



Flourishing Enterprise: The New Spirit of Business

The bloom is off the rose. Sustainability efforts seem to be reaching limits. The new generation of sustainability is Flourishing. Or, so authors Chris Laszlo and Judy Sorum Brown explain in their book *Flourishing Enterprise: The New Spirit of Business*.¹ The book provides the reasoning and outlines the tools to make this shift in individuals, in organizations, and in larger societal systems such as industries.

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In *Flourishing Enterprise: The New Spirit of Business*, authors Chris Laszlo and Judy Sorum Brown document examples of leading corporations that came out of the gate strong, and made significant gains in sustainability, but that have subsequently leveled out in their efforts. Many that were focused on cutting waste and costs out of operations have reached diminishing returns. Often efforts were appended to existing business operations. The authors mention Walmart who enacted significant sustainability programs, but when market performance dipped and they faced investor criticism, they cited the stand alone programs as a way they may have “lost their focus.”

The authors cite specific examples of forward thinking corporations that have made efficiency improvements, such as Walmart, Ford Motor Company, and Starbucks. And, sustainability leaders within corporations have been calling for something new. Jon Coleman, director of marketing and sales at Ford Motor Company said, “If sustainability is viewed only from a cost savings and efficiency point of view, then the opportunities are limited. But if it is viewed from a creativity and innovation perspective, the sky’s the limit.”¹

Do More Good, Not Less Bad

The idea of Flourishing is the next generation of sustainability, one that is based on a new paradigm of reinvention, of doing well by doing good—not one of doing less bad.

The benefits of changing this frame are compelling enough, as they are building the future on a reinforcing feedback process instead of a balancing process. The sustainability frame tends to be goal oriented, focused on reducing consumption, and producing less of harmful things. When the goal is reached, the energy in that system dissipates.

A reinforcing frame is based on a vision of increasing benefit, that by its nature continues to build energy. This idea of integrated and reinforcing benefits for both business and environment is also one that Peter Senge and his co-authors previously outlined as the more advanced stages of integration of the principles of environmental and social connectedness into their business in their book, *The Necessary Revolution: How Individuals and Organizations Are Working Together to Create a Sustainable World*.²

Transition Beliefs About Market System to Flourish

In addition to giving sustainability a fresh moniker, *Flourishing Enterprise* goes into depth about how to accomplish the transition to these advanced stages, and singles out a deeply fundamental shift in the way we need to approach business. One of these fundamental transitions has to do with our beliefs about the market system.

In addition to the values associated with market structure, it adds other purposes of an enterprise (e.g. to provide meaningful work to employees, to provide a beneficial product or service to customers, etc.), and as a means to larger societal goals. The wider goal now becomes flourishing—increasing prosperity, as well as the health of human and natural systems. This is a significant shift indeed. I remember the day in B-school when asked “The purpose of the corporation is ...?”, we all parroted faithfully “to provide a return to the shareholders.”

Stakeholders increasingly desire authentic leadership who are motivated “beyond narrow self-interest.” These stakeholders especially include employees who long to lead meaningful lives that serve a greater purpose. And that is where authors Laszlo and Sorum Brown say it must begin.

The transformation will begin with individuals—employees, who through a variety of means, are incorporating practices to improve their well-being, and increasing their sense of connectedness. These practices are spiritual in nature and can include different types of meditation, and/or immersion in nature. Laszlo and Sorum Brown identify and explore several options for practices for individuals to use, noting that different people have different preferences. They acknowledge that these may be challenging for some organizations, but many respected organizations are succeeding by incorporating these practices of well-being, such as Walmart, Google, Aetna, General Mills, and Target.

The authors also attempt to give us language to talk about them more easily in organizational contexts. The systemic premise is that individual growth in perception is a foundational enabling factor for organizations to innovate businesses and business processes that include all the connected stakeholders. There are also organizational approaches and tools the authors identify to move the organizations to that point, but they are all underpinned by individuals’ shifting, or sometimes just sharing a pre-existing, deep understanding.



Figure 1. The reinforcing feedback cycle of Flourishing practices.
Source: Leverage Networks

As seen in Figure 1, the individual practicing increases commitment to the organization, and raises their awareness about the assumptions. This enables the organizational practices, which tend to lead to innovative ideas, then implementation of the innovative ideas. Then, benefits for all stakeholders follows. This then increases the perceived value of the reflective practices for both individuals and for the organization. Continuing the growth of this beneficial cycle will yield positive results, though the cycle itself may move in different directions.

Some of the individual transformational practices they identify include meditation, mindful action and flow, journaling, nature immersion, art and aesthetics, poetry, and music. There is a building trove of evidence that suggests these practices make fundamental changes in our thinking and perception. The authors highlight both spoken and



Individual Growth Enables Organizational Growth

unspoken beliefs (beliefs about competition versus cooperation, about the purpose of enterprises, society, and of the environment, as well as deeper beliefs about faith, science, and love), that become more visible as individuals' practicing increases. And as people become aware of their assumptions, it enables them to design products and processes that resist these predominant beliefs.

When organizations begin to live out this connected way of doing business that acknowledges many more stakeholders than the business traditional shareholders, they become more successful in the market. The combination of meaningfulness and success enables employees to become further committed to their practices of innovation as well as spiritual growth. Both the commitment and the value creation fuel the two enabling practices, individual and organizational. These form reinforcing feedback loops which drive success for organizations that have made this commitment (R2).

Increase Innovation with Positive Assumptions

Laszlo and Sorum Brown describe different organizational practices that serve to increase innovation by incorporating new assumptions about success and interconnectedness. Organizational approaches they discuss include Story Cafés, Metaskills Wheel, Jazz Improvisation, Dialogue, Shared Values Management, and Barrett Cultural Values Assessment. Systems Immersion, akin to stakeholder field trips for leaders, is also mentioned as an organizational practice that often leads to individual shifts in understanding. The implementation of these practices often depends on leadership preference, or organizational fit. Sorem Brown and Laszlo present many roads to success.

It is at the wider systems level, the level of industries, markets, or wider societal function, including for example education, media, justice, health, or government, that the authors seem most engaged (Fig. 2). In their work to facilitate the Flourishing, they have experience convening cross-sector leadership and sustaining efforts

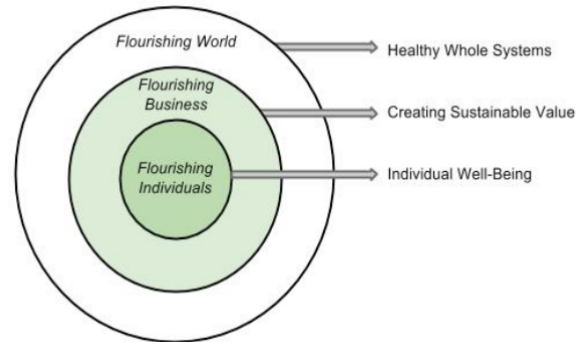


Figure 2. Nested Flourishing practices
Source: Laszlo and Sorum Brown¹

to enable larger systemic shifts. The approach they describe in significant detail is *Appreciative Inquiry Summit*, though they note there are several others.

Appreciative Inquiry Summits gather leading thinkers across sectors to represent the whole system. In the book they use a case study to demonstrate the process underpinned by both inner work of reflection and the group collaboration to appreciate interconnectedness, to envision results, to creatively co-construct, and sustain efforts to bring the vision to fruition. It is here where the lever might be longest, where there is the most potential for good. It is here where the challenge may be the greatest. Laszlo and Sorum Brown provide enough detail about the process, enough to support the planning for other ambitious projects.

Integrating Ideas to Induce Systemic Shifts

But David Cooperider, in a later chapter, notes the developmental nature of Flourishing. Again, it begins with individuals. And the existing enterprises that comprise our system are only going to be ready to contribute to larger systemic shifts when they themselves begin the engagement practice to support integrated sustainability.

This important book serves to inspire readers to recommit to their practices of choice, and aspire to be part of the paradigm shift. Moreover, it provides overviews of many actionable tools and frameworks that can be employed to bring about their vision of Flourishing individuals, organizations, and societies.



Sources:

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2. Senge, Peter. *The Necessary Revolution: How Individuals and Organizations are Working Together to Create a Sustainable World*. Crown Business, 2010. <http://www.amazon.com/The-Necessary-Revolution-Individuals-Organizations/dp/0385519044>



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