



# Full Spectrum Sustainability

## Moving beyond the triple bottom line

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### Abstract

*This paper explores the concept of full spectrum sustainability—both being sustainable, and embracing sustainability—with reference to the model of the seven levels of organisation consciousness.*

### What is Sustainability?

Over the past ten years the term “sustainability” as used in the corporate world has become synonymous with “the triple bottom line”.

The “triple bottom line” refers to the ability of a company to generate economic, environmental and social benefits. Shareholders are not only demanding that companies become more profitable, they are also demanding that companies become more environmentally friendly and more socially responsible.

Initially many companies resisted the notion of the triple bottom line because they believed it was an either/or situation. They saw society’s demand for them to become more environmentally and socially responsible as a cost with no financial benefits. The more enlightened corporations saw this idea as an opportunity rather than a threat. They saw that being socially and environmentally responsible could be an asset rather than a liability.

As share ownership increased, the differences between these two groups—shareholders and society—became less distinct. As a consequence we are witnessing a rapid growth in socially responsible investors. These are the members of society that want to invest in companies that are meeting full spectrum sustainability requirements. They want to invest in companies that generate profits *and* are also

environmentally and socially responsible—companies that *are sustainable* and *embrace sustainability*.

At the same time, more and more consumers are making ethical purchasing decisions. They are avoiding purchasing items from companies that are not embracing the global sustainability agenda. In other words, companies that do not embrace environmental and social responsibility are increasingly becoming “at risk”; they are increasing their chances of being unsustainable as corporate entities. Recent experiences have shown that unethical social or environmental conduct can leave a company with a significantly battered bottom line.

Even if environmental and social responsibility has not yet become a sine qua non for corporate success, the absence of an ethical framework that embraces environmental and socially responsibility is becoming a significant risk factor that is causing investors to question the long-term viability of a company.

From a socially responsible investor’s viewpoint, both *being sustainable* and *embracing sustainability* are important. Enlightened investors want to make money *and* support socially responsible businesses. For a company to be sustainable and successful over the long term, it must do more than embrace the concept of the triple bottom line. It must embrace full spectrum sustainability.

### **What is Full Spectrum Sustainability?**

Full spectrum sustainability is a concept based on the seven levels of organisational consciousness model that enables an organisation to determine the extent to which it is both being sustainable and the extent to which it is embracing sustainability.

All human group structures grow and develop in consciousness in seven well-defined stages. Each stage focuses on a particular existential need that is common to the human condition. These seven existential needs are the principal motivating forces in all human affairs. They also apply to all types of organisations.

The level of growth and development of consciousness in an organisation depends on the ability of the leaders to create a culture that satisfies the needs of all stakeholders—employees, investors, customers, partners, the local community and society in general. The most successful organisations are those that have learned to master all levels of consciousness (full spectrum consciousness). They create a climate of trust, have the ability to manage complexity, and can respond or rapidly adapt to all situations.

The seven stages in the development and growth of a fully sustainable organisation are summarised in the following table and described in detail in the following paragraphs. The table describing the seven levels of organisational consciousness should be read starting from bottom and working up.

<b>Levels of Consciousness</b>		<b>Motivation</b>	
7	Service	Social responsibility, sustainability and ethics. Long-term perspective. Future generations. Social justice. Compassion, humility, and forgiveness.	
6	Making a Difference	Making a positive difference through collaboration in strategic alliances and partnerships. Mentoring and coaching. Employee fulfillment.	
5	Internal Cohesion	Shared vision and shared values. Integrity, honesty, and trust. Fairness, openness and transparency. Passion, creativity, and commitment.	
4	Transformation	Adaptability, accountability, responsibility, empowerment and continuous renewal and learning. Goals orientation. Personal growth and development.	
3	Self-Esteem	Focus on systems, processes, quality, excellence, and professional growth. Continuous improvement and pride.	Bureaucracy, hierarchy, silo-mentality, power and status seeking, Confusion, complacency, image, arrogance.
2	Relationship	Employee and customer loyalty. Friendship, open communication and employee recognition. Listening.	Internal competition, manipulation and blame. Internal politics, rivalry and revenge. Information hoarding.
1	Survival	Financial stability, profit, organisational growth, health and safety of employees.	Excessive control and caution. Risk-averse. Corruption, greed and exploitation. Short-term focus.
		<b>HEALTHY MOTIVATIONS</b>	<b>UNHEALTHY MOTIVATIONS</b>

**Table 1:** Seven levels of sustainability

## **Full spectrum sustainability**

Full spectrum organisations display all the positive attributes of the seven levels of organisational consciousness.

- They master survival consciousness by focusing on financial stability and employee health and safety.
- They master relationship consciousness by focusing on open communication, employee recognition, and customer satisfaction.
- They master self-esteem consciousness by focusing on performance, results, quality, excellence, and best practices.
- They master transformation consciousness by focusing on adaptability, innovation, employee empowerment, employee participation, and continuous learning.
- They master internal cohesion consciousness by developing a culture based on a shared vision and shared values that engender an organisation-wide climate of trust.
- They master making a difference consciousness by building strategic alliances with like-minded partners, developing mentoring, coaching and leadership development programs for their managers and leaders, and embracing environmental stewardship.
- They master service consciousness by focusing on social responsibility, ethics, global thinking, and keeping a long-term perspective on their business and its impact on future generations.

Organisations disappear or stop trading for two reasons: either they are unable to meet the requirement that their income exceeds expenditure, or they are absorbed into another organisation.

The reasons why organisations are unable to sustain a positive balance sheet are because they either fail to master the first four levels of organisational consciousness or they do not pay sufficient attention to the upper three levels of organisational consciousness.

The following paragraphs describe what an organisation needs to do to attain full-spectrum sustainability.

### **Level 1: Survival sustainability**

Even though ultimately the majority of organisations fail because of financial concerns, the risk of failure is heightened if the leaders of an organisation focus exclusively on survival consciousness. Organisations can basically only operate successfully from the survival level if they have a unique product or service in the territory that defines their market place or where they hold a monopoly.

The risks and costs of operating from the survival level are high. As soon as an organisation loses its niche or monopoly, and begins to face competition, it must shift its focus to the higher levels of organisational sustainability or die. It must build customer loyalty (relationship level) or reduce costs by increasing productivity and efficiency (self-esteem level). If it jumps directly to the self-esteem level by focusing on productivity, it may be able to maintain its market share either by reducing its prices or improving its margins. Eventually however, some of its competitors will be able to match its new prices. It could try to jump to level 4 by innovating new products or services, but this will be difficult to sustain if they have not developed employee loyalty. Because survival level organisations care mainly about the bottom line and very little about their employees and customers, they will probably have high churn or turnover in both categories. This is expensive both in terms of hiring and marketing and erodes the bottom line.

### **Level 2: Relationship sustainability**

Relationship sustainability means focusing on employee and customer loyalty. This requires developing strong positive relationships with employees and customers. Level 2 companies are built around relationships. Typically, they are family run businesses. If they are successful they will eventually be taken over by a larger organisation. If they try to expand without focusing on self-esteem consciousness, they will become increasingly ineffective and will not be able to deliver what their customers want. They will be unable to streamline their systems and processes to reduce the expenditures that are required for them to compete in the market place (self-esteem level). Relationship level companies fail because they are unable to match market place prices or quality, and/or they do not have the talent within the family to successfully build a level 3 organisation. Because relationship focused organisations do not have a strong focus on the self-esteem level, they are not overly concerned about quality, productivity and efficiency. Without a focus on self-esteem consciousness, a relationship company will be unable to develop the systems, processes, structures, procedures that bring order to its operations.

### **Level 3: Self-esteem sustainability**

Self-esteem sustainability means focusing on productivity, quality, and organisational effectiveness. Self-esteem organisations are well-managed production machines. If they are going to remain successful over the long-term, they must reinvest some of their profits in research and development of new products and services (transformation level). Self-esteem organisations fail because they are unable to develop the entrepreneurial spirit that will allow them to adapt to changing market place. They either develop a short-term focus on performance, milking the cash cow of their product or service for all it is worth, or they develop such a strong internal focus that they fall into the rigidity trap—too much hierarchy or bureaucracy. Because the

organisation has not started to think about employee empowerment and the development of new products and services (transformation level) it may find it difficult to sustain its growth over a long period of time.

#### **Level 4: Transformation sustainability**

Transformation sustainability means constantly expanding and adapting your products and/or services to changing market place conditions. Level 4 organisations are focused on innovation, continuous renewal, learning and knowledge sharing. Because they know how to adapt to a changing market place, they can remain successful for long periods of time. If they want to become market leaders they must develop the commitment and enthusiasm of all employees by creating a strong corporate culture built on an inspiring vision and shared values (internal cohesion level). Transformation companies do not generally fail unless they invest heavily in a product for which there is no demand. Transformation organisations that are unable to develop the commitment and enthusiasm of their employees (level 5) are like racehorses that always come in second or third. They never quite make it to the winner's enclosure. They have not yet learned to tap into the discretionary energy of their employees by creating a shared vision and shared values.

#### **Level 5: Internal cohesion sustainability**

Internal cohesion sustainability means developing the commitment and enthusiasm of employees by creating a strong, vision-guided, values-driven culture. Level 5 organisations are great places to work. They are full of excitement and creativity. Employees are aligned with the organisation's vision and share the same values. Internal cohesion organisations do not generally fail. Their biggest danger is that they lose their vitality and vision and fall back to level 4. If internal cohesion organisations want to consolidate their position as a market leader, they must develop external partnerships and strategic alliances. If an organisation becomes too internally focused on developing a strong positive culture, it may find it difficult to develop external alliances and partnerships (level 6 sustainability).

#### **Level 6: Making a difference sustainability**

Making a difference organisations build mutually beneficial strategic alliances with like-minded partners and the local community, as well as focusing on the needs of their employees. Level 6 organisations are great places to work because they provide opportunities for all employees to find personal fulfilment. Level 6 organisations want their employees to be successful at everything they do. Making a difference organisations do not generally fail. Their biggest danger is that they do not build strong enough alliances to provide mutual support during difficult market conditions. Because level 6 organisations are focused on protecting their long-term financial interests

through mutually beneficial alliances they may neglect their long-term societal obligations.

### **Level 7: Service sustainability**

Service organisations take a strong stand on ethical standards and social responsibility. Level 7 organisations are successful because they protect their long-term interests by being good global citizens. They are recognised as being exemplary organisations. Employees, customers, investors and partners support them because they care about people, the planet and society. They want to create a better world for all. Level 7 organisations never fail. They simply regress to level 6 or 5. Their biggest danger is that they are unable to sustain their social vision.

### **Conclusion**

The concept of the triple bottom line is not in itself a sufficient to guarantee that a company can become sustainable. Companies need to embrace the concept of full spectrum sustainability, which means not only embracing sustainability as a societal concept but also being sustainable as an organisation.

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