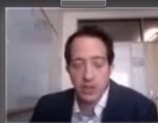


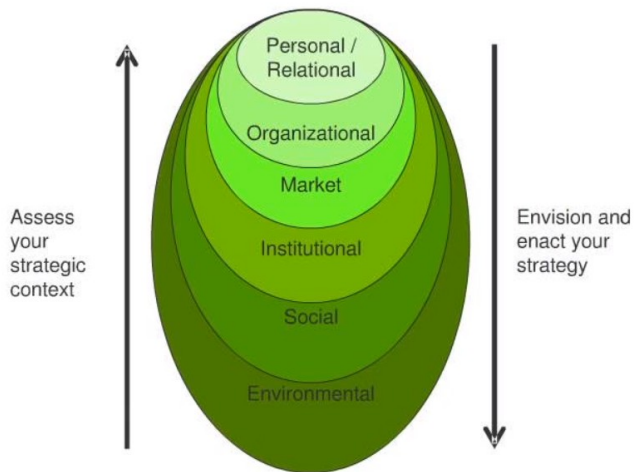
# PROMISE: A systems approach to sustainability strategy

Feb, 2015  
Jason Jay  
Senior Lecturer, MIT Sloan School of Management

Sustainability Initiative



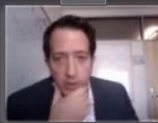
## PROMISE: Sustainability at all levels



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03:02





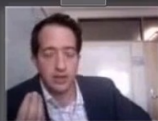
## Assessing Sustainability Strategy with PROMISE



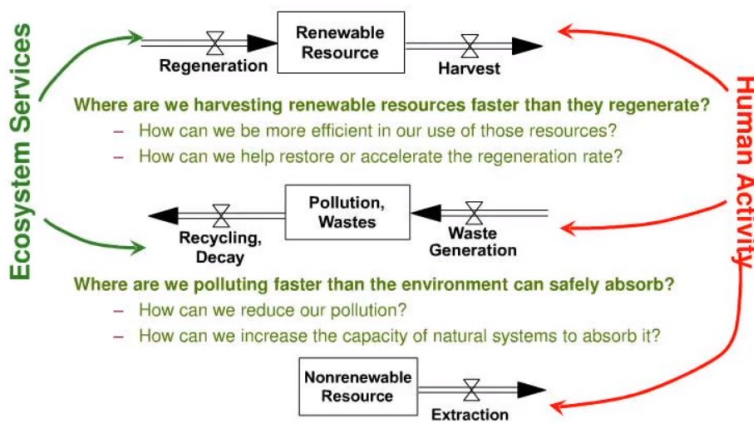
How well do we understand the natural systems that are necessary for our business to thrive?

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05:49

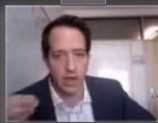


## Natural Systems

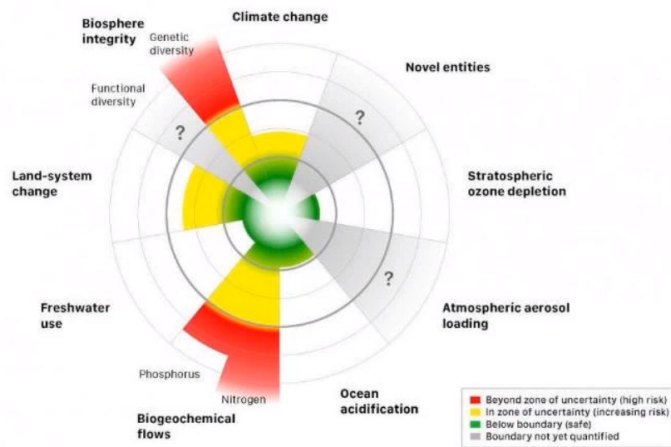


08:19



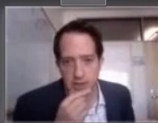


# Planetary Boundaries

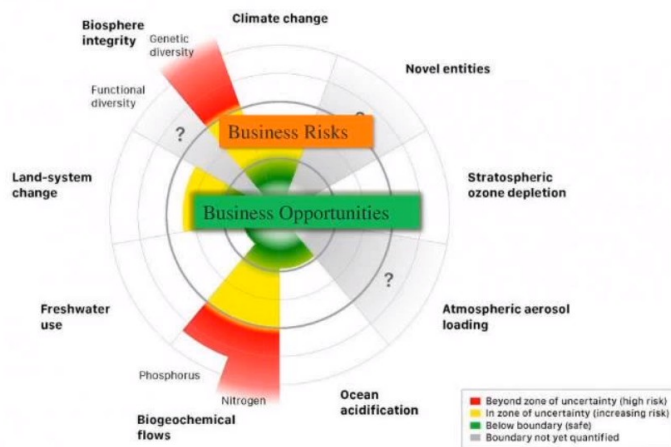


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Steffen et al. 2015. Planetary Boundaries: Guiding human development on a changing planet. *Science*, January 2015.



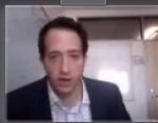
# Planetary Boundaries



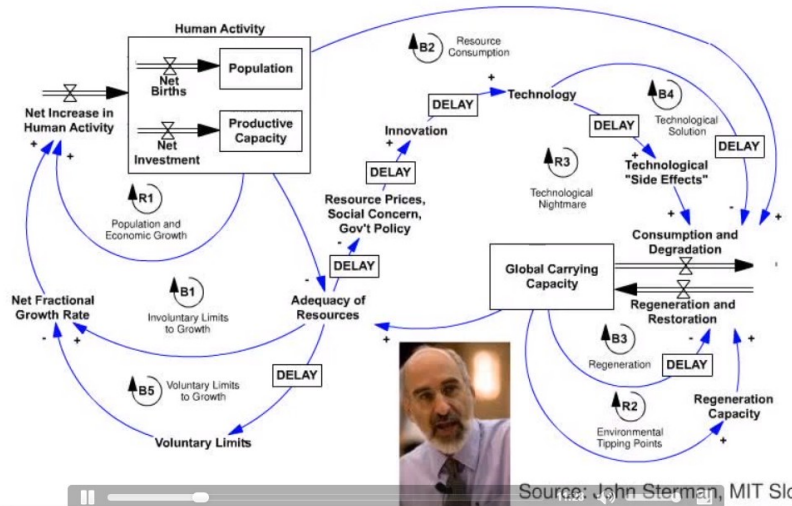
Sustainability Initiative

Steffen et al. 2015. Planetary Boundaries: Guiding human development on a changing planet. *Science*, January 2015.

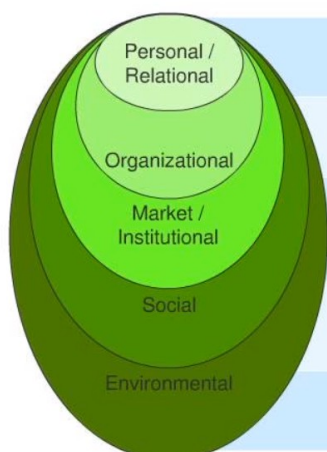




## Understanding drivers and pathways



## Assessing Sustainability Strategy with PROMISE



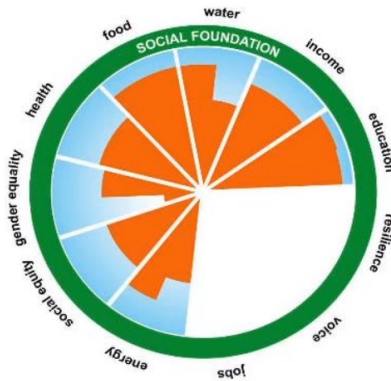
How well do we understand the social and human capital systems necessary for our business to thrive?

How well do we understand the natural systems that are necessary for our business to thrive?





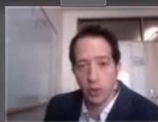
## Human/social well-being



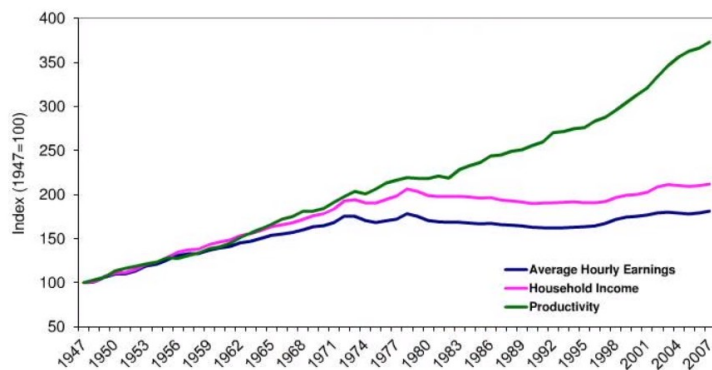
Source: Oxfam

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16:26



## Social Contract: 1940s-70s: 1980s +





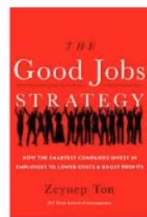
## Rana Plaza, Bangladesh



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## The Good Jobs Strategy



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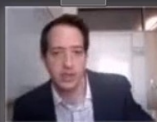
## Sustainable human well-being



Source:Oxfam

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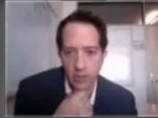
## Assessing Sustainability Strategy with PROMISE



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**FISHBANKS SIMULATION** MIT Sloan MANAGEMENT

Log out  
Logged in as Alice: 1

DASHBOARD ANNUAL REPORT FISHERY DATA SHIP MARKET AUCTION HISTORY

**YEAR 1** Make decisions for current year

**Buy**

SELLER	NUMBER OF SHIPS	RESERVE PRICE (\$/SHIP)
--------	-----------------	-------------------------

**Sell**

No. of Ships:   
Reserve Price:

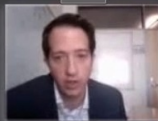

**3**  
CURRENT TOTAL FLEET

HARBOR COAST DEEP

	Harbor	Coast	Deep
Ship Market Value (\$ / Ship)	300		
Number of Ships (Ships)	3		
Value of Ships (\$)	900		
Bank Balance (\$)	600		
Total Assets (\$)	1,500		

	Harbor	Coast	Deep
Expected Catch per Ship (Fish / Year / Ship)	0	15	25
Price of Fish (\$ / Fish)	20	20	20
Expected Revenue per Ship (\$ / Year / Ship)	0	300	500
Operating Cost per Ship (\$ / Year / Ship)	50	150	250
Expected Profit per Ship (\$ / Year / Ship)	-50	150	250

24:27



### Institutional design

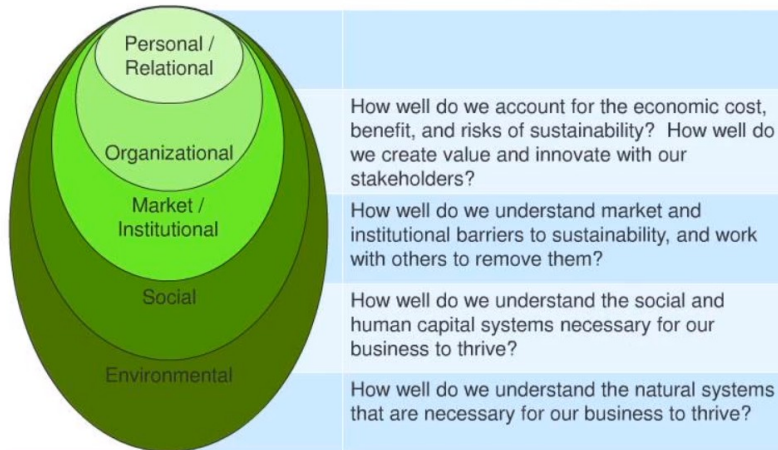


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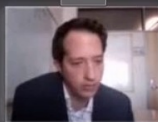


## Assessing Sustainability Strategy with PROMISE



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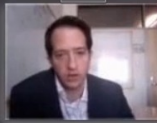
## Cases we have explored



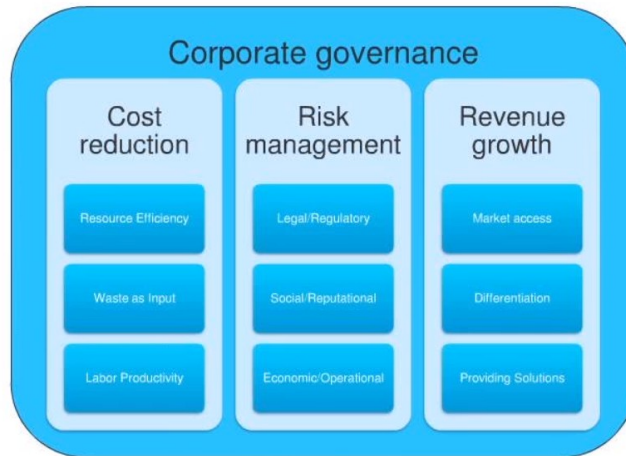
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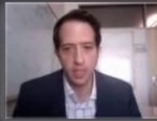




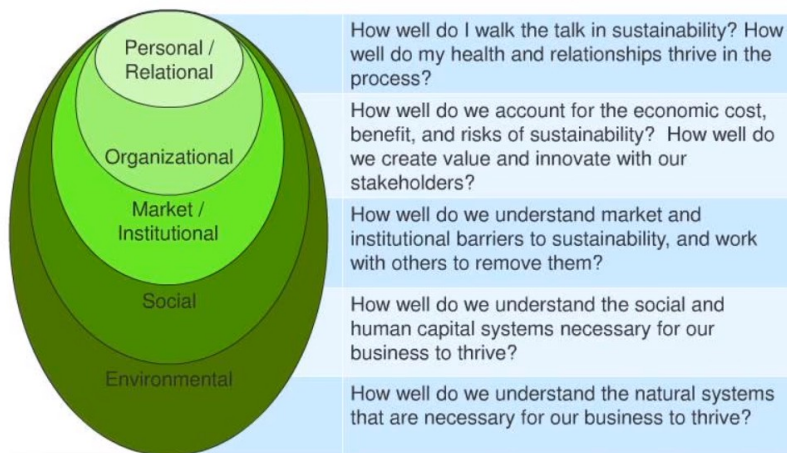
## Valuing sustainability for the organization



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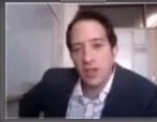
## Assessing Sustainability Strategy with PROMISE



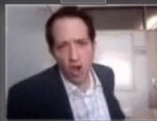
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## Relational Pitfall - Holier than thou



## Relational Pitfall – I know what sustainability is...



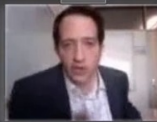


## Leading with PROMISE

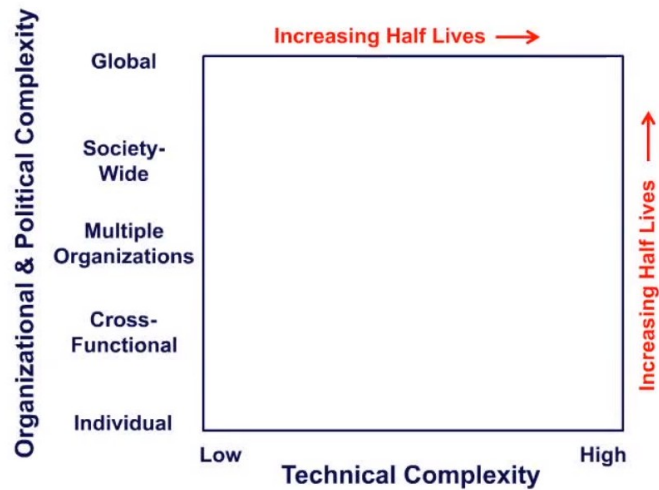


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## Improvement Half-Life



Sterman, Repenning, Kofman (1997), Schneiderman (1988)





## Strategies for Sustainable Business

- Information and registration at <http://executive.mit.edu>
- **Certificate Track:** [Strategy and Innovation](#)
- **Location:** Cambridge, Massachusetts
- **Tuition:** \$4,300 (excluding accommodations)
- **Program Days (for certificate credit):** 3
- **Available dates:**
  - *March 11-13, 2015*
  - *October 26-28, 2015*
- For more information, contact:  
Tommy Long, Program Manager, [tlong@mit.edu](mailto:tlong@mit.edu)

