sustainability Strategy' that has emerged more recently through different values. In a paper I co-authored 'Reconceptualising Sustainable Development' I refer to these competing strategies as a difference between 'Life' and 'Lifestyle' (Goncz, Skirke, Kleize & Barber, 2006, pp.525-537). In essence what the human species has created through its different

Value Systems is a series of haves and have-nots around the planet, both across countries and within societies. The underpinning of this process is a desire for personal and societal advancement entrenched in the notion of economic growth. This growth is firmly placed in the Consumption Strategy which is a key cause of both improved living conditions for many, social pressures for lots, and deteriorating living conditions for all.

The Life versus Lifestyle choices we now see is explicit in the way sustainability is approached around the world. Simply put, many 'advanced' societies are choosing to put their lifestyle demands ahead of those societies whose choices are far more critical – life itself. When people in wealthy nations cry foul over rising costs of fuel for their energy guzzling SUVs at a time when millions face starvation or extreme conditions for basic shelter, we can appreciate just how entrenched the Life versus Lifestyle strategies are and the challenge before us.

And it would appear that at this moment in time, the world has to choose. Either we accept that sustainability is the only way that the *entire* planet and all of its occupants can survive or we admit that a handful of the world's population will destroy the viability of the planet for the vast majority, who even today, do not have access to nor enjoy the benefits from, what the consumption strategy provides. As Slaughter (1995) asked "What kind of world will the 'having' mode lead to?"

Types of Organisations

For this paper I use 'Organisation' to represent a collective of people who 'unite' together under an agreed banner for an agreed desired outcome and for the most part I believe that organisations fit into one of three categories – Representative (cool or warm), Regulatory (cool) and Productive (warm).

Representative bodies aim to present a particular view. The non government and non profit groups, community organisations and their ilk exist to influence the thinking of the community to best suits their needs. Regulatory bodies are those that set and enforce laws such as Governments, Police and army, Tax departments, courts and legal groups, and environmental protection agencies. Productive bodies aim to produce something for the purpose of profit. Arguably some church agencies could fit into this group but typically it will be an industry or company that provide a product or service for sale - this would include most Universities.

Within these bodies it is possible that individuals may share their organisation's view on broad issues but may hold diverse views on aspects of what their organisation does or the way that it operates. As a generalisation (worthy of critique when applied specifically to any one entity) in western world countries Regulatory organisations utilise a level four Value Systems approach; usually Productive organisations use a level five Value Systems approach and typically Representative organisations use a level five to level six Value Systems approach.

Leveraging Value Systems in Sustainability

There has been significant work in identifying sustainable approaches towards

operational success that include more than economic reporting, with models such as Balanced Scorecard and Triple Bottom Line along with the more recent ISO framework.

The immediate limitation of these models emerges when assessed through the VS approach. If the core Value System of an organisation is a *warm*, consumption driven one, alignment of measurable indicators of progress must by default fit within a consumption VS. Equally, organisations whose core VS is a compliance (*cool*) driven model (in the case of sustainability styled organisations it is a compliance to the needs of the system that is the biosphere) all indicators will by default be assessed based on the core Value System. The idea of "balance" is therefore open to interpretation based on what best suits the organisation's own purposes. For future sustainability issues, this is a dangerous path to tread.

If we agree that the meaning of 'to sustain' is to 'maintain overtime' or 'prolong' then taking either the *cool* **or** *warm* approaches will not enable organisations to effectively manage future operating conditions. Consumption will end when finite resources are depleted and yet failure to consume will likely see a depletion in societal conditions for many.

Figure 1 below is based on a thumb sketch view of GDP figures and the natural resource of water which is part of my Global Currency Map (Barber, 2003a). At the top we have countries with generally high levels of GDP and at the bottom the GDP is low. On the left countries have limited natural water resources and on the right countries have an abundant level. Given those living conditions, the dominant VS in each society will seek to address social issues in a particular way (see approaches listed):

Cultural Tensions
Expensive search for water saving in manufacture and food production. Accepted as scarce resource in society as self sufficiency in food difficult
E.g., Israel/Palestine, Turkey/Syria

Consumption Driven
High waste in manufacture. Minimal recycling urgency, few 0environment friendly 0laws. Disruptions to the norm met with disbelief but no societal behavioural changes seen
Eg: United States, Russia

On the Cusp
Semi self sufficient in many industries. Exposed to weather variances and its impact on national economy. Tourism plays large part of trade income
Eg: West Indies, Australia, Italy

Aid Dependant
High mortality rates, starvation and water borne diseases. Reliant on inflows of donated food. Geomorphic riches controlled by external entities or open to decreasing supply E.g., Southern Africa, Papua Nuigini, Narau

Joining The Rat Race
Selling of environmental assets as major source of income. Deforestation, animal smuggling, drug crops & increasing population rates.
Eg: Indonesia, Philippines, China & South Americas

Figure 1. Thumb sketch of the Global Currency Map (from Barber, 2003a)

The challenge for societies is to improve the living conditions of their constituents whilst minimising the impact they have on the world they live in. Focusing on just one aspect of the equation means addressing sustainability in socially unacceptable ways. Typically either the living conditions do not improve and the society ultimately decays (witness the increasing social unrest in Saudi Arabia or perhaps more recently Greece)

or the living conditions do improve through an unsustainable use of resources and the environment decays (seen for instance in Australia and the USA). Value Systems is a model that can help organisations address the challenge posed by the 'Sustainable Society Paradox'.

Regardless of their function, size or type, almost all organisations struggle with the same problem. Few display the capacity to understand how what they do fits within the whole system in which they operate, how they influence and are influenced by that system, how individuals work within their organisation and at the same time within society and how seemingly simple problems, rarely have simple solutions.

Many organisations will take action believing they are making progress yet fail to move forward – they will be blinded by their own Value System. An example all too common is the idea of borrowing successful methods from different parts of the world and "parachuting" them into another part of the world expecting similar success, when in fact the entrenched barriers to change are not addressed. Such an approach is typical of the limitations of reliance on the level five Value System and its attraction to silver-bullet fixes. What is needed is to find a way in which organisations and individuals can harness a set of approaches to sustainability, utilising the full array of Value Systems thinking.

Entrenched mindsets and actions, silo mentalities, self-interest and unrealistic expectations all act as barriers to successful transitions. These are typical occurrences of human behaviour according to Robert Herbold's book *The Fiefdom Syndrome* who suggests that discipline (to the process of improvement); creativity (in designing ways forward) and enforcement (of measurables) are keys to ensuring that entrenched mindsets do not undermine an organisation's capabilities. What Herbold (2004) ultimately addresses is the need for a different Values System to overcome organisational barriers.

Leveraging Value Systems for Future Sustainability

Perhaps one of the most underrated aspects of the Value Systems model is that it is not a 'discard and replace' approach to human development, but rather 'embrace and add'. Rather than throw the baby out with the bathwater as it were, the Value Systems model builds upon existing capabilities, a critical factor for ongoing sustainable development initiatives.

Clues to your starting position may reside in your responses to the following questions:
- Does our organisation have a preference for following the marketplace or for setting the pace?
- Is this organisation run by members of the founding family that established it?
- Do we have a track record for jumping from project to project with a history of incompletion?
- Are our employees monitored in the workplace regarding time on/off, computer usage, length of breaks and use of resources like stationery etc?
- Have we evolved beyond profit for profits sake, instead putting our staff and society's needs back on the front page of our thinking?

• Have we proven that we think outside the box, moving into new areas of activity with success?

The following overview of Spiral Dynamics/Value Systems model is a brief summary only and an assessment of your answers to these questions will be found below. The VS model also addresses the likely organisation challenges in terms of transition from one state to another more state able to deal with a differing level of complexity.

Table 1.
Outline of spiral dynamics model and its application to sustainability

SD/VS Level	VS Approach and application to Sustainability
Two	Tribal bonding; seasonal adaptation; ancestry and elders act as guiding hands, 'proven history' is the path for future decisions and actions. Actions for sustainability are likely to be proven in time. Anticipate high rejection of silver bullet fixes, or impositions from higher authorities beyond the Organisation.
Three	Impulsive decision making; Passionate & energetic; Fearless; Heroic challenges undertaken; 'talk is cheap' and actions speak louder than words. Sustainability approaches are instantaneous and as fleeting. Organisation likely to jump from one project to the next and completion or stabilisation often lacking.
Four	Obeys higher authority; 'Loyal soldier'; Maintains rules & systems; answers to any problem will be found in the operating manual and will be the ONLY right answer. Organisations thinking in this way love the idea of the ISO or mandated sustainability models and expect strong penalties for non compliance. Breaches without punishment will be derided by these organisations who will look to a more deserving authority to support.
Five	Works system to gain for self; looks to bypass system blockages; technology & quick solutions mindset; people are assets; preferred experts are solution providers. Organisations thinking in this way understand the brand value of 'green' and 'people' as a key way to improve profits - really knows how to use impressive jargon. Can see TBL and ISO as little more than a checklist to tick off before the real work of (self) advancement continues
Six	Collaborative & inclusive; Seeks diverse opinions; values people as people; seeks pause to ongoing consumption and Organisations thinking in this way have a strong (even extreme) focus on 'people first'. One challenge they face is a desire to gain 'equal' outcomes for all stakeholders which can greatly delay decision making or even the rolling out programs without considering financial impacts on others in the system.
Seven	Integrator of system components; Resolves multilayered problems; seeks to inject multiple inputs across all layers of system to solve problems. Organisations operating in this way are rare and often prefer to create temporary attribute based working parties to solve a problem before disbanding the group once project is sufficiently bedded down. Unlike the level five organisations, this type of thinking does not seek out the spotlight or public kudos, preferring to get things done using whatever assets are available at the time and are highly resilient to pressure applied by lobby groups or vested interests.

The table above gives a quick guide as to favoured approaches by organisations (and people) when dealing with the notion of sustainability. It should be noted that people are rarely 'one level beings' and unlike many typology models, in the VS approach people can (and do) adapt as best as they can given changing external conditions and as they improve their understanding about alternative behavioural choices. The majority of western world actions suggest that there is predominance in the level four to level five range of thinking complexity, though in recent times an emerging shift toward more collaborative approaches appears to indicate the development of SD Level Six mindsets coming to the fore in far greater capacity. The dominant thinking within any Organisation tends to reflect the dominant VS thinking held by the general population spread where its employees live, though it is not uncommon for start up organisations to attract the type of personnel aligned to the Value System thinking of the founder.

Table 2 below gives an indication of the types of benefits any organisation will gain in using each type of thinking to incorporate Value Systems as a means for gaining a sustainable advantage for any future actions. This table indicates that regardless of which level of VS might be dominant in an organisation, ALL VS offer significant leverage in embracing sustainability.

Table 2.
Utility of different types of thinking for Sustainability Initiatives

Level	Advantage in using this thinking in sustainability initiatives:
Two	Awakens our awareness to the 'magical' aspect of the environment; strong connection to nature and shifting signs; able to tap local communities and to form long lasting action groups. The back to nature programs seen in many Primary Schools is often based here
Three	Passion & energy; Willingness to take on difficult challenges; will literally try to 'move mountains' when called up to do something they care about. The radical and dangerous interventions in Coal Fired power stations by some environmental activists often uses this type of thinking
Four	Ensures compliance to mandated system; Dots I's and crosses T's; strong regulatory approach sees a focus on the reporting aspects. Both TBL and Balanced Scorecard approaches fit here as does the ISO framework
Five	Circumvents roadblocks; Innovation in implementation; Sees financial gains; mainly a focus on the 'profits' potential of sustainability systems like TBL & ISO (not exclusively or solely). Green branding of products to tap consumer interest occurs, leading to changed ingredients or production processes
Six	Humanistic approach addresses 'Social' reporting awareness and needs; great at tapping wider community and staff. The emergence of community driven activist groups like 'Get-Up' seem to fit within this level of thinking.
Seven	Holistic awareness of factors in play; Places needs of system before self gain; seeks out skill sets regardless of where they are held. Has no fear of making decisions that may impact negatively on entrenched interests where the overall benefit is greater for doing so

Note how all levels of thinking add value to the implementation phase of sustainability within an organisation. The favoured approach in most for profit companies would typically be seen in the Level Five thinking whose ability to manipulate 'the system' derives from a desire to gain increasing benefits (often wealth or status) for self with a strong attraction to technological fixes, often mistaking 'complex processes' for 'effective outcomes'. What some refer to as 'green washing' is a clash between those doing the telling (level five) and those doing the assessing (level six) of the veracity of sustainability claims being made by an organisation. In the end there is often the need for an independent judge (level four) to make a call as to whether claims are true or not. Most level five thinking organisations have a significant level four thinking capacity available, typically seen in the costs centres of finance departments and IT systems areas and those charged with compliance reporting.

The trap for organisations who rely on one main VS approach is the tendency to ignore or downplay the benefits available in VS modes other than their own dominant one. With the VS model we can begin to address available capacities for implementation as well as the types of responses we can envisage could emerge that can cause delays and difficulties. Examples of some of the challenges and assets that a particular VS could bring can be found in the Table 3 below:

Table 3.
Challenges and assets associated with different value systems

Level	Behavioural Limitation	Negative Example	Positive Example
Two	Closely connected to interest of own small membership cluster. Aims to 'protect' own patch and group. Senior members of cluster must be engaged and willing participants.	Senior member of cluster not involved in process undermines implementation by allowing team members to stick with old ways of 'performing functions'	Paint a rich and enchanting picture of the workplace post sustainability intervention. Sustainability of the 'clan' can be connected to the overall sustainability push
Three	Impulsiveness with no consideration of consequences of action can lead to jumping at an idea before it has been fully considered	An opportunity related to sustainability is acted upon without full understanding, leading to an external partner being put 'offside'	Takes on challenges driving through sustainability initiatives. Highly creative and action orientated, not afraid to tackle sacred cows
Four	Obsession with rules for rules sake; Rigid and unwillingness to adapt to changing demands. Can refuse to embrace 'new rule structures' and may attempt to return to 'the good old days' leading to repetitive attempts at implementation	Failure to implement proper procedures leads to rejection of new system. Staff focus on what is wrong with new system and continually reject change as being in 'best interests' of organisation.	Clearly understands need for accuracy & efficiency of TBL, ISO et al. 'Plays policeman' by ensuring compliance of reluctant departments in the business
Five	May cut corners to feather own nest; Manipulates rule system to gain personal advantage; Technical orientated – people treated as tools. Can circumvent policies perceived as causing delays. Keen to seek out silver-bullet fixes and can often mistake activity for productivity.	Sustainability is seen as a distraction or a threat to positional authority and personal financial outcomes which leads to ignoring basic tenants. Focus is on how to manipulate parts of new system rather than whole system in order to gain for self. Wants a quick fix from the new options	Identifies roadblocks and designs strategy to remove them. Strategically selects resources, allocates tasks ensuring the enhanced processes deliver results. Will seek out expert opinion from outside organisation to improve understanding.
Six	Collective orientation can lead to an unwillingness to take action lest anyone feel 'put out'; May ignore financial imperatives instead focusing on seeking 'equal consensus' rather than 'acceptance and moving forward'	Treats all opinions as equal value. If anti implementation of an idea, will seek continuous meetings, updates and surveys of staff opinions in order to prevent any true progress occurring.	Collects multiple opinions to represent all voices. Understands how to deliver message in acceptable way for all parties. Embraces idea of benefit for all seeking shared and equal sacrifice
Seven	Outcome orientated – can dismiss consideration of others if believes for the benefit of the common good.	Uses aspects of organisation that provide most leverage in pushing through agenda leading to short-term anxiety for staff. The systemic approach can leave those with a more singular focus, of the view that the organisation lacks commitment to the sustainability cause	Able to see 'whole picture' and identify gaps to successful sustainability implementation. Seeks opinions of value, not just experts, not just vested interests in company, and not just rules in the Operations Manual.

The list above requires close scrutiny. In change management programs, too often the process ignores inherent value that different modes of thinking bring to the organisation. The notion of 'best practise' at its core suggests that people should model the behaviour of the current leader in that behaviour set. Yet 'best practise' thinking (an idea firmly entrenched in the Level Five VS) ignores individual preferences and capabilities and worse, ultimately stifles all innovation and improvement for once "best practise" has been achieved, no further improvements are deemed necessary or even believed possible.

For any organisation seeking to embrace a sustainable path for the future, being aware of both the benefits and limitations that different Value Systems thinking provide, can lead to an approach to sustainability that is far smoother and less expensive and a consolidation far quicker than what might otherwise occur. VS thinking overcomes the barriers set in train through "best practise" modelling. Best practise is NOT enough especially when judgement over best practise examples go unquestioned. It should only ever be used to play catch up to an approach better than one currently being used but beyond that, new and more inclusive modes of operation need to be deliberately sought, designed and implemented.

Sustainability - 'Top Down' or 'Bottom Up'?

The future for sustainability needs a shift in organisational mindsets away from a reliance on knowledge (level four to five VS) as a sufficient basis for decision making, and towards wisdom of application of that knowledge (level six to seven VS). The ongoing and debilitating debate over the causes of climate change for instance (often couched in the anthropogenic causation Vs naturally/seasonally occurring event) is an example of what happens when progress is stuck in the knowledge approach. This is a clash of level five approaches coming from both sides of the debate – "your expert versus my expert".

Here we have debates of the validity of the science (we don't really know the causes), the quality of the measurement (how do we know we've got the measurements right?) and assessment of impacts (can we fully know how the world will respond?) as examples of limitations of data as knowledge.

As stated in the paper *Increasing the rate of sustainable change: a call for a redefinition of the concept and model for its implementation'* what is required right now is a push towards wisdom to help us understand how all of our knowledge can be applied in the most effective way possible (Goncz et al., 2006) – what would be a systemic, level seven VS approach.

The authors of that paper claim that *"on their own, more or better ideas will offer very little to enhance the use of sustainable development principles either now or in the future...simply put 'knowing more' will be insufficient...a shift is needed from knowledge (content and tools) to wisdom (aptness for conditions) in sustainability..."* (Goncz et al, 2006, p.526).

The authors contend that technological innovations and increased knowledge form but a small part of the picture. The paper at its heart addresses the need for

recognition of 'agency' – the ability for people to take control of their own situation, whilst being guided and assisted by those with a "big picture" view.

Future sustainability initiatives should be neither top down NOR bottom up. It is likely that the best outcomes will emerge through a combination of thinking. It also appears that where the top down actions are insufficient (or failing to materialise) localised pockets of action will aim to by-pass the recalcitrants in Governments and do their own thing. The top down approach is more often seen in the level four Values System thinking where the higher authority is deemed to be the one with the right to determine a path forward for the organisation to follow. Where the solution is brought in from outside the organisation, it likely the there is a combination of both levels four and levels five, where the expert is brought in at the behest of the senior management (higher authority) to fix the problem with a new 'silver bullet' model as is often seen in large scale change management interventions by management consultancy firms.

Yet with the spread of information networks, it is possible for people around the world to share ideas about actions that can be taken to minimise the impact of a changing climate or to better use available resources in a sustainable way that does not require the intervention or solution expertise of a large organisation. The emerging challenge is that great ideas in one location may not be suitable for those in another location. This is more often seen where top-down models of intervention demanded by the external all knowing (and often distant) entity with little understanding of the on the ground issues are injected as the sustainability fix. Increasingly it is possible for localised groups to embrace ideas from elsewhere that may be less suited to their own environments. Two books that shed light on this mindset of ill fitting solutions from on high or from the beyond are *Future Positive* (Edwards, 2004) and *From Poverty to Power* by (Green, 2008). Both books consider the actions of Governments and pan governmental agencies like the UN and Oxfam in responding to and selecting 'solutions' to local issues highlighting both significant failures and significant successes.

Neither "top down" nor "bottom up" solutions seem to stick or work as successfully as those that combine the expertise and big picture view with the hands on and pragmatic understanding.

The question for the future of sustainability is how do we enable a rapid transition? In this case we can look at recent history, based not solely on the success of a process used in a local environment, but whether that process was used in an environment similar to the one(s) where it might now be being considered.

Goncz et al. (2006, p.530-532) propose a "Shangri-la" code – based on Hofstede's (2001) five cultural dimensions – that can be used to assess the future success potential of any given solution based on the aptness of that solution for a proposed location.[5]

The Shangri-la code seeks to match a potential solution with regional and localised understanding – or more simply, a shift from knowledge (the solution) to wisdom (aptness for the local conditions) and therein a more robust method of developing sustainable solutions the will work into the future. Like the suggested approach to Value Systems, what the Shangri-la code suggests is matching the required capability to the specific conditions in which the initiative is required. Such flexibility is typically lacking when an Organisation relies on its central Value System for decision

making which will usually see it do more of the same despite the different circumstances in which it finds itself.

When considering the idea of 'emergence' and 'self organisation' as relating to sustainable development, the authors also contend that "global surface complexity therefore emanates under specific conditions from an underlying bottom (local) simplicity" (Goncz et al., 2006, pp.528). In other words they suggest that we have clear indications of a 'bottom-up' influence. Arguably this might be a confirmation of the well worn mantra 'think global, act local'.

From a future sustainability approach they recommend that sustainable strategies *'...require constructiveness, communication and cooperation. They demand motivation and sensibility for problem solutions, yet may be vulnerable and react sensitively to destructive disturbances – a strength and a weakness...'* (Goncz et al., 2006, pp.529-532). This is where the Value Systems model comes into its own for sustainability of our future - it is a systemic, rather than symptomatic approach and is a shift away from the often singular approach seen at levels two through six VS, to the type of thinking that truly emerges for the first time, at a level seven VS.

The picture beginning to emerge then is how to embrace the idea of sustainability given the complexity of the challenge, the variations in localised conditions, the reluctance of many Government agencies to act and the influence of large (often profit driven) stakeholders to retain the status quo. The future then takes us toward the Value Systems model being used by organisations so that they recognise and accept the key attributes available to the individual and wider society. Rather than select a singular model of 'sustainable development' or 'mitigation', the future success hinges on our willingness to utilise the capabilities of everyone as best fits what the individual is capable of doing within the framework of a broader societal approach.

With specific regard to sustainability of and by organisations, what begins to emerge is awareness that what people judge as appropriate levels of attention to 'economic', 'social' and 'environmental' considerations, will ultimately be determined by the dominant Value System operating within the company or individual. Simply, where one person believes a low voltage lamp is enough of an effort, another may think a 10 hectare forest is too little!

Future Ideas Today

It is likely that other approaches might be required in order to build some future impetus. In attempting to utilise more than one Value System to generate solutions the following ideas are put forward:

The development of an 'Oxygen Credits System' (Barber, 2005) which, acting similar to a Carbon Credits system, would pay (often developing) countries with large forest tracts an income for acting as the 'lungs' of the planet. This would offset the developing nation's need to utilise their forests as a timber resource and still earn the socially required income that makes improvements for the living conditions of their citizens possible.

There is a need for individuals, societies and countries to understand the impact they have on the planet in the way they consume resources. Wackernagle's 'Ecological

Footprint' is one measure. Another is developing a shared 'currency' across the world. In that sense the idea of 'The Global' is mooted (Barber, 2003a). Equivalent to one litre of fresh water the 'Global' considers that all trade exchanges are merely examples of shifting fresh water in its various 'end states'. It would then be possible for individuals and society to develop a Globals usage statement along the lines of an energy usage statement seen in the form of bills from suppliers. The question then emerges how many globals did I spend on acquiring product 'x' or service 'y'? There is an anticipated shift in future orientated behaviour likely to emerge.

Additionally a Global currency map that tracks the volume of Globals available in any given location[6] also acts to enhance our understanding of the likelihood of success for any future sustainability initiative - how many globals might be required to sustain this initiative?

A challenge for industrialised nations is the way in which executives of companies are paid as this often frames the way in which strategic decisions are undertaken.

Publicly listed companies (in particular) are encouraged (through the dictates of a 'market' of stock exchanges) to deliver short term returns as companies that do so are rewarded through higher demand for their shares which then increases the prices paid for those shares. Many senior managers receive bonuses not based on any real increase in value of a company, but rather in the increase in *perceived value* of a company based on the share price of their firm. This is the core essence of 'brand value' which is an assessment made based on the expected sales of a business, based on the consumer's appreciation of or connection with that brand. From a Values Systems perspective, this fits with the level five thinking process where surface level indicators hold precedence over structural (deeply embedded) indicators. The difference this makes in terms of organisational strategy and approaches to sustainability can not be overstated strongly enough. The end result of senior managers receiving bonuses based on perceived rather than real value is that it encourages senior managers to hide mistakes, ignore signs of change and push for short term 'triggers' regardless of the potential longer term negative impacts.

To address the above challenge, we'd introduce escrow periods on executive payouts to trigger say three years AFTER they have left the firm. This differs significantly from 'escrow' periods for an executive whilst they are STILL employed by the firm. Three years might be bring to light impacts of the less sustainable orientated actions, such as the 'cartel' like practices by one Australian airline and it's various overseas partners which have emerged subsequent to the departure of the previous CEO with a rather lucrative final year salary and payout.[7] As such, executive departure packages would be rescinded as a penalty for poor sustainability practices that ultimately harm an organisation's prospects for the future.

Typically most managers plan at most, three years out and often look as little as three months ahead. In order to get organisations to think more critically about their company operations and future impact, we could introduce the 'Future Generation Penalty Clause' (Barber, 2003b). What this law would do is make the manager's children responsible for the environmental damage caused by their parent's company. In effect, the legacy people leave behind would no longer be considered in just material terms of housing or money. Children will be made to scrub rivers and plant trees and

remove toxic wastes all as a result of poor decisions made by their senior-manager parents. This would bring the sustainability issue to the fore of the very people with the power to make an immediate and significant difference by linking top-down leadership with bottom-up at the coal face consequences.

Another idea is the 20% tax on imports from leading CO2 polluters such as the US and Australia, or any country not undertaking action to minimize their carbon footprint (Barber, 2004b). I publicly floated this idea at the UNESCO sponsored 'Committing Universities to Sustainable Development' conference in Graz, Austria in 2005. A few months later the idea was picked up in France and mooted as once way France could address the reluctance by leading polluters to get on board the need for a more sustainable approach. Indeed it could be possible for smaller nations to embrace this idea and form a small trading block or 'sustainability group' to offset 'retributive' approaches by larger nations and would encourage businesses within recalcitrant nations to embrace a true sustainability mindset

Specifically we need '...Sustainable Development concepts to move from 'good ideas' to include the critical 'aptness' aspect for it is this that moves us from 'knowledge' to 'wisdom' (Goncz et al, 2006, p.534). For organisations looking to respond to the call by large sections of the world to take a more sustainable orientated means of doing business (whatever that business is), awareness of the significant benefits in utilising the total skills of the full Value Systems approaches will be needed.

The future-based question is will these actions be enough? I suspect that what is required right now are far bigger 'sticks' and perhaps more refined 'carrots' to encourage shifts in individual, societal and global behaviours. Taxing pollution is perhaps the simplest idea though administration might be trickier than expected. There are certainly enough incentives for businesses to become more sustainable but without the equivalent 'penalties' in place, choice within a business becomes a 'values' based judgement, rather than one where the predominant thinking (economics) is challenged. Too few businesses are making the transition in a serious way and that is not the fault of the business – rather it is a flaw in the process being used to encourage sustainability – sometimes a 'push' is needed to overcome inertia.

Summary

Around the world we are seeing increasing expectations for environmentally benign manufacturing, 'take back' legislation rather than disposal of waste and a push for sustainable development. We will see assorted approaches to sustainability from the varying types of organisations. The (usually level four or level six Value System) Representative bodies like NGO's and in particular local community groups will become better organised and wield more political 'muscle' whilst the larger bodies like the UN and NATO may push for a redefinition of their meaning and even question the value of their existence. This emerging model poses serious challenges for profit driven organisations whose social licence to operate will come under increasing social and regulatory pressure.[8]

The predominantly level four VS Regulatory groups like governments will address the needs of the environment for their local communities and the wider world

if they can break the shackle to 'growth at all cost' (predominantly level five VS) industry production groups. Production organisations will come under increasing public pressure to improve manufacturing processes, however they will also face a need to meet demands of the current market driven profit orientation. For developing nations, the choice will be implementing sustainable practices using expensive technology or slower but cheaper people-orientated approaches. What the Global Currency Map and 'Shangri-la' code suggests is that solutions ought to be configured with local conditions in mind whilst leveraging the 'big picture' knowledge often residing outside the localised environment, and the same thing applies to organisations in their drive toward sustainability practices.

Sustainability will have a major impact on all types of organisations in the 21st century. Dramatic changes will come through (level four VS) legislative controls if (level five VS) Producer groups are unwilling to adapt to manufacturing processes deemed more environmentally and socially sustainable, particularly if further environmental damaging events occur. If multinationals fail to 'pay their dues' by shifting profits overseas and out of the hands of the nations reliant on tax to fulfill social obligations, the Tobin tax, GTOPE[9] or similar models will come into play as governments address revenue decreases and (level six VS) community groups grow hostile. These ideas represent both a challenge and opportunity for organisations as they deal with sustainability needs locally and around the world.

Overall, sustainable development reflects, as Graves' model predicted, the current clashes between differing Values around the world and held by the Producer/Regulator/Representative organisational types and it is hoped the models and ideas put forward here help us embrace a more effective approach to future sustainable development initiatives. No single level of thinking has all the answers and every level of thinking ought to be considered as an asset to sustainable futures. Neither the top down or bottom up approaches seem to work sufficiently well and if we are to move from knowledge to wisdom and if we are to sufficiently manage the competing 'Lifestyle' versus 'Life' strategies heavily entrenched around the world, one thing seems abundantly clear - the models we've been using are unlikely to be sufficient. Rather the Value Systems model covered briefly shows promise above all others for its utility within project settings and across conditions.

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Notes

1. Save the Franklin became a rallying call for the green movement in Australia with Bob Hawke, then opposition leader effectively elected in 1983 on the back of promising to ban any damming.

2. Thalidomide was sold in the 50's as a sleeping pill and morning sickness treatment and was banned about 10 years later due to birth defects it caused. For more information see http://www.fda.gov/cder/news/thalidomide.htm. Dioxin is a super chemical and only radioactive waste is considered more dangerous. In miniscule doses it interrupts the genetic mechanism of the cell leading to cancers and birth defects. See http://www.cqs.com/edioxin.htm.

3. Greenpeace Australia typically focus on environmental type issues (see www.greenpeace.org.au). Sea Shepherd focuses mainly on whaling and sea life issues and was founded by ex-Greenpeace member Bob Watson dissatisfied with an apparent reluctance by Greenpeace to engage in more direct action on certain environmental issues (see www.seashepherd.org). Arguably for Greenpeace we have seen them 'step-up' their direct activities in recent times. This could be viewed as a level 3 Value System (VS) provocation of a level 4 VS into being more action orientated. AVAAZ has a much broader focus than either Greenpeace or Sea Shepherd with perhaps more leaning to people issues and human rights activities (www.avaz.org).

4. The Ecological Footprint compares the level of consumption of an individual (or business or society) against the regenerative capacity of the planet. The common indictor is the number of productive hectares of land required to meet the consumption demand. For more information check the Global Footprint Network at www.footprintnetwork.org or check the World Wildlife Fund's 'Living Planet Report'.

5. The five cultural elements are: a) long term orientation (LTO); b) power distance (PDI); c) uncertainty avoidance (UAI); d) individuality (IDV); and e) masculinity (MAS)

6. A Globals usage statement is based on the 'Global' currency unit equivalent to 1 litre of fresh water (see Barber, 2003a).

7. QANTAS was recently fined many millions of dollars for engaging in cartel behaviour in international airline freight. See http://www.theaustralian.com.au/business/aviation/qantas-slugged-20m-for-freight-scam/story-e6frg95x-1111118294705 (accessed 31st July, 2010). Their previous CEO, Geoff Dixon departed in 2008 with an $11million dollar bonus year despite these practises occurring whilst he was head of the company. See http://www.theaustralian.com.au/business/aviation/former-qantas-ceo-geoff-dixon-paid-11m-in-last-year/story-e6frg95x-1225777546735 (accessed 31st July 2010) and although nothing has been alleged against Dixon, in the article linked to below, it was reported that *'A plea agreement reached with the US Department of Justice more than a year ago protected all of Qantas's management from prosecution.'* The fines for the price fixing so far total around $100m and the head of QANTAS' freight arm was jailed for the freight scam - http://www.businessday.com.au/business/exqantas-freight-chief-pays-heavy-price-for-cartel-20090503-arek.html (accessed 31st July, 2010).

8. Social Licence to Operate refers to the idea that organisations need to earn the right within their communities, to conduct business. This is a common theme among mining and resources sectors.

9. GTOPE stands for 'Gross Turnover per employee' which is an untested approach to encouraging a balance between social outcomes and a company's right to profit from its activities. See *'A Blueprint to Advance Australia Collectively'* (Barber, 2003b).

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