Emerald Insight

Journal of Global Responsibility
Leadership as enabling function for flourishing by design
Rob Elkington Antony Upward

Article information:

Users who downloaded this article also downloaded:

HALMSTAD UNIVERSITY

For Authors

If you would like to write for this, or any other Emerald publication, then please use our Emerald
for Authors service information about how to choose which publication to write for and submission
guidelines are available for all. Please visit www.emeraldinsight.com/authors for more information.

About Emerald www.emeraldinsight.com

Emerald is a global publisher linking research and practice to the benefit of society. The company
manages a portfolio of more than 290 journals and over 2,350 books and book series volumes, as
well as providing an extensive range of online products and additional customer resources and
services.

Emerald is both COUNTER 4 and TRANSFER compliant. The organization is a partner of the
Committee on Publication Ethics (COPE) and also works with Portico and the LOCKSS initiative for
digital archive preservation.

*Related content and download information correct at time of download.

Leadership as enabling function for flourishing by design

Rob Elkington
Faculty of Business and IT, University of Ontario Institute of Technology, Oshawa, Canada, and

Antony Upward
Strategic Innovation Lab, OCAD University, Toronto, Canada

Abstract

Purpose – The purpose of this paper is to alert the reader to the urgent need to address the most pressing challenge and opportunity of the twenty-first century, namely, leadership that enables flourishing for all forever.

Design/methodology/approach – This conceptual paper suggests a heuristic for the reader and supplies a working model of leadership as enabling function for flourishing that arises from a survey of the literature around leadership development, as well as a brief review of the literature on flourishing.

Findings – The paper highlights the reality that there are, as yet, only a small number of organizations and leadership that have conceptualized and implemented the notion of flourishing by design and that a great deal more research and implementation needs to occur to prove the validity of the model.

Research limitations/implications – There is a need to undertake quasi-experimental research in which leadership development praxis incorporates the element of flourishing by design and then action research through which the outcomes can be measured, modified and ongoing improvements iterated into the organizational design.

Practical implications – This paper suggests a different mindset and skillset for leadership and, by implication, leadership development. The ongoing research into "Seeking Best Methods for Leadership Development", through the authors' Round 1 Delphi survey has uncovered the elements of Human Capital, Social Capital, Structural Capital and Self Leadership, as core elements desired by global CEOs as necessary for an effective leadership development program. What the authors did not probe for, and need to probe for, is the element of "Flourishing Capital" or the degree to which the leadership might be developed to serve as an enabling function for flourishing for all forever.

Social implications – If organizations design flourishing into the raison d'être of the organization, then organizations will seek and develop leadership that has flourishing as a core motif and focus. If organizational leadership supports and enhances flourishing as a central motif, then a shift will occur from profit only to profit that supports flourishing for all forever.

Originality/value – The paper highlights the reality that there are, as yet, only a small number of organizations and leadership that have conceptualized and implemented the notion of flourishing by design and that a great deal more research and implementation needs to occur to prove the validity of the model.

Keywords Leadership development, Leadership theory, Social entrepreneurship, Business design, Entrepreneurial leadership, Flourishing

Paper type Conceptual paper

Introduction from leaders who promote sustainability to leadership that enables flourishing

We have entered the twenty-first century with a keen awareness that there are great new vistas of opportunity, coupled with complex problems, problems we have come to term

as "wicked" problems. This term "wicked" refers not to any moral dimension of a problem but rather the notion that a wicked problem is defined as a problem "where facts are uncertain, values in conflict, stakes are high, decisions are urgent, and an extended peer community is required for the resolution of the relevant issues" (Gough *et al.*, 1998). A tame problem is an instance of something that has happened before, so it is resolvable through a defined series of actions or practices (Herrick and Pratt, 2011). A wicked problem, on the other hand, involves four components (Herrick and Pratt, 2011):

(1) complex interactions between socioeconomic and ecological systems;

(2) a multi-disciplinary framework;

(3) multi-party resolutions; and

(4) the problem understanding and problem resolution are concomitant to each other, as wicked problems often have multiple and conflicting criteria for solution.

The "wicked" problem discussed in this article is the issue of sustainability and, more specifically, the role of leadership in designing organizations with the potential to move beyond sustainability to the potential of flourishing for all forever. Sustainability is one of the most pressing leadership issues of the twenty-first century, as King states (Roberts, 2010).

Sustainability is the primary moral and economic imperative of the twenty-first century. It is one of the most important sources of both opportunities and risks for businesses. Nature, society and business are interconnected in complex ways that should be understood by decision-makers. Most importantly, current incremental changes toward sustainability are not sufficient – we need a fundamental shift in the way companies and directors act and organize themselves.

This article seeks to suggest evolution from the static notion of "sustainability", which often serves as an "add-on" to a leader's agenda (Marshall, 2011, p. 273) to the notion of "flourishing" as integral to the strategic design of an organization and intrinsic to the leadership processes within an organization (Paraschiv *et al.*, 2012, p. 407). The concept of leadership that enables flourishing for all forever calls for leadership as social capital, in which all of the leadership processes within an organization synergize around the mutually agreed upon goal of sustaining the possibility for all to flourish in the workplace and for all other humans and all other life to flourish on our planet forever (Crews, 2010; Harley *et al.*, 2013).

So it is in this brief paper that we discuss the wicked problem:

Can leadership enable the possibility for flourishing for all forever by changing the organizational design, the organizational *raison d'être*, including its very definition of success, and if so, what type of leadership is required to do so?

To address this wicked problem, namely, the capacity and ability of leadership to systematically and consistently create the possibility for all to flourish forever by changing the organizational design based on a new definition of organizational success, this paper begins with a discussion of how we might need to move from leadership for sustainable development to leadership for flourishing *by design*. This is leadership that envisages that all humans and all other life should have the possibility to flourish forever as the *raison d'être* of the organization's very existence. This means that the organization must systematically strive to be financially viable, generate social benefits *and* regenerate the environment and,

where this is not possible (because of current legal, regulatory, market or other socially defined "norms of behaviour"), proactively work to remove these barriers. Following this brief discussion of a movement from sustainable development to flourishing, some examples of this type of leadership for flourishing are highlighted as exemplars of the direction in which leadership practices might move to achieve this outcome. Once we have discussed the exemplars of leadership that seeks to enable flourishing by design, we suggest a model of what enabling leadership in a complex adaptive system might look like and how it might function. The paper then concludes with suggestions for further research with a view to effectively addressing the wicked question:

> Can leadership systematically enable the possibility for all to flourish forever on our planet by changing the organizational design, the organizational *raison d'être*, and if so, what type of leadership practices, skills and knowledge are required to do so?

As per Ehrenfeld (2000, 2005, 2008) (Ehrenfeld and Hoffman, 2013) and Laszlo *et al.* (2014), you cannot generate, manage for or create flourishing. We suggest at the outset that "flourishing" is an emergent property of a complex system that is supported by enabling leadership! It cannot be forced, but as with any system, design is paramount. If we do not design for flourishing, then we will never achieve it. If we default to the notion that the purpose of business is profit alone, and the type of leadership required for business is a profit-driven leadership, then we will accomplish by design, that which we focus on. It is this notion of leadership enabling flourishing that we discuss extensively in the next section.

Our "Wicked" problem – can we develop leadership that enables flourishing by design?

"Can leadership systematically enable the possibility for all to flourish forever on our planet by changing organizational design, and if so, what type of leadership is best suited to do so?" This is a wicked problem because it is urgent, the stakes are very high and an extended peer community is called for to resolve the problem, as Clay (2015) highlights:

> Sustainability has got to be something that we all care about. We need groups to collaborate that never have […] everybody's got to work together. We need to begin to manage this planet as if our life depended on it – because fundamentally, it does.

Enabling a flourishing planet is inherently a leadership issue that takes account of the fact that the planet and its people are being ravaged by forces of hyper-consumerism that fuels resource depletion, climate change, growing poverty, food and water security and, thus, raises the urgent call for a different type of leadership, a leadership that moves from depletion to sustainability to thriving to flourishing. These calls emerge within the context of fears that the gap between these problems and our ability to solve them is increasing (Wolfgramm *et al.*, 2013, p. 649). It seems we need leadership that is, by design, focused not only on sustainability which is somewhat status quo but also on flourishing, which moves beyond the holding pattern of what is, to an imaginative (Paraschiv *et al.*, 2012) and transformative future of what could be (Wolfgramm *et al.*, 2013). As the 2010 Accenture report of the responses of 50 global CEOs highlighted (Authors, 2012):

> Leading CEO's view sustainability as an engine of future growth. As companies turn their sights to new waves of growth, sustainability is a key element in their strategies to grow revenues and broaden their geographic footprints into emerging markets.

Whilst this evidence suggests that leading global CEOs envisage sustainability as a core driver for future growth, it seems that translating this perception into organizational design and organizational outcomes requires "unusual leaders and leadership systems" (Metcalf and Benn, 2013). The research is not entirely clear, at this juncture, on exactly what type of leadership is required for a sustainable, or flourishing by design, organization (Galpin *et al.*, 2015). However, the call for this type of leadership in organizations is clarion (Coulson-Thomas, 2013). The distinction between sustainable leadership and leadership designed to enable flourishing is highlighted in the respective definitions of "sustainability" and "flourishing".

Sustainability is defined as (Crews, 2010):

> A business approach that creates long-term shareholder value by embracing opportunities and managing risks deriving from economic, environmental, and social developments. […] Sustainability as a concept is based on the integration of three historically separate communities: those primarily interested in profits, the planet, or people.

Flourishing, on the other hand, is defined as (Laszlo *et al.*, 2012):

> Flourishing individuals and organizations go beyond the limited paradigms of incentives, and beyond the usual attempts at employee engagement and positive cultures. They are able to tap into something much more profound, powerful and ever ineffable. They unleash the human spirit. And the challenge of doing exactly that will need to be met by increasing numbers of businesses in the years ahead.

This paper suggests that we need to develop a leadership approach that urgently moves beyond the notion of "sustainable development", which may have been adequate in the Industrial era, to a much stronger and innovative leadership approach of "enabling flourishing" to address the needs of a post-industrial global era that increasingly faces resource depletion, hyper-consumerism and stark imbalances of wealth and poverty. Table I expands on the two definitions above to highlight the distinction between leadership for sustainable development and leadership for flourishing.

What type of leadership is required to support flourishing by design?

The themes of "leadership that enables flourishing" are further illustrated in Figure 1 (Laszlo *et al.*, 2012). In Figure 1, Laszlo *et al.* highlight an approach to leadership that moves through four critical phases in a process of appreciative inquiry that begins with "Discovery" and incorporates "Design" as an essential element. Each element of the diagram, and its contribution to the notion of "leadership that enables flourishing", is discussed below.

This diagram highlights the four ongoing (infinite) processes required for "Leadership for Flourishing". These four process are discussed briefly below to highlight the type of leadership needed to address the wicked problem presented at the beginning of this paper, namely: "Can leadership create a flourishing planet by changing organizational design, and if so, what type of leadership is best suited to do so?"

Process 1: discovery, "What gives life?"

Flourishing leadership is a leadership that should possess *situational awareness*. Flourishing leadership takes a moment to pause and in a process of *discovery* to ask the difficult question: "What gives life?" What elements of the complex adaptive system that forms our existence contribute to a healthy and meaningful existence and how do

| Leadership for sustainable development	Leadership for flourishing
A business approach that pays attention to long-term shareholder value	A movement of individuals that unleashes the human spirit to accomplish profound and powerful outcomes that brings good to all people
A reactive approach that is management driven and focuses upon embracing opportunities and managing risk	A proactive approach that is leadership driven in that it seeks to leverage the best from people to accomplish great outcomes for the good of all
An atomistic approach that seeks to align profits, people and planet in the so-called "triple bottom line"	A synergistic approach that views the world, organizations and people, as part of a global complex adaptive system, intricately connected and, thus, mandating a different goal, a system designed to bring good to all humanity
The measurement of success is profit in a way that does not hurt the already weakened global eco-system	The measurement of success is a global acknowledgement of the stewardship of all resources in a way that replenishes those resources and brings good to all who rely upon those resources
Little attention is given to *initial* design. Policy is designed to prevent pollution, unethical conduct and harm with a keen eye to shareholder value. This is management in its fullest form, individuals seeking to maintain the status quo (shareholder value) whilst, at the same time, addressing the thorny issue of intense resource depletion to do so	*Initial* design is everything. The organization is designed to subsist within the broader complex adaptive system in a way that causes all of the elements of that system to flourish in harmony and balance. Passion, not policy, and morality, not ethics, drive behavior and outcomes. This is leadership in its fullest form, individuals influencing a group of individuals to achieve a common goal

Table I.
The distinction between leadership for sustainable development and leadership for flourishing
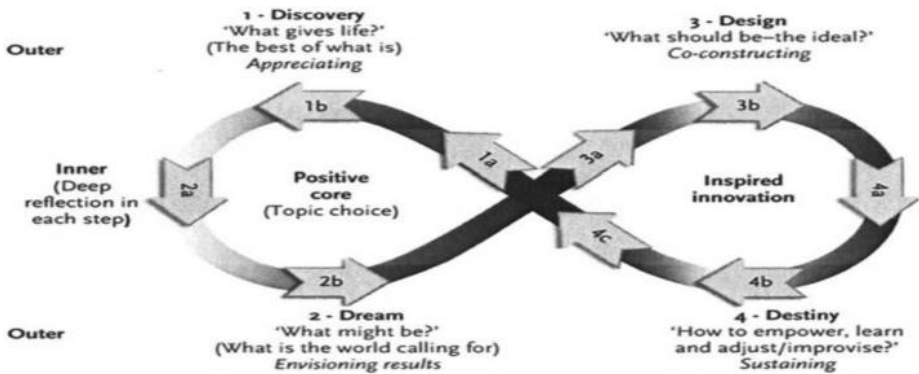
Figure 1.
The 4D cycle of appreciative inquiry with reflective experiences as a model of leadership for flourishing

Source: Laszlo *et al.* (2012)

we tap into these elements in a way that promotes not only a sustainable future but also a flourishing planet that is renewed and rejuvenated by our mutual interaction with it and with each other? Reflecting on this question of "what gives life" should then lead us to the next key process of "Leadership for Flourishing", namely, *imaginative capacity*.

Process 2: dream, "What might be?"
This question begins with the understanding that the world is currently under immense environmental stress but then moves to ask, "Does it need to continue in this way?"

What might the future realistically look like if we could focus on the idea of flourishing rather than just sustainability? Once we have gained an appreciation for what gives life, and envisaged what type of future might best support this ideal of what gives life, we then move to enact the next leadership process, namely, co-constructing the mechanisms and systems to move us toward "what might be".

Process 3: design, "What should be?"
As leadership understands what gives life and courageously dreams of how to develop a future in which the planet and its people are replenished and rejuvenated by mutual interaction, this leadership then seeks to incorporate design elements to incrementally move toward this future. This is not the purview of a lone heroic leader (human capital) but rather the sustained co-construction of an intricate and sustainable design emerging from leadership processes within an organization (social capital) (Day and Harrison, 2007). As highlighted in the definition of a wicked problem, "[…] facts are uncertain, values in conflict, stakes are high, decisions are urgent, and an extended peer community is required for the resolution of the relevant issues" (Gough *et al.*, 1998). An extender peer community is required in the design process to leverage the best that interdisciplinary cooperation can afford (Henrekson, 2014) and to ensure that the interests of the multifarious stakeholders within the complex adaptive system are fairly represented (Arenas *et al.*, 2011).

Process 4: destiny, "How to empower, learn and adjust/improvise?"
Flourishing leadership works hard at designing for the future that could/should emerge but with the realization that design alone is not enough. Flourishing leadership also needs to provide the mechanisms and resources to empower the design, as well as the space to adjust and improvise when elements of the design prove to be difficult to implement, ineffective or untenable.

Laszlo's 4D cycle renders a useful heuristic for leadership to approach the possibility of enabling flourishing by design. In the next section, we suggest a tool that is currently in development and is constantly being deployed and improved through a process akin to Laszlo's cycle. We see this tool as a useful framework for leadership within organizations to enable the potential of flourishing by design.

An example of a tool to support leadership for flourishing by design
A helpful example of a tool to enable leadership for flourishing is the Flourishing Business Model Canvas (Figure 2). This a collaborative visual design tool that, by providing a common language for an organization's stakeholders, allows them to effectively work together to describe their enterprise's business model and imagine future preferred ones.

The Flourishing Business Canvas is the most recent result of an ongoing program of action and design research being conducted by an international team, all members of the Strongly Sustainable Business Model Group, hosted by the Strategic Innovation Lab at OCAD University. The original version of this canvas is summarized in Jones and Upward (2014), and the original research that defines the language used by the canvas is reported in Upward and Jones (2015) and is based on the earlier profit-oriented business modeling language (Osterwalder 2004) and the very popular collaborative visual design tool derived from it, the Business Model Canvas (Osterwalder and Pigneur, 2009). The Flourishing Business Canvas shown in Figure 2 is currently subject
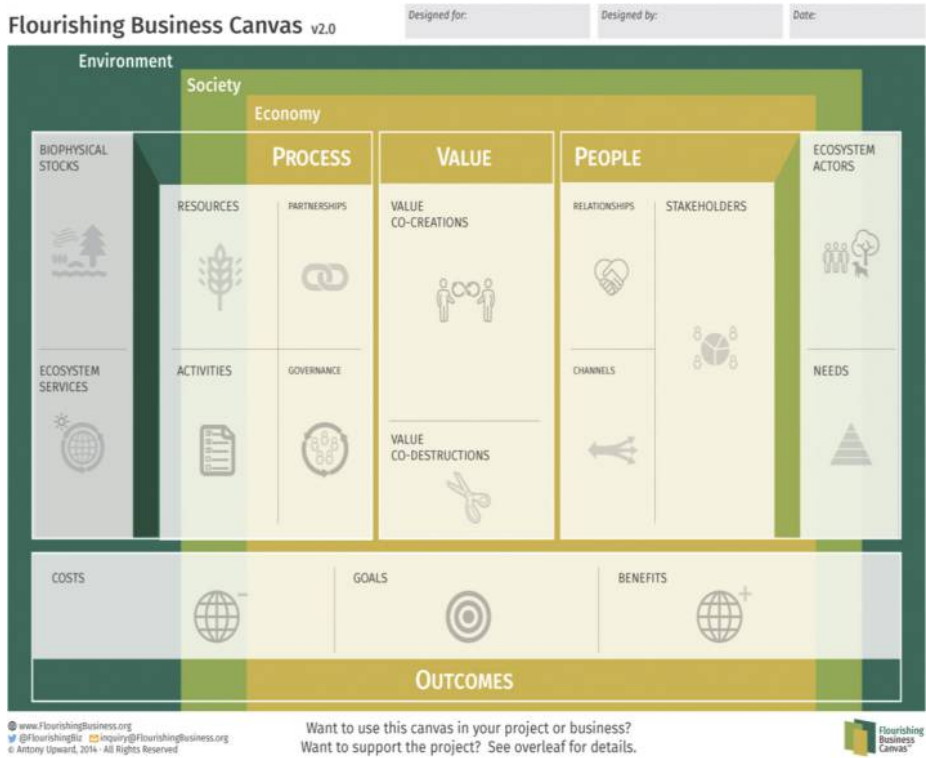
Figure 2.
The Flourishing
Business Canvas, v2

Source: C Antony Upward / Edward James Consulting Ltd, 2014, all rights reserved
www.FlourishingBusiness.org, used with permission

to an ongoing program of field evaluation and testing around the globe (www.FlourishingBusiness.org).

A business model is defined as a description of an enterprise at some point in time (past, present, future) that describes "how a business defines and achieves success over time" (Upward and Jones, 2015). To provide such descriptions, the language used by the canvas includes all the elements needed to describe any business model for any enterprise – irrespective of the organization's definition of success: from maximizing short-term profit, through sustainable development, to sustaining the possibility for flourishing.

The Flourishing Business Canvas is useful because its language incorporates the necessary and sufficient elements and their inter-relationships that are indicated by a trans-disciplinary review of the science needed to describe a business model that enables the possibility for the enterprise itself and all its stakeholders to flourish – the relevant natural, social, economic, management and psychological science. These elements, introduced below, allow leaders of organizations whose definition of success includes sustaining the possibility for flourishing to effectively collaborate with all their stakeholders to design the achievement of this outcome into the fabric of the business,

something that Coulson-Thomas suggested as creating "exciting opportunities for Entrepreneurs" (Coulson-Thomas, 2013).

For organizations whose definition of success are not aligned with enabling flourishing, the canvas provides a useful diagnostic, enabling leaders to identify gaps, risks and opportunities that moving their business model toward this goal might offer. This is of particular importance as the implications of climate change and other elements of the Global Problématique (Ozbekhan, 1970) mean "business as usual" becomes ever less financially viable (Figure 3).
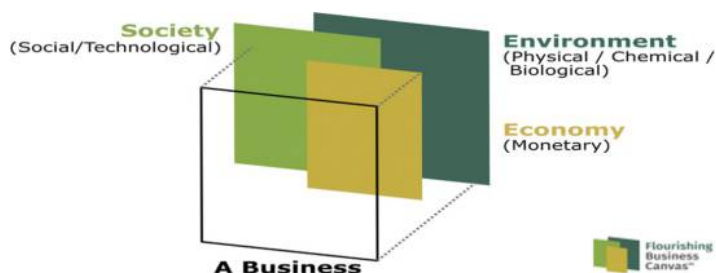
Exploring the elements of the Flourishing Business Canvas in turn: First, it places the business, from the outset, within its full set of scientifically defined contextual systems: the environment (the planet, all life and all associated processes), society (people as individuals and collectively – our culture and technology) and economy (revenues, costs and profit). This is Leadership for Flourishing at its best because questions of sustainability and flourishing are not an addendum once the business is running but are incorporated into the design of the business enabling the possibility that it can integrate the achievement of financial rewards, social benefits and environmental regeneration.

Second, as shown in Figure 4, the Flourishing Business Canvas recognizes that there are four "perspectives" on any business, directed from the four elements of Kaplan's Balanced Scorecard (1996). This enables the canvas to model:

[…] the logic for an organization's existence: who it does it for, to and with; what it does now and in the future; how, where and with what does it do it; and how it defines and measures its success (Upward and Jones, 2015).

Third, as shown in Figure 5, the Flourishing Business Canvas relates the contextual systems to these perspectives, highlighting what is unique to any enterprise's business model versus what is shared with the rest of the economy, society and the environment.

Finally, as shown in Figure 2, 16 "blocks" indicate the concepts that are necessary and sufficient to describe any business model (Derived from the literature introduced in Upward and Jones, 2015). The blocks can be considered as questions posed to an organization's stakeholders about their current or future desired business model. When designing a future business model, if these questions are answered in light of the organization's chosen definition of success, and if the answers are informed by our best understanding of how to realize that goal, then the result will be a business model that

Figure 3.
The contextual systems of any business

134

Figure 4.
The four
perspectives of a
business model
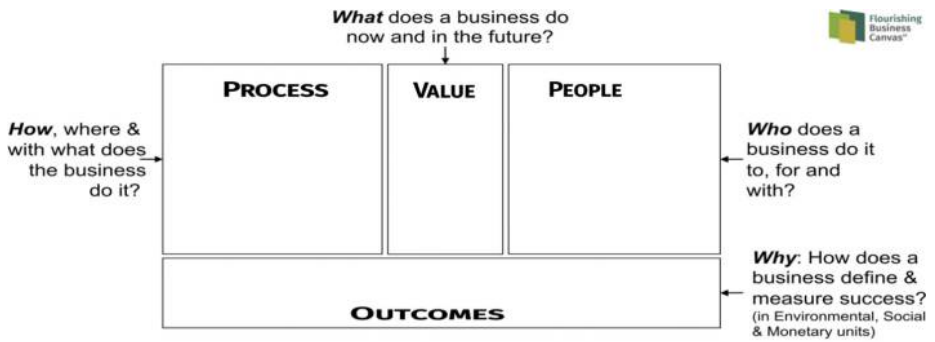
Figure 5.
Relating systemic
contexts of business
to the four
perspectives of a
business model
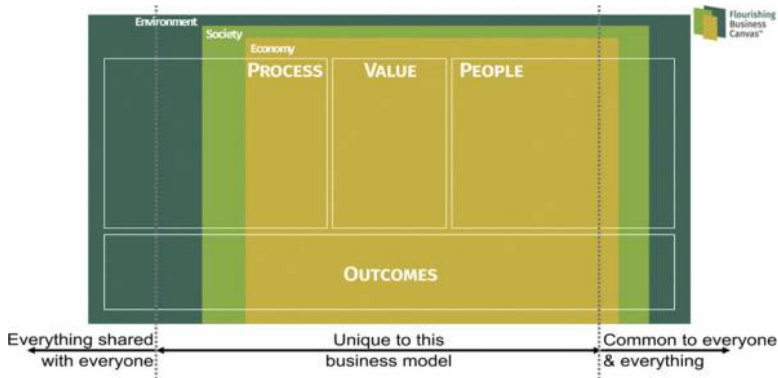
is more likely to enable the desired outcome. By visual position, each of the question blocks are inter-related to the necessary combinations of the contexts and grouped by one of the four perspectives. This encourages the response to each question to be considered from the point of view of the relevant context(s) and perspective.

The 16 questions are introduced as follows:

(1) *Goals*: What are the goals of this business that its stakeholders have agreed? What is this business's definition of success: environmentally, socially and economically?

(2) *Benefits*: How does this business choose to measure the benefits that result from its business model (environmentally, socially, economically), each in relevant units?

(3) *Costs*: How does this business choose to measure the costs incurred by its business model (environmentally, socially, economically) each in relevant units?

(4) *Ecosystem actors*: Who and what may have an interest in the fact that this business exists? Which ecosystem actors may represent the needs of other humans, groups, organizations and non-humans?

(5) *Needs*: What fundamental needs of the ecosystem actors is this business intending to satisfy or may hinder? See Max-Neef (Max-Neef *et al.*, 1991) for an introduction to "fundamental human needs" and their "satisfiers".

(6) *Stakeholders*: How is each ecosystem actor involved in this business? What roles does each ecosystem actor take? Examples: customer, employee, investor, owner, supplier, community and regulator.

(7) *Relationships*: What relationships with each stakeholder must be established, cultivated and maintained by this business via its channels? What is the function of each relationship in each value co-creation or value co-destruction relevant for each stakeholder?

(8) *Channels*: What channels will be used by this firm to communicate and develop relationships with each stakeholder (and vice versa)? Examples: retail, face-to-face, Internet, phone, email, mail, transport.

(9) *Value co-creations*: What are the (positive) value propositions of this business? What value is co-created with each stakeholder, satisfying the needs of the associated ecosystem actor, from their perspective (world-view), now and/or in the future?

(10) *Value co-destructions*: What are the (negative) value propositions of this business? What value is co-destroyed for each stakeholder, hindering the satisfaction of the needs of the associated ecosystem actor, from their perspective (world-view), now and/or in the future?

(11) *Governance*: Which stakeholders get to make decisions about: who is a legitimate stakeholder, the goals of this business, its value propositions and its processes?

(12) *Partnerships*: Which stakeholders are formal partners of this business? To which resources do these partners enable this business to gain preferred access? Which activities do these partners undertake for this business?

(13) *Resources*: What tangible (physical materials from one or more biophysical stocks, including fixed assets, raw materials and human beings) and intangible resources (energy, relationship equity, brand, tacit and explicit knowledge, intellectual property, money – working capital, cash, loans, etc.) are required by this business's activities to achieve its goals?

(14) *Biophysical stocks*: From what ultimate stocks are the tangible resources that are moved, flow and/or transformed by this business's activities to achieve its goals? As per laws of conservation of matter, *all* tangible resources remain biophysical stocks somewhere on our single shared planet irrespective of this business's activities (past, present and anticipated future).

(15) *Activities*: What value adding work, organized into business processes, is required to design, deliver and maintain the organization's value co-creations and value co-destructions to achieve this business's goals?

(16) *Ecosystem services*: Ecosystem services are processes powered by the sun that use biophysical stocks to create flows of benefits humans need: clean water, fresh air, vibrant soil, plant and animal growth, etc. Which flows of these benefits are required by, harmed or improved by this business's activities? For an introduction, see World Business Council for Sustainable Development (WBCSD)'s Corporate Ecosystem Service Review v2.0 (Hanson *et al.*, 2012).

As mentioned, the Flourishing Business Canvas may be used to describe the business models for enterprises whose definition of success range from primarily profit-seeking, through enabling sustainable development to sustaining the possibility for flourishing. This is achieved through the inclusion in the 16 questions of all 9 elements of a business model understood to define the "rationale of how an organization creates, delivers and captures value [measured financially]" (Osterwalder and Pigneur, 2009). These nine elements of a business model understood to enable financial profitability were introduced in the earlier Business Model Canvas (Osterwalder and Pigneur, 2009) based on the earlier work by Osterwalder (2004). The relationship between the 16 questions that may describe a business model that enables flourishing, financially, socially and environmentally, and the nine questions that describe a financially profitable business model are described in Table II.

Exemplar organizations that are striving to enable the possibility for flourishing

There are significant legal, regulatory, market and current social norms that act as powerful barriers to organizations systematically pursing goals related to enabling the possibility for flourishing for all forever. Indeed, at this time, there is only one benchmark for recognizing whether or not an organization is, based on the available trans-disciplinary science, sustaining the possibility for flourishing in its current operational business model, the Future Fit Business Benchmark (Willard and Kendall, 2015), and this is acknowledged to be in an early albeit active stage of development and testing.

Flourishing Business Canvas question (1-16)	Relation to questions from Business Model Canvas (1-9)
1. Goals	(Not included–objective of the elements of a business model described using the business model canvas is to describe how financial profits are to be achieved, largely focused on the short)
2. Benefits	1. "[Financial] Revenue Streams"
3. Costs	2. "[Financial] Cost Structure"
4. Ecosystem actors	(Not included)
5. Needs	(Not included)
6. Stakeholders	3. "Customer Segments" (i.e. those stakeholders from whom financial value is extracted directly or indirectly, as measured by financial revenue streams)
7. Relationships	4. "Customer Relationships"
8. Channels	5. "Channels [to/from Customers]"
9. Value co-creations	6. "[Positive] Value Propositions" [from which value can be capture, uniquely measured in financial units]
10. Value co-destructions	(Not included)
11. Governance	(Not included)
12. Partnerships	7. "Key Partnerships" (i.e. those that have a financial cost required to secure the resources and undertake the activities to deliver the value propositions)
13. Resources	8. "Key Resources" (i.e. those that have a financial cost)
14. Biophysical stocks	(Not included)
15. Activities	9. "Key Activities" (i.e. that incur a financial cost)
16. Ecosystem services	(Not included)

Table II.
The inclusion of all the elements of financial profitability from the business model canvas in the Flourishing Business Canvas

However, many leaders are already recognizing the business opportunities and reduction in material business risks that genuinely striving to enable flourishing can bring. It is encouraging to note that there are established organizations, and emerging organizations, that serve as exemplars of the type of Leadership for Flourishing suggested in this paper. These organizations have embarked on the journey illustrated in Figure 1 above. This leadership for flourishing process is suggested as a journey because these organizations and their leadership are creatively seeking new ways to move from a myopic focus on shareholder profits to an expansive and systemic view of a flourishing planet in which shareholders profit through the movement toward flourishing.

In our work with leaders, for them to realize the value of choosing to sustain the possibility for flourishing as an aspiration goal, that they:

- join organizations such as the Business Alliance for Local Living Economies (Business Alliance for Local Living Economies) (BALLE, 2012) or Transition Towns (Hopkins, 2011);
- gain third-party verified certification of their social and environmental performance against the best-practice informed Benefit Corporation Impact Assessment standard (B Lab 2008), joining nearly 1,500 others who have already done so;
- baseline the continuous improvement of their social and environmental performance by taking the free online Benefit Corporation Impact Assessment survey, a step now taken by nearly 30,000 businesses;
- design their businesses and products by directly applying the science-based Natural Step Framework for Strategic Sustainable Development (Robèrt *et al.*, 2012) and by using standards and/or benchmarks derived from this framework (Comparison International, 2005, International Living Future Institute, 2014a, 2014b, 2015); and
- seek financial support from "impact investors" who wish their investments to realize monetary returns in ways that contribute to societal well-being and environmental health (B Lab, 2010).

A well-known example of an organization whose leaders that have set an aspirational and acknowledge a long-term goal of sustaining the possibility for flourishing is Interface. Since 1994 has, based on their visionary leader Anderson's (2000) epiphany (Kinkead, 1999), Interface has been undertaking their Mission Zero program. This program is actively applying the Framework for Strategic Sustainable Development (The Natural Step & Interface, 2013) and Benefit Corporation Impact Assessment[1] to:

> […] be the first company that, by its deeds, shows the entire world what sustainability is in all its dimensions: people, process, product, place and profits - and in doing so, become restorative through the power of influence (Interface, 2015).

Another example is Patagonia. Through the visionary leadership of their founder, Yvon Chouinard (Chouinard and Brown, 1997), Patagonia not only gained an early certification against the Benefit Corporation Impact Assessment standard (B Lab and Patagonia, 2014) but subsequently ensured their environmental and social missions were protected into the future by re-incorporating under the recently passed California Benefit Corporation statute embedded leadership for flourishing (*The Economist Magazine*, 2012).

What is significant for each of these examples is that despite adopting goals and undertaking activities seen as highly unusual by the vast majority of business people,

these leaders candidly acknowledge that they are on a journey toward systematically sustaining the possibility for flourishing, where both their ability to describe their ultimate destination and their journey to get there have significant unknown unknowns.

Given the financial benefits these example companies are accruing (both in terms of sustained and in some cases increases financial profit during trying economic times and in a reduction of reputational and supply chain risk), we wonder what effect would a widespread mindset shift by leaders from aiming for sustainable development to aim to sustain the possibility for flourishing have on the momentum and outcome of their organizations? As just one example, as flourishing resonates more fluently with every person in the organization than sustainable development as a goal, how much more employee engagement and creativity might be created, as employees realize that "we are all in this together and this is about much more than creating a good reputation to increase profitability?"

Developing leadership that enables the possibility of flourishing

There is a distinction (Grandy and Holton, 2013; Vardiman et al., 2006) between *leader* development which focuses on human capital and *leadership* development which focuses on social capital within an organization. Leader development seeks to enhance the leadership capacity of an individual by enhancing the self-awareness, self-regulation and self-motivation of an individual. Leadership development, on the other hand, seeks to promote an organizational culture in which leadership processes and emergence are fostered and supported and in which leadership can emerge from surprising places in unusual circumstances. Leadership development is significantly more contextual in nature than leader development and seeks to develop interpersonal capacity, social awareness and social skills (Schyns et al., 2012), as well as giving space for self-expression to enable leaders to emerge within the complex adaptive system that is the organization. This social domain of leadership is now germane because no singular leader alone imbibes the inherent full capacity to lead effectively in what Lagadec (2009) terms *Terra Incognitae*, this new world unknown and uncharted. It would appear that in a post-heroic era, leadership will abide in the capacity to leverage all of the elements of strength within an organization, rather than merely the strengths of a singular individual assigned the role of leader, with a view to flourishing emerging from the leadership processes, if flourishing is assigned as the purpose, vision and goal of the organization. To develop leadership that might support the emergence of flourishing by design, we suggest the development of leadership as enabling function.

It is evident that we have entered a new globalized era in the *sitz im leben* of organizations (Miles et al., 2010) and that this new globalized era calls for a new type of leadership, different from the leadership that existed in stable environments (Solow and Szmerekovsky, 2006). In this new context, organizational burnout is a threat (Probst and Raisch, 2005) unless leadership is designed in a way that allows the system to continually regenerate and self-develop within contexts of hyper-uncertainty and hyper-complexity (Farazmand, 2007). Is there a leadership model that leverages the best the system has to offer by enabling the system to function freely and optimally within the bounded parameters of policy, administration and bureaucracy – elements that are traditionally understood as inhibitors of agility and reflexivity and yet components so necessary for organizational effectiveness in a twenty-first-century globalized context? Innovative and enabling leadership is required to

balance these tensions of policy, administration and bureaucracy (austerity) with agility and reflexivity (innovation) (Heifetz, 2011). As Heifetz (2011) suggests:

> In an age of austerity, you are in the business of distributing losses in the hope of generating innovation that will enable you to do even more with less because you have invented a way to do it differently. To lead people to develop new capacity to tackle complex problems that cross boundaries requires a long time-frame. […] It takes time to innovate, to experiment and to capture lessons from failed experiments to run the next one as progress is made, and that means holding people through a sustained period of discomfort during which the innovation, the exploration, the cross boundary conflicts continue to be orchestrated so that innovation emerges, new capacities develop. Leaders have to be able to hold people in a state of productive discomfort. You don't want people to panic. You want people to keep thinking creatively, even though they are under stress – if you don't build a head of steam why should people change their ways?

What keeps people from the panic as we address the wicked problem of leadership that enables flourishing? We suggest it is the enabling function of leadership that bounds the organization within the safety of policy, bureaucracy and administration, whilst also enabling the people within that organization that comprise the complex adaptive system to find freedom to experiment, innovate and respond to new realities in ways that enable the system to continually accomplish the purpose for which it is designed, by adopting new modalities to meet new challenges, to flourish and support human flourishing for everyone. This enabling leadership, if focused on the purpose of human flourishing for everyone forever, enables the organization, as a complex adaptive system, to move toward the vision and goal of flourishing. We present a diagram of this model of enabling leadership in Figure 6 below.

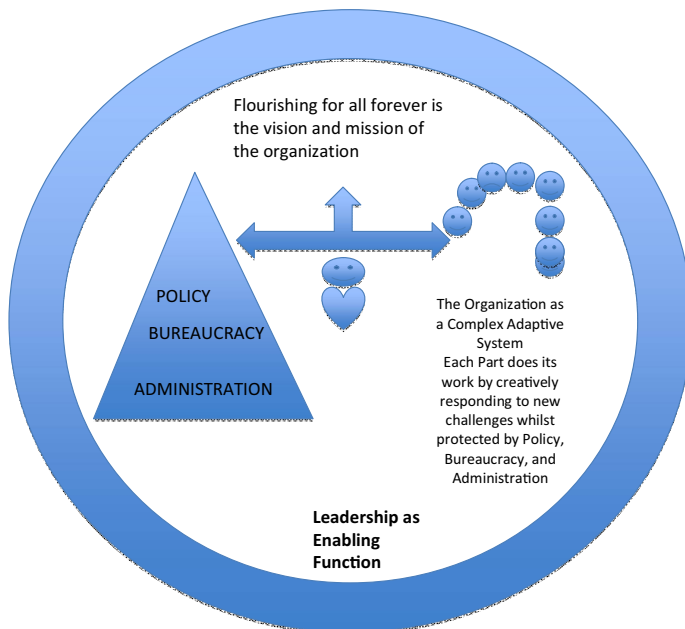Some key aspects of this model[2] are as follows:

Figure 6.
A model of organizational leadership as enabling function for flourishing

- The leadership serves as enabling function by upholding the administrative, bureaucratic and policy dimensions of the organization to ensure a healthy structure for ethical and legal compliance, whilst also giving freedom to the members of the organization to creatively accomplish the mission of the organization according to their skills, resource capacity and culture.

- In this model, the organization is seen as a complex adaptive system. "A system is always taken to refer to a set of elements joined together to make a complex whole" (Chapman, 2002, p. 29). Chapman (2002, p. 29) suggests that within systems thinking, there are three types or categories of systems; we mention the third type highlighted by Chapman for our purposes here, namely: *Purposeful or human activity systems*. All institutions and organizations fall into this area. Some examples of purposeful or human activity systems include businesses, schools, prisons and hospitals.

It is within these human activity systems that leadership effectively serves as enabling function. Bellinger (2005) highlights a system as "an entity which maintains its existence through the mutual interaction of its parts". The key emphasis here is one of "mutual interaction", in that something is occurring between the parts, over time, which maintains the system. Within an organization, something must be occurring between the different parts to ensure that the system is self-maintaining. Leadership can either function to support this systems wide self-maintenance and growth or it can actually function in a way that inhibits self-maintenance and growth through a bottlenecking approach to leadership that concentrates power and impedes critical administrative and communication processes of the organization. This systemic, mutual interaction of the many different parts within the organization for the maintenance and strength of the system, as well as the accomplishment of the mission for which the organization was designed, is at the heart of the notion of leadership as enabling function. The leadership process within the organization ensure adherence to the policy, bureaucracy and.

Conclusion and questions for further research

This paper highlights the idea that there is, indeed, an urgent need to frame the notion of leadership and sustainability by moving to the more proactive stance of leadership as enabling function for flourishing. It is suggested that leadership for flourishing incorporates the necessary elements into the design or *raison d'être* of the organization so that sustaining the possibility for flourishing for all forever is the focus and goal of every person within the organization. Enabling financial, social and environmental flourishing becomes part of the organizational culture because it is supported by the leadership processes and design of the organization. This notion of enabling leadership for flourishing leads to the following suggestions for further research:

(1) What leadership style is best suited to enabling leadership for flourishing within an organization?
   - What competencies would this enabling leadership for flourishing need to possess? (Cosby, 2014)

(2) What processes within the organization support the leadership in their move to sustaining the possibility for flourishing as the *raison d'être*? (Avery and Avery, 2015; Galpin *et al.*, 2015; Gitsham, 2012; Klettner *et al.*, 2014)

(3) How does enabling leadership for flourishing interact with existing leadership theories such as transformational leadership, servant leadership, relational leadership, adaptive leadership, appreciative inquiry and presencing, each of which have significant overlap and integration with the focus and outcomes of enabling leadership for flourishing?

We conclude this paper where we began. Sustainability is one of the most pressing leadership issues of the twenty-first century, as King states (Roberts, 2010).

Sustainability is the primary moral and economic imperative of the 21st century. It is one of the most important sources of both opportunities and risks for businesses. Nature, society and business are interconnected in complex ways that should be understood by decision makers. Most importantly, current incremental [reductions in our un]sustainability are not sufficient – we need a fundamental shift in the way companies and directors act and organize themselves [toward sustaining the possibility for flourishing].

Notes

1. Personal communications with Dr Bob Willard, member of the B Lab Standards Advisory Council.

2. Professor Lize Booysen discussed this notion of Leadership as Enabling Function at the 16th ILA in San Diego, October 2014.

References

Anderson, R. (2000), "Climbing mount sustainability", *Reflections*, Vol. 1 No. 4, pp. 6-12.

Arenas, D., Fosse, J. and Murphy, M. (2011), "Acciona: a process of transformation towards sustainability", *Journal of Management Development*, Vol. 30 No. 10, pp. 1027-1048.

Authors, F. (2012), "Sustainability for future growth: a key element of successful business strategies", *Strategic Direction*, Vol. 28 No. 8, pp. 6-8.

Avery, G.C. and Avery, G.C. (2015), "Key corporate sustainability drivers: engaged boards and partnerships", *Strategy & Leadership*, Vol. 43 No. 3, pp. 44-48.

B Lab and Patagonia (2014), *Patagonia Inc. – B Impact Assessment Report 2011-2014*, available at: www.bcorporation.net/community/patagonia-inc (accessed 23 November 2015).

B Lab (2008), *B Corporation – About B Corp – Our Declaration*, available at: www.bcorporation.net/declaration (17 November 2010).

B Lab (2010), *GIIRS | About | What is Impact Investing*, available at: http://web.archive.org/web/20100711082234/www.giirs.org/about-giirs/what-is-impact-investing (accessed 17 November 2010).

Bellinger, G. (2005), *Systems: A Journey Along the Way*, available at: www.systems-thinking.org/systems/systems.htm (accessed 29 June 2015).

Business Alliance for Local Living Economies (BALLE) (2012), *Localism 101: Ownership*, Place, Opportunity, Nature, Measurement and Relationships Matter, available at: http://bealocalist.org/Localism-101 (accessed 30 December 2012).

Chapman, J. (2002), *System Failure: Why Governments Must Learn to Think Differently*, Google Book version available at: http://bit.ly/1NppTAS (accessed 29 June 2015).

Chouinard, Y. and Brown, M.S. (1997), "Going organic: converting patagonia's cotton product line", *Journal of Industrial Ecology*, Vol. 1 No. 1, pp. 117-129.

Comparison International (2005), *Promoting Business Excellence for Sustainable Business (PROBE)*, Comparison International Limited, Manchester.

Cosby, D.M. (2014), "Sustainability program leadership for human resource development professionals: a competency model", *Journal of Organizational Culture, Communications and Conflict*, Vol. 18 No. 2, pp. 79-87.

Coulson-Thomas, C. (2013), "Quality leadership for sustainability", *Management Services*, Vol. 57 No. 1, pp. 14-18, available at: http://search.proquest.com/docview/1348695743?accountid=14089/nhttp://linksource.ebsco.com/linking.aspx?sid=ProQ:abiglobal&fmt=journal&genre=article&issn=03076768&volume=57&issue=1&date=2013-04-01&spage=14&title=Management+Services&atitle=Quality+leadersh

Crews, D.E. (2010), "Strategies for implementing sustainability: five leadership challenges", *S.A.M. Advanced Management Journal*, Vol. 75 No. 2, pp. 215-221, available at: http://search.proquest.com/docview/845248749?accountid=14089/nhttp://linksource.ebsco.com/linking.aspx?sid=ProQ:abiglobal&fmt=journal&genre=article&issn=07497075&volume=75&issue=2&date=2010-04-01&spage=15&title=S.A.M.+Advanced+Management+Journal&atitle=St

Day, D.V. and Harrison, MM (2007) "A multilevel, identity-based approach to leadership development", *Human Resource Management Review*, Vol 17 No. 4, pp. 360-373, available at: http://linkinghub.elsevier.com/retrieve/pii/S105348220700054X (accessed 26 May 2014).

Ehrenfeld, J.R. (2000), "Colorless green ideas sleep furiously: is the emergence of 'sustainable' practices meaningful?", *Reflections*, Vol. 1 No. 4, pp. 34-47.

Ehrenfeld, J.R. (2005), "The roots of sustainability", *MIT Sloan Management Review*, pp. 1-6.

Ehrenfeld, J.R. (2008), *Sustainability by Design: A Subversive Strategy for Transforming Our Consumer Culture*, Yale University Press, New Haven, CT.

Ehrenfeld, J.R. and Hoffman, A.J. (2013), *Flourishing: A Frank Conversation about Sustainability*, Stanford University Press, Stanford, CA.

Farazmand, A. (2007), "Learning from the Katrina crisis: a global and international perspective with implications for future crisis management", *Public Administration Review*, Vol. 67, pp. 149-160.

Galpin, T., Whitttington, J.L. and Bell, G. (2015), "Is your sustainability strategy sustainable? Creating a culture of sustainability", *Corporate Governance: The International Journal of Business in Society*, Vol. 15 No. 1, pp. 1-17, available at: www.emeraldinsight.com/doi/abs/10.1108/CG-01-2013-0004

Gitsham, M. (2012), "Experiential learning for leadership and sustainability at IBM and HSBC", *Journal of Management Development*, Vol. 31 No. 3, pp. 298-307.

Gough, C., Castells, N. and Funtowicz, S. (1998), "Integrated assessment: an emerging methodology for complex issues", *Environmental Modeling and Assessment*, Vol. 3 No. 3, pp. 19-29.

Grandy, G. and Holton, J. (2013), "Leadership development needs assessment in healthcare: a collaborative approach", *Leadership & Organization Development Journal*, Vol. 34 No. 5, pp. 427-445, available at: www.emeraldinsight.com/10.1108/LODJ-11-0090

Hanson, C., Ranganathan, J., Iceland, C. and Finisdore, J. (2012), *The Corporate Ecosystem Services Review: Guidelines for Identifying Business Risks & Opportunities Arising from Ecosystem Change, Version 2.0*, World Resources Institute in collaboration with the Meridian Institute and the World Business Council for Sustainable Development (WBCSD), Washington, DC.

Harley, C., Metcalf, L. and Irwin, J. (2013), "An exploratory study in community perspectives of sustainability leadership in the Murray darling basin", *Journal of Business Ethics*, Vol. 124 No. 3, pp. 1-21.

Heifetz, R. (2011), "Debate: leadership and authority", *Public Money & Management*, Vol. 31 No. 5, pp. 305-308.

Henrekson, M. (2014), "Entrepreneurship, innovation, and human flourishing", *Small Business Economics*, February, pp. 1-18.

Herrick, C. and Pratt, J. (2011), "Sustainability in the water sector: enabling lasting change through leadership and cultural transformation", *Nature and Culture*, Vol. 6 No. 3, pp. 285-313, available at: http://openurl.ingenta.com/content/xref?genre=article&issn=1558-6073&volume=6&issue=3&spage=285

Hopkins, R. (2011), *The Transition Companion: Making Your Community More Resilient in Uncertain Times*, Green Books, Totnes.

Interface (2015), *Interface Sustainability*, available at: www.interfaceglobal.com/sustainability.aspx (accessed 23 November 2015).

International Living Future Institute (2014a), *Living Building Challenge 3.0 – A Visionary Path to a Regenerative Future*, International Living Future Institute, Seattle, WA.

International Living Future Institute (2014b), *Living Community Challenge v1.0 – A Visionary Path to a Regenerative Future*, International Living Future Institute, Seattle, WA.

International Living Future Institute (2015), *Living Product Challenge 1.0 – A Visition Path to a Regenerative Future*, International Living Future Institute, Seattle, WA.

Jones, P.H. and Upward, A. (2014), "Caring for the future: the systemic design of flourishing enterprises", *The Third Symposium of Relating Systems Thinking and Design (RSD3)*.

Klettner, A., Clarke, T. and Boersma, M. (2014), "The governance of corporate sustainability: empirical insights into the development, leadership and implementation of responsible business strategy", *Journal of Business Ethics*, Vol. 122 No. 1, pp. 145-165.

Lagadec, P. (2009), "A new cosmology of risks and crises: time for a radical shift in paradigm and practice", *Review of Policy Research*, Vol. 26 No. 4, pp. 473-487, available at: http://onlinelibrary.wiley.com/doi/10.1111/j.1541-1338.2009.00396.x/full

Laszlo, C., Brown, J.S., Sherman, D., Barros, I, Boland, B., Ehrenfeld, J., Gorham, M., Robson, L., Saillant, R. and Werder, P. (2012), "Flourishing: a vision for business and the world", *Journal of Corporate Citizenship, No*. 6, pp. 31-51, available at: http://openurl.ingenta.com/content/xref?genre=article&issn=1470-5001&volume=2012&issue=46&spage=31

Marshall, J. (2011), "En-gendering notions of leadership for sustainability", *Gender, Work and Organization*, Vol. 18 No. 3, pp. 263-281.

Metcalf, L. and Benn, S. (2013), "Leadership for sustainability: an evolution of leadership ability", *Journal of Business Ethics*, Vol. 112 No. 3, pp. 369-384.

Miles, R.E., Snow, C.C. and Fjeldstad, Ø.D. (2010), "Designing organizations to meet 21st-century opportunities and challenges", *Organizational Dynamics*, Vol. 39 No. 2, pp. 93-103, available at: http://linkinghub.elsevier.com/retrieve/pii/S0090261610000215 (accessed 27 August 2014).

Paraschiv, D.M., Nemoianu, E.L., Langa, C.A. and Szabo, T. (2012), "Eco-innovation, responsible leadership and organizational change for corporate sustainability", *The AMFITEATRU Economic Journal*, Vol. 14 No. 32, pp. 404-419.

Probst, G. and Raisch, S. (2005), "Organizational crisis: the logic", *Academy of Management Executive*, Vol. 19 No. 1.

Roberts, L. (2010), "Mervyn king speaks frankly about sustainability reporting", *Accountancy SA*, pp. 14-15, available at: http://search.proquest.com.uproxy.library.dc-uoit.ca/docview/215224447?accountid=14694

Robèrt, K., Broman, G., Waldron, D., Ny, H., Byggeth, S., Cook, D., Johansson, L., Oldmark, J., Basile, G., Haraldsson, H., MacDonald, J., Moore, B., Connell, T. and Missimer, M. (2012), *Sustainability Handbook: Planning Strategically Towards Sustainability*, Studentlitteratur, Lund.

Schyns, B., Tymon, A., Kiefer, T. (2012), "New ways to leadership development: a picture paints a thousand words", *Management Learning*, Vol. 44 No. 1, pp. 11-24, available at: http://mlq. sagepub.com/cgi/doi/10.1177/1350507612456499 (accessed 6 June 2014).

Solow, D. and Szmerekovsky, J. (2006), "The role of leadership: what management science can give back to the study of complex systems", *Emergence: Complexity and Organization*, Vol. 8 No. 4, pp. 52-60, available at: http://scholar.google.com/scholar?hl=en&btnG=Search&q= intitle:The+role+of+leadership:+What+management+science+can+give+ back+to+the+study+of+complex+systems#0 (accessed 10 December 2012).

The Economist Magazine (2012), *Firms with Benefits - Patagonia Becomes 1st B Corp Incorporation in California*, The Economist Newspaper Limited.

The Natural Step & Interface (2013), "Interface and the natural step: how to implement a sustainability revolution", available at: www.thenaturalstep.org/interface-and-the-natural-step-how-to-implement-a-sustainability-revolution/ (accessed 23 November 2015).

Upward, A. and Jones, P.H. (2015), "An ontology for strongly sustainable business models: defining an enterprise framework compatible with natural and social science", *Organization & Environment*, Vol. 20 No. 4, pp. 1-27.

Vardiman, P., Houghton, J.D. and Jinkerson, D.L. (2006), "Environmental leadership development: toward a contextual model of leader selection and effectiveness", *Leadership & Organization Development Journal*, Vol. 27 Nos 1/2, pp. 93-105, available at: www. emeraldinsight.com/journals.htm?articleid=1545743&show=abstract (accessed 30 September 2014).

Willard, B. and Kendall, G. (2015), *Future Fit Business Benchmark - Public Draft 2.0*, The Natural Step Canada and 3D Investment Foundation, London.

Wolfgramm, R., Flynn-Coleman, S. and Conroy, D. (2013), "Dynamic interactions of agency in leadership (DIAL): an integrative framework for analysing agency in sustainability leadership", *Journal of Business Ethics*, pp. 1-14.

Further reading

Cooperider, D.L. and Fry, R. (2012), "Mirror flourishing and the positive psychology of sustainability+ (Introduction to the special issue on the positive psychology of sustainable enterprise)", *Journal of Corporate Citizenship*, Vol. 46, pp. 3-12.

Cooperider, D.L. and Srivastva, S. (1987), "Appreciative inquiry in organizational life", in Pasmore, W.A. and Woodman, R.W. (Eds), *Research in Organizational Change and Development*, JAI Press, Greenwich, CT, Vol. 1, pp. 129-169.

Fisher, A. and Abram, D. (2013), *Radical Ecopsychology: Psychology in the Service of Life*, 2nd ed., State University of New York Press, New York, NY.

Senge, P.M., Scharmer, C.O., Jaworksi, J. and Flowers, B.S. (2005), *Presence: Exploring Profound Change in People, Organizations, and Society*, 1st ed., Doubleday, New York, NY.

Corresponding author
Rob Elkington can be contacted at: rob.elkington@uoit.ca