

New Nature of Business: How companies integrate biodiversity

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NatureServe.



Background & sources

- Multi-disciplinary team from four continents
 - biodiversity conservation, ecosystem services assessment, business intelligence, decision support tools, policy analysis and the sociology of innovation
- Needed time to develop shared terminology
- Case studies from BP, Dow Chemical, Eugene Water and Electric Board, Intel, Motionry, Pfizer, Siloso Beach Resort, Syngenta, Wipro



Photo: Jesse Lewis Photography

Challenge: degradation still outpaces business response

- Pioneers having limited impact
- Motivations are varied
- Uncertainty around valuation
- Politicization is a constraint and a motivator
- Learning from others enables better outcomes, takes less time, reduces business risk



Photo: Geoff Gallice

Business perspective on economic values

Valuing benefits from nature:

- Natural resources with business value – valued for economic utility; risk of loss; cost of replacement ...
- Nature as a whole – what value to place on it?
- Attributing value not necessary for pioneers

“I’m a finance guy and knew nothing about this area ... I became convinced that environmental and ecological issues will be the defining issues for humanity in the next 25-30 years.”

Anurag Behar, Global Head of Wipro Infrastructure Engineering, NNoB

Business perspective on social values

Valuing benefits from Nature

- Natural resources with social & commercial value
 - recreation, tourism, tradition – valued for intrinsic & economic utility, risk of loss, replacement cost
- Essentials for life - how to value life?
- Community and business share benefits

“Creating ‘shared value’ with multiple stakeholders can generate economic value as well as addressing the needs and challenges of society. Shared value will drive the next wave of innovation and productivity growth”

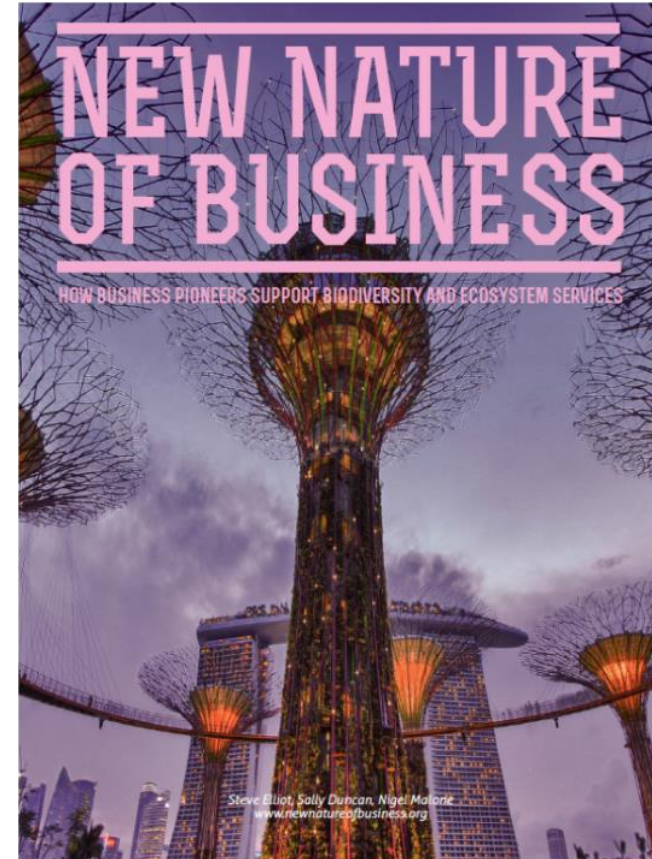
Porter, M. and Kramer, M. 2011. Creating Shared Value. Harvard Business Review, January-February, 62-75

Pioneering companies move through 8 stages of development

Stage	Activity	Business Agenda
Awareness	Perceive risk or opportunity	Potential relevance to company may still be unclear
Investigation	Identify & scope relevant issues	Investigate motivations and outcomes from other businesses, study impacts, advise and engage staff
Determination	Select response	Identify and examine potential response; prepare business case; advise & engage staff
Action	Implement & monitor response	Build capacity to implement response by acquisition, development or collaborations; implement response; advise & engage staff
Evaluation	Analyze results	Review evaluation approaches; determine metrics & processes; develop business cases; internal reporting
Proliferation	Implement company-wide	Determine & implement meaningful, company-wide strategies; engage staff; internal & external reporting
Integration	Find synergies	Seek innovative ways to achieve more meaningful impacts; implement BES management systems
Business Opportunity	Seek market/ social benefits	Seek business opportunities with current and new customers, products, markets & collaborators to enhance BES; internal & external advocacy & reporting

Business progress is driven by...

- Business leader's personal commitment
- Employee & stakeholder pressure
- Engaged communities
- Risk management
- Regulation
- Process management
- Authoritative metrics to inform situation & progress



Final Thoughts

“We start by defining ecological sustainability and targets at the organizational level. These are then discussed and debated with each division in a collaborative manner - such that they see the value in the whole process and willingly assume ownership of that program. This is then formalized as part of the division’s goals.”

PS Narayan: Vice President
Sustainability, Wipro



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