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The prime minister's business adviser Maurice Newman continues to distract business leaders on the issue of climate change. Courtesy of Julian Smith | AAP

It's Personal: Why leaders don't turn climate knowledge into action

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There is an abundance of profitable business opportunity to be found in addressing sustainability issues. These stand out against the difficulties we face implementing effective change. Globally, the World Bank recently found that [tackling climate change](#) would help to grow the world's economy by [US\\$1.8 to 2.6 trillion a year](#).

Private sector investors argue for action as well. One prominent example is the [Carbon Disclosure Project](#) which represents 767 institutional investors holding [US\\$92 trillion in assets worldwide](#). Its programs reward and promote companies acting on climate change.

There is detailed [analysis](#), alongside successfully implemented examples, across nearly every industry sector showing [an 80% reduction in environmental impact for each dollar of economic output](#). This is not, necessarily, even a case of implementing new technology. Planning and design help to deliver similar outcomes - [for example, in residential developments](#).

So why is there so much resistance to change, and why is the prime minister's chief business adviser distracting business with [warnings](#) about global cooling?

Of course, some of the reasons are financial - an illustration is the estimated [AU\\$8 billion that would flow to coal electricity](#), at the expense of other businesses, if Australia's renewable energy target is cut. However, it would be falling into a trap, similar to Newman's simple cooling analysis, to imagine that such numbers explain everything.

An extraordinary paradox is that unrealised, profitable, low-risk change opportunities have existed for decades. Business has simply not acted to maximise its profits and this is particularly apparent with respect to energy efficiency.

What's stopping business?

Business leaders are always planning, to some degree, for the future, in order to manage market trends and investor expectations, among a host of other reasons. But there are many trends and issues demanding our attention - there are ever increasing levels of complexity that business is challenged by. Consequently, when Maurice Newman expounds on global cooling you may feel relief - at last, something that makes life simpler!

You may wonder how anyone, especially someone holding such an important business and national leadership position, could be so irresponsible. Never mind the article's selective simple science, what about the squandered opportunities, the billions his opinion implicitly de-prioritises? It does this to our individual and collective detriment.

Business, and the country, is much better served by promoting strategy and action based on the risks and opportunities arising from climate change.

Part of the problem is that we are [privileging](#) financial and other measures to the detriment of our real motivators, personal values and cultural cares.

Understanding 'action logics'

The good news is we have some powerful models that can help us navigate our more subjective perspectives. One is called "action logics".

An analogy is that each action logics perspective is a different coloured lens through which someone views the world. It colours how we know, and make sense of, environmental imperatives.

Action logics shows us that adults tend to [express sustainability concepts in markedly different ways](#) that mirror distinct stages of ever increasing mental complexity. Consequently, important motivators for some individuals may be far less prominent for others.

For example, at what we call the "expert" level, adults work effectively with abstract models. The person's expert knowledge helps to solve defined problems. However, this is often within narrow boundaries of this expertise and the importance of other perspectives or approaches can often be disregarded, viewed as not relevant expertise.

In contrast the next action logic, "achiever", values (among other things) mutualism. It is correlated with a step change in mental and cognitive capacity such that many diverse fields of expertise are likely to be weighed and evaluated against each other.

Adults can continue to develop through these stages, to later and more complex capacities and capabilities. Importantly, these action logics are highly relevant in today's complex and volatile business world (for example, with respect to [leadership and organisational success](#), [enabling conscious capitalism](#) and [to meet our nation's needs](#)).

This sort of later stage complexity is associated with valuing and managing across abundant information. That is, success is far more than just the financial practicality - the risks and opportunities related to business and climate change spread into ethical, social, and cultural dilemmas. How we know - as modelled by action logics - is as important, if not more so, than what we know. We need to be able to join up many dots - social acceptability, financial viability, alignment and workforce innovation and motivation, our future outlook alongside the expectations we wish to meet and set for our business and society's well being, to name just a few.

[Action logics](#) shine a light on why simple science opinions can appeal to many. It goes part of the way to explaining why business leaders are still struggling to integrate values and economics. Personally, it helps us map what we may need to become to meet important challenges.

This article was originally published on [The Conversation](#) and the version on my blog contains minor modifications that add extra background links. Read the [original article here](#).

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