

Revisiting Sustainability: Are We Losing Sight of the Forest by Understanding Trees?

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AGENDA

The Sustainable Development Goals (SDGs)

Background and problem statement

Peculiarities of sustainability

Institutional roles and shifting paradigm

Sustainable initiatives and examples

Dynamics of actors and strategy

Conclusion, future directions, practical implications

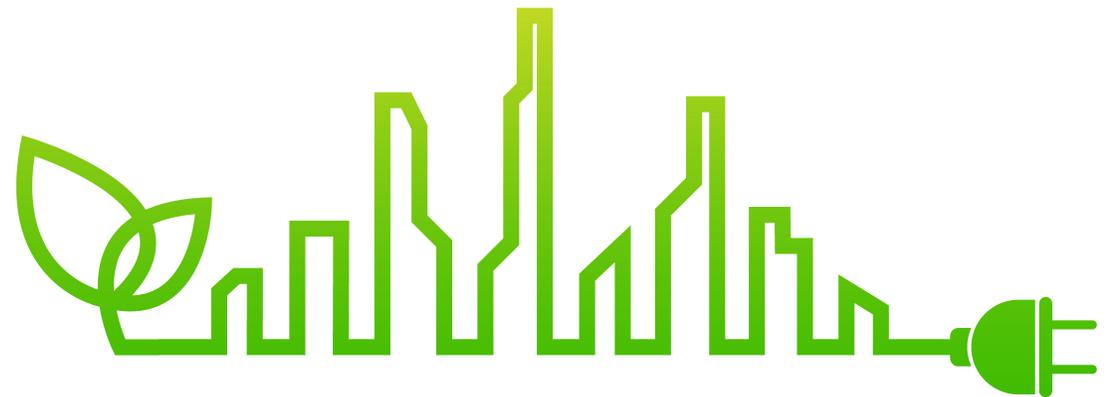
THE SUSTAINABLE DEVELOPMENT GOALS (SDGs)



BACKGROUND

Since 25 September 2015, all 195 member countries of the UN have adopted a set of 17 Sustainable Development Goals (SDGs) to achieve new “Agenda 2030” – grand (sustainability) challenges

- **Problem characteristics:** complex, multi-dimensional, socially constructed
- **Scope:** local, regional, global, cross-sectoral, inter-generational
- **Actors and stakeholders:** broad range of distributed actors, overlapping and conflicting interests, actor networks/coalitions
- **Policies:** policy interaction, potential conflicts, multi-levels, isomorphism



PROBLEM STATEMENT



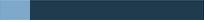
- **On a practical level:**
 - Organisations need to communicate about their environmental activities to create a competitive advantage and to indicate legitimacy. Yet, these activities are largely voluntary and operationalised through non-binding or “soft” law.
 - It is becoming increasingly common for organisation to engage in a rhetoric such as greenwash (Burchell and Cook, 2008).
- **On a theoretical level:**
 - Sustainability is barely discussed and analysed in such an explicit way.
 - It is limited by the ubiquity and vagueness of its definition (Dixon and Fallon, 1989).
 - It lacks of definitional agreement and clarity regarding the best way to implement sustainability in practical level (Daily and Huang, 2001).
 - Very little known about sustainable development and organisational performance due to the problem in defining what sustainable development means in a wider context (Hart and Milstein, 2003).

PECULIARITIES OF SUSTAINABILITY



- **Complex, uncertain, long-term:** time, scale, scope
- **Multi-dimensional:** institutional, organisational, technological
- **Multiple levels:** global, regional, national, local
- **Value-laden** and **contested:** conflicting views, trade-offs (e.g. low-carbon vs. nuclear risks)
- Key role for **public policies:** purposive transitions, associated with sustainability targets
- **Power** and **politics** central: vested interests; winners vs. losers; coalitions and alliances
- **Context dependent:** different pathways, technology plays a central role
- **Transition:** fundamental transformation of large socio-technical systems towards more sustainable modes of production and consumption

INSTITUTIONAL ROLES & SHIFTING PARADIGM



- **Private sector:**
 - Business is playing a very different role in society in the last couple of decades (Friedman, 1970)
 - Wider role and responsibilities to society (Ruggie, 2004), with actions and expectations
 - Transnational private governance initiatives (e.g. ISO) lead the industry voluntarily
- **Public sector:**
 - Many operations do lend themselves to potentially successful benchmarking operational activities (Dorsch and Yasin, 1998)
 - Adopting a stakeholder orientation to the delivery of their public service
 - Enacting more regulations to ensure compliance, due diligence, and full disclosure
- **Nonprofit sector:**
 - Collectivity : value creation lies beyond the capability of single organisation (Berrone et al., 2016)
 - Might influence the outcomes of value creation activities either by promoting or opposing collective efforts of nonprofit organisations (McAdam and Scott, 2005)
 - The role of the community is emerging, being a critical location of policy-making activity and new focus for the administration of governance (Daly, 2003; Reddel, 2002)

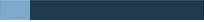
SUSTAINABLE INITIATIVES & EXAMPLES

Initiatives and examples	Nature	Challenges
Initiatives in the private sectors <ul style="list-style-type: none">• Tesla electric cars• Philips lightening services	Opportunistic activities	Voluntarily, "soft" law
Initiatives in the public sector <ul style="list-style-type: none">• Paris Agreement• Forests in Bhutan (increase forest covered 40-60%)• Fuel standards for automobiles	Broad and grand challenges, rhetoric	Lacks of coordination
Initiatives in the nonprofit sector (civil society, not-for-profits, NGOs, local community, etc) <ul style="list-style-type: none">• Green building certification program• Girl scouts education campaign (teach parents to recycle)• Wind power in Denmark	Small, sporadic, local	Require collectivity

DYNAMICS OF ACTORS & STRATEGY

Main actor	Strategic choice	Characteristics	Instruments
Public sectors	orchestrated planning	Centrally conceived, analytically driven, strategically deliberate (pledge-plan-police)	Laws, constraints, regulations, decrees, incentives
Private sector	autonomus venturing	Opportunities for economic rents, deliberate or emergent, up-down	Products, services, infrastructures
Nonprofit sector (civil society, not-for-profits, NGOs, local community, etc)	grounded engagement	Experienced-based learning, community-based action (intense engagement), strategically emergent (thousands of flowers blooming)	Collective action based on communality

CONCLUSION & FUTURE DIRECTIONS



- Current literatures tend to be **narrowly focused** and **poorly connected**.
- It **lacks of systematic approaches**, utilise **few theoretical lenses**, and somewhat **incompatible** with dominant research paradigm.
- There is much to be gained from reopening the debate to take into account a **more interdisciplinary** field of research, **tailored** approaches, and focus on the **institutions** as well as **socio-technical** systems.
- Possible **future research avenue**:
 - Novel strategies and perspectives [e.g. Etzion et al. 2015; Wittneben et al. 2016]
 - Incumbents vs. newcomers, disruptive [e.g. Ansari et al. 2016; Berggren et al. 2015; Kishna et al. 2016]
 - Institution, political action, advocacy coalitions [e.g. Bohnsack et al. 2016; Fuenfschilling & Truffer 2016;]
 - Innovation system building [e.g. Planko et al. 2016; Adner & Kapoor 2010]
 - Business models for sustainability [e.g. Schaltegger et al. 2016; Wells 2017]
 - Industry creation & legitimacy [e.g. Binz et al. 2016; Markard et al. 2016]

CONCLUSION & PRACTICAL IMPLICATIONS

- Sustainable initiatives should become an **integral** part of organisational strategy.
- We need **long-term** focus (e.g. shift away from meeting investors expectation, stop maximise profit beyond infinity, etc).
- Overcoming such myopic tendencies unarguably requires **radical rethinking** and strong **boundary-spanning leadership**.
- Sustainability should be viewed as **multilayer** strategy -- must **triangulate** public, private, and nonprofit organisations.
- No one sector can do it alone, but **who will lead** such orchestrated, massive, and synchronous initiatives?



THANK YOU

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