

Europe System Change
www.EuropeSystemChange.com
(Website Text)

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Overview

The destiny of humanity is to reach our fullest potential – to maximize well-being, joy, achievement, community, environmental health and the longevity of humanity. To some, achieving this might seem impossible. Every life support system is in decline, with some regional exceptions. And there is vast inequity and unhappiness in the world. However, many things that once seemed impossible were achieved. We have achieved the impossible so many times that it could almost be called the norm. As a species, we are surprisingly ingenious.

No individual or organization intends to degrade the environment or society. Yet we often do. The primary reason for this is that human ideas and systems often cause unintentionally destructive behavior. Many of these ideas and systems are inherently flawed, largely because they were developed from the narrow individual perspective. But the relevant perspective for human survival and prosperity is the whole system. If the larger environmental and social systems that support us are not healthy, individuals and society cannot prosper, or even survive.

Flawed human ideas and systems are the primary driver of environmental and social declines. To achieve sustainability and real prosperity, we must improve human systems. Improving our systems is the most difficult challenge facing business and society. Success can only be achieved through collaboration.

The purpose of this website is to raise awareness about the need for system change and summarize the rationale and general framework for a collaborative system change effort in Europe (Europe System Change). The collaboration would be focused entirely on the practical and profitable transformation of human systems into sustainable forms. The goal is to achieve system changes that enable sustainability and real prosperity in Europe, while modeling this most important sustainability work for the rest of the world.

System Change

Without intending to do so, modern economic and political systems create conflicts between business and society. Companies often can improve profitability by voluntarily reducing negative environmental and social impacts. However, this is true only up to a point. Beyond a certain point, voluntarily reducing negative impacts, when competitors are not required to do so, nearly always raises costs.

If a company attempted to eliminate all of its negative impacts on the environment and society, and thus act in a fully responsible and sustainable manner, it would put itself out of business long before reaching full impact mitigation. Modern systems create a situation where companies must degrade the environment and society to remain in business. Clearly this is not sustainable. Business cannot survive without the environment and society.

Sustainability can be achieved only by aligning what's best for business with what's best for society. Achieving this is tremendously complex. However, as noted, we have achieved what was thought to be impossible many times before. We have the ability to improve our systems. The question is, can we develop the will to do so?

Not changing our systems is not an option. All human systems that were not aligned with nature and reality collapsed or changed. Modern human systems are not aligned with nature in the sense that they compel business and society to degrade life support systems. They are not aligned with reality in the sense that the goal of our systems is to enhance society, but the result is to degrade it in many ways.

Misalignment with nature and reality make system change inevitable. We have only two options – voluntary or involuntary system change. Will we choose to voluntarily improve our systems in a beneficial and non-disruptive manner? Or will we choose to not act, and thus have disruptive, possibly catastrophic, involuntary system change forced upon us?

Barriers

Experts have been discussing the flaws of modern human systems for years. We know most of the problems. But things have become worse in many ways. Why? While we largely know the flaws of our systems, several barriers to system change have prevented us from improving them. Barriers to system change include lack of business involvement, low public awareness and failure to take a whole system view.

Business effectively is the most powerful force in human society. If business is not actively involved, voluntary system change almost certainly will not happen. Business must remain profitable to survive. Therefore, if system change efforts reduce profitability, business probably won't be involved. Voluntary system change can be achieved only if it is profitable for business. Europe System Change is designed to help business enhance profitability by collaboratively working to improve human systems.

While business effectively is the most powerful force in society, the most powerful force actually is society itself. No business or government could withstand strong, focused public demand for system change. However, the average citizen does not have time to study and fully understand complex environmental, social, economic and political issues. This inability to be fully informed makes the public highly vulnerable to misinformation.

Vested interests often publish misleading information in an effort to maintain the status quo and block system change. This misinformation often splits the public into debating factions. This debate paralyzes the public and makes it unable to agree on areas of common interest, such as protecting our life support systems. Europe System Change explains complex issues in simple terms that enable the public to understand and act upon common interests.

Experts usually focus on one aspect of system change (e.g. measurement of social well-being, accurate pricing, corporate structures, misleading advertising, limits to growth, inappropriate influence of government, etc). However, all of these aspects are interconnected components of one larger system. None of them can be addressed effectively in isolation. Europe System Change provides the whole system perspective and approach needed to successfully improve human systems.

Strategy

Europe System Change is based on a collaborative system change approach called Sustainable Systems Implementation (SSI). The approach provides a framework and process for successfully achieving whole system change. SSI brings leaders from business, government and civil society together with system change experts. It seeks to raise public awareness and engage all parts of society in system change.

SSI work involves clarifying the current reality (e.g. environmental, social and economic conditions and trends), identifying barriers to system change (e.g. flawed ideas and systems, lifestyles, technologies), and developing a vision of a sustainable, prosperous society (e.g. basic needs met, basic rights protected, current and future generations prospering on every level).

Once this framework is established, short-term and long-term strategies for overcoming barriers and achieving sustainability and system change are developed. Actions can be focused on three areas – business (e.g. achieving best sustainability practices and performance), government (e.g. regulatory reform that makes sustainability the profit-maximizing path), and civil society (e.g. raising public awareness).

SSI is strongly focused on practicality, action and results. Dialogue and discussion are important components of system change. But the primary focus is on achieving meaningful system change as quickly as possible. A strong emphasis is placed on achieving quick wins that build enthusiasm and commitment to longer-term efforts.

European countries lead the world in proactively and successfully addressing sustainability issues. In addition, the European Union is the largest economy in the world. Therefore, Europe is well placed to lead the world on the most important sustainability issue – system change.

Business Case

As the human economy expands rapidly in the finite Earth system, business is receiving negative feedback for its harmful impacts on the environment and society more quickly. This feedback often takes the form of activist campaigns, market rejection, lawsuits and increased regulations. Increasing negative feedback is causing environmental and social issues to have growing financial impacts on companies. This increased financial relevance has made sustainability a mainstream business issue.

As the global economy continues to expand, negative feedback for harmful impacts on society will inevitably increase. This will cause sustainability to become the primary driver of business success in the 21st Century. Recognizing this, many companies around the world are implementing leading-edge sustainability strategies. Done well, these strategies consistently improve profitability and competitive position.

Growing awareness that systemic issues are the primary cause of environmental and social declines is creating an increased focus on system change. System change efforts can be broadly categorized as mid-level or high-level. Mid-level system change is focused on specific sectors, stakeholder groups, or environmental or social issues. High-level system change is focused on improving overarching economic, political and social systems.

Going forward, the most advanced sustainability strategies will contain a system change component. Many companies are engaged in collaborative mid-level system change efforts, usually focused on improving sector-wide or supply chain sustainability performance. However, overarching systems

severely constrain the ability of mid-level system change to allow full impact mitigation, and thus protect companies and investors from growing negative feedback for harmful impacts.

High-level system change is the most important sustainability issue, because sustainability is not possible without it. Through the SSI process, Europe System Change enables business to profitably engage in this most important sustainability issue.

Business benefits of engaging in high-level system change include enhanced reputation and brand value. As sustainability becomes mainstream, companies are competing to implement the most advanced strategies. Those actively engaging in high-level system change can credibly claim to have the most advanced sustainability strategies in the world.

Other business benefits include enhanced competitive position through regulatory reforms that favour proactive companies, reduced costs through collaborative supply chain efforts, improved ability to attract and retain a higher-quality, better-motivated workforce, more effective and successful product development, improved stakeholder relations, and increased market share.

Frank Dixon advises businesses, governments and other organizations on sustainability, system change and enhancing financial performance through increased corporate responsibility. For seven years, he was the Managing Director of Research for Innovest Strategic Value Advisors, the largest corporate sustainability research company in the world. His work overseeing the sustainability analysis of the world's 2,000 largest companies made it clear that systemic issues compel all companies to operate unsustainably by making full impact mitigation impossible. To engage business and investors in driving the system changes needed to achieve sustainability, he developed a new sustainability approach focused on system change, called Total Corporate Responsibility. He is advising Wal-Mart and other companies on sustainability. He has an MBA from the Harvard Business School. Frank Dixon can be contacted at fdixon@GlobalSystemChange.com.

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