



Stakeholder engagement and sustainability initiatives

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Learning objectives

- Learn the model of NetPositive companies
- Examine basic concepts of change management
- Understand how to engage stakeholders to drive change
- Look at some human psychology
- Learn how to develop credible sustainability initiatives

- NetPositive Companies
- Change management
- Stakeholder engagement
- Sustainability initiatives
- Human needs and some psychology

2050: what is your vision?



AP to set up solar-wind hybrid project with battery back-up – The Leading Solar Magazine In India (eqmagpro.com)



ME-203

ZEROe on the Rise at Airbus - CAFE Foundation Blog



Daily Mail Online



[기업소개] 수소연료탱크 제조사 '일진다이아' : 네이버 블로그 (naver.com)



EV World Record: Mercedes Benz Vision EQXX Travels 1,000 Km On A Single Charge (forbes.com)



Child Fun Outdoors - Free photo on Pixabay



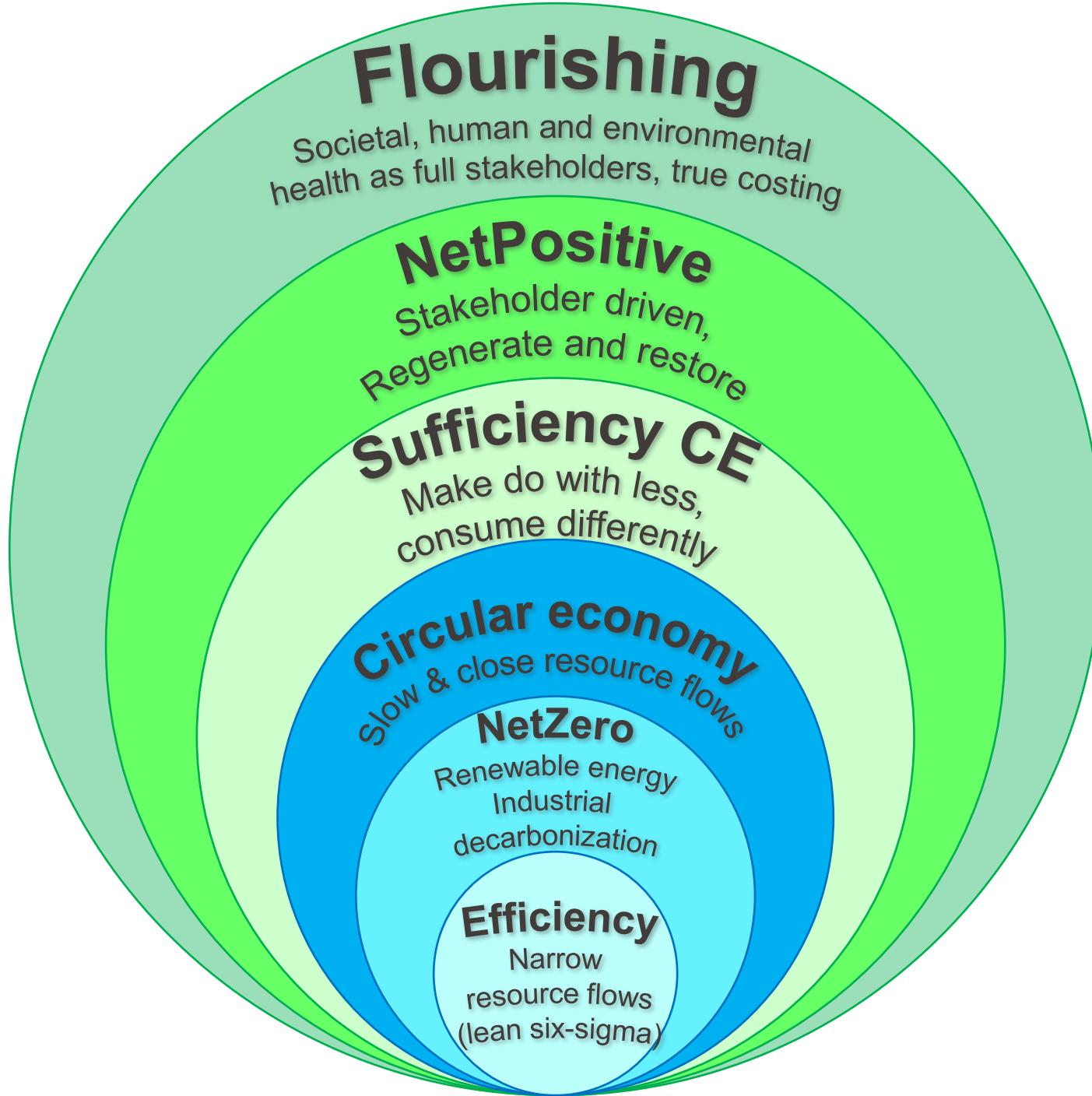
4 NetZero Energy Lessons | NetZero Buildings



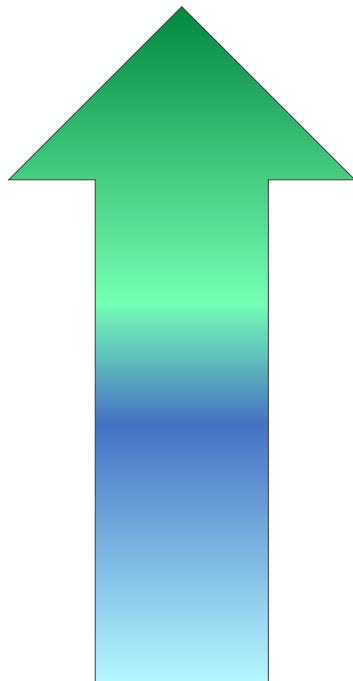
Support Rewilding — The Scottish Rewilding Alliance



People Group Many - Free photo on Pixabay



Towards a flourishing society (regenerative & restorative)

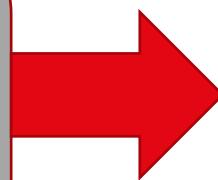


- Moving from traditional company
ROI & financial metrics

Macro economics needs
to start moving to dominate
over:

- **micro** (internal
company) or **even**
- **meso economics**
(competitive
framework) to

**The ESGs of
Environment, Society,
and the Economy.**



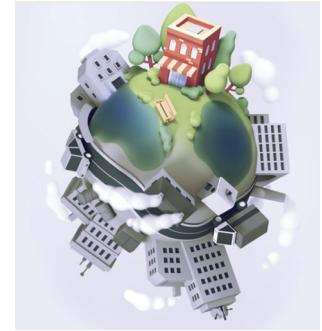
Harvard
Business
Review

Strategy | The Net Positive Manifesto

A **net positive** company has an **overall positive**
impact on its stakeholders, including
employees, suppliers, customers, community,
and society at large.

A company that “**improves well-being for**
everyone it impacts and at all scales”

Every product, operation, region and country
Every stakeholder, including employees, suppliers,
communities, customers, and even future
generations and the planet itself”.



Paul Polman + Andrew Winston



1. What is Net Positive?

The Net Positive Manifesto

Is the world better off because your company is in it? by Paul Polman
and Andrew Winston

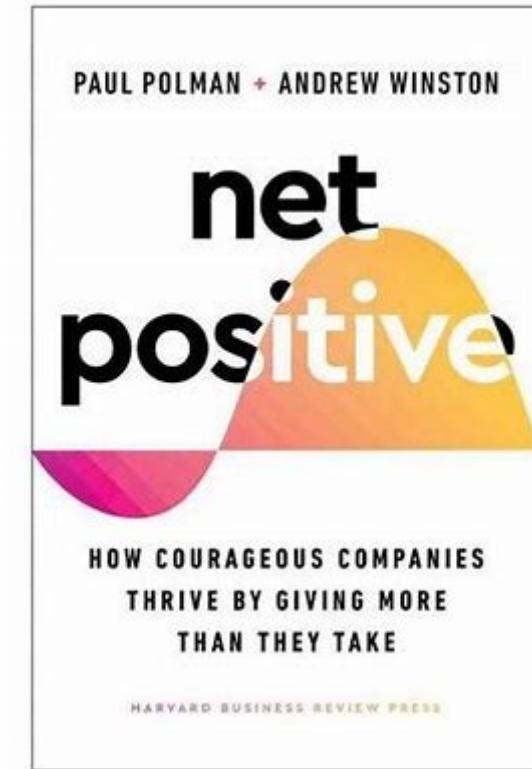
From the Magazine (September–October 2021)

- Both practically and morally, corporate leaders can no longer sit on the sidelines of major societal shifts or treat human and planetary issues as “someone else’s problem.”
- For their own good, they must play an active role in addressing our biggest shared challenges.
- The economy won’t thrive unless people and the planet are thriving.

Videos - Net Positive

[How Is Your Company Making the World Better? \(hbr.org\)](https://hbr.org/2021/09/what-is-your-company-making-the-world-better)

[Net Positive: How Courageous Companies Thrive by Giving More Than They Take](https://hbr.org/2021/09/what-is-your-company-making-the-world-better)



A “NetPositive” company is one that grows by helping the world flourish

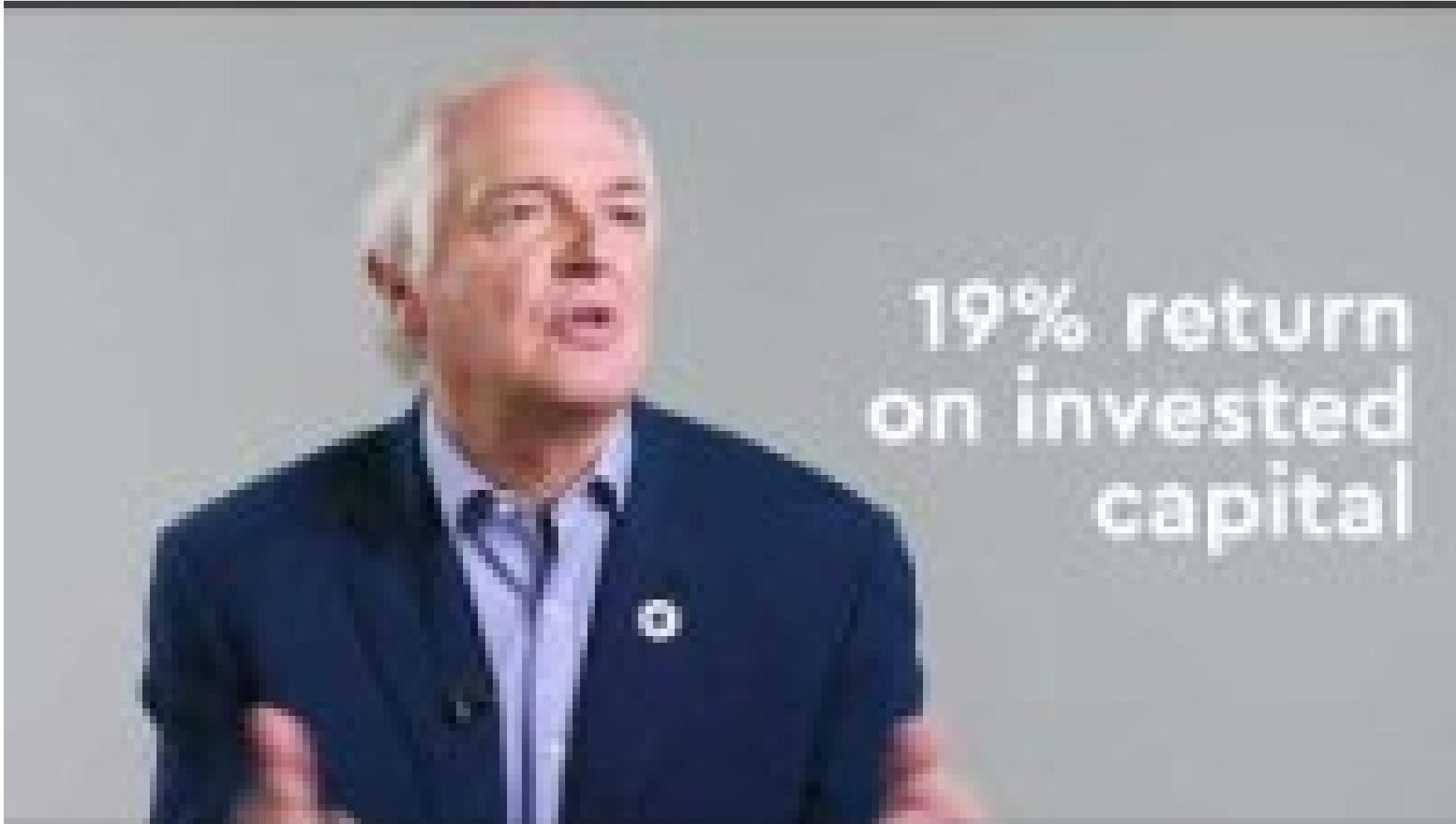
1. Operate 1st in service of multiple stakeholders for the long-term benefit of business and society — which *then* benefits investors (as opposed to putting shareholders above all others)
2. Take full ownership of all company impacts and consequences that flow from their activities, intended or not (scope 1, 2, 3)
3. Create positive returns for all stakeholders including their workers, customers, suppliers, partners, the next generation, and the planet itself
4. Embrace deep partnerships, , including competitors, critics, civil society, governments to tackle big systemic problems we cannot solve alone **even with critics**;
5. Tackle systemic challenges by rethinking advocacy and the relationship with governments.
6. Reward their shareholders as a result of this longer-term, multi-stakeholder model



This is a journey. No company is perfect and it starts with personal courage. But the rewards are profound and urgent. And the future of capitalism, humanity and the planet depend on it.



No company has yet reached the ambitious goal of becoming net positive. But a growing number have begun the journey—unlocking greater value for their businesses while helping solve larger problems for the benefit of all.

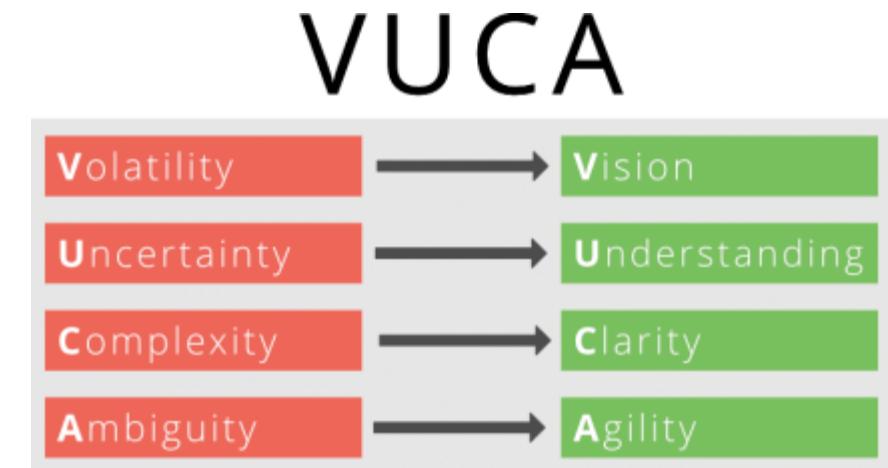


- NetPositive Companies
- Change management
- Stakeholder engagement
- Sustainability initiatives
- Human needs and some psychology

VUCA world: Volatile, uncertain, complex and ambiguous



- **Volatility**: the speed of changes happening in the world (climate change, globalization, AI, Covid, geo-political tensions)
- **Uncertainty**: from rate of change of events we are experiencing. With what confidence can we predict the future and how to prepare?
- **Complexity**: the numbers of factors we need to consider, the interconnectivity of our environment and the ability to analyze it. Systemic change.
- **Ambiguity**: the ability to interpret what's in front of us.



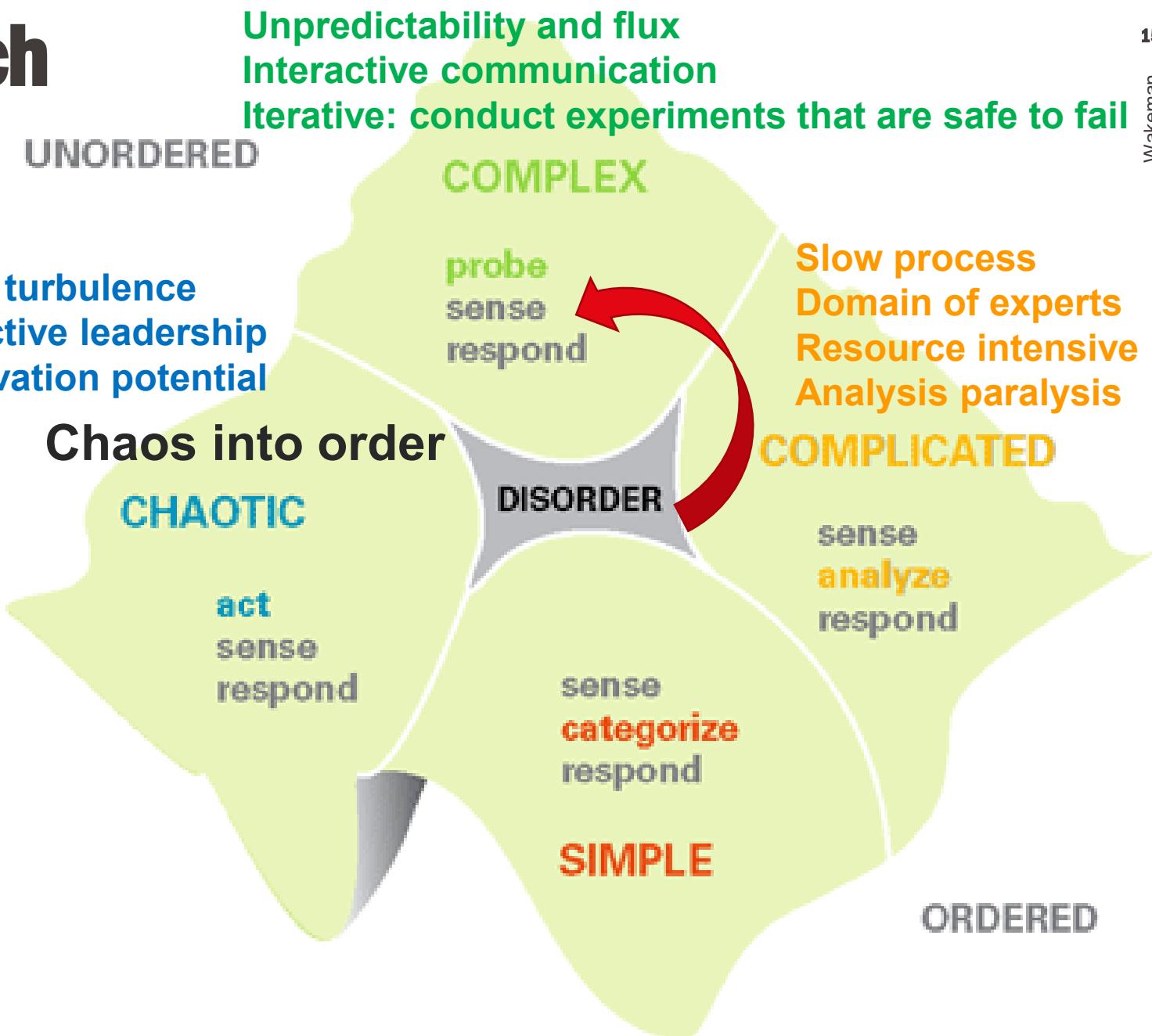
A theory of (systemic) change?

- We **cannot** change the world by ourselves, the problems are too great, or we will burn-out trying
- We need to be **true to our own core values**, what we hold precious to ourselves
- We can influence the people in **our sphere of influence**
- Our sphere of influence **will change** with time
 - Our own lives, family & friends
 - Work colleagues & company, our chosen profession

If everyone influences their stakeholders, together this catalyzes and integrated to create a powerful effect
We each target our own stakeholders & sphere of influence.

Strategic approach

- VUCA world, new frameworks, e.g. Cynefin
- Move from **Complicated** (today) to Complex and even Chaotic approaches
- Probe, sense, respond



Change management

- A process,
- Involves people,
- Does not happen over-night,
- Requires great effort,
- Is difficult,
- Is inevitable ...
- Yet we can adapt and are creative

- Easier when you bring it, harder when imposed or undesired
- Relates to financial, operational, and strategic (competitors)



Bring sustainability initiatives to life ...

Kotter's eight-step process for leading change within an organization includes:

- 1. Create a sense of urgency.** Rather than simply presenting a change that's going to happen, **present an opportunity** that helps the team **see the need for change and want to make it happen.**
- 2. Build a guiding coalition.** This group of **early adopters** from among the diverse many will help communicate needs and initiatives to **guide change.**
- 3. Form a strategic vision and initiatives.** **Draw a picture** of what life will look like after the change. **Help everyone see**—and long for—the direction you're headed, rather than focusing myopically on the steps in front of them right now.
- 4. Enlist volunteers.** You'll need massive **buy-in across the organization** to effectively implement change. Use your coalition to keep up the momentum on the **sense of urgency** and continue to **communicate the vision.**

Bring sustainability initiatives to life ...

Kotter's eight-step process for leading change within an organization includes:

5. **Enable action by removing barriers.** Learn where employees face challenges to implementing a change because of structural issues like silos, poor communication or inefficient processes, and break them down to facilitate progress.
6. **Generate short-term wins.** Keep up the momentum and motivation by recognizing early successes on the path to change. Continue to recognize and celebrate small wins to keep everyone energized and aware of your progress.
7. **Sustain acceleration.** Lean into change harder after the first few small wins. Use those successes as a springboard to move forward further and faster.
8. **Institute change.** Celebrate the results of successful change. Quantify how changed processes or initiatives contributed to the organization's overall success and helped employees contribute to the mission they care about.

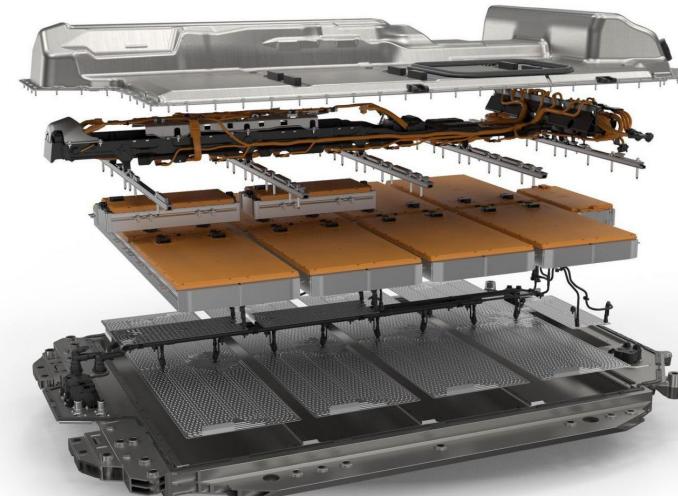
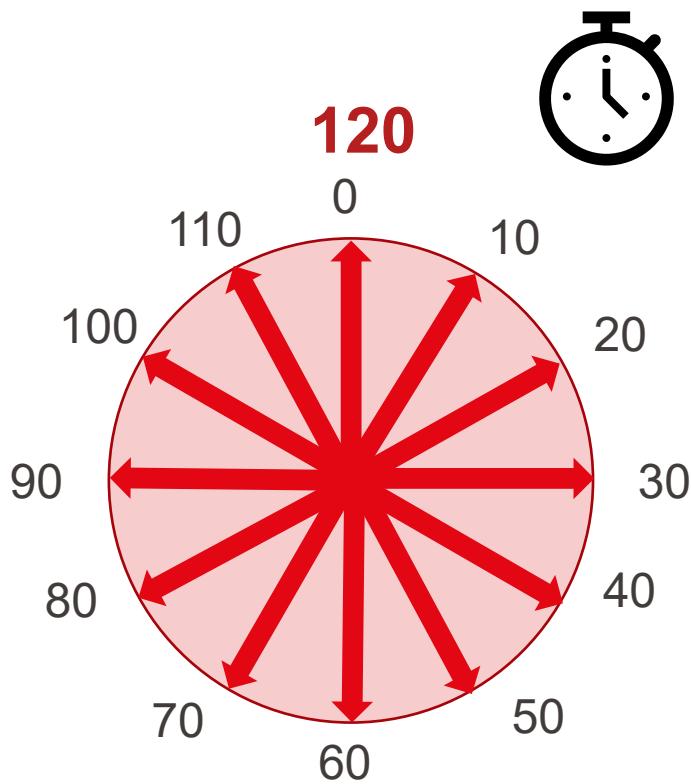
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Who are your stakeholders?

- **Stakeholders (micro) – close to your organization**
 - Customers
 - Employees
 - Management
 - Unions
 - Your immediate suppliers
 - Financial / bankers / creditors, financial analysts, investors
- **Stakeholders (meso) – around your organization**
 - Competition
 - Government
 - Society & community
 - Trade bodies
- **Stakeholders (macro) -wider than you think**
 - NGOs
 - Upstream scope 3 (back to raw's, extraction, mining)
 - Upstream scope 3 sub-suppliers
 - Downstream scope 3 (end of life of your product, remote from source / production / consumption)



Who are BMWs stake holders for i4 BEV?

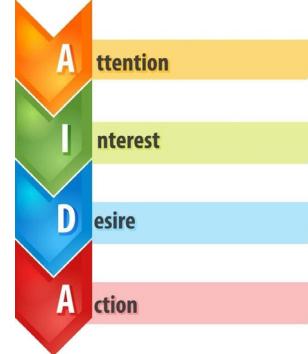


... 2 minutes , discuss with you neighbor

Influencing stakeholders

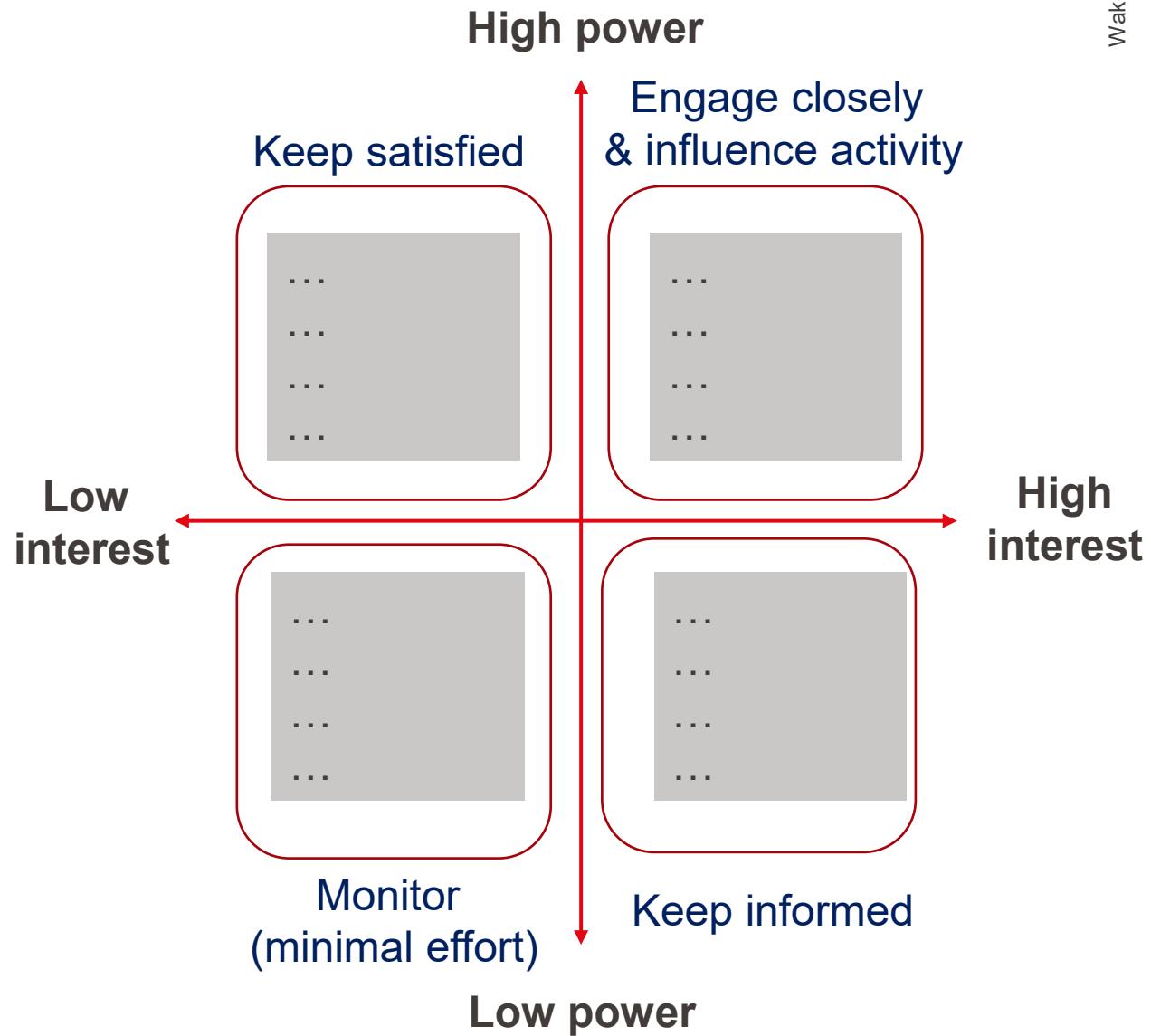
The AIDA Model Hierarchy

- The steps involved in an AIDA model are:
- **Attention:** The first step is to consider how to attract the attention of your stakeholder.
- **Interest:** Once the stakeholder is aware, need to work on increasing the potential stakeholders interest level.
- **Desire:** After interest, the goal is to make consumers desire it, moving their mindset from “I like it” to “I want it” or “I run with this”.
- **Action:** The ultimate goal is to drive the receiver of the “marketing campaign” to initiate action and purchase the product or service.
- Therefore, the AIDA model says that **Awareness** leads to **Interest**, which leads to **Desire**, and finally, **Action**.



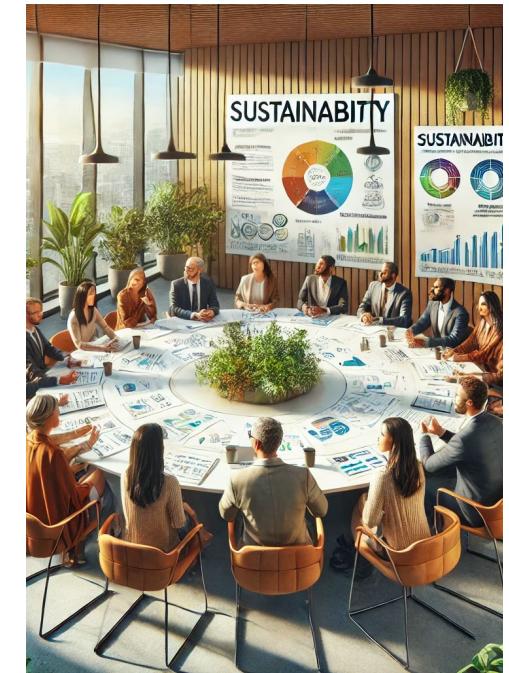
Engaging with stakeholders

- Engagement plan for each stakeholder
 - To what extent should this person be engaged
 - What are this person's motivations? Are they more likely to support or oppose your efforts?
 - What is your plan to engage this person in your initiative?



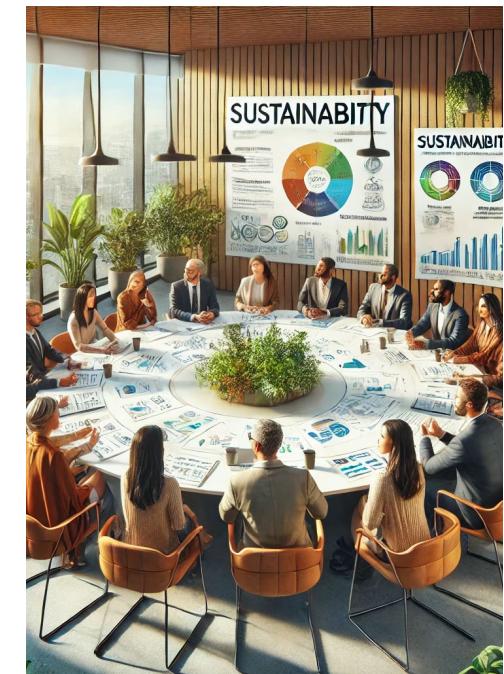
How to communicate sustainability to win over stakeholders?

- With empathy
- With knowledge
- Understanding the other persons perspective (limited knowledge / different core values / beliefs)
- Respect the person
- Engage them in a process, change takes time
- Need to win their hearts as well as their minds
- Make them think it was their idea!

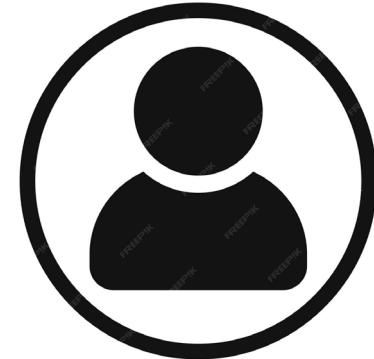


Questions to ask stakeholders

- What is your most important **objective** and how can I **help you realize it?**
- What **criteria** will you use to assess whether my **contribution** to your work has been **successful?**
- If I were able to change two things in my area of responsibility within the next six months what two things would create the **most value and benefit for you?**
- Have any **systemic barriers** made it difficult for people in my role or function to **fulfill your requirements and expectations?**
- What is **getting in our way?**



How to conduct a stakeholder interview



- **Know your objective** – What do you want to learn? Is this the right approach?
- **Be respectful** – it's all about her/him, not you.
- **Be unbiased** – be attentive and interested, but not approving or disapproving.
- Ask largely **open questions**, allowing the conversation to flow more smoothly, **additional information probe** ...

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Greenwashing

- The act or practice of making a product, policy, or activity appear to be more environmentally friendly or less environmentally damaging than it really is.
- Making unsubstantiated claims to deceive stakeholders that a company's products have a greater positive environmental impact than they actually do.



Greenwashing

- Statements not backed up by concrete action plans, \$\$\$ investment on the ground, accountability, measurable outcomes, reported publicly



Is greenwashing undermining YOUR sustainability work? - Rethink Global

"eco-friendly" and "sustainable" are on our internal list of dirty, banned buzzwords.

Patagonia, Inc.



- Consumers face a barrage of green-friendly messaging from companies hoping to profit from increased concern over environmental issues.
- Unfortunately, many of these environmental promises don't pan out.
- EU research: 42% of green claims were exaggerated, false, or deceptive, which points to greenwashing on an industrial scale. This is dangerous ground for companies. When caught by regulators, very expensive.

[Screening of websites for 'greenwashing': half of green claims lack evidence | ICPEN](#)



Finance Research Letters
Volume 70, December 2024, 106285



Shades of green: The impact of greenwashing on stock price crash risk

Xuchang Zhang ^a, Lingfeng Kong ^b , Xuetong Hu ^c

Highlights

- Greenwashing increases firms' future stock price crash risk.
- Instrumental approach and DiD design are used to establish causality.
- Greenwashing masks firms' sustainability issues and managerial opportunism.
- The impact is more pronounced for firms with stronger greenwashing incentives.
- The impact is greater for low-transparent and weakly governed firms.

[Shades of green: The impact of greenwashing on stock price crash risk - ScienceDirect](#)



How Greenwashing Affects the Bottom Line

by Ioannis Ioannou, George Kassinis, and Giorgos Papagiannakis

July 21, 2022



James O'Neill/Getty Images

[How Greenwashing Affects the Bottom Line](#)

Summary. New research shows that when companies overcommit and/or do not deliver on promised socially responsible initiatives they damage their relationships with their customers. However, a company's reputation for product quality or innovation may partially mitigate such a negative impact on customer satisfaction. [close](#)



World ▾ Business ▾ Markets ▾ Sustainability ▾ Legal ▾ Breakingviews ▾ Technology ▾ Investigations

Volkswagen says diesel scandal has cost it 31.3 billion euros

By Reuters

March 17, 2020 1:19 PM GMT+1 · Updated 5 years ago



International Review of Financial Analysis
Volume 93, May 2024, 103195



Does greenwashing affect Company's stock Price? Evidence from Europe

Highlights

- Greenwashing announcements do not significantly affect CARs of companies in the days after the release of the news.
- Corporate environmental performance (CEP) is negatively related with CAR after the exposure of greenwashing companies.
- The market alone cannot identify and penalize companies that commit greenwashing practices. Intervention from governmental authorities is crucial if Europe wants to reach Climate Neutrality by 2050.
- ESG ratings do not provide a holistic representation of corporate environmental performance.

[Does greenwashing affect Company's stock Price? Evidence from Europe - ScienceDirect](#)

[Volkswagen says diesel scandal has cost it 31.3 billion euros | Reuters](#)

Coca-Cola accused of quietly dropping its 25% reusable packaging target

Exclusive: Campaigners say company's apparent abandoning of 2030 pledge is a 'masterclass in greenwashing'



 Coca-Cola has been previously found by researchers to be among the world's most polluting brands when it comes to plastic waste. Photograph: Régis Duvignau/Reuters

Coca-Cola has been accused of quietly abandoning a pledge to achieve a [25% reusable packaging target by 2030](#) in what campaigners call a "masterclass in greenwashing".

- The company has [been previously found](#) by researchers to be among the world's most polluting brands when it comes to plastic waste.
- In 2022, the company made [a promise](#) to have 25% of its drinks sold in refillable or returnable glass or plastic bottles, or in refillable containers that could be filled up at fountains or "Coca-Cola freestyle dispensers".
- But shortly before this year's [global plastics summit](#), the company deleted the page on its website outlining this promise, and it no longer has a target for reusable packaging.

[Coca-Cola accused of quietly dropping its 25% reusable packaging target | Plastics | The Guardian](#)



TCS winter



cone-icy-road-turn-car-tire (dreamstime.com)

Sustainability initiatives

What are you proposing?	What benefits will this bring?	What people and resources will you need?	My pitch
A 3hour lecture on how we can evolve the use of composite materials into the framework of sustainability and the circular economy.	Educate students to move from a linear way of selecting materials and processes into a sustainable way of thinking, driving the next generation of innovations as these students graduate to challenge the current way of thinking as they select and develop materials within industry and academia.	My own time.	<p>Next semester we have our master's composite course on composite materials. As you know, I have been following the course at Cambridge University on Sustainability and the Circular Economy. This has been both interesting and enlightening. A key fact was that the Paris Agreement only goes half way towards meeting the UN 2030 SDG's. Transportation is a key sector and contributes 21% of total global CO2 emissions. While covid-19 gave a 6% drop in greenhouse emissions, it was still short of the 7.6% annual reduction required to limit global warming to 1.5oC. Investment in fossil fuels is still higher than investments in climate activities. The market potential of circular economy strategies is 4.5T \$ by 2030. As it is going to be the next generation of students who need to drive innovation into the (circular) economy, I believe that we should expose them to an over-view of this. This is beyond carbon fiber materials driving weight reduction in aerospace and automotive to reduce CO2 emissions, beyond end of life issues and recycling, but looking at examples of how composite materials can be reused, remanufactured, and repurposed. Looking at bio-based thermoplastic and thermoset polymers and feedstocks and routes to reduce energy during carbon fiber manufacture. At the impact of additive manufacturing. Examples of how specific companies are starting to include these aspects. The opportunity lies ahead to start to change how we approach material and process selection beyond cost performance alone. How this can be financially attractive and profitable to stakeholders and investors. How value can be recovered and how we can move to a more sustainable future. I would propose including student projects under this theme to prompt them to engage in literature reviews and to propose solutions thereby engaging their minds at the start of their careers.</p>

- Specific, quantifiable, and accountable with deadlines and milestones

- SMART sustainability initiatives

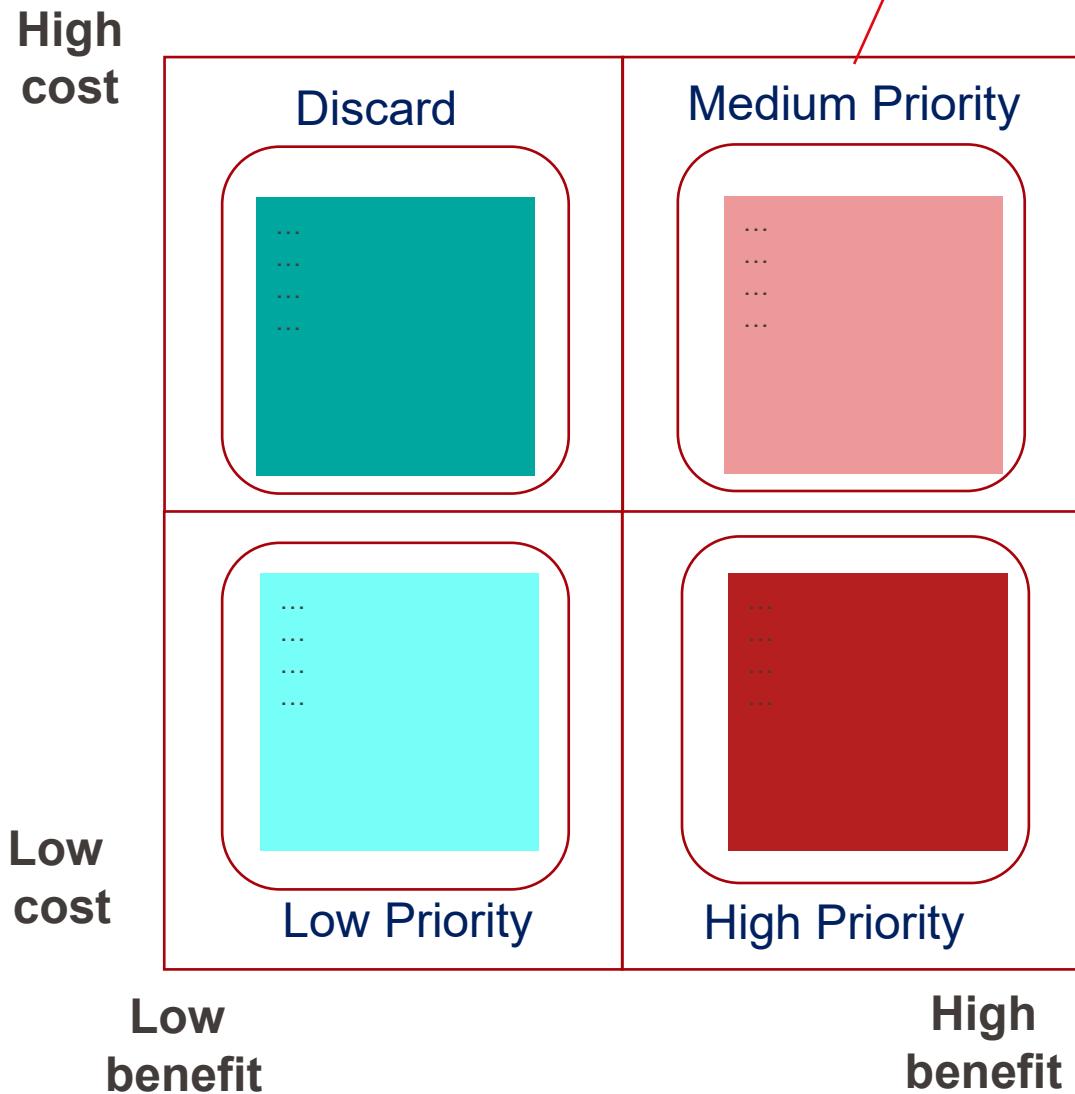


[SMART objectives - Bing images](#)

What are Strategic Initiatives? How to Develop & Execute
+ Examples (cascade.app)

Sustainability initiatives template 1

- Brain storming of initiatives
 - Material focused
 - Product focused
 - Operations focused
 - Supply chain
 - Industry wide
- Develop strategic mix of
 - **Short**
(fast to implement, low cost/high benefit)
 - **Medium**
(transition to the future)
 - **Longer term**
(high risk, high benefit, maybe high cost)

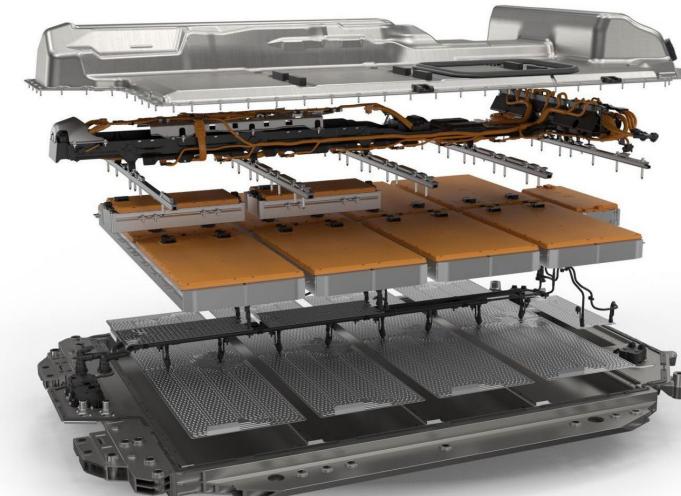
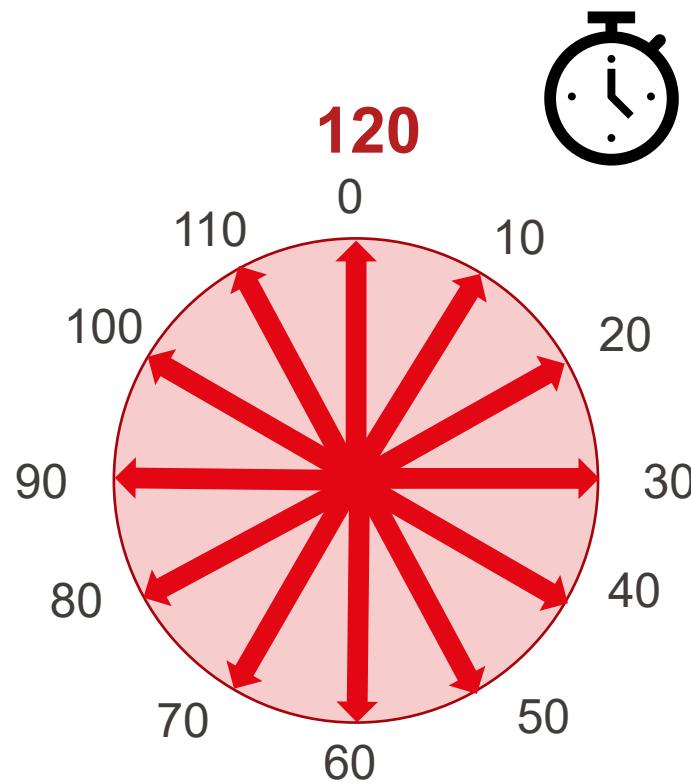


Simple SMART Initiative template 2

Detail your top (minimum three) initiatives and detail how you will make them SMART (quantified absolute and accountable targets). What is the expected impact?

SMART objectives	1.	2.	3.
Specific	Install PV panels on 1000m ² of factory roof Generate 540 kWh/day		
Measurable	Reduce CO ₂ e from oil heating (25.2 g CO ₂ e vs. 1kg CO ₂ e / kWh fossil fuels) PV production impact recovered in 1 year		
Achievable	Factory has sufficient roof space and the payback period is believed to be acceptable		
Relevant	Reduce scope 2 emissions by 30%		
Time-oriented	Operational within 12 months		
Expected IMPACT	Abate 30 tonnes CO ₂ e/yr		

Think of 3 SMART sustainability initiatives

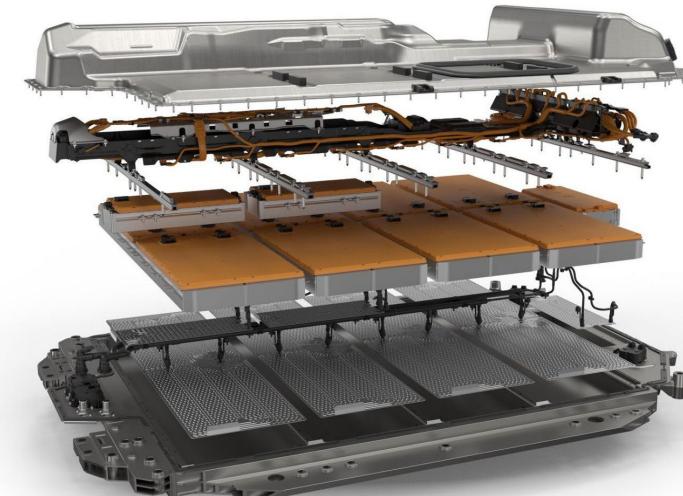
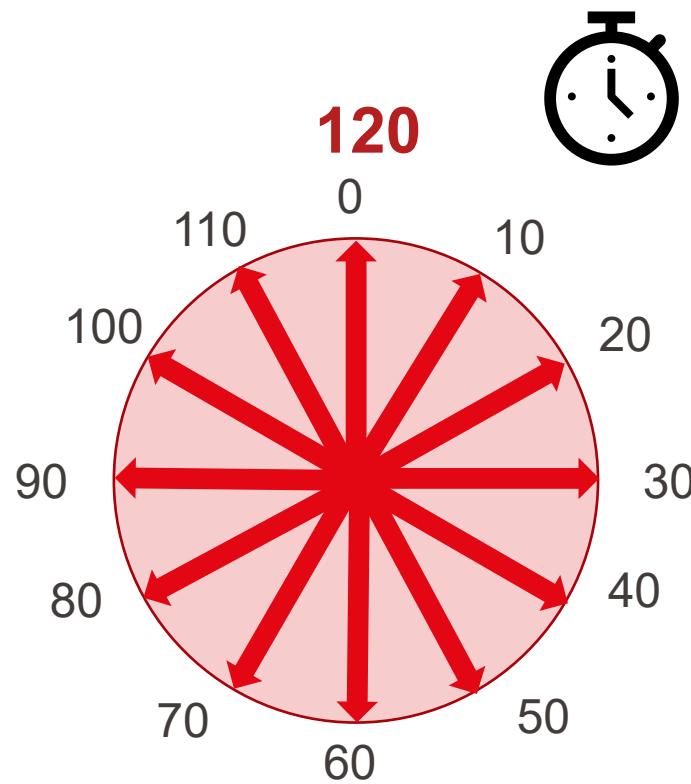


... 2 minutes , discuss with your neighbor

Work out barriers to overcome

- List the three most prominent barriers you think you or your organisation will face in implementing the impactful strategy, action or initiative you identified, and explain why these are the most important
- Draft a brief strategy for how you plan to overcome each of the three barriers you identified above and how you plan to secure buy-in from key decision-makers

What are the barriers?



... 2 minutes , discuss with you neighbor

Simple SMART initiative template 3

Detail for each initiative the next steps, challenges, resources needed, key dates,

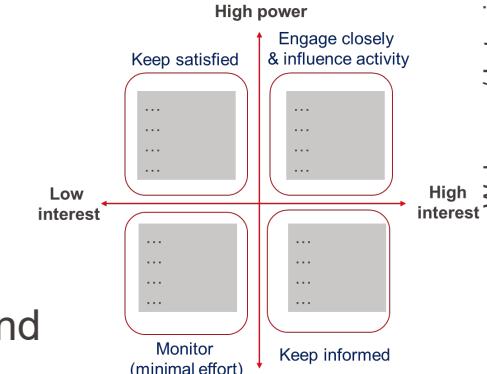
Initiative description	Next steps	Change management <u>organizational barriers</u>	Change management <u>people challenges</u>	Resource needs	Key dates
<ul style="list-style-type: none"> Install PV panels on 1000m² of factory roof Generate 540 kWh/day to reduce scope 2 emissions by 30% 	<ul style="list-style-type: none"> Research benefits on product LCA Choose 3 suppliers Quotation by end of August Presentation to board September 20th 	<ul style="list-style-type: none"> 7-8 year payback period Site assessment 	<ul style="list-style-type: none"> CFO not supportive vs. faster payback projects 	<ul style="list-style-type: none"> 25% of project engineer for 9 month 200k CHF CAPEX 	<ul style="list-style-type: none"> Quotation end August Decision end Oct. Planning permission to end December Operational target April 2025

Draft an action plan for leveraging support from the network you identified in Stage 1 to reach your sustainability-related objectives.

- How you plan on **contacting** or approaching these individuals.
- How you will **meet** to present and discuss your objectives (for example, will there be one-on-one meetings, or will you present to them in a group format?).
- What you will **offer them** in return for their assistance (i.e. consider what might motivate them to get involved and the kinds of incentives available for them to participate?).
- Any potential **(relational) barriers** that could inhibit the level of desired progress (for example, conflict of interest between two parties), or opportunities – such as commonalities between members – that you could leverage.

Stakeholder engagement template: template 4

- Who are the stakeholders in a wider sense across the supply chain?
- Detail 3 to 5 members within your personal and professional network, (e.g. business associations, government organisations, non-profit organisations, NGOs, academia).
- Identify those that can assist you within your targeted product and company.
- How would you propose to contact them and interact with them? What could the win-win be and any barriers or opportunities that might be important (relational or other)



Stakeholder (Person/LinkedIn)	Organization	Job Title	Influence	How to contact	How to interact	Win-win, next steps	(Relational) barriers/opportunities
	Internal	Building services manager	High interest, medium power	Lunch conversation	Bring her/him on-board into core team	Has similar interest, develop plan together	This person has a complex relationship with the CFO
	Internal	Chief sustainability officer	High interest, medium power	Arrange meeting	Bring him/her on-board into core team	Will help to meet their targets, strong interest expected	Has a position on the board to influence CFO
	Down-stream customers, internal marketing	Customers	High interest, high power	Marketing department and key account managers / customer sustainability departments	Inform accurately of key steps, don't greenwash	We lower our footprint and expect increased orders vs. competition. demanding lower CO2e in our products	Commodity mindset of customer purchasing director who is a price buyer
	Internal	CFO	Low interest, high power	Slot at board meeting	Strong short presentation	Go running together at lunch time?	Get to know better through sports?
	Consultants	LCA group	High interest, low power	Need funding to sub-contract	Precise focused study	You can learn more about LCA and they see direct results	Your CSO knows their CEO

Climate & Energy | Circular Economy | Fuel | Refining | Climate Change

Lego to replace oil in its bricks with pricier renewable plastic

By Jacob Gronholt-Pedersen

August 28, 2024 8:06 PM GMT+2 · Updated a month ago

Lego's suppliers are using bio-waste such as cooking oil or food industry waste fat as well as recycled materials to replace virgin fossil fuels in plastic production.

Rival toymaker Hasbro has started including plant-based or recycled materials in some toys, but without setting firm targets on plastic use. Mattel plans to use only recycled, recyclable or bio-based plastics in all products by 2030.

Around 90% of all plastic is made from virgin fossil fuels, according to a lobby group PlasticsEurope.

<https://www.reuters.com/business/retail-consumer/lego-replace-oil-its-bricks-with-pricier-renewable-plastic-2024-08-28/>



[1/9] A view of a Lego figure on display inside their headquarters in Billund, Denmark, April 25, 2024. REUTERS/Jacob Gronholt Pedersen [Purchase Licensing Rights](#) < >

BMW fully-recyclable car

- the i Vision Circular car
- it plans to launch in 2040
- A design that uses 100% recyclable materials, including the battery pack, underlines BMW's ambitious plans



https://youtu.be/YYYbo_wqA0?si=tFculv52Wpjuc6U

The BMW Group emphasizes its consistent focus on sustainability at the 2021 IAA Mobility: More stringent CO2 targets go hand in hand with concrete measures and concepts for implementation

06.09.2021 PRESS RELEASE [TOP](#) [AGED](#) [UPDATE](#) 

The BMW Group is putting circular economy and sustainable urban mobility at the centre of its presence at the 2021 IAA Mobility. At the motor show, the company is consistently demonstrating its sustainability and CO2 targets as well as its concrete measures and concepts to achieve these goals.

#i20 · #G26 · #Motor Shows · #BMW iX · #BMW i · #Finance, Facts, Figures · #Design, Concepts, Studies · #Design, Concepts, Studies · #Europe · #Corporate · #Sustainability · #Lifestyle Products · #Lifestyle · #Corporate Events · #BMW i4



<https://autovista24.autovistagroup.com/news/bmw-considers-lifecycle-of-a-vehicle-with-fully-recyclable-car/>

How Polestar is using blockchain to increase transparency

Polestar looks at blockchain to validate ethical production of its batteries

February 8, 2021 - 10:46 am

Promoting transparency

For certain risk materials, such as mica and cobalt, we use blockchain technology to create traceability from raw materials to finished product. Blockchain has revolutionised supply chain visibility by offering an unchangeable, digital and fully transparent way of tracing materials.

Selecting suppliers

We carefully select our direct material suppliers, performing due diligence screening and risk assessments, and placing strict requirements on their operations before signing contracts. We require all Polestar battery suppliers to produce life-cycle assessments. With blockchain technology we make high-risk materials traceable, and all suppliers must adhere to our Code of Conduct for Business Partners. Through production and manufacturing we conduct audits to check adherence to our human rights values. Corrective actions are put in place where partners are found to fall short of our standards.

Three-step assessment

Our ongoing, three-step sustainability assessment program comprises an initial assessment (SAQ), a Supplier Sustainability Index (SSI) and a contractual commitment to adhere to our Code of Conduct for Business Partners. These steps aim to promote and preserve Polestar's values and sustainability goals from the initial supplier selection stage and throughout the subsequent working relationship.

We expect our partners to make improvements where necessary, and support them in doing so. In the case of repeated or severe violations to the Code of Conduct, and as a final resort, the supplier relationship may ultimately be terminated.

Code of Conduct for Business Partners [↓](#)



BMW joins responsible mining group with BASF, SAMSUNG

▪ Initiative for Responsible Mining Assurance (IRMA)

- Development of innovative and sustainable technologies in lithium-ion batteries, from mining and processing the raw materials to production and recycling
- Measures performance mines against “Standard for Responsible Mining”
- Emulate for industrial-scale mine sites what has been done with certification programs in organic agriculture, responsible forestry and sustainable fisheries

[Cutting Out Middle-Men: BMW's New Way Of Sourcing Battery Materials](#)

▪ Other OEMs (Ford, VW) joined the **Responsible Sourcing Blockchain Network (RSBN)**

- Aims to encourage responsible sourcing in the minerals supply chain

[BMW becomes first carmaker to join responsible mining group - MINING.COM](#)



[Photographing Congo's Cobalt Empire | Fortune](#)

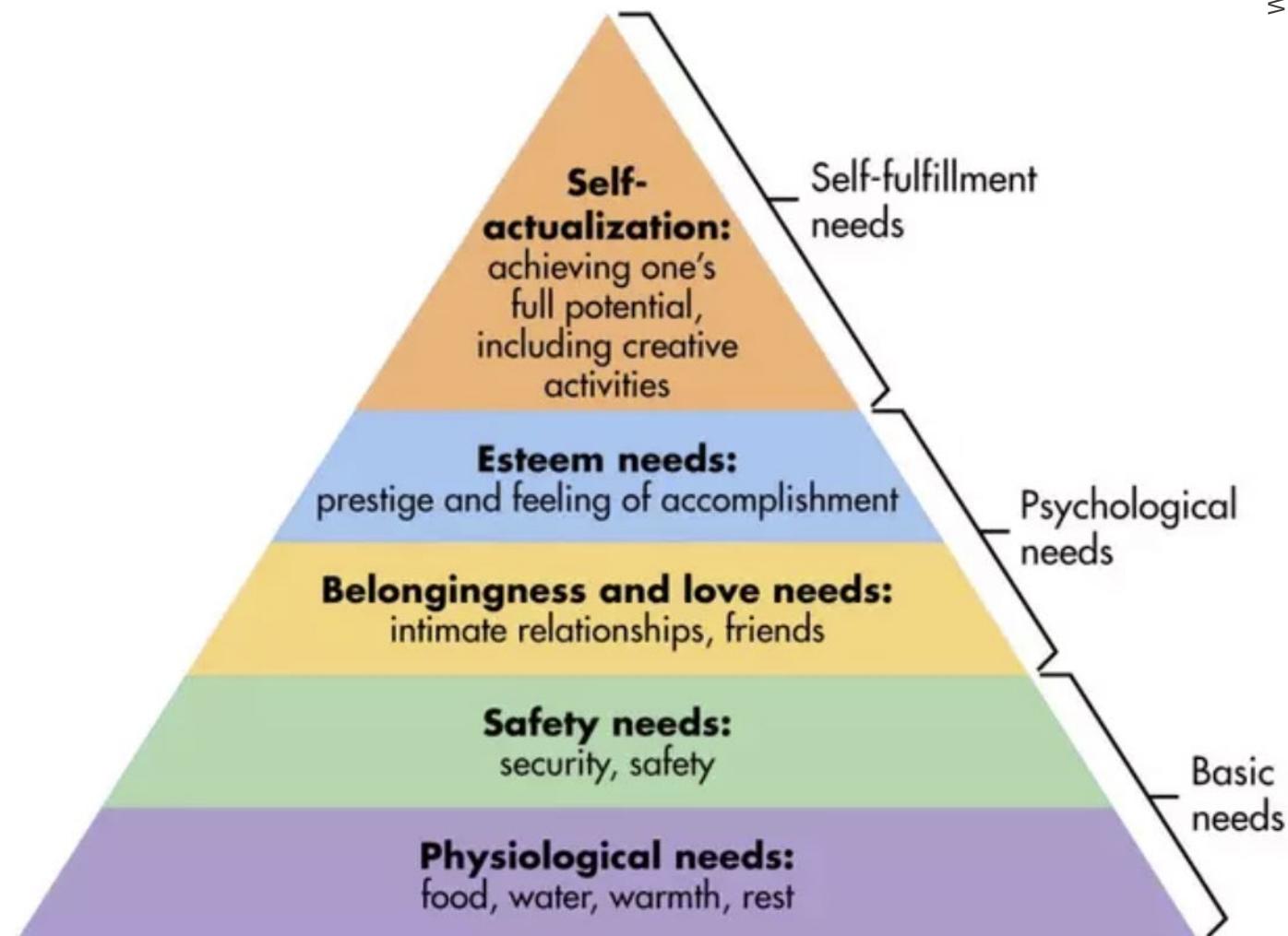


[Lithium Mining: The Electronic Boom - Heal the Planet](#)

- NetPositive Companies
- Change management
- Stakeholder engagement
- Sustainability initiatives
- Human needs and some psychology

Sustainability, human needs and some psychology

- Ultimately, we as humans look to fulfil our needs.
- As we in the west look to **self-actualize**, and are hence prepared to pay more for an ecological / bio-based / premium product,
- Many others across the world are still trying to meet their **basic human needs** of food, water, and shelter
- **Their need is so pressing** that they do not have the head space to consider the impact on future generations as they are trying to survive and feed their children.



[Maslow's Hierarchy of Needs | Simply Psychology](#)

Climate change & game theory

- People or nations might not cooperate even though it would be in their combined best interests to do so
- By prioritizing their personal or national interests, individuals acting rationally can create a worse overall result.
- We need to embrace change, take the strain, and address the issue together.

FINANCIAL TIMES

Climate change and the prisoner's dilemma

This problem demonstrates the tension between selfishness and cooperation

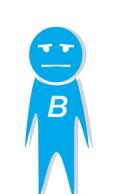
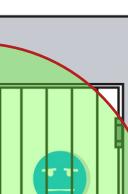
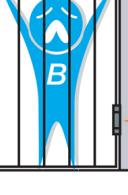
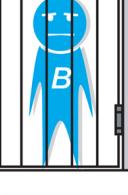
TIM HARFORD

+ Add to myFT



The dilemma, then, is that **mutual cooperation yields a better outcome** than mutual defection but is not the rational outcome because the choice to cooperate, *from a self-interested perspective, is irrational.*

Prisoners' dilemma

		prisoner B	
		confess	remain silent
prisoner A	confess	 5 years	 5 years
	remain silent	 20 years	 0 year
		 0 year	 20 years

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Personal ethics and the board room ...

1. Business

- There is money lying on the floor to be recovered from operational efficiencies.
- Need to introduce true pricing of externalities (waste / emissions ...)
- These need to become definers for success and promotion, really not just in theory.

October 01 2020

Climate in the Boardroom: Struggling to Reconcile Business as Usual & the End of the World as We Know It

Rebecca Henderson

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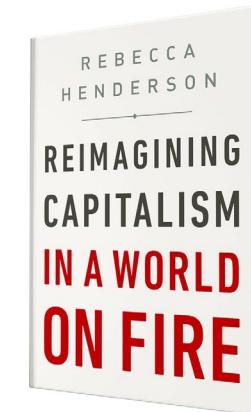


[Climate in the Boardroom: Struggling to Reconcile Business as Usual & the End of the World as We Know It | Daedalus | MIT Press](#)

- Need to reinvent capitalism as the old model did not efficiently apply scarce resources and we are **overheating the system, AND its people.**
- We need to shift the ethical framework of capitalism, and our own behavior and buying decisions

2. Core values and convictions

- We are **emotional people** who have **values** and personal ethics. This is part of us. We cannot deny it or we are not true to **ourselves**.
- Without it change cannot be **catalyzed** to make the phase change occur in the ethical framework of capitalism.
- We need to redefine the box by which we are assessed beyond the bottom line and bring our **convictions** into the work place.
- A commitment to prosperity and freedom is wider than we think.



Prof. Henderson
(Harvard
business
school)



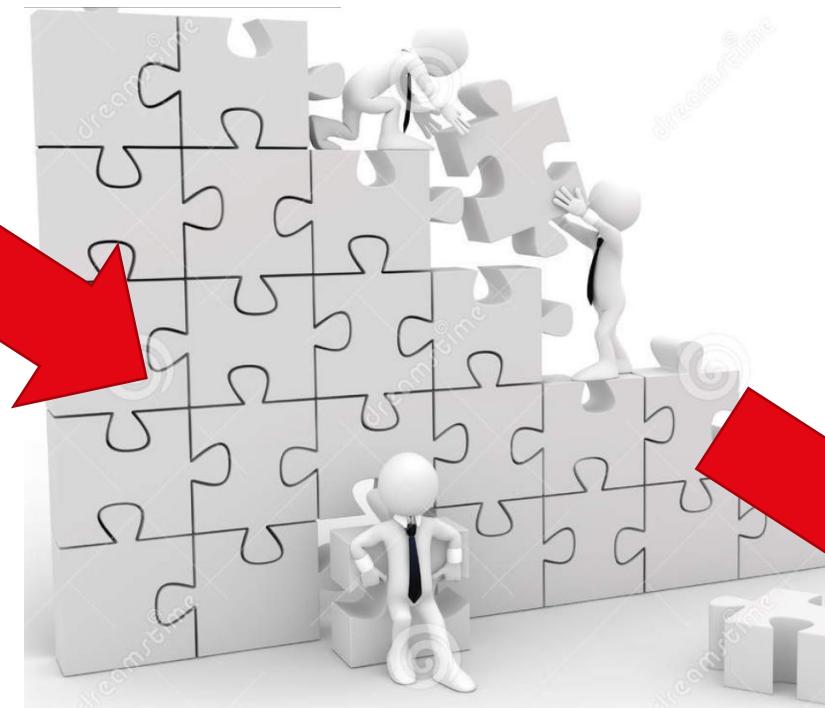
If we take risks in decision making then we can choose to do this for what we really believe in.

We can each bring a piece of the jigsaw puzzle

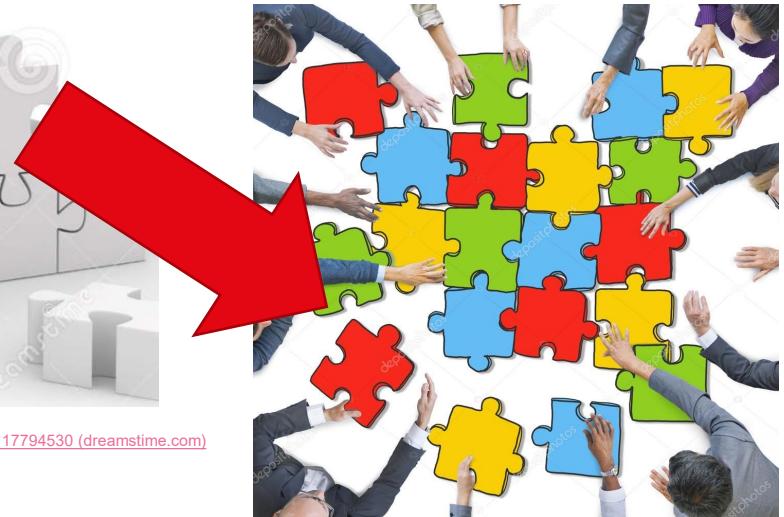
- Together we can make a difference



[Does information matter for completing the 1,000,000 piece climate change jigsaw puzzle? – RealKM](#)



[Director and Employees Working Together Stock Illustration - Illustration of building, jigsaw: 17794530 \(dreamstime.com\)](#)



[People Forming Jigsaw Puzzles Stock Photo by ©Rawpixel 60054037 \(depositphotos.com\)](#)

- Climate change demands systemic change, either to adapt or to mitigate
- Data and science alone is not the complete answer
- Humans are capable of change
- It is a psychological process
- We can influence the stakeholders around us by our choices and actions
- Together this can integrate to make a significant different

“Don’t let the perfect
be the enemy
of the good.”

~ Voltaire



UNEP circularity platform
buildingcircularity.org