



## Taking Sustainability Mainstream

*Addressing the 'HOW to' aspect of embedding sustainability into business cultures is the mission of **The Closed System Pty Ltd**, established in south-east Victoria since 2001.*

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There is growing awareness that educating organizations and individuals to be sustainable is an urgent and ongoing challenge. Considerable progress has been made in the study of sustainability, but evidence that the principles of sustainability are being translated into action via day-to-day decision-making has been sadly lacking.

While the current focus of sustainability discussion is mostly on the so-called 'triple bottom line' – attempting to balance economic, environmental and social responsibilities – it is still the economic driver which continues to determine most business decisions. Organisations and individuals continue to struggle to reconcile income generation with preferred operating conditions and/or lifestyles.

The solution must be to shift the focus and address directly the mind-set and practices necessary to achieve balance between seemingly conflicting imperatives. For this reason, 'HOW' as much as 'why' is becoming the critical issue if the necessary cultural shift towards sustainability is to be achieved. HOW do nations, organisations, companies and individuals learn to apply the principles of sustainable development in businesses and workplaces? What guidance is available? Are there certain steps that can be taken which can assist in the process?

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<sup>1</sup> Leigh was a former manager of The Natural Step Environment Institute, Australia.

For many in the business world, the generally promoted approaches to sustainable development seem either unacceptable or impossible to implement. This is largely a result of their emphasis on the *un*-sustainability of current operations – an emphasis that frequently sets up negative reactions and destroys any possibility of ‘conversion’, either through resistance to perceived impracticality, or alienation from the extent of change required.

There are also other problems impacting the implementation of sustainable practices, including poor understanding of the meaning of the word ‘sustainability’, and fragmentation of current approaches that are targeted in an uncoordinated way at isolated elements of day-to-day business practices and impact negatively on work and life balance.

The end result is that only a small percentage of the population are genuinely motivated to be more sustainable. The prominent individuals, institutions, and business leaders who could champion the necessary cultural change are simply not visibly engaged in an appropriate way. Many more high-profile leaders and pioneers need to become involved if sustainability is to be taken mainstream and cultural change accelerated.

After some seven years of training and accrediting professionals to work in the emerging sustainability field, it was recognised that a new approach was needed – one that incorporated:

- **holistic and systems thinking:** the inter-relationships involved in all aspects of decision-making
- **adherence to the natural principles underpinning healthy and productive eco-systems:** the only long-term basis for sustainability; and
- **synergy between business/economic sustainability and personal sustainability:** to ensure that benefits to individuals and social groupings are shared.

Working with advisors and consultants, Leigh, Melissa and Kathryn Burge researched, over three years, a set of principles that govern the behaviour of natural systems. They reasoned these should form the basis of a broadly applicable model for actioning sustainability. The resultant consensus produced a new philosophy called **The Closed System**<sup>2</sup> based on 10 principles that underpin the way that species and eco-systems self-organise and behave. Humans, as a species within these systems, are governed by the same principles. Using the 10 principles as its core, Leigh and Kathryn sought to construct a logical, engaging and non-threatening methodology for converting sustainability thinking into practice.

The Closed System Pty Ltd recognise that from a purely ‘Applied Science’ definition species and natural systems operate as ‘open-systems’ – with inputs

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<sup>2</sup> ‘The Closed System’ is the intellectual property of The Closed System Pty Ltd © 2007

and outputs to and from other systems e.g. rain, air, water, sunlight to ensure balance and interdependency.

However each system 'behaves' and 'organises' to protect and operate its core function, and to monitor and manage its relationships to other systems within defined boundaries. In this way they 'close' their system and defend this closure. The Closed System is a cultural change tool for taking responsibility for your system and how it relates to other systems.

At the heart of The Closed System approach is the concept that the ultimate measure of sustainability is to be self-sustaining long-term while also being interdependent with other systems. Nature demonstrates this ability in the way each species has its own defensive mechanisms – i.e., closes its own system to predators and other adverse elements – while at the same time depending on a 'web of life' to survive. Conceptually, an over-arching Closed System can be broken down into smaller and smaller systems, each 'closed' within its own boundaries and yet inter-related to, and connected with, other systems. Translated into 'human' terms this means that individuals and organisations, as part of the ecosystem, must, in the long term, also function on closed-system principles. Aligning human behaviour with eco-system behaviour therefore becomes a major focus in actioning sustainability.

It is fundamentally important to recognise that much of the hardship and stress present across society and the environment results from a clash of perception with reality – the perception of differences between human and other natural systems. There is currently little alignment between human social systems and other natural systems, as evidenced by the degradation caused by land clearing, water shortages, pollution, loss of biodiversity etc as human population, cities and consumption levels continue to grow.

Every species and eco-system has closure mechanisms. Defence against threats is paramount, and the myriad ways that species defend themselves or take preventative action is one of nature's endless fascinations. Natural systems may be open to feedback but they are not defenceless. Feral elements that penetrate the defences are the exception. Species that enter an unfamiliar landscape are immediately vulnerable regardless of their size or strength. Species that thrive in the forest cannot survive in the desert – their boundaries are clearly defined.

Recognising that we continuously decide how and when we will open ourselves to inputs is fundamental to individual survival, and also to taking responsibility for our own welfare. We filter and control our food, relationships, thoughts, activities, choices, and so forth to close our system and protect our individuality. Like, many other species, we are completely dependent on our parents in our formative years, and the process of learning how to close our systems is through trial, error and the acquisition of life experience.

Today, however, we are living in a world that is pursuing open borders, networking, free-trade and globalisation. In our enthusiasm to grow economically,

pursue freedom and communicate we may ignore the lessons of history and the principles on which the natural world operates unless we understand how to protect the core values and functionality of our systems.

Understanding 'closed system' thinking is the next challenge for individual, organisational and societal sustainability, and a key to securing long term gains at grassroots and planetary scales. 'Closed System' thinking is very much about taking responsibility for our domain – i.e., what we control and the way that we manage our interdependencies with other systems.

At its core, sustainability is about becoming self-sustaining while staying connected and engaging positively through interdependencies with other systems – environmental, social, financial, spiritual, educational, etc. Our businesses are unsustainable when their operations negatively affect other systems.

The 'Closed System' model is based on:

- Accessing available energy and resources;
- Structuring the energy and resources correctly;
- Working the energy and resources to optimise results;
- Minimising negative impacts on other systems; and
- Building synergy through positive interdependencies.

All inputs, processes and outputs are taken into account, which immediately re-contextualises sustainability as a mainstream issue relevant to everyone. It also demonstrates the way in which human behaviour, to be sustainable, can align with natural systems and other societal systems.

The Closed System is applied initially with a core consulting program – ***How to Sustain your Business***. Workshops and one-on-one sessions are available for businesses of all sizes. The program addresses the strategic and operational challenges involved in applying sustainable business management. Specialised programs are available for Business and Project Managers, Core Management and Project Teams.

Following the completion of the consulting program, businesses are encouraged to make a decision to embed sustainability using The Closed System methodology into their business culture.

This requires 'skills transfer' and a license to use The Closed System' methodology internally. The license gives full access to all intellectual property, tools, templates needed for ongoing management.

The Closed System Pty Ltd provides regular educational sessions for the client to learn how to apply the Closed System to evaluate and manage projects, assess and make critical decisions, integrate sustainability with other tools and processes and much more...

Clients are licensed on an annual basis and a logo is supplied for them to signify that they are addressing sustainability within their business.

Because most businesses still regard sustainability as a fringe issue, The Closed System P/L focused on the concept of “growing and sustaining your business” to attract a broad client base. This approach is already proving successful, with the Victorian Government and several leading Melbourne Councils sponsoring the programme for their small business networks since 2003. Issues addressed in the business courses include:

- the necessity of clearly separating personal and business needs.
- the need to clearly define the core purpose of the business or project, and the ‘driver’ behind it.
- identifying how the system is to close its boundaries to defend against potential threats.
- the importance of carefully screening all forms of inputs.
- setting the conditions under which the business will operate.
- structuring the business or project to optimise performance of available resources.
- taking responsibility for managing all outputs and relationships with other human and natural systems.
- use of logical and ‘lateral’ scenario planning tools.
- identifying the company dynamics that govern stages of business operations: development, growth, exchange, regeneration, resources, and shedding (precursor to further development).
- using business planning and management tools based on the 10 Principles, and metrics for measuring progress.

### **The future: what’s needed?**

Not everyone needs to engage in the cultural reshaping process for significant changes to take place. Just as chaos theory connects the flapping of a butterfly’s wings in the Amazon to a hurricane in Japan – every part of nature is connected. Seeing connections and building awareness are an important part of the process. Once the foundations of sustainability are laid across a large enough base, a critical mass will develop and the resulting ‘ripple effect’ will ultimately restore and regenerate the quality of life globally. This is not an unattainable dream. Based on the evidence of nature’s capacity to regenerate, it is a realisable achievement.

As individuals and businesses increasingly question their sustainability, there will be increasing demand for tools and programs to support both the shift in thinking and the necessary cultural change process. People skilled and dedicated to promoting this process are needed as coaches, educators and mentors – especially to support the leaders who will visibly drive the change process in key sectors of society.

‘Closed-System’ thinking and action are a constructive and productive approach to the problem of HOW to bring sustainability into mainstream management

practices – and approach that relates human and natural systems under a common set of principles. Reconciliation between people of different cultures, and between people and nature IS possible when founded on sustainable principles that have been the basis for evolution of life in its myriad manifestations.

Currently The Closed System Pty Ltd is working with a very diverse client base of small and medium-sized businesses throughout Australia. These businesses are applying the Closed System in areas such as: finance, organics, health, education, building, manufacturing, retail and exporting. Their programs are being licensed to several large corporations servicing business clients in Australia and internationally. PricewaterhouseCoopers successfully piloted the Closed System to corporate clients in Australia during 2007 and will expand their involvement with the Closed System nationally in 2008.

*If you believe The Closed System methodology could benefit your business, or if you are interested in seeking synergies with The Closed System Pty Ltd and its mission, Leigh and Melissa would like to hear from you. They are seeking support from all leaders in key sectors who are committed to 'taking sustainability mainstream'. You can visit their Web Site [www.theclosedsystem.com](http://www.theclosedsystem.com)*