



BSR Conference 2008 | Sustainability: Leadership Required In Conversation with Peter M. Senge

Breakout Session Summary

Thursday, November 6, 2008 | 10–11:30 a.m.

Speakers

- **Peter M. Senge**, Senior Lecturer, Massachusetts Institute of Technology & Founding Chair, Society for Organizational Learning
- **Stacey Smith**, Managing Director of Advisory Services, Business for Social Responsibility (moderator)

Highlights

- Organizations and their leadership need to be humble and open to recognize when they are not operating in a manner consistent with their principles—this attitude helps build a culture of constant learning and improvement.
- Inability to see the systems in which we operate inhibits people to effectively identify and address problems, and to correctly understand our impact.

Memorable Quotes

- “You don’t learn to see systems by yourself ... you have to have enough people seeing the system together who are all part of the system.”
- “A climate about learning is always about humility and openness.”
- “Every really good business has a deep set of ideas on how they create value.”

Overview

In Senge’s new book, “The Necessary Revolution: How Individuals and Organizations are Working Together to Create a Sustainable World,” Senge and co-authors Bryan Smith, Nina Kruschwitz, Joe Laur, and Sarah Schley give effective principles and practices for working together to generate sustainable change and collaborating across complex value chains.

Demonstrating the main principles of the book, Senge and Smith kicked off an exercise that asked audience members to form small groups, imagine that they were the governing councils of an island with more than 1,000 inhabitants that had been completely self-sustaining for thousands of years. The groups were asked to arrive at critical governing principles that they wanted to instill in society going forward.





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As the audience responded with governing principles revolving around respect for all living things, making decisions with seven generations in mind, and caring for the commons, Senge pointed out a defining characteristic of successful organizations—the willingness to be humble and to recognize when the organization is not aligned with its principles. It is in this kind of organization that authority can be challenged when appropriate, driving the organization to constantly improve. Senge mentioned that these key qualities of humility and openness have not necessarily been considered when people choose CEOs.

Senge also defined the three “skills for sustainability” that he sees as critical: the ability to see systems, create desired futures, and collaborate across boundaries. A large problem is that we are often so focused on competing that the larger systems in which we operate are often invisible to us. He used the general lack of awareness about the American food system, and its consequences, as an example—people don’t typically think about where their food comes from, much less the impact that their food and trade systems have on global poverty and resource availability. Senge observed that the reason Fair Trade caught on more quickly in Europe than in the United States was due to an increased ability to see trade systems and impacts.

On collaborating across boundaries, Senge discussed the importance of moving from reacting to innovating. Systems thinking, he says, is how we “shift from creating something that’s less bad to something that’s good.” He distinguished between symptomatic solutions (short-term fixes that address symptoms of problems) and fundamental solutions (systemic solutions that seek to address the root causes of problems). Senge recognized the urgency to sometimes implement the former, but emphasized the need to balance it with the latter, even though it may involve more risk, complexity, time, and people.

Senge closed the session by touching on the benefit of engaging in partnerships to provide the expertise necessary to implement fundamental solutions. Drawing on the example of a joint study between Oxfam and Unilever to evaluate Unilever’s impact on employment in Indonesia, Senge emphasized that Oxfam provided a much needed expertise, and that it often made sense to seek out these types of partnerships rather than try to create it internally.

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