

# Building a Sustainable Value Business Model, Before It's Too Late

By  
John R. Childress

*You cannot solve problems with the same thinking that created them.  
~ Albert Einstein*

A young boy throws a rock into a pond and an ever increasing number of concentric waves fan outward until they reach the edge of the pond. The entire pond is disturbed. Like the rock in the pond, in the quest for growth and profit, modern businesses, fueled by breakneck scientific and technological advances, threaten the very sustainability of their pond, planet earth.

*Previously people talked about win-win business deals, but they were  
naïve, the environment always lost - Jason J Drew*

Even with global corporations providing considerable sums for CSR and with billions of dollars donated annually to global aid agencies, disaster relief agencies, environmental and conservation organizations, sustainability of our planet is trending in the wrong direction. The world population is exploding, and extreme poverty is proving difficult to eradicate. Waste and emissions are accumulating to record levels while at the same time natural resources are consumed at an alarming rate. Water is already scarce in many countries. The oceans are saturated with micro-plastics and thousands of square miles covered with floating masses of man-made garbage. Overfishing has brought stocks of many species to near extinction levels. And potentially irreversible climate change is threatening everyone's wellbeing. In this dire context, business-as-usual is no longer a "sustainable" option.

This paper poses two fundamental questions and provides an initial roadmap for delivering real answers.

- *Do we have the understanding, courage and the will to reverse this trend?*
- *Can we build, lead and manage sustainable business enterprises?*

For the purposes of this paper, "sustainability" will mean those businesses and business activities that are not harmful to the longevity of the business, the environment, consumers and communities, or depleting natural resources, and that at the same time deliver long-term economic and social benefits, environmental stability and ecological balance.

## Rethinking the Business Model

The focus on profit without concern for local communities or the environment can no longer be tolerated, and such activities no longer hidden. The Internet, smart phones as global news cameras, and a connected global village make it impossible for companies to practice unsustainable business activities with impunity. And consumers will more and more vote with their feet, avoiding those

business that damage the well-being of their communities, society and the planet. People are demanding change. And business, especially the large global companies, can and must take the lead. Those that create the problem have the responsibility of solving the problem, while at the same time generating fair returns for shareholders.

Consumer confidence, shareholder value, brand equity and the very sustainability of today's global businesses, and the planet, rely on a major shift towards new business models that focus on the intentional creation of enduring social and economic value for all stakeholders. Such new business models could deliver sustainable, scalable social and economic value creation across complex commercial and social systems. Enduring business and social value is created when an organization conducts its operations such that commercial and social goals are inextricably linked, and social and financial impacts are equally represented in their strategic planning, operating budgets, balance sheet, leadership development and corporate culture.

*"Only by integrating societal objectives into business strategy can companies have the positive impact society needs.*

*~Peter Brabeck-Latmathe, Nestle*

The most effective and efficient way to deliver real value for all stakeholders is for business to join forces with local governments, non-profit organisations, and other businesses (yes, even competitors) to build improved manufacturing systems, distribution systems and supply chains that can deliver products and services that improve lives, livelihoods, communities and societies, while at the same time providing economic returns for the businesses involved.

And a few forward thinking global businesses are beginning to explore sustainable value business models (SVBM).

Puma, the global sports apparel retailer, has made a commitment to eliminate all hazardous chemicals across its entire supply chain by 2020 and has recruited Adidas, Li Ning and Nike as full partners in this ambitious objective. Textile manufacturing and processing often results in chemicals being discharged into waterways and is the main cause of water pollution in the Puma textile supply chain. By working directly with all the companies in their chemical and manufacturing supply chain, they are building a business model which directly and positively impacts the environment, the communities in which their suppliers reside, and the Puma brand in the eyes of consumers.

High fashion designer and retailer Alexander McQueen discovered that traditional cotton production methods used a significant amount of water, chemical fertilizers, pesticides and fossil fuel energy. To become a more sustainable and positive impact business, Alexander McQueen introduced organic cotton into its products. Organic cotton production uses only a third of the water, avoids chemical fertilizers and needs less than half of the fossil fuel energy that conventional cotton production requires. Not only is this beneficial to the environment, but helps reduce costs for farmers, improving their profitability and lifestyle.

In 2009, giant confectionary company Nestlé launched its Cocoa Plan. The goal was to improve the profitability and sustainability of small cocoa farms, advance the social conditions for local people and in turn develop a sustainable supply of high quality cocoa for Nestlé. The Cocoa Plan focuses in the following key areas:

- Better farming: training farmers on efficient farming methods and responsible work practices.
- Better plants: supplying farmers with 12 million higher yielding, disease-resistant cocoa trees to replace ageing unproductive trees.

- Better schools: working with the World Cocoa Foundation to build and refurbish schools to improve educational opportunities, and working with NGOs and the governments of Cote d'Ivoire and Ghana to stamp out forced labor practices in the cocoa industry.

In 2015 Nestlé announced that 100% of its chocolate products produced in the UK and Ireland were sustainably resourced. While this is good for the company brand image and for the supply chain, which has been certified as sustainable, the farmers have not materially been impacted and many remain in extreme poverty. This example of doing good across the supply chain but not at the family or community level highlights the difficulty for businesses intent on promoting sustainable value business models. They must find ways to do good for multiple actors in the system and not just their suppliers and their brand image.

### A Roadmap to a Sustainable Value Business Model

*“Business cannot survive in a society that fails, so it is stupid to think that a business can just be standing on the sidelines of a system that gives them life in the first place. So this is not idealistic at all. All of the actions that we do are hard-wired to our business purposes, hard-wired to our brands.”*

*~Paul Polman, CEO Unilever*

At the United Nations Sustainable Development Summit on 25 September 2015, world leaders adopted the 2030 Agenda for Sustainable Development, which includes a set of 17 Sustainable Development Goals (SDGs) to end poverty, fight inequality and injustice, and tackle climate change by 2030.

But we all know change is difficult. There is ample evidence that approximately 70% of all business and government transformation programs fail to deliver. Time, energy and money are expended, but before long it's back to business as usual. And when it comes to redefining the operating model of a company or changing government regulations, the shift is even harder.

Most successful transformations occur as a result of a crisis, such as an impending business bankruptcy. When a company has little cash reserves left and customers are abandoning them in droves, the conditions are ripe for change. But even then a sustainable turnaround is not guaranteed.

So, how can a modern global business with thousands of employees in locations around the world reshape itself from the current business model of profit at all costs, with a little CSR thrown in, into a Sustainable Value Business Model?

Over the past several years we have been speaking with global business leaders and heads of government agencies and NGOs to determine the critical elements that must be put in place to move towards enduring SVB models. While much more research and case studies are required to provide clear steps that businesses and governments can adapt and deliver greater sustainability, the following will serve as basic starting points for discussion, debate and change.

### It All Begins with Leadership

*Knowledge and data only inform, but an epiphany is the awakening that stirs one to action. All transformational change begins with a personal epiphany.*

In the 1990s Ford Motor company had a joint venture to build automobiles in South Africa. The company was SAMCOR and David Schoch, a veteran Ford executive from Detroit was the CFO and along with another Ford veteran, CEO Lewis Booth, ran the day to day operations. While the market was favorable and growing, the local workforce was not. The problem was excessive absenteeism and turnover. After some investigation they determined that HIV was rampant in the local communities where the workers lived and the disease was at the heart of the absenteeism and turnover. When Dave and Lewis approached the South African government for support in tackling the epidemic, they were stonewalled. AIDs and HIV were being systematically denied at all levels as a problem in South Africa. No one wanted to get involved.

What came next for Dave and Lewis is a critical requirement in the implementation of change towards a Sustainable Value Business Model. A personal epiphany.

*It was a personal epiphany for me when I realized that while we were making great automobiles and racking up profit, we were avoiding the human issues that should be at the foundation of any good business. One day I looked in the mirror while shaving and thought, I am not only responsible for profit, but for lives and livelihoods as well. We must change our business model in order to have a sustainable business that does well AND does good. ~David Schoch*

Dave and Lewis talked to their management team, got the buy-in for change, and began to set up meetings and workshops inside the company to educate the workers on AIDs and HIV. At first they met with considerable resistance from middle managers and even the workers themselves. Nobody wanted to talk about it. But according to Dave it was his personal epiphany that kept him going. He attended many of the workshops personally. Then they used company funds to set up clinics in the local communities to extend their education efforts. Free condom machines were placed in all the company washrooms and made available in the communities as well. Soon the local communities took over the education efforts and the government helped set up clinics and other care facilities. Change happened. And the company benefited financially through higher productivity from healthier workers, plus reduced absenteeism and turnover.

*What is really gratifying to me is that a decade later I went back to South Africa for a visit and the local programs we started for AIDs and HIV awareness and education had grown into surrounding communities far beyond our workforce. We made a real difference in people's lives and livelihoods. ~David Schoch*

The development and implementation of a Sustainable Value Business Model can only be realized through strong and committed leadership at the top of businesses and governments. And that commitment must be deep and personal in the hearts and minds of the key leaders. A great majority of the business and government leaders we have spoken with have, at the center of their commitment to sustainability, a personal and profound epiphany concerning the important role of business in building a better world.

*What I would like to do is to leave behind a sustainable entity of a set of companies that operate in an exemplary manner in terms of ethics, values and continue what our ancestors left behind.*

*~Ratan Tata, Chairman Emeritus of Tata Sons*

Lee Scott, former CEO of Walmart, had his personal epiphany in the aftermath of Hurricane Katrina in August 2005 when news broadcasts repeatedly showed huge numbers of Walmart trucks delivering supplies to stranded locals and heroic employees helping local residents. *‘How could we be that kind of company all the time?’ he asked himself. “Just because we’re big, do we have to be bad? Can’t we use size, scale, and scope in a way that is actually positive?”*

Ray Anderson managed to steer his global carpet tile manufacturing business, Interface Global, away from being a major business polluter and consumer of resources towards being a zero impact business. After reading Paul Hawken’s book, *‘The Ecology of Commerce’* in the 1990s, Anderson had a personal epiphany. Business-as-usual wasn’t an option. Interface was clearly destroying the planet. Anderson realized that only the leader of the business was powerful enough to reverse the trend. He single-handedly led massive efforts to transform Interface into a zero carbon business.

Paul Polman, chief executive of Unilever, states that his inspiration came from looking into his children’s eyes and realizing he would be failing them if he did not do all he could to improve the world and ensure their future wellbeing.

Lynda Gratton, professor of management practice at the London Business School and chair of the World Economic Forum on leadership has been conducting in-depth research into 60 companies on the path towards building a positive impact business model. In nearly every company she finds their focus and commitment to sustainability the result of the leader’s personal epiphany.

Strong leadership with a deep personal commitment to sustainability is the important and critical first step in reshaping business or government towards a Sustainable Value Business Model. However, strong and committed leadership is important, but not sufficient. Several other foundations for change must also be put in place to bring about real transformation.

### Building Sustainable Value into the Business Strategy

*Cutting prices or putting things on sale is not sustainable business strategy.*

*~Howard Schultz, CEO of Starbucks*

The importance of building Sustainable Value into the strategy of a business cannot be underestimated. Business strategy is most simply defined as the set of actions and activities a company invests in to gain competitive advantage and to maximize long-term value. A clear and defined strategy provides the necessary focus for effective executive decisions, management actions and business investments. Those few activities clearly stated in the company strategy document are the ones that get funded and get management attention. Most other projects and activities, like training, CSR or community outreach projects are susceptible to budget cuts during times of business difficulty. Making sustainability a part of the formal business strategy, and measuring results in terms of improved financial and non-financial business value, is critical for developing a Sustainable Value Business Model.

David Schoch is now Head of Ford for Asia Pacific and from the successes at SAMCOR and other Ford sustainability efforts, the Ford Motor Company has made a major commitment to sustainability by integrating it into their global business strategy. The Ford Global Strategy has three pillars; a Strong Business, Great Products, and a Better World. The Ford “Better World” pillar focuses mainly on issues relating to sustainability in Health, Education and Conservation.

In 2005, following the personal epiphany of CEO Lee Scott, the Walmart Company announced three strategic objectives related to a more sustainable business model: to be supplied with 100% renewable energy, to create zero waste, and to sell products that sustain people and the environment. All three of these strategic objectives can be measured in real economic value. Delivering on these stated objectives requires a fundamental rethink of the entire way Walmart goes about business, from sourcing to supply chain management to packaging policies to customer engagement. These shifts have not been easy within a company founded on excessive cost control, but would never have even gotten off the ground unless they were made a part of the official corporate business strategy and adopted by all the leaders within Walmart, and continuously measured and reported.

Paul Polman has guided the executives at Unilever in building sustainability into the corporate strategy in order to achieve the company vision and purpose of “making sustainable living commonplace”. And as a result of sustainability being part of the published corporate business strategy, direct efforts in the areas of deforestation, sustainable agriculture and universal access to safe drinking water, sanitation and hygiene are being funded and supported across the Unilever global footprint, and the economic and social value gained for the Unilever brand have been significant.

The key difficulty in building Sustainable Value into the business strategy is how to measure both the economic and social benefits in terms that are important to the stakeholders themselves. Just focusing on the company benefits may be easy to measure, such as Return on Investment or reduced turnover costs or greater productivity and profitability. But what about for the communities and the people in them, not to mention those businesses, large and small, in the supply chain? Proving both economic and social impact that is sustainable is the next critical step in convincing more companies to adopt a Sustainable Value Business Model.

### Prove The Value To All Stakeholders

*Think about it...if we throw it away, we had to buy it first. So we pay twice, once to get it, once to have it taken away. What if we reverse that cycle? What if our suppliers send us less, and everything they send us has value as a recycled product? No waste, and we get paid instead.*

*~Lee Scott, Chief Executive, Wal-Mart, October 2005*

Modern global businesses, and for that matter the global economy, is built on two fundamental principles. One is that profit is the key measure of success, and the second is that all investments must have a positive return in a definable time frame. So, if the business leader decides to change to a Sustainable Value Business Model, then the effort and investment required must provide a measurable return on the balance sheet and have a positive impact on all stakeholders. Otherwise, the effort just becomes CSR on steroids and not a fundamental shift towards real sustainability.

In the last couple of decades, a large number of quantitative methods to assess sustainability have risen, such as benchmarks, indices, metrics, auditing, developmental and NGO auditing, reporting and accounting. One of the major flaws in all these efforts to show sustainable value creation is that many are activity-based measures and not outcome measures, and often focus on short term changes that do not necessarily prove longer term sustainability.

The number of new classrooms built may be an easy metric to count, but may not indicate an overall improvement in the livelihood of people in the local communities. And this is just one example of the difficulty in measuring and proving the value-added impact of real sustainability.

Kering, the French conglomerate, has developed an innovative tool, Environmental Profit & Loss (EP&L) Accounting, which makes the invisible social and environmental impacts of business visible, quantifiable and comparable. First developed by Jochen Zeitz, Chairman of Puma (a Kering owned company), the Environmental Profit and Loss statement values the environmental impacts of a business across its entire supply chain. Expressing the scale of impacts in monetary terms enables executives to consider environmental impacts alongside conventional business costs. In the case of Kering, EP&L helps place sustainability at the core of their business decisions. True to their belief in the importance for sustainability in all businesses, Kering has made the EP&L methodology open source and available for any organization to use and adapt to their business.

As innovative and revolutionary as the EP&L methodology is, it is limited in its focus on the value added to the company through better environmental stewardship, and not to the many other actors in the system: suppliers, communities, households. EP&L is a step in the right direction for the company, but we also need ways to measure the long-term value of Kering's business decisions on consumers and communities. Are they better off? In what ways? By how much? And what if Kering abandons this market or that business? Will the community benefits be sustainable without Kering? Answers to these questions are the next frontier in making Sustainable Value Business Models attractive as a way of doing business.

There is still much work to do in this area, yet when real value can be shown that demonstrates longer term sustainability and the impact becomes clear to all stakeholders, support and commitment will grow.

*I don't think our fiduciary duty is to put shareholders first. I say the opposite. What we firmly believe is that if we focus our company on improving the lives of the world's citizens and come up with genuine sustainable solutions, we are more in synch with consumers and society and ultimately this will result in good shareholder returns. ~Paul Polman, Unilever*

## Build a Culture that Supports Sustainable Value

Every individual on the planet has a unique personality which shows up in how they behave with others and how they interact with the world around them. Some have outgoing personalities, others are shy. Some are highly analytical and precise, others more spontaneous. Organizations, like people, have a "corporate personality" which determines how they do things inside the company, how employees interact with each other, and how they treat customers. The business term for a company personality is called Corporate Culture, and corporate culture has a profound impact on the way a company works and how it performs in the marketplace.

Corporate culture is analogous to the DNA of the company, and as such is that unique combination of behaviors, beliefs, assumptions and business processes (formal and informal) that over time have become the "habitual" or "default" approach management and employees use in solving business problems and interacting with each other, customers, clients and suppliers.

And culture, once formed, is difficult to change. Thus if the goal is to build a new, Sustainable Value Business Model, the leaders of the organization must also reshape the culture to bring it into alignment with the new business model. Unless the culture is shifted, it can act as a powerful anchor, holding back any real change or transformation efforts. Think of culture as an invisible glue that must first be softened and then reshaped to fit the new strategy.

A good example of how culture can derail strategy is in companies that declare sustainability goals in sourcing materials through the supply chain, and yet their procurement people still squeeze individual suppliers on cost because that is the default culture within the procurement function.

One of the key cultural drivers that determine how an organization makes decisions is its Purpose Statement, or its declared *“reason for being in business”*. While many businesses have a vision statement that declares what they want to achieve over time (usually listed as best in class, top quartile, first choice of customers, double-digit growth, etc.), few companies have put enough energy into articulating their basic purpose as a business, their reason for being in business.

*If your reason for being in business is to make money, buy a printing press.*

Without a clearly defined purpose, most businesses default to the basic economic driver of increasing profit and maximizing shareholder return. As we have seen over the course of modern business, this often leads to unsustainable, short-term decision making that is the current cause of global warming, pollution and environmental degradation on a massive scale.

A formal purpose statement can help build the culture and drive management decision making. Unilever has defined its purpose as: *“making sustainable living commonplace”*. Puma, which has become a top sports brand, puts social, economic and environmental sustainability among its top core values. Patagonia, a long-time leader in the environmental awareness movement has a particularly strong purpose statement: *Build the best product, cause no unnecessary harm, use business to inspire and implement solutions to the environmental crisis*. Interface Global, the carpet tile company transformed by Ray Anderson, puts its purpose simply and directly: *endeavoring to become the first name in industrial ecology, a corporation that cherishes nature and restores the environment*.

A second critical element of culture which determines how a business makes decisions is the focus on performance reporting. Much of business today is focused on quarterly reporting and thus much management time and attention goes into maximizing quarterly performance metrics. Thus decisions that have short term payoffs are made, often at the expense of longer term investment or sustainability decisions. The simple fact is, profit maximization decisions are usually short term and decisions around sustainability are long term. In the pressure from Wall Street to show ever improving quarterly performance numbers, sustainability investments generally loose out.

*“We don’t do three-month reporting any more. We’re not going into the three-month rat-races. We’re not working for our shareholders. We’re working for the consumer, we are focused and the shareholder gets rewarded.” ~Paul Polman, CEO Unilever*

By reshaping these two critical drivers of culture and management behavior, a strong purpose of sustainability and reducing the focus on quarterly reporting, business leaders can significantly reshape their corporate culture to support the development of a Sustainable Value Business Model.

### Recruit and Develop a New Generation of Leaders

In a recent telephone interview, Dave Schoch, President of Ford Asia Pacific, described the recruiting and hiring process as one of the key drivers in building a company focused on sustainability. *“By focusing on hiring those who not only have the business skills required, but also the passion for creating a better world, we are turning the Ford Motor Company into a leader in sustainability.”*

He also went on to state how surprised, and pleased he was with the fact that many of those entering the job market today, the so called Millennial Generation, are actually asking pointed questions during their interviews about the company's stance on sustainability and protecting the environment. Many of them state a clear preference for being part of a company intent on delivering a sustainable positive impact.

*"This generation is pushing us to make a positive difference and their energy, creativity and innovation for making sustainability a part of our business is inspiring to those of us from an older generation. I am excited about the future they will help create." ~Dave Schoch*

And it is not enough just to recruit those passionate about sustainability. Internal development programs must also help. According to our research and discussions, internal programs for management and executive development are a crucial part of building and implementing a Sustainable Value Business Model. Traditional employee development programs have focused on the business and people skills required for good leadership in business. A few have built strategic planning into their leadership development curriculum, but very few are using internal employee development to build the next generation of leaders who can effectively implement a Sustainable Value Business Model.

One of the problems with many high-potential young executives is that they don't really understand the day to day issues that people in developing countries must endure. As a result, they find it difficult to connect products and business processes with the social and environmental needs facing consumers, communities and the planet.

Hindustan Unilever, Unilever's business unit in India, has developed a unique approach to executive development for sustainability. For several years now they have placed their young high potential graduates and managers into rural villages in India, some of which are very, very poor, and leave them there for up to one year. During this time young executives come face to face with the real issues of poverty, climate change and pollution. As a result, they better understand the importance of a sustainable value business model and using business to help solve social and human issues. In many cases it is a transformative experience they take with them as they forge their Unilever careers around the world. An early stage leadership epiphany.

## Engage with Others

*If we achieve our sustainability targets and no one else follows, we will have failed. ~ Paul Polman, Unilever*

To simultaneously tackle extreme poverty, population growth, resource depletion and inequality, and at the same time curtail global warming will require the active engagement of not only multiple global businesses, but also an open collaboration among governments, NGOs and civil society. To champion the business case for sustainable development it is critical to forge action-oriented partnerships from all sectors. Engagement and collaboration among all parties are a critical foundation for a sustainable planet.

*When Walmart set out on our sustainability journey 10 years ago, it was in an effort to improve our own operations, but we've learned that we can positively impact systems beyond our company. We've celebrated many milestones tracking*

*toward the ambitious goals we laid out in 2005, and most importantly, we have learned that achieving lasting change requires collaboration and collective action among stakeholders and our peers in the business community. ~ 2015  
Walmart Sustainability Report*

While individual businesses are slow to engage with others beyond their own supply chain partners, several non-profit groups have sprung up to promote greater collaboration for global sustainability. The B-Team is one of the leaders in this area.

The B-Team is a not-for-profit initiative formed by a group of global business leaders to catalyze a better way of doing business for the wellbeing of people and the planet. Founded in the belief that the private sector can, and must, redefine both its responsibilities and its own terms of success, the global leaders behind Plan-B are intent on concerted, positive action that will ensure business becomes a driving force for social, environmental and economic benefit. With such global business leaders as Sir Richard Branson, Paul Polman, Marc Benioff, Francois-Henri Pinault, Mary Robinson, Ratan Tata, Jochen Zeitz and numerous others, they are bringing together the public and private sector for open discussions on how to work together to solve social and environmental challenges.

At a recent conference in Australia on the role of business in society, the discussions on societal issues were not led by government officials or NGOs, but by business leaders. This was not a narrative on corporate social responsibility, but rather a collective movement of individual corporations rallying to address social challenges. Topics discussed ranged from climate change to affordable housing, alternative funding for schools, indigenous health, and poverty.

As a result of this open and enthusiastic dialogue, three important answers emerged on how the resources of the private sector can be used for industrial scale socio-economic development. First, activities addressing social needs must be linked with economic success. Second, leadership is required to rewire business thinking. And third, partnerships are essential to drive effective structural change – across governments, sectoral value chains, investors, donors, NGOs and communities.

### Investing for Sustainable Value

And collaboration goes beyond forums and discussions. In the global investment community, Socially Responsible Investing (SRI) is a new and growing business. Also known as ethical investing, SRI is an investment strategy which actively considers both financial return and social good. By assessing the overall sustainability and social impact of potential investments, they have helped move the flow of much needed capital into a force for good as well as for profit.

And it is not just private equity investment firms that are promoting SRI. Global financial giant Morgan Stanley is taking an active role in bringing capital to bear on social issues, such as helping to clear landmines in Angola. This is not a donation, but a way to invest capital in projects for social improvement, and profit.

*“For us at Morgan Stanley, it is abundantly clear that the solutions to global challenges can only achieve the required scale if they can attract a critical mass of private capital. To this end, we’ve established the Morgan Stanley Institute for Sustainable Investing to lead work across our firm, with our clients, and with academic institutions to help mobilize capital to sustainable enterprises, via global markets and the investors who drive them.” - James P. Gorman, Chairman and CEO, Morgan Stanley*

Several venture and private equity groups have developed sustainable and innovative financing as businesses where they can raise and use investment capital for social and economic benefits. One of the new innovations in this area are Social Development Bonds, which are a contract between private investors and donors or governments whereby investors pay in advance for interventions to reach a shared goal and are remunerated only if the interventions succeed. Returns on the investment are linked to verified progress. Currently social development bonds are beginning to make a positive impact in India, Nigeria, Ethiopia, Viet Nam, and Papua New Guinea.

#### More To Learn

The road to a sustainable planet where both businesses and society prosper is filled with challenges. However, the old paradigm of profit only and consumption without concern for the future is no longer viable. And business must take the lead to forge new, Sustainable Value Business Models.

While there are many positive indications that the world is waking up to the need for sustainability at all levels, we have much more to learn about how to effectively reshape businesses and how to mobilize people to action.

This article is an attempt to bring to light some of the key drivers for business transformation and is meant not as a definitive list, but a starting point for open dialogue and engagement. A few courageous leaders are showing the way, but we need everyone to join in this critical journey. The challenges are many, but the rewards are even greater.

#### Conclusion

While there is a growing willingness, there are also some big hurdles to overcome. What we hear from frequent dialogues and discussions with CEOs, business and government leaders is that the big challenges remaining for the full implementation of a Sustainable Value Business Model include how to prove a viable business case, how to scale solutions at the global level, and how to measure results (e.g. social and economic value creation). Working together, we can provide solutions.