

by Mike Pratt and Helga Pratt

Preface

The story of sustainable enterprise is in many ways the story of our lives. Mike has instigated a variety of small enterprises for fun and profit. Helga has dedicated her life to social enhancement as a health professional in both developing and developed countries. Both of us have a deep commitment to equity, and through our love of nature, especially the sea, and our life in the natural beauty of New Zealand we care deeply about the environment.

We have been academics in management and health for the last thirty years and for the last ten of these have embraced storytelling both as a research methodology and as a mode of sharing our findings. So this book is a storytelling project. In one of our earlier projects throughout the 1990s we grew kiwifruit for the global export market. We developed the orchard from full-on chemical sprays to Bio-Gro certified organic, and it was this experience that deepened our involvement with the sustainability movement.

For 18 years Mike was Dean and Professor of Management at the Management School at the

University of Waikato in New Zealand. Waikato Management School is accredited by AACSB, EQUIS and AMBA, one of only about thirty business schools in the world to achieve this distinction. In 2002 the faculty made a commitment to sustainability at the core of the school's purpose. Unusually, the school has faculty across every discipline who are active researchers and teachers of sustainability in business. Individually and collectively they have been an inspiration to create our business dedicated to the implementation of sustainable enterprise ideas in practice. Mike retired as dean in early 2008 to take up a part-time role as Professor of Sustainability and Leadership, and to focus on working with enterprises to assist them in their journeys towards sustainability.

Ten years ago, Mike with three colleagues Clive Gilson, Kevin Roberts and Ed Weymes, commenced a research journey to discover business lessons from the world's top sports organisations. The resulting book, *Peak Performance*, was published in 2000. In *Peak Performance* we told the stories of peak performance at ten iconic sports organisations, and then developed a theory of peak performance from these stories. Key findings from this research were that clarity of shared purpose

and inspirational leadership in a family-like environment provide the best foundations for flow and peak performance. *Peak Performance* has sold more than 100,000 copies and resulted in the creation of an organisational development business, Inspiros Worldwide Ltd, devoted to the implementation of peak performance principles in global organisations. Inspiros has implemented these ideas in more than 50 different companies (see www.inspiros.org). Mike and Helga with Kevin Roberts and Clive Gilson regularly conduct peak performance workshops with iconic clients around the world. Through these experiences we came to realise the potential for companies to do well by doing good through building sustainability principles into their business models, but learned how few were actually doing so.

Three years ago Mike and Helga embarked on this global research journey to tell the stories of the genesis of iconic enterprises that were founded on sustainability principles and have become globally recognised brands. From these stories we have created a theory of sustainable enterprise to help other companies to embrace sustainable development within their business models and practices.

Business enterprise has always been an energiser for human progress. Yet in recent years, corporate and environmental scandals, population growth, world poverty and ecological overload have called into question the validity of current business models.

The concepts of sustainable development and the business case for sustainable development – operating profitably while nourishing the environment and strengthening society – are getting increasing airplay. Member nations of the UN have endorsed that organisations should focus on sustainable development and have committed to implementing sustainability action plans in their own countries. And business networks have sprung up world over to link like-minded companies who see both the moral imperative and competitive advantage in operating sustainably.

There is a lot of rhetoric about the need for sustainable enterprise development, but little by way of theoretical and practical guidance about what this entails. Much of the business focus has been on large corporations' environmental practices, community responsibility and their role in developing nations. Yet the vast majority of the world's businesses are small to medium-sized

enterprises (SMEs)¹. They are major employers. They are embedded in their community. They are the backbone of every nation's growth and development. Where does sustainability fit with these smaller and medium-sized firms?

We wondered how a grassroots enterprise could create economic and social wellbeing in their communities. We wondered how it was possible to conceive, establish and grow to international success a business founded on sustainability principles. How would such a business weather the uncertainties of entrepreneurship, survive mid-stride growth pangs and succeed in a global market, without diluting or deviating from its founding values?

And what lessons might there be in their experience – for aspiring entrepreneurs, for established firms seeking a roadmap to sustainable business success and for strategists charged with regional and national development? How do these organisations contribute towards making the world a better place?

As citizens we make choices daily in what we buy, use and throw away. Ultimately we are all individually and collectively the authors of enterprise through these daily choices. We can choose to buy from companies that destroy the environment, impoverish

communities, and exploit workers and children through their activities. Or we can choose to buy from an increasing number of sustainable enterprises that produce products which are altogether healthier, are produced in such a way as to nourish or do no harm to the environment, build communities and enrich the quality of life. And the good news is that sustainable products need not cost more. As citizens we can make the world a better place through the daily choices we make.

In *Sustainable Peak Performance* we tell the stories of nine trail-blazing sustainable enterprises that were founded on sustainability principles and have grown from grassroots to international success. We explore the genesis of the business idea, examine their business models, purpose and spirit, and review the steps on their journey. Primarily these stories are about their founders; a remarkable group of foresighted people with deep commitment to sustainability and a better world. What does it take to be a super-successful sustainable entrepreneur? And what can citizens the world over learn from their leadership?

We extend our sincere thanks to the many people who have contributed to the development of this book. The founders of the sustainable

enterprises and their colleagues gave generously of their time and hospitality to provide the stories that gave rise to Sustainable Peak Performance theory. Kevin Roberts, Worldwide CEO of Saatchi & Saatchi, wrote the inspirational foreword to the book and introduced us to Dan Storper, founder of Putumayo. The insights derived from working with Kevin Roberts and Clive Gilson on Peak Performance over more than a decade inform all aspects of our thinking about business performance. Adam Werbach, CEO of Saatchi & Saatchi S, Julie Nelson CEO of Wise Group and Pat McGillicuddy CEO of Gazeley Ltd kindly gave approval to include their sustainability philosophy and purpose statements as illustration. Charlie Panakera, Lecturer in Tourism at the University of Waikato, acted as our mentor, guide and interpreter in our visit to the Solomon Islands and shared his own stories of sustainable enterprise. Frank Dixon, sustainability advisor to Gazeley Ltd, kindly gave his approval to include an extract from our conversations about system change. Sarah Knox introduced us to Anita Roddick, Founder of the Body Shop and to Simon Dowe, friend of Anita and Director of Children on the Edge, the charity that she founded. Tracey Lowndes assisted in some of the enterprise visits and

interviews and provided valuable editorial advice on early drafts of the manuscript. Jaki Heta and Wendy Talsma accurately transcribed the many hours of interviews, and Wendy checked and formatted all the references. Susie Pratt, research fellow at the University of Wollongong completed valuable literature reviews on unsustainability issues and assisted in crafting the sustainable enterprise model. She also contributed towards writing one of the stories. Angie Knox has made a huge contribution to the book through crafting initial drafts of some of the stories and through a careful editorial review of the final draft of the manuscript. Dr Juliet Roper, Professor of Management Communication and Associate Dean of Sustainability at the University of Waikato, and Dr Eva Collins, senior lecturer in strategy and human resource management at the University of Waikato provided valuable and insightful academic feedback on the final draft of the manuscript. Our long-time publisher Pearson made the publishing stage of the project easy and fun. Dow Design of Auckland did great work on the design of the book and are a joy to work with. Putumayo, AnitaRoddick.com, Patagonia, Forum for the Future, Snowy Peak, and the Eden Project kindly provided

photographs of the founders
which are included in the book.
The photograph of Yvon Chouinard
is by Meredith Ogliby, courtesy
of Patagonia. The photograph of
Anita Roddick is by Joel Anderson,
courtesy of AnitaRoddick.com. Other
photographs are by the authors.
We extend a sincere thank you to
all those involved.