

Faculty of Design

2014

Caring for the future: The systemic design of flourishing enterprises

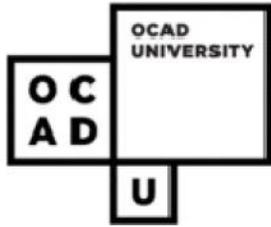
Jones, Peter and Upward, Antony

Suggested citation:

Jones, Peter and Upward, Antony (2014) Caring for the future: The systemic design of flourishing enterprises. In: Proceedings of RSD3, Third Symposium of Relating Systems Thinking to Design, 15-17 Oct 2014, Oslo, Norway. Available at <https://openresearch.ocadu.ca/id/eprint/2091/>

Open Research is a publicly accessible, curated repository for the preservation and dissemination of scholarly and creative output of the OCAD University community. Material in Open Research is open access and made available via the consent of the author and/or rights holder on a non-exclusive basis.

The OCAD University Library is committed to accessibility as outlined in the [Ontario Human Rights Code](#) and the [Accessibility for Ontarians with Disabilities Act \(AODA\)](#) and is working to improve accessibility of the Open Research Repository collection. If you require an accessible version of a repository item contact us at repository@ocadu.ca.



Caring for the Future: The Systemic Design of Flourishing Enterprises

Peter Jones, PhD
OCAD University, Toronto
Redesign Network
October 17, 2014

reDESIGN

The Resilience of *Sustainability*

The term has lost impact & meaning.

For 3 decades we've anchored on *sustainability*.

- Since Bruntland Commission (1987)
- Sustainable *Development*
- Ecological *Modernization*

Consider these enablers of the status quo.

See *Ehrenfeld (2000)*

Can we sustain “Sustainability?”

Another feature that makes the Brundtland concept of sustainability development problematic is that there is no way to ascertain whether or not the momentary state of the world is sustainable, i.e., whether the desired conditions will be present in the future. Sustainability is essentially not assessable other than to observe that the present world is, indeed, a flourishing place. Unsustainability, on the other hand, can be observed in the present and is a characteristic of our modern mode of living. Our knowledge of the rules that govern the transformation of the present to the future is doomed to be insufficient to allow us to determine whether the present conditions can or will persist into the future. Thus sustainability cannot be reduced to some deterministic set of characteristics and rules.

A Foundation for Speaking of Flourishing

Strong vs Weak Sustainability

- Non-substitutability of natural capital w/ others
- Emerged from Ayres (1998) & others criticizing the lack of progress from sustainable dev
- Few examples of strong sustainability in 90's, & as applied to business, considered improbable.

- Aim for compatibility with *The Natural Step (FSSD)* & anchor in bio-physical sciences
- Living systems theories of (Allen et al) *supply-side*
- Socio-ecological systems & ecological macroeconomics

SSBMC

The Flourishing Enterprise

What was that called again?
STRONG SUPER some CANVAS LIKE OBSERVATION

NCR 1913
GARDEN?
SOCIAL VALUE WITH A CONSISTENT A LEADERSHIP ROLE
SOCIAL SYSTEMS WITH IN SOCIAL SYSTEMS
CANNOT BE MEASURED LIKE other SYSTEMS ORGANIZATION

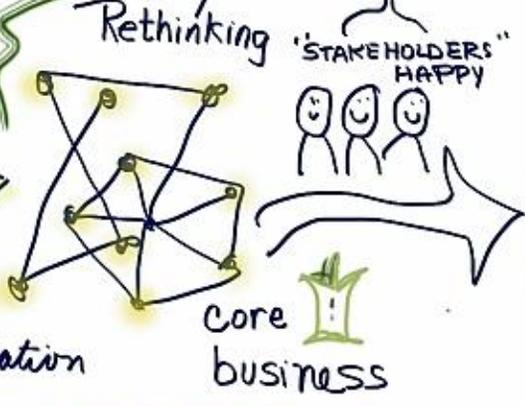
Beyond Sustainable
What Flourishes?
an ORCHARD

MORE than a Model
deeply rooted in a place
GIVES BACK

care community
No community? system?
Advocate Consultant? Promoters?
a new word



YSOA
GROW BERLIN? Patagonia
IDEAL
SELF CONTAINING
Regenerative Agriculture
Coffee Production Networks
How can you keep a straight face if no Thriving Enterprise exists?



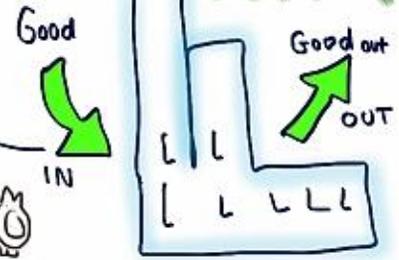
Hospital?
TOUGH TO FIND EXAMPLES OF FLOURISHING ENTERPRISES ON A LARGE SCALE

Desirable to the consumer

Location
A NEW EXCHANGE BASED ON SUSTAINABILITY
INVEST IN YOUR VALUE
RETURN

WHAT DO WE WANT?

SCORE ?
IN A COMMUNITY
ACCOUNTABILITY
RESOURCE



Complex and OPEN
Balance



Suppliers
STEALING FROM THE FUTURE
AS CRIMINALS
IN the future, CORPORATIONS WILL BE SEEN



“More sustainable” business models

- Product/Service Systems (Vezzoli, et al)
- Dematerialized product/services
- Circular economy / Supply-waste ecosystems
- Collaborative consumption
- Public-private incentive models
- Regional mutualism / Start-up safety nets

Best cases include -

- Interface (circular carpet model)
- Patagonia, Timberland,
- Unilever

Business Model Canvas



No environmental impact model

No value chain / supply impacts

No societal impacts, No triple-bottom line option

Osterwalder & Pigneur. (2009). *Business model generation*.

Upward's research led to ...

1

Understand the Natural and Social Science of Sustainability

Defined the gaps in Osterwalder's Ontology of profit-first businesses, based on the science

2

Designed an Ontology of *Strongly Sustainable Business Models*

3

Co-designed **Strongly Sustainable Business Model Canvas**, a visual design tool, structured by the Ontology, and tested:

1. **Against standards of sustainable business**
2. **Formally with 7 experts and 2 case study companies**
3. **Informally with dozens of others:**
Business people, professors, students

Revising Definitions...

Necessary, but not sufficient

“A Business Model describes the rationale of how an organization creates, delivers and captures value [in monetary terms]”

Value = the perception by an actor of a need being met; measured in aesthetic, psychological, physiological, utilitarian and / or monetary terms.

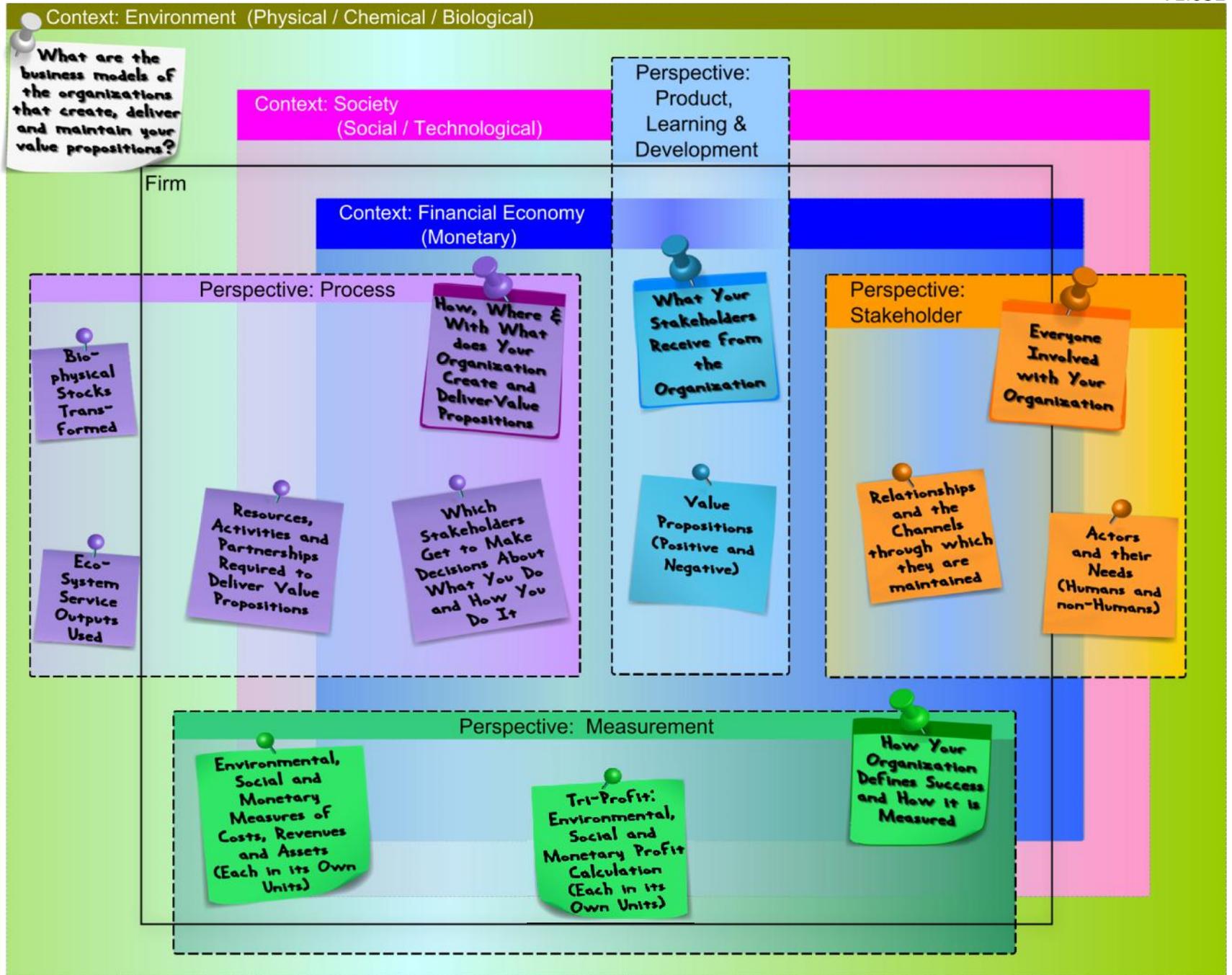
Value is created when needs are met via satisfiers that align with the recipient’s world-view, and destroyed when they don’t

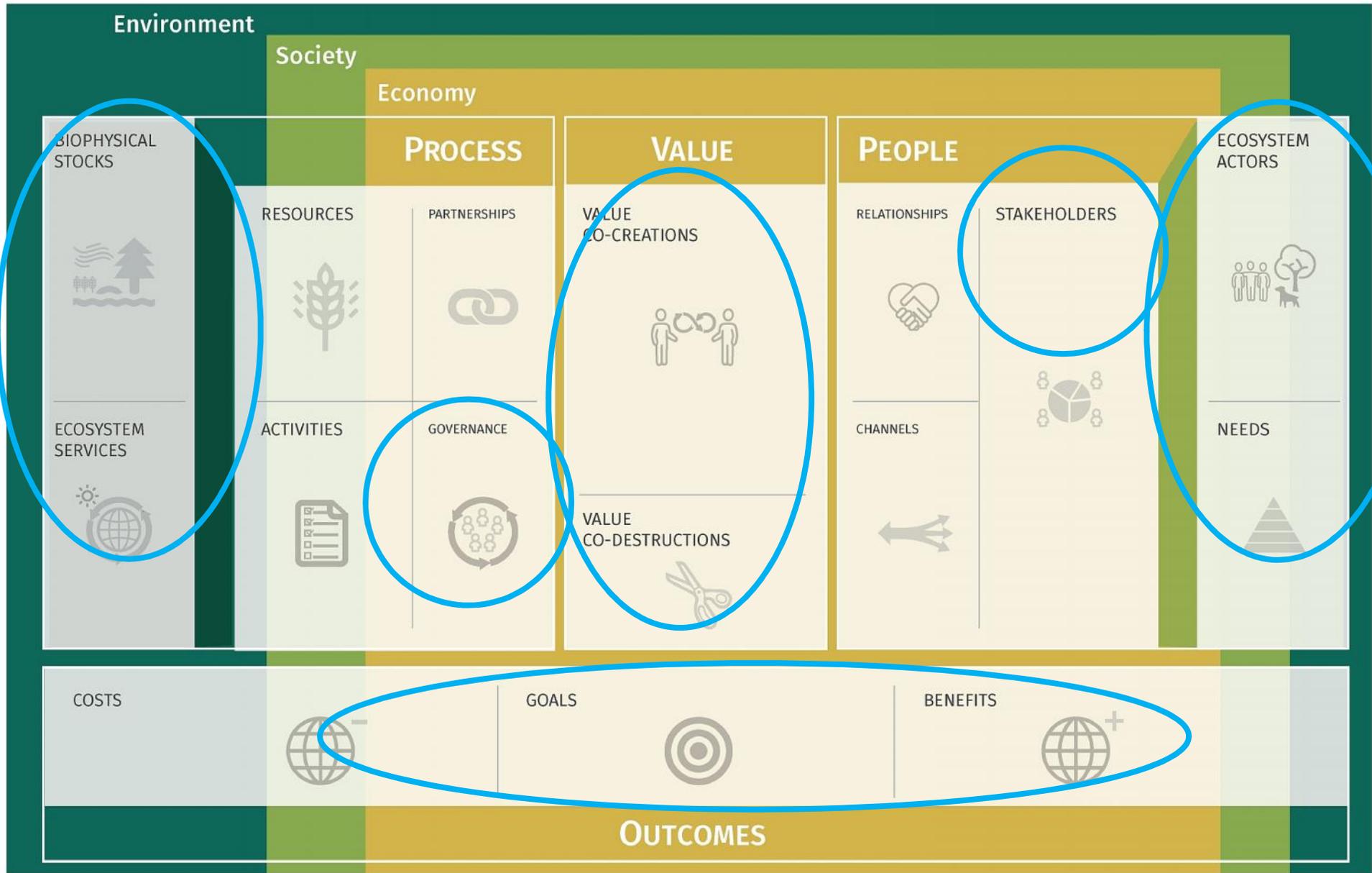
A Business Model = the logic for an organization’s existence:

- Who it does it for, to and with
- What it does now and the future
- How, where and with what does it do it
- How it defines and measures its success

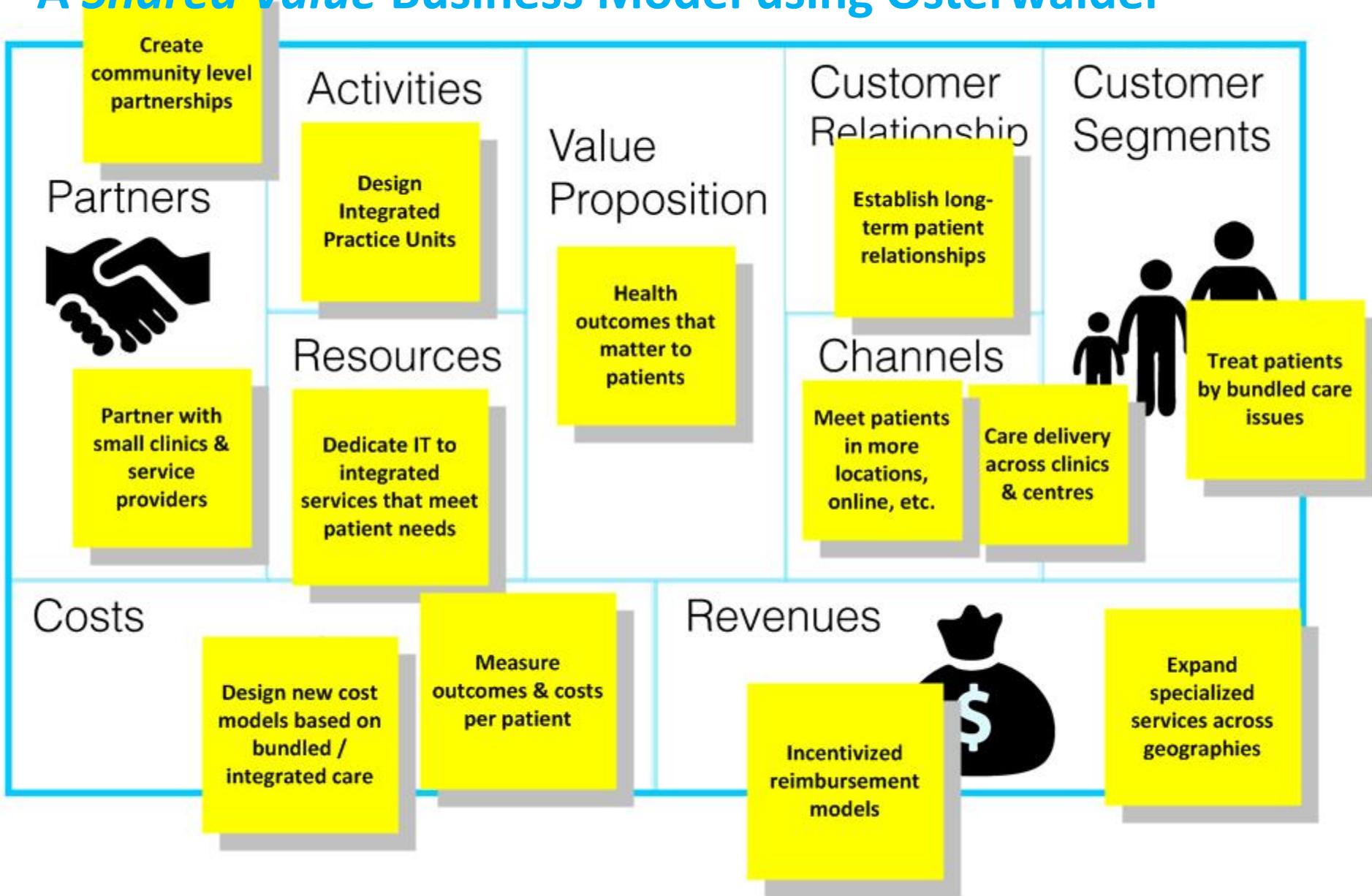
A description of how an organization defines and achieves success over time.

Strongly Sustainable Business Model Canvas – 14 Questions



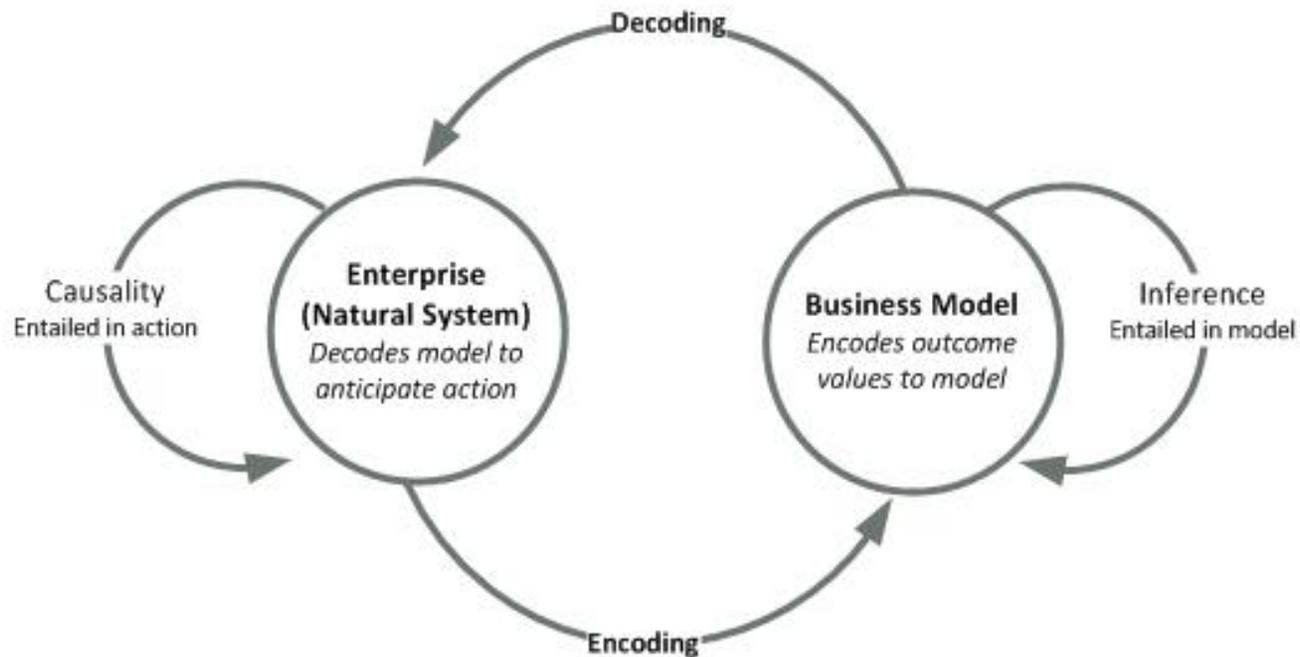


A Shared Value Business Model using Osterwalder



Business Model as Formative Context

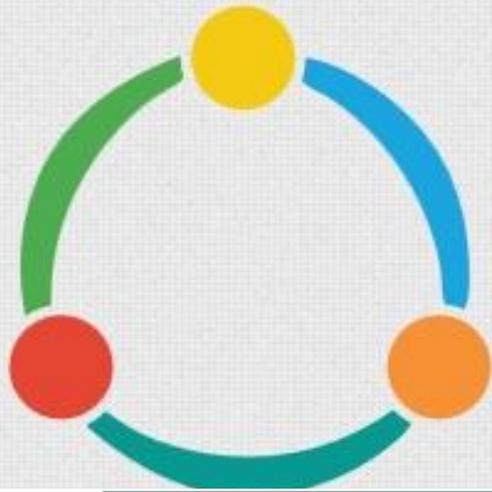
- BM explicitly represents value system & mental model
- New BM design offers scope for reclaiming values
- As anticipatory system, feed-forward loop



Business Model Designs the Enterprise

- Novel models are not *simulatable*
- Causal entailments (rel to environment) too complex
- Anticipated outcomes guided by updating model with feedback information (encoding)
- & updating new decisions with updated decoding.

- New view of a flourishing “enterprise”
Living system model of firm & entire value network in bio-socio-eco-cultural contexts, within planetary limits



THE THIRD GLOBAL FORUM FOR BUSINESS AS AN AGENT OF WORLD BENEFIT

FLOURISH & PROSPER

Dare to Flourish: A Practical Guide for You & Your Organization



John Ehrenfeld

Executive Director of the International Society for Industrial Ecology



B Corporations: Using business as a force for good



Bart Houlahan

Co-Founder, B Corporation



Stephen Davies

Managing Director, Transformation by Design Business Consultants Inc.

@XformByDesign / Bio

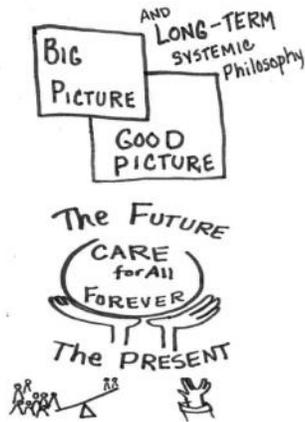


Antony Upward

Sustainability Business Architect and Principal, Edward James Consulting Ltd.

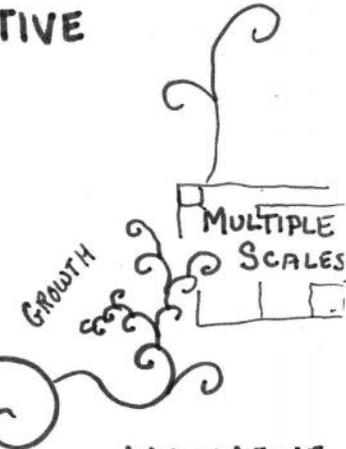
@aupward / Bio

Takk.



EVOLUTIONARY ADAPTIVE BUSINESS MODEL

TRANSFORMATIVE
CONNECTIVE
UNFOLDING



INNOVATIVE
SPINOFFS

RETURNS
TO
ECOSYSTEM



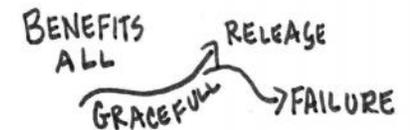
DIVIDEND

NEW

SOCIALLY ADAPTIVE
PROFITABILITY



REQUIRES
PALIATIVE CARE
FOR DYING BUSINESS
MODELS



ADAPTIVE
LIFE CYCLE

TEMPORAL CYCLICAL



Peter Jones, Ph.D.

pjones@ocadu.ca
designdialogues.com
designforcare.com
[@redesign](https://twitter.com/redesign)