

INFORMATION SHEET: SEEE™ Model

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A Roadmap for Changing Our Future

Our approach for developing a Roadmap for Change requires risk management, scenario planning, and a framework, which takes into account the Social, Economic, Environmental, and Ethical factors of strategic change. This new model integrates sustainability into your strategic plan, to create and instill a new, sustainable outlook throughout your organization that will enable real and lasting change. To become a successful, profitable, and sustainable company with a solid reputation, you must weave sustainability into business strategy and day-to-day decision-making. When sustainability is incorporated in organizational strategy, the decision processes for all initiatives will include a basic question: How does this affect our plans for sustainability? More importantly, it becomes a variable in the formula for determining value in all company operations.

Figure 1 – The SEEE™ Integrated Sustainability Framework

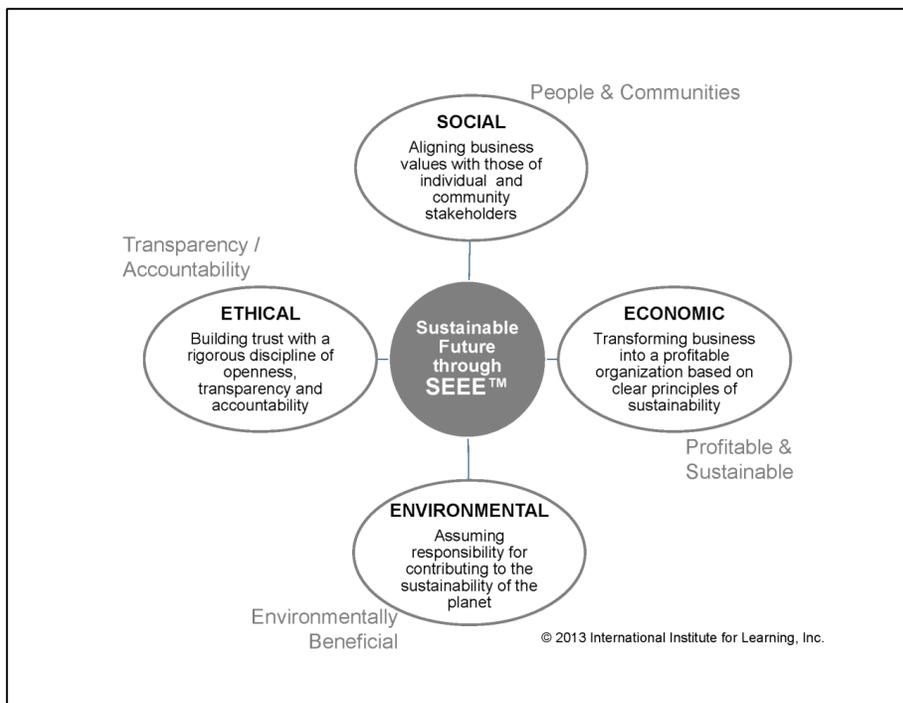


Figure 1: The SEEE™ model makes sustainability an integral part of strategic decision making throughout the organization.



At any company, an integrated strategy that affects the entire value chain of the organization is critical to success. Figure 1 displays a framework for establishing sustainability integration using what we call the SEEE™ model: ***the Social, Economic, Environmental, and Ethical elements of strategic change***. Strategy development and the associated strategic decisions must embrace all four of these elements:

- *A Social commitment that integrates key individual and community stakeholder interests into the company's strategy and aligns them with the business values and principles.* This requires a clear understanding of the key stakeholders in the organization, and the impact that the organization has (and can have) on its stakeholders.
- *An Economic commitment that transforms the organization into a profitable business based on clear principles of sustainability.* This goes beyond the cost savings from concepts like zero waste. It embraces an economic model with a long-term vision that avoids trading sustainability for profits during economic challenges, and values commitment to sustainability as a corporate principle with intrinsic value.
- *An Environmental commitment that takes responsibility for contributing to the sustainability of the planet.* This requires the organization to take a full and complete look at its impact on the planet throughout its entire value chain, accept responsibility for its products and services throughout their life cycle, and take action accordingly.
- *An Ethical commitment that builds trust through openness, transparency, and accountability.* This requires an organization to set clear measures of change, to assign objectives based on clear metrics, and to provide public reporting on progress against these objectives. It also requires the organization to own the impact of mistakes, by taking responsibility for failure and committing to overcome it and change.

The SEEE approach covers a lot of territory, but it takes effort and perseverance to implement a profitable sustainability strategy. One of the common traits of truly successful sustainable companies is that they work toward long-term change. Most successful organizations base their plans on a 10-year horizon. Obviously such a long-term view requires an investment in ensuring that the change is real and substantive. Strategies must be built on a solid foundation of knowledge. Accumulating this knowledge requires conducting detailed analyses of value and supply chains, engaging stakeholders in discussions about key issues in their communities, understanding the most critical risks in the future and how those risks drive strategic change, and embracing partnerships to address critical supply issues that are beyond the resources of the company. A successful sustainability strategy must be built carefully, and the SEEE approach uses a phase-based strategy development. Figure 2 shows an example of the different stages the change can go through.

Figure 2 – Stages of Change

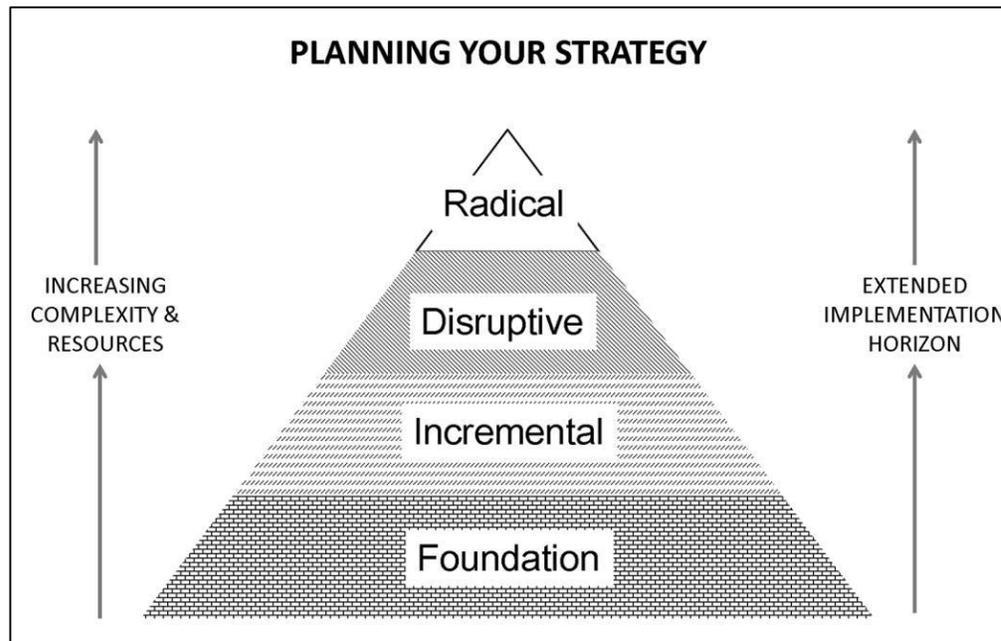


Figure 2: The SEEE™ approach and the four stages of change: An information-gathering foundation that establishes a foundation or baseline, incremental changes to begin the transformation, a period of disruptive change moving the organization into the future, and finally a radical transformation of company operations and perceptions in the market.

Establishing a progressive step-by-step framework for strategic changes that embrace sustainability allows you to consider all of the changes needed to become a sustainable company. As you begin the process of strategic change, you will progress through four stages of change:

- The Foundation – In order to become a socially responsible company, you first need to understand and meet the minimum required level of sustainability. The organization should understand, embrace, and comply with all legal and regulatory requirements for each element of the strategy. “Compliance” is really the operative word for this level.
- Incremental Change – In this stage, you ensure that the right steps are taken to begin the transformation, such as engaging stakeholders in discussions, measuring the organization’s environmental footprint, and evaluating reporting methodologies. During incremental change, companies focus on finding efficiencies like reducing their carbon or water footprint and energy use.



- **Disruptive Change** – Initiating deliberate, measurable change will disrupt the organization, but in a positive way. This is where the organization moves from certainty to uncertainty, from the present into the future. In this stage, innovation is used to drive change. Strategic goals, for example, might include targeting a zero environmental footprint in carbon and water, or using only renewable energy sources and contributing to the communities in your value chain.
- **Radical Change** – This is where aggressive changes occur that propel the organization into the future, not only in the way it operates, but also in the way it is perceived. It could mean dramatic changes in product design, or taking an approach that actually removes more carbon from the atmosphere than your value chain adds.

The ways in which the SEEE Model and the four stages of change work together are shown in the table below. The Table creates a matrix of the different levels of change (Foundation, Incremental, Disruptive, Radical) against the four elements of the SEEE model. This approach ensures that the strategy is both integrated and approached from a long-term horizon. For example, in the Social element of the SEEE model, the baseline is clearly an issue of compliance; that is, an effort on the company to come into compliance with all of the regulations and laws that may apply in your country for a company to operate and provide a “regulated” quality of work life. It is by no means a radical change to the future. However, if the organization is not fully compliant, then the initial stage of planning would be a “compliance” stage. If, on the other hand, an organization chooses to implement an aggressive social strategy, then it will require a staged investment of resources over time.

- **INCREMENTAL** change would include a plan to engage stakeholders inside and outside the community that requires a level of planning and implementation. In this case, it is engaging both internal (employees) and external (outside stakeholder community), and involving the stakeholders in creating solutions.
- **DISRUPTIVE** change would require an enterprise-wide community involvement engagement process, not just one facility, or one stakeholder, but all community stakeholders throughout their “footprint” of operations.
- **RADICAL** change would extend outward through their value chain to engage stakeholders beyond the control and operations of the organization.

In some companies, steps may have already been taken to move in one or more areas of the SEEE Model. For example, an organization may have taken specific steps to improve cost and material efficiencies throughout its value chain, and yet had not established a means of assessing, reporting or enforcing this action. In addition, it may have just begun the social transition to move toward a far more socially responsible organization. In that case, an initial assessment of your strategy will provide you with a ‘baseline’ of the organizations strategy, and how to move forward.



Though this has been a simplified approach to using this model, it is the basis for building an integrated strategy. Chapters 11 and 12 of [Organizational Survival](#) cover the process in a linear and more comprehensive approach.

	Baseline	Incremental	Disruptive	Radical
Social	Traditional QWL; Regulatory Compliance	Engagement in employee issues; engaging employees in solutions; analysis and engagement of select stakeholder community	Full stakeholder community analysis; assuming role in problem solving in local community; assessment of social risks in supplier and value chains.	Global: improvement of communities in full value chain
Economic	Reduced cost from traditional company-wide efficiencies (e.g., recycling, power management, etc.)	Full assessment of risks of social, environmental, and ethical decisions	Company-wide program for cost and material efficiencies throughout value chain	Increased revenues and market share; recognition through sustainability investment indices
Environmental	Full regulatory and legal compliance, such as Euro/ISO Standards, EPA, etc.	Within company: efficiency in water, energy, waste etc.	Renewable Direct Supply/Value Chain	Renewable Indirect Value Chain
Ethical	Full Legal and regulatory compliance, such as Sarbanes-Oxley, SEC, etc.	Regulatory compliance, Internal Code of Conduct and Ethical Behavior	Direct Supply Chain Code of Conduct w. enforcement	Full Value Chain Code of Conduct and Assessment model w. enforcement