Center for Sustainable Enterprise

Overview Scoping Document

Silberman College of Business

Fairleigh Dickinson University

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I. Executive Summary

A proposal for establishing the Center for Sustainable Enterprise (CSE) at the Silberman College of Business, Fairleigh Dickinson University is described.

The purpose is to:

1. Establish a world renowned, highly respected Center of Excellence to serve as a catalyst and source of knowledge/expertise for sustainable enterprise
2. Inquire into, discover and foster effective, collaborative organizational and institutional models within and across sectors (business, nonprofit, government, academia) to address intractable business and societal problems.
3. Focus on identifying, communicating, and embedding new ways of thinking and being among key stakeholders at all levels to garner widespread support and participation.

As depicted in Figure 1, the scope includes Applied Research, Curriculum Development and Services. Grants will be sought from major foundations to fund the applied research work. A major focus will be examining problems that are cross domain, i.e., that exist within and among institutions, requiring work in the “in between” spaces, rather than fragmented, single domain approaches to problems of sustainability. To accomplish this, CSE will create, support and leverage collaborative relationships across organizational, industry and sector boundaries.

The CSE will utilize multi-faceted diverse approaches to look at problems from a whole systems perspective. Its actions are based on a commitment to leading through inclusiveness and participation, along with a dedication to altering the fundamental systems and patterns that can lead to more sustainable enterprises for the benefit of all stakeholders.

II. Background and Situation

We are at a crossroads in the evolution of humanity where the choices we make will, in a very real sense, determine the future for generations to come. The Chinese symbol for crisis is a combination of two characters for Danger and Opportunity. We are at the precipice of both, and are choosing to take the route of Opportunity as we navigate these challenging waters.

Whether we view the current domestic and worldwide situation from an environmental, economic, humanitarian, political, moral, social, psychological, domestic U.S., or global perspective, there are complex, interwoven challenges confronting us. Seemingly intractable problems, to name only a few, include: resource depletion in energy and water, global warming, widening economic gaps and entrenched poverty, insurmountable health care crises such as AIDS; skyrocketing health care costs; drug abuse; leadership vacuums and lack of ethics in business; racial, religious and ethnic divisions; terrorism and war. The solutions we have known in the past stemming from a single discipline (e.g., economics, politics), or sector (public/private/nonprofit), are inadequate to the challenge. Systemic, deep-rooted problems require systemic, long-term solutions that engage all of the key constituencies in a deep inquiry into both their source and their solutions.

In a recent article in the Wall Street Journal (Oct. 26, 2004) “From ‘Me’ Leadership to ‘We’ Leadership,” Jonathan Tisch, Chairman and CEO of Loews Hotels, says that “Success in today’s interdependent world demands “We” leaders – people who
look beyond narrow self-interest to build partnerships in pursuit of a greater good.” He goes on to point out that raising a generation of “We” managers will require a “serious ethical reorientation on the part of businesses, colleges and universities.” “It’s an approach to leadership that is not divisive but unifying; not competitive but collaborative; not based on a zero-sum philosophy of scarcity, but on abundance – the economic, intellectual and spiritual abundance that human beings can produce when their talents and energies are unleashed. Not only is it possible to “do good” and “do well” at the same time – you actually do better in business terms when you do good in ethical terms.”

**III. Sustainability: Brief Review of the Literature**

A plethora of books, articles, organizations, foundations are focusing on the issue of “sustainability” (see references and sources, p. ); most are focusing on the environmental and social responsibility aspects of sustainability. For example:

“How can the present generation meet its needs in ways that are not only economically viable, environmentally sound and socially equitable but that also allow future generations to do the same?”

UN World Commission on Environment and Development (The Brundtland Commission), Our Common Future, 1987

From a Corporate perspective, sustainability is defined as:

“Company’s ability to achieve its business goals and increase long-term shareholder value by integrating economic, environmental and social opportunities into its business strategies.”


Cutting-edge work in Costa Rica being done with FDU’s support and involvement provides a more holistic definition:

“Sustainable development is a process of progressive change in the quality of life of the human being, which places humans as the central subject of development, through which economic growth with social justice, and the transformation of production methods and consumption patterns, is sustained by the region’s ecological balance and vital support.” (Alides)

Given the current momentum surrounding the need for more sustainable solutions, and the directions that are being proposed, there is reason for optimism. Real change can be strategically nurtured and implemented. In a generation, we can design more economically, socially and ecologically beneficial systems and processes. “Long-term prosperity depends not on making a fundamentally destructive system more efficient but on transforming the system so that all of its products and processes are safe, healthful and regenerative.” (Doppelt, 2003)

For example, Ray Anderson, Founder, Chairman and CEO of one of the largest interior furnishings companies, is focused on reducing total waste in their worldwide business by 40%, saving $67 million, with the intention of saving $80 million per year when they reach their goals.
(sustainability followed by restorative). To accomplish these ambitious goals, the company is targeting seven broad initiatives as a compass to guide them on their journey. These practices are far reaching and include People (Customers, Employees, Suppliers, Community, Management), Product (Design, Packaging, Manufacturing, Marketing, Purchasing), and Place (Facility and Operations). They have embraced “The Natural Step”, a frame of reference conceived by Dr. Karl-Henrik Robert of Sweden to define the system conditions of ecological sustainability.

Besides featuring Interface Inc., three additional case studies for “The Natural Step” include:

- IKEA
- Scandic Hotels
- Collins Pine Company

Lessons learned, tools and methodologies for the evolutionary corporation are provided (Nattrass & Altomare, 1999).

Companies focusing on sustainability are becoming more and more prevalent among the Fortune 500 and include, among others:

- DuPont
- General Motors Corporation
- Celanese Americas Company
- Abbott Laboratories
- Citigroup Inc.
- Starbucks Corporation
- IBM
- SwissRe
- Mattel, Inc.
- BASF Corporation
- 3M Company (all were presenters at the 2004 Business and Sustainability Conference sponsored by The Conference Board, 2004).

Others include British Petroleum, Shell, Honda, etc., all of whom see overwhelming forces gathering and are drawing the following conclusions:

- Action is required to preserve (and extend) open societies and markets that might be threatened by precipitous and calamitous environmental change.
- Opportunities to help abound, in the form of new technologies that raise living standards while reducing the human footprint.
- The private sector is well positioned with skills and the flexibility to answer the greatest needs.

In his book, “The Sustainable Company: How to Create Lasting Value Through Social and Environmental Performance, Laslow (2003) supports the proposition that for a company to commit to sustainable development makes good business sense. … real sustainable value creation for shareholders also requires attention to a company’s other stakeholders.

Thus, leading corporations see that change is coming and want to be sure they shape that change to their advantage. There are many examples of corporate transformation based on the ideas of sustainability and responsibility, and the list grows daily. The message of Laslow’s book is that corporate responsibility is needed and corporations will be rewarded for providing it.

Taking this one step further to the essentials of management thinking, we must bridge the gap between management thinking focused exclusively on shareholder value and new stakeholder expectations that call for greater corporate responsibility. A new
business paradigm is emerging in which value is created for shareholders and stakeholders in an integrated bottom line. Case studies developed in collaboration with leading responsible companies demonstrate how greater corporate responsibility can also be a source of business strategic advantage. For example, in Laszlo’s book, A Value Creation Tool Kit provides strategic frameworks and financial methods for organizations seeking practical solutions to creating shareholder value through corporate responsibility (Laszlo, 2003).

**IV Business Case for The Center for Sustainable Enterprise**

“Never doubt that a small group of thoughtful, committed citizens can change the world; indeed it's the only thing that ever has.”

Margaret Mead

Against this backdrop, the Silberman College of Business at Fairleigh Dickinson University, proposes to establish The Center for Sustainable Enterprise (Figure 1) with the following goals:

1. Establish a world renowned, highly respected Center of Excellence to serve as a catalyst and source of knowledge/expertise for sustainable enterprise.

2. Inquire into, discover and foster effective, collaborative organizational and institutional models within and across sectors (business, non-profit, government, academia) to address intractable business and societal problems.

3. Focus on identifying, communicating, and embedding new ways of thinking and being among key stakeholders at all levels to garner widespread support and participation.

In his book “The Sustainability Advantage: Seven Business Case Benefits of a Triple Bottom Line,” Bob Willard (2002) quantifies the business case for sustainability by focusing at the level of the firm on seven bottom-line benefits:

1. Easier hiring of the best talent
2. Higher retention of top talent
3. Increased employee productivity
4. Reduced expenses for manufacturing
5. Reduced expenses at commercial sites
6. Increased revenue/market share
7. Reduced risk, easier financing

From a Human Resources perspective, a key element of the business case is the lack of employee engagement in organizations today. Marcus Buckingham’s Gallup Research demonstrates high levels of worker disengagement in the U.S. and around the world. In the U.S., over 70% of U.S. employees are not engaged at work (29% engaged; 55% not engaged; 16% actively disengaged). In fact, the longer employees stay with an organization, the less engaged they are.

The Concours Group 2004 study, “Excelling at Employee Engagement” documented the direct and indirect costs of low employee engagement, including indirect costs in the loss of such
discretionary behaviors as: leadership, insight, originality, intuition, judgment, humor, inspiration and friendship. In contrast, positive energy is created by aligning values and behavior, resulting in positive results in: job performance, health, happiness, family and work/life balance.

In their seminal article “The Fortune at the Bottom of the Pyramid,” C. K. Prahalad and Stuart Hart (2004) make a strong case for the enormous opportunities that can be found by multinational corporations changing their view and seeing through a new lens that is more inclusive to bring prosperity to the poorest people of the world.

“Low-income markets present a prodigious opportunity for the world’s wealthiest companies – to seek their fortunes and bring prosperity to the aspiring poor.” …. “This is a time for multinational corporations (MNCs) to look at globalization strategies through a new lens of inclusive capitalism. For companies with the resources and persistence to compete at the bottom of the world economic pyramid, the prospective rewards include growth, profits, and incalculable contributions to humankind.”

They point out the consequences of the unfortunate assumption we have made that underlies our economic and marketing decisions, while leaving most of the world behind. “It is tragic that as Western capitalists we have implicitly assumed that the rich will be served by the corporate sector, while governments and NGOs will protect the poor and the environment. … A huge opportunity lies in breaking this code – linking the poor and the rich across the world in a seamless market organized around the concept of sustainable growth and development.”

Furthermore, they describe the opportunities and the business case that lies ahead for companies that are willing to grapple with the enormity of the challenge and put their toes in the water. “Collectively, we have only begun to scratch the surface of what is the biggest potential market opportunity in the history of commerce. Those in the private sector who commit their companies to a more inclusive capitalism have the opportunity to prosper and share their prosperity with those who are less fortunate. In a very real sense, the fortune at the bottom of the pyramid represents the loftiest of our global goals.” (Prahalad & Hart, 2004).

**Corporate Social Responsibility**

An increasing plethora of literature on corporate social responsibility centers on the obligation of organizations, especially corporations, to address societal problems and ills (Wirtenberg, Abrams & Ott, 2004; Margolis & Walsh, 2002; Whetten, Rands, & Godfrey, 2001). Research in all sectors (Wirtenberg et al., 2004) demonstrates:

- Corporate social responsibility is increasing
- Greater accountability for business ethics and governance
- Corporate role in human rights and widening economic gaps
- Accountability for the use of natural resources
- Need for enhanced sustainability of Enterprises
- Business and government partnerships creating challenges and opportunities
- New organizational models emerging across traditional sectors (public-private)

All three branches of the U.S. government have urged corporations to become involved in promoting social welfare – from contributing to the global AIDS fund to establishing minimum wage standards. A large number of nongovernmental organizations (NGOs) have also
been established to address social problems and to pressure corporations to join them in taking responsibility for addressing human suffering.

In an extensive review of the literature, Margolis and Walsh (2002) reported that 53 percent of the studies pointed to a positive relationship between corporate social performance and financial performance. Two-thirds (68%) of the studies that treated financial performance as an independent variable found a positive relationship with corporate social performance.

In her groundbreaking book “Value Shift,” Lynn Sharp Paine focuses on why the superior business performers of the future will be those companies that can satisfy both the social and financial expectations of their constituencies. She argues that the root of the problem with the spate of corporate scandals is the mismatch between how many companies are managed and what’s expected of them by society today. She argues for the need for a fundamental shift in the corporation’s contemporary role in society – an approach that melds high ethical standards with outstanding financial results. This is the new standard of corporate performance, one that fundamentally alters how companies are thought of and how they are expected to behave.

Trends driving this shift include privatization, globalization, advances in knowledge and technology, heightening the importance of corporations and raising the expectations for its performance. “Once thought of as little more than a convenient device for pooling capital,” the corporation has come to be viewed as itself an actor on the social stage.” (p. x)

Evidence of society’s endowing of corporations with a moral personality are everywhere: corporate reputation studies, best-company rankings, employee commitment surveys, expanding investor concerns – indicating that consumers, investors, customers, employees, citizens are using both ethical and economic criteria to evaluate the companies they deal with. The positive benefits of this ethical orientation include better risk management, improved organizational functioning, increased market attractiveness, and better relations with the public.

“To build companies that can deliver sustained performance under this new standard, managers will need to go well beyond the ethics programs, values initiatives, and stakeholder activities that have become de rigueur add-ons in recent years. They will need instead to build new organizational capabilities and address new ways of thinking and managing….The superior performers of the future will be those that can satisfy both the social and financial expectations of their constituencies.” (p. xi)

If we take a look at the Non-Profit Sector, we see enormous untapped opportunities as well. In a major study entitled “The $100 Billion Opportunity” published in Harvard Business Review (2003), Bradley, Jansen and Silverman document how charitable organizations can become far more productive by making fundamental systemic changes in the way they operate.

Similarly, Barbara Blumenthal’s groundbreaking approach to “Capacity Building” in nonprofits supports new business models for nonprofits to extend their reach and impact.

Just as we have seen in the private sector and the nonprofit sector, we also see the need for and beginnings of transformation in the public sector as well. In his book, “Working Across Boundaries: Making Collaboration Work in Government and NonProfit Organizations,” Russell M. Linden (2002) argues that if we are to solve today’s complex problems – urban sprawl, drug abuse, low-performing schools, global warming, inadequate transportation, and terrorism – public and nonprofit agencies must be able to cut across agency and professional boundaries to work collaboratively.
“In the first decade of the twenty-first century, the focus of many organizational change efforts is between – between organizations and their partners, be they suppliers and vendors, starting to understand the new skills, roles, and concepts needed to succeed on this different and dynamic playing field.”

A few illustrative examples:

- U.S. Postal Service and Federal Express strategic alliance
- Biotechnology firms in Maryland and nearby states working with military scientists to encourage research and development partnerships between industry and the army. Sponsored by Tedco, a nonprofit organization to foster collaboration between state government labs and technology firms
- In natural resources arena, federal, state and local governments collaborating to care for public lands.
- Non profit agencies collaborating with corporations not to seek grants but to offer social assets for the training, technology and funds that companies are willing to exchange for those assets

The goal isn’t collaboration for its own sake, but to deliver better service, value and outcomes for customers, stakeholders and communities.

The benefits of working in the “in between space” of collaboration include:

- Better use of scarce resources; cost savings
- Ability to create something that you can’t create on your own
- Higher quality, more integrated product or service for the end users
- Potential for organizational and individual learning
- Better ability to achieve important outcomes

Although these benefits of collaboration have always been there, they are fueled by the increasing complexity of the major challenges facing our society, the blurring of many organizational boundaries, the networked nature of the organizational world as it moves from mechanistic models to more organic ones, the increasing diffusion of authority over the major issues we face (a “nobody’s in charge” world), the rapid advances in technology, and a public unwillingness to accept and fund poor performance.

What’s In It for FDU?

FDU is in an excellent position to seize the opportunities presented by these challenges. In particular, FDU CHRMS at the Silberman College of Business can leverage its core competencies, relationships and partnerships to shape a new future for itself and the community at large. FDU CHRMS has:

- A broad and deep background in values-based work through its focus on the “Life Giving Workplace”
- Deep expertise in Action Research/Action Science and has established itself as a credible leader in this arena
- Extensive practitioner and academic relationships through the Academy of Management Practitioner Series
Strong collaborative relationships with Corporate Partners in New Jersey
Global context and reach throughout the seven continents
New Jersey base of multi-national corporations

Who Else is Embarking on This Journey?
A number of Universities are already working on the sustainable management journey. Most notable are:

- Case Western Reserve University’s Weatherhead School of Management.
  David Cooperrider is Principal Investigator for a multi-million dollar grant, working with 57 organizations in 100 countries.
  Projects deal with global issues of human health, environment, peace, and economic development. Their approach is primarily appreciative inquiry.
- The MIT Society of Organizational Learning (SOL) Sustainability Consortium focuses on “learning” as the key engine to drive change.
- INCAE, the “Harvard of South America”, is involved in leading-edge sustainability practices that have yet to be translated into English to be shared with the rest of the world.
- Institute of Management Technology (India).
  N.K. Oberoi of IMT is a world leader in environmental and sustainable management research and curriculum development (see for example: Uberoi, 2003). He has developed and taught a course in SCB’s GBM program and has proposed several joint research projects seeking to blend Eastern and Western management and economics philosophies.

Other links that FDU has already or is in the process of establishing with other global institutions include:

- Work Research Institute at the University of Oslo
- Globalism Institute (RMIT University in Australia)
- Boston College and Clark University
- INSEAD in Fontainbleu France
- Earth institute in Costa Rica (already working with FDU)
- Pan-American School of Agriculture (Honduras)
- Adelphi
- North Carolina State University

V. Illustrative Examples

The Academy of Management is the largest and most prestigious academic association in the field of management. It has 12,000 members and publishes three of the top journals in management. Its annual meeting, attracting 5000 people is the major marketplace for faculty recruitment. Through the Practitioner Series, which was conceived, sponsored and coordinated by FDU and a few of its partners, significant projects have been brought forth for mutual “hands on” learning, and the advancement of collaborative, real world, action research projects.
Previous Projects at the Academy of Management Practitioner Series

Among the workshop projects that have been featured and nurtured over the last eight years are the following (more information on each can be found on the CHRMS website):

1. Inter-Agency Collaboration: Sharing Organization Design Expertise in the Commonwealth of Pennsylvania
2. Leadership for a Changing World – Project funded by Ford Foundation, collaboratively with Advocacy Institute and NYU Wagner School
3. Action Research for Sustainable Development: Advancing Democracy in Knowledge Economies
4. The Canadian Civil Justice System and the Public
5. StatOil: A Long-Term Norwegion Action Research Process (Norway)
6. Privatization of Romanian government-owned organizations
7. E-commerce for Australian tourist operators
8. China America Institute at FDU
9. Reducing stress and aggression in the workplace in the US Department of Veteran Affairs
11. Independence School District Project
12. Building Effective Bridges Between Academics and Practitioners
13. “When It All Comes Together” – Project on solving intractable problems by working in the in-between spaces that cut across business, government, nonprofits, and academia.

VI. Research Approaches

There are several potential applied research methodologies that could be utilized in the research supported by the Center for Sustainable Enterprise.

The first three of these approaches, which would be the primary focus of year one research and potential grants, are described in this section:

1. Case Studies
2. Action Research
3. Appreciative Inquiry/Positive Organizational Scholarship

It is anticipated that grants will be sought from major foundations to fund the work in these areas which is described below. Based on preliminary analyses of the scope of their grant activities, potential sources of Foundation Grants include:

- Alcoa Foundation
- Aspen Institute
- Ford Foundation
- Sloan Foundation
1. Case Study Research

As noted above, new organizational models are beginning to emerge in the “in between” space that can take the best of the current institutional and organizational models and blend them into new constructs (Figure 2). This research will examine these real life examples in depth, to identify the “design criteria” for creating and maintaining sustainable enterprises. The focus is on inquiring into and discovering the underlying principles for institutional and organizational models that simultaneously serve the people who work there, the organization’s higher purpose, other key stakeholders (suppliers, customers, etc.) and society overall.

A few examples of sustainability initiatives include:

- “America Speaks” - Carolyn Lukensmeyer
- UN Global Compact, a worldwide consortium of several hundred academic institutions, not-for-profits and business organizations (e.g., Novartis, ABB, Hewlett-Packard, Statoil, Barclays, The Body Shop, MTV) committed to improving sustainability.
- World Inquiry into “Business as Agent of the World”
- Chemistry Industry Community Advisory Panels (CAPS)
- Numerous Triple Bottom Line Case Studies – People, Profit, Planet
- NJ Organization Development Network
- Caux Roundtable and Principles for Business
- Club of Geneva
- “Beyond Philanthropy” Initiative for Non-Profit Business Partnerships
2. Action Research

We contend that much of the problem, and the solution, lies not only within each of the many domains affecting sustainability but also in the inter-organizational spaces between them (Wirtenberg, 2004), and that action research/action learning is ideally suited to address such multi-domain problems. At a high level, Action Research is characterized by:

- Cyclical discovery/creation process -- reflexivity, i.e., action/data/reflection/action cycles
- Values based (i.e., explicitly democratizing values)
- Collaboration for “win-win” solutions
- Close working relationship with sponsor; and inclusion of all relevant constituencies/stakeholders to co-manage the decision-making process
- Contribute to general knowledge re Action research, change, organizations/systems; Learning occurs by examining organizational phenomena ongoingly
- Construction of new realities by grounding research in practice/action
- Development, i.e., a re-educative process that transforms individuals and teams through experiential engagement.

Rather than being wedded to one way or the right answer, AR focuses on the most critical question: What’s the process needed to discover or create a more ideal situation. Action research, broadly defined, is a multidisciplinary, evolving, diversifying field (for overviews see Elden & Chisholm, 1993; Greenwood & Levin, 1998; Reason and Bradbury, 2002; Coghlan & Brannick, 2002).

For example, the NSF three year FDU grant on “Reducing stress and aggression in the workplace in the US Department of Veteran Affairs,” is an action research project which simultaneously supports significant organizational improvements as well as cost savings for the organization and society as a whole (Feuss, Harmon, Wides & Wirtenberg, 2004). FDU is also collaborating with an Action Research Project on the study and Practice of Democracy at the community level in Englewood, New Jersey.

Sustainability as a Multi-Domain Problem

Social transformation involves solving some deep or intransient problem and/or enabling some major new opportunity. Sustainability can be viewed as the ability to create transformations regarding threats to sustainable social, environmental, and economic systems. In an increasingly dynamic, interdependent, and turbulent world, threats to sustainable systems are continually occurring. In practical terms, moving toward a more sustainable society requires making significant progress on such complex social problems as world poverty, hunger, deforestation/erosion, pollution, and workforce exploitation, to name only a few.

Clearly, such deep problems are neither caused nor solved by any single organization or institution. Rather they are shared by businesses, governments, non-profit organizations and by communities. Independent actions within each domain to solve the problem are unlikely to create transformation; some local short-term success might occur but broad or long-term success
of such unilateral efforts would be unusual. Thus, these problems are usefully recognized to be “cross-domain” ones that exist both within and among institutions.

To solve cross-domain problems that cut across several entities requires working in the “in-between space” (Figure 2; Wirtenberg, 2004). Yet individuals/enterprises tend to define both the problem and solution from where they stand, within their own domain. For example, the disconnected behavior of decision makers in the World Bank, International Monetary Fund, and World Health Organization around social problems that clearly cross their domains (ref, e.g., Ennals) suggests that they are most often driven by a need to act within their own spheres rather than a need to act in the space between them. Similarly, the classic tendency for large business organizations to work in functionally fragmented ways, to the detriment of integrated action, is well known (Chandler). Such fragmented, single-domain approaches to problems of sustainability are being challenged. For example, Deutsche Bank on its website says about sustainability:

“We, the members of the financial services industry, recognize that sustainable development depends on the positive interaction between economic and social development and on environmental protection, and must weigh up the interests of this and future generations against each other. We further recognize that sustainable development is the collective responsibility of governments, business, and individuals. We undertake to co-operate actively with these sectors within the framework of market mechanisms in order to achieve common aims in the environmental area.” [Italics ours]

What would happen if a widespread shift occurred to considering the “in-between space” as part of one’s own domain? What would result, and what would we need to learn and do to make that possible? (Senge, Scharmar, Jaworski, & Flowers, 2004).

Problem solving in the in-between space (rather than within the domain of a single entity, e.g. business) presents new and different challenges (see for example, the work on social ecology by Emery & Trist). In the in-between space there is limited formal structure and authority and greater diversity on multiple dimensions. A result is that in-between structures and processes are likely to be less pre-determined and more emergent (i.e., more complex) than they are within the various entities. Relationships shift from hierarchical toward more egalitarian networks and, with the shift, the nature of the transactions becomes more fluid and complex (Miles, Snow, & Miles, 2000). So setting the stage for transformations—learning to resolve deep problems -- also sets the stage for potential conflict. In these new and complex situations the parties must not only solve the presenting social-transformation problem, they must also solve their own emergent and learning/conflict resolution process problems. Building trust thus becomes a prerequisite to successful inter-organizational activities. The challenges of organizational/social transformation at the systems level are not unlike the challenges of creating collaboration and multi-level learning –within and across-teams, and within and across organizations (Jelinek, 2003).

In short, the question of how we further social transformation may be re-framed as: How do we manage global complexity by constructing conversations for action to co-generate solutions to complex, multi-domain problems?

Action Research for Multi-Domain Problems

Although there has been considerable theoretical development regarding the dynamics and management of complex social networks (e.g., Miles et al, 2000), much uncertainty exists about
how to create and sustain the social conditions necessary for constructive behavior and effective problem solving in multi-domain action networks. The fields of action research, action science and action learning (hereafter simply AR) appear to be fruitful arenas to look to for practice-grounded theory and methods, particularly in their application for community development involving organizations from multiple sectors (see for example: Chisholm, 1998

A key point is that AR can be viewed both as a short-term instrumental process by which to achieve superior results against current project objectives, while at the same time as an inherently developmental/transformational experience that can generate stronger relationships and embed new, enduring core process competencies for sustainable future excellence. We thus note the apparent unique fit of AR to meeting the challenges of increasing organizational transformation in the service of sustainability. Regarding the use of action inquiry at the societal level Torbert (2004) states:

> On the still larger scale of organization, society, and environment, the value-explicit aim of action inquiry is to generate sustainability. To be sustainable, organizing structures (e.g., laws, policies, networks) must encourage effectiveness, integrity, and mutuality and must also be capable of continuing transformation toward greater social justice and greater harmony with the natural environment. [Italics ours]

In short, AR may foster sustainable community development and social transformation by helping business, governmental, and not-for-profit enterprises become more sustainably effective within and between their respective domains.

3. Positive Organizational Scholarship/Appreciative Inquiry

Positive organizational scholarship is concerned primarily with the study of especially positive outcomes, processes, and attributes of organizations and their members (Cameron, Dutton & Quinn, 2003). It focuses on excellence, thriving, flourishing, abundance, resilience and virtuousness. It pays attention to the enablers (processes, capabilities, structures, methods), the motivations, and the outcomes or effects (e.g., vitality, meaningfulness, exhilaration, high-quality relationships) associated with positive phenomena. From an organizational perspective, POS attempts to understand, explain, and predict the occurrence, causes and consequences of positivity.

In recent years, Appreciative Inquiry has come to the forefront in POS. Appreciative inquiry refers to a composite of change practices based on the assumption that organizations have a positive core that, if revealed and tapped, unleashes positive energy and positive improvement. Related fields include “Positive Psychology” launched in 1998 by Martin Seligman, president of the American Psychological Association, Community Psychology, Prosocial and Citizenship Behavior, and Corporate Social Responsibility.

VII. Scope of the Center for Sustainable Enterprise and Conclusion

Applied Research, Curriculum Development, and Services

As depicted in Figure 1, the Scope of the Center for Sustainable Enterprise is wide-reaching and includes Applied Research, as described above, as well as:

**Curriculum Development** – Including high-engagement action learning education programs to develop for sustainable management:
Global Perspective

Collaborative Mindsets

Systems and Breakthrough Thinking

Services – Including seminars and roundtables, knowledge clearinghouse functions, conferences, student mentoring programs, HR Leadership Development programs and processes, Process facilitation and consulting.

With input from our advisors and Board, future white papers will elaborate on the functions and services to be provided under Curriculum Development and Services.

Conclusion

As we have seen, The Center for Sustainable Enterprise (CSE) at FDU’s Silberman College of Business is well positioned to move forward in the directions outlined above. In a very real sense, the CSE will serve as a catalyst and a lightning rod for conversations that need to occur in every sector, including business, nonprofits, government, and academia. Rather than having the answers, The Center will embrace an inquiry and discovery process consistent with the premise that:

“Human systems move in the direction of what we most systematically…frequently, and authentically ask questions about.” (Cooperrider, 2004). And furthermore, “the key to success for the organization of tomorrow is not having the ‘right’ answers but knowing which questions to ask – and asking them.” (Renesch, 2004).

The CSE will utilize multi-disciplinary, multi-faceted, diverse approaches to look at problems from a whole systems perspective. Its actions are based on a commitment to leading through inclusiveness and participation, along with a dedication to altering the fundamental systems and patterns that can lead to more sustainable enterprises for the benefit of all stakeholders.

To accomplish this, CSE will create, support and leverage collaborative relationships across organizational, industry, and sector boundaries. This includes:

- Igniting new dialogues and conversations across traditional industry and sector boundaries
- Challenging existing “truths” and assumptions around our most fundamental institutions and their raison d’être
- Examining governing principles of hybrid organizations
- Conducting in-depth case studies of networked organizations in the “in between” space

The work of the Center for Sustainable Enterprise will be fueled by the purposeful evolution of our systems, our communities, and our society. It is, in a very real sense, a large-scale change process, which needs to be led and managed as such (Kotter, 2002). This will entail immediate next steps to build the sense of urgency, create the guiding coalition, craft a common vision, communicate for buy-in, empower action, create short-term wins, persevere in the face of inevitable obstacles, and make the changes stick. While the goals are lofty, the need is real, and the focus is clear and strong.
VIII. References/Sources


Concours Group with Dr. Jeffrey Pfeffer and Dr. Lynda Gratton, “Excelling at Employee Engagement,” Results Project EMP, April 2004


Renesch, John, 2003


Fig. 1. The Institute for Sustainable Enterprise

INSTITUTE FOR SUSTAINABLE ENTERPRISE

Educate current and future leaders of business, government, nonprofit, and educational institutions about managing sustainably by focusing on products, processes, and services that add value to the organizations, and are beneficial to people and the planet.

CURRICULUM
High-engagement action learning education programs to develop
• global perspective,
• collaborative mindset,
• systems & breakthrough thinking
For sustainable management

SERVICE
• Seminars & roundtables
• Knowledge clearinghouse
• Conferences
• Student mentoring
• HR leadership development
• Process facilitation
• Consulting

APPLIED RESEARCH

CASE STUDY RESEARCH
about effective sustainability initiatives

ACTION RESEARCH/SCIENCE
Sustainability-enhancing projects with organizations
When It All Comes Together

FIG. 2

Government
• Federal
• State
• Local

Business
• Multinational Corporations
• Regional Corporations
• Small Business

Nonprofits And Religious Institutions
• Community Nonprofit Institutions
• Foundations
• Religious Institutions

Academic Institutions & Education
• Colleges & Universities
• Elementary & Secondary Education

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