

## ***APPRECIATIVE INQUIRY: A PRIMER***

*“Responsible business practices not only contribute to the well-being of stakeholders, they have increasingly become a long-term value proposition for business itself.” – The UN Global Compact*

Today’s CEOs, senior executives, and senior leaders in government and NGOs are faced with complex, multi-stakeholder challenges. Achieving sustainability is an ever-more-common challenge for leaders, and solutions to the most complex sustainability challenges – such as maintaining biodiversity, not contributing to climate change – require system change. Too often these challenges are faced by giving stakeholders options they are only willing to live with, not solutions they are poised to gain from. But a breakthrough alternative called **Appreciative Inquiry** exists in which stakeholders work together to envision and achieve a compelling future.

Through innovative collaboration among industry, government, NGOs and other stakeholders, sustainability can be an opportunity, not a burden. Stakeholders can and should benefit from corporate, social and environmental responsibility. Wealth-creation and sustainability can and should bolster one another. For hundreds of businesses and organizations, a strength-based system-in-the-room effort has achieved solutions to sustainability challenges.

Becoming sustainable requires innovative thinking that considers the whole system, not just one aspect of the production process, one location, one set of stakeholders, one business or one organization. Successful strategies that move toward sustainability (1) build from what’s already right in the system and (2) put the whole system in the room.

By considering the whole system and building from existing strengths, leaders can efficiently compound assets that contribute to sustainability in ways that benefit stakeholders. Previous approaches to strategy and change have incremental results at best. Most models are based on deficit-based approaches which seek to fix problems and bring a system back to its original desired state. However, issues related to sustainability require break-through innovation that rapidly improves a system. Our planet cannot afford to wait for incremental changes while business cannot afford to lose money waiting to reap benefits of incremental change.

*“Creating sustainable value is the business opportunity of the 21<sup>st</sup> century. The age of cost-cutting is fading away. We have wrung almost every cost possible out of our systems and need new break-through innovation to take our organizations and systems to the next level. By bringing together stakeholders under the umbrella of sustainable value, we can create new value for the planet, society, and especially the business that we never previously thought possible.” - Professor David Cooperrider, Fairmount Minerals Professor of Social Entrepreneurship and Chair, Center for Business as an Agent of World Benefit, Case Western Reserve University*

The process has already been used successfully hundreds of times in a range of business and organizational settings, in situations as diverse as hosting the first ever meeting of CEOs at the United Nations to fostering change in businesses such as Interface, Inc, a commercial leader in floor coverings and fabrics. Health care systems, social organizations, educational institutions, communities, local governments, and religious institutions have all benefited from strength-based system-in-the-room efforts.

### *Building common understandings, interests and goals*

Determining a system’s strengths and building from them can move stakeholders from entrenched, non-innovative positions to common understandings, interests and goals.

The keys to strength-based solutions – following the process of Appreciative Inquiry – are to (1a) build from strengths, (1b) establish a vision, (1c) establish and prototype initiatives and (1d) plan for implementation. Rather than trying to get often conflicting stakeholders to agree to a common viewpoint, the process focuses on what already works well. The vision is then developed based on visions of immensely and rapidly scaling up that which works. By focusing on existing positive points and working from what is already good about a system, rapid solutions can move forward and be implemented effectively and at less cost across complex systems. Risk is also reduced.

Challenges of sustainability demand that stakeholders collaborate innovatively – and thoroughly. The whole system must be considered when establishing what is right in the system, and communication among stakeholders is imperative. Leaders should recognize that stakeholders consider first their own relationship to the system, and should encourage stakeholders to suggest visions of sustainability that will benefit them. Stakeholders' self-interest becomes an asset in this process. It becomes a means to develop common goals.

### *A Solid Track Record*

A range of complex systems, companies, and organizations have developed system change toward sustainability using strength-based, system-in-the-room efforts. Hundreds of success stories exist.

Complex transformational endeavors such as Imagine Argentina, Imagine Uruguay, Imagine Chicago, and Imagine Nepal have brought millions of people, businesses, and organizations together to face sustainability challenges. In these cases, effective leadership has been able to harness a wide range of stakeholders, who contributed to Imagine efforts through pre-summit engagement, summit participation and post-summit development. Imagine Chicago, for example, attracted one million participants, who came to understand common goals and were able to disseminate those common goals throughout the city. The energy and enthusiasm of the summit's positive approach has lasted years.

A range of multi-national companies have also been able to make positive change, beginning with their strengths and moving toward sustainable solutions: Wal-Mart, Hunter Douglass, GTE, British Airways and NOKIA are just a few that have benefited from the strength-based, system-in-the-room approach. Green Mountain Coffee Roasters – a follower of the approach – was ranked #1 in Business Ethics 100 Best Corporate Citizens in 2006 and 2007, resulting in positive publicity that helped their company grow.

Industry-wide examples exist, too. The magazine industry and the dairy industry have been able to become more eco-friendly by reducing waste thanks to whole-systems approaches that considered stakeholders involved in the industries' entire networks: production, distribution and waste. Wal-Mart and the magazine industry paired up to reduce magazine waste globally by 50%, thanks to a plan-developing workshop with the Center for Business as an Agent of World Benefit.

Innovative collaboration such as this – across industries, organizations, and stakeholders – is the crux of the strength-based, system-in-the-room approach. Unlike traditional methods, this method allows for and actually benefits from a wide range of participants. Summits and workshops are good starting points, to put the stakeholders in the same venue so that they can establish a vision, determine how to build from strengths, establish and prototype initiatives and plan for implementation. Pre-summit engagement gets stakeholders thinking about their needs and goals; post-summit structure can be developed to efficiently keep stakeholders involved in the plan for efficient and effective implementation.

*Smart moves toward sustainability begin with a system's strengths and the whole system in the room.*