

# Criteria for Sustainable Innovation

## Sloooow moootion

Academy of Technical Sciences stated that Sustainability is no longer a reduction agenda, it is an innovation agenda. Behind this quote is a realisation that then positive impact humanity needs to make, to bring us within the planetary boundaries, are way beyond what we can reach following the current trajectory where we reduce negative impact and deliver relative better sustainability performance compared to a previous year in individual businesses.

When I started ProBalance, I wanted to influence innovation in manufacturing companies by infusing sustainability methods into innovation teams. Having experience in business, product and technology development that deliver positive sustainability impact and a solid innovation practise I know how to do this myself.

However, I see innovation teams struggling to get the positive sustainability impact crisp in their pitches, I see sustainability reporting leading to compliance with regulation, not the planet and design practices failing to include numbers and facts, relying in thinking like 'reuse must be great'

In general Sustainability and Innovation are very different practices.



## Practitioners

### Ability to sustain

Sustainability practitioners do a stellar job in understanding, assessing, measuring, calculating and reporting on sustainability metrics of products and countries.

The systems where the practices are successful are products, companies, countries and the planet. Those we know so well and are very strongly embedded in the way humanity has built our world.

There is always a great system to distinguish one from another and setting the boundaries.

- A product number
- A company registration and taxation number
- A country name, an official country code
- A planet

We have clear rules, ownership and governance for and over these entities (If we count UN in for the planet). The systems we have setup helps in sharpening the boundaries and maintaining them over time. Product data sheet and approvals, yearly reports, parliament and right to collect taxes.

### Shaking it up

Innovation practitioners want to shake things up. They are looking for the value that has not been captured by the current business system, the pain that no product relieves, the 10x more efficient way to deliver. Innovations disturb the system, break through innovations can change the system.

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## From dilemma to better

Roger Martins research in opposing models were sparked by the curiosity, why some CEO's performed so much better than others. The one commonality that Martin found was the ability to bring better out of an apparent dilemma.

So what does that better look like in the cross-section dilemma of sustainability practices and innovation practices.

What I praise in sustainability practices, that I believe we need to include, is

- Hard numbers
- Ability to distinguish between relative and absolute sustainability
- An upper bar to measure against

Innovation practices is about exploring the unknown through testing and being very disciplined about it. It's about finding a narrow way where multiple dimensions are all in balance and successful. When one dimension fails, the innovation fails. This is why saying like 'fail often to succeed sooner' is in the evening prayer of an innovation practitioner.

There are two schools of dimensions. I like to use both in the hindsight of having overseen a shop stopper. Never leave out a blank spot where a failure could be hidden.

- Desirability
- Feasibility
- Viability
  
- Market
- Technology
- Organisation
- Ressources

### 3xS - Scale, Sustainability, Switch

The pivotal characteristics I'm looking for can be described with the 3 S'es

- **Scale** is what we need to make the positive sustainability impact worthwhile the effort and scale of the new business is the vehicle that will bring the impact
- **Sustainability** impact must be number based, positive and significant. And it should be in the broadest sense, not bounded by a product, company or country
- **Switch** operation to the new way of doing business, is where sustainability practices work against the new business that can scale the positive impact. The criteria here will be about creating enough value for all players and be able to distribute it fair

## Model matrix

So here it is, my model matrix with the criteria to fulfil when creating a positive sustainability impact through innovation.

	Market	Technology	Organisation	Resources
Desirability To <b>Scale</b>	Pain relievers + Gain creators -> Value creation -> Payment -> Revenue			
Feasibility To positively impact <b>Sustainability</b>		Relative sustainability: Increase in revenue will increase net positive sustainability impact through the whole life cycle and value chain		Absolute sustainable: Bring the consumption/ emission within the planetary boundaries
Viability To <b>Switch</b> to a business that deliver	There is enough value in whole value chain to make it a positive business case for the value chain overall		An Operating Model that delivers all necessary components and services can be setup for all parties in the value chain and all stakeholders	

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