

SustainAbility

20 Years of Global Leadership Reflections from John Elkington, Sophia Tickell and Mark Lee

Founded in 1987, SustainAbility was the world's first provider of sustainability services for business. We are an integrated organization, for profit but not solely profit-driven, combining consulting¹, research² and advocacy³. Our Articles of Association specify that we pursue value right across the triple bottom line. As a result, many companies think of us as an NGO, while many NGOs think of us as a company: in a sense, both are right.

Our goal is to drive and support the innovation needed to ensure that tomorrow's value creation is sustainable. We do this by working with business, through markets. We aim to be professional and objective, but not neutral—we are not part of anybody's echo-chamber. Indeed, one client noted that a key form of value that SustainAbility brings to the table with senior decision-makers in business is “constructive discomfort”. That said, the challenges we face, as spotlighted in places like the World Economic Forum (where we have been involved for six years), Clinton Global Initiative and IPCC process and reports, appear to be growing ahead of society's capacity—or willingness—to respond.

Over the past twelve months, as we moved into our twenty-first year, SustainAbility has been taking stock of our own performance and impact. Building on earlier reviews undertaken in 1996 (*Environmentalism Is Not Enough*) and 2002 (*Reality Check*), we felt a need to critically review progress to date. Our conclusions can be found in our just-published report *Raising Our Game: Can We Sustain Globalization*⁴ and a recent survey of experts on how we are seen⁵. We have also surveyed our Faculty (70-plus members⁶ and Compass Network (18,000-plus members in over 70 countries) to gauge how our agenda is likely to evolve in the coming years.

Briefly stated, our Vision, Mission and Values are as follows:

- **Vision:** A just and sustainable world for present and future generations.
- **Mission:** To inspire and support the innovation that creates Tomorrow's Value.
- **Values:** Equity, Diversity, Impact and Change.

From its inception, SustainAbility has aimed to address a range of social needs, and we have also been central to the definition of social needs. The now widely accepted notion of the triple bottom line was coined by John Elkington in 1994 and has since informed our work. From the outset, in the context of demographic trends pushing us towards a population of 9 billion people around mid-century, SustainAbility has focused on both

¹ For case studies, please see <http://www.sustainability.com/sa-services/clients.asp>

² For examples of our research work, please see <http://www.sustainability.com/insight/research.asp>

³ For recent example of advocacy, please see <http://www.sustainability.com/insight/article.asp?id=979>

⁴ <http://www.sustainability.com/raising%2Dour%2Dgame/>

⁵ <http://www.sustainability.com/twenty/>

⁶ <http://www.sustainability.com/network/council-and-faculty.asp>

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intra- and inter-generational equity. The spectrum of issues we address range from environmental concerns related to climate change and biodiversity through a growing array of human rights issues to challenges linked to corporate governance and bribery and corruption.

Our social mission and business strategy are closely intertwined. But as we engage with hugely powerful economic actors, there is always a danger that we might drift away from our true North. That is why we developed our Rules of Engagement⁷—and why we review around half a dozen key client relationships each year. Five key areas covered in all client reviews are: (1) Commitment to improving performance against the triple bottom line of sustainable development; (2) Real Change both in client organisations and across their value chains; (3) Benchmarks—in the sense of the client’s impact on perceived best practice; (4) Participation, with a central focus on expanding and deepening clients’ stakeholder engagement; and (5), Competitive Advantage—the extent to which we help build resilient client strategies.

Impact

Independent observers have long noted our impact in relation to such areas as green consumerism, environmental auditing and management systems, sustainability reporting, the board-level agenda and our early-warning function in relation to emerging issues. Some feedback on our work can be found on our website⁸. One key reason we launched our Council at the beginning of 1996 was to open out our thinking processes as business clients and partners started to take on our advice at an accelerating rate, with significant potential opportunity costs both for them and for wider society.

Future Vision

Our vision evolves continuously—as does our strategy for moving towards it. In retrospect, our first generation strategy involved mobilising consumers, with hard-hitting books and campaigns, which in turn led to research and publications in areas such as environmental auditing and life-cycle assessment.

Our second generation strategy, from the early 1990s, involved building on that earlier work to encourage much greater corporate transparency, reporting and, ultimately, accountability. Here our two flagship programs are **Engaging Stakeholders**⁹, which involves working with 34 companies on their reporting and engagement strategies, and **Global Reporters**¹⁰, for which we partner with the United Nations Environment Programme (UNEP) and Standard & Poor’s (S&P). This work led us into related areas such as corporate lobbying¹¹ and liability¹².

Now our evolving third generation work has a number of inter-related dimensions:

⁷ <http://www.sustainability.com/about/rules-of-engagement.asp>

⁸ <http://www.sustainability.com/twenty/feedback.asp>

⁹ <http://www.sustainability.com/sa-services/engaging-stakeholders.asp>

¹⁰ http://www.sustainability.com/insight/global_reporters.asp

¹¹ <http://www.sustainability.com/insight/archive.asp?search=issues&id=18>

¹² <http://www.sustainability.com/insight/archive.asp?search=issues&id=3>

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- A deeper focus on sustainability-critical key sectors¹³.
- Work on the links between the work, business models and leadership styles of social and environmental entrepreneurs and the agendas mainstream business and financial institutions are called upon to tackle¹⁴. This work is supported by a three-year grant from The Skoll Foundation¹⁵. In addition, John Elkington has just finished a book on what business can learn from the work of social and environmental entrepreneurs—*The Power of Unreasonable People*—with Pamela Hartigan of The Schwab Foundation for social entrepreneurship¹⁶, due out through Harvard Business School Press in February 2008.
- A continuing, accelerating push into selected emerging economies¹⁷. We have been expanding our Network to cover key countries—and are planning to set up our first emerging economies office in 2008.
- A push into the worlds of private equity and venture capital, sources (or channels) of financing needed to drive the processes of creative destruction that global capitalism will need to undergo if it is to have any chance of being sustainable. We are intensifying conversations with key players as we shape our thinking and plans in this area, in addition to active involvement with two venture funds, one in the EU, one in the USA.

The SustainAbility team is committed to a breakout strategy that will take us deep into a growing range of key sectors, into the emerging economies whose ambitions and actions will so powerfully shape our collective future, and into the fast-moving worlds of venture funding and entrepreneurial solutions. As we pursue this strategy amidst fast-moving market currents, we remain steadfast in our determination to drive step-change through collaborations with leading multinationals, in our commitment to give voice to civil society, and in our belief that sustainability is the key to an economy both vibrant and just.

John Elkington, Founder & Chief Entrepreneur

Mark Lee, CEO

Sophia Tickell, Chairperson

¹³ <http://www.sustainability.com/sa-services/sectors.asp>

¹⁴ <http://www.sustainability.com/insight/skoll.asp>

¹⁵ <http://www.skollfoundation.org>

¹⁶ <http://www.schwabfound.org>

¹⁷ <http://www.sustainability.com/sa-services/emerging-economies.asp>