

# *Financial Innovations and System Change for Sustainability*

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designing an economy that works for everyone

- Purpose:

to advance the state of hands-on (not academic) knowledge in the specific theme, to connect key “movers and shakers”, to further and generate projects and initiatives for SiB and/or for participants’ own organizations

- Process:

brief intro of moderators and speakers / contributors, 10 minutes’ each max for each speaker and 3 minutes for each contributor, followed by moderated discussion, conclusions on what has the learnshop achieved, and finally what projects / initiatives could be shared across the SiB and other networks and where additional individuals and resources are required

- Participants:

anyone who is anyone in the chosen theme, either as speaker or contributor, plus participants up to the maximum number allowed in each room – there will be a board where individuals can tick their preferences: the staff will already have added names of speakers and contributors, participants add their names and then rooms will be allocated

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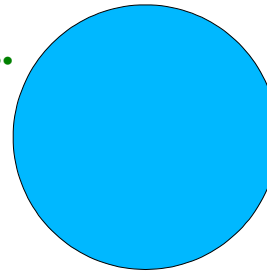
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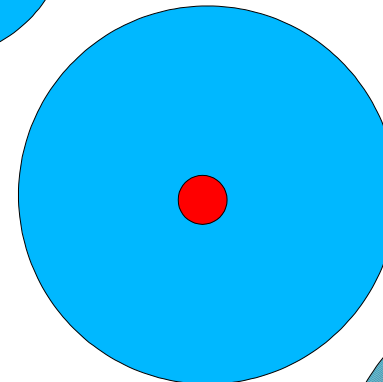
## *Agenda – putting spirit into business and the world of money.*

- *Introduce some ideas – panel*
- *Raise issues – all*
- *Pick focus for discussion*
- *Discussion – parallel DMP*
  - Process Control, Information, Emotion, Positive, Negative, Creative Thinking
- *Conclusions*
  - New ideas?
  - Action?
  - Further R&D needed
  - Contacts

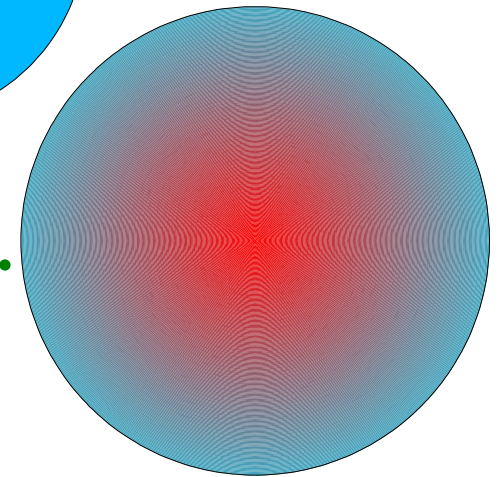
**From this ...**



**To this ...**



**To this ...**



## *Contents*

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- *Some issues and ideas to stir thought*
- *Finance 101*
- *Venture Capital 101*
- *Sustainability 101*



**Values** determine our **Actions** which have **Consequences** which influence our **Values**  
*Sustainability rests on 3 values: Love – Honesty - Equity*

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- *When someone loves you, the way they say your name is different. You just know that your name is safe in their mouth." Billy - age 4*
- *"If you want to learn to love better, you should start with a friend who you hate." Nikka - age 6*
- *"Love is like a little old woman and a little old man who are still friends even after they know each other so well." Tommy - age 6*
- *"... be that change you wish to see in the world ..." Mahatma Gandhi*



*Some ideas for discussion and development.  
Beware of our biased perspectives.*

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*The mean green meme ...*

- *“The economics of this current reality is about money: give it and take it. The dynamics of bartering is, instead, the experience of abundance: giving as much as you can and receiving as much as you can for the simple purpose of sharing pleasure.”*
- *“Our greatest hope is to organize resistance faster than the ruling elite can organize repression.”*
- *“Control the currency and you control the country.”*



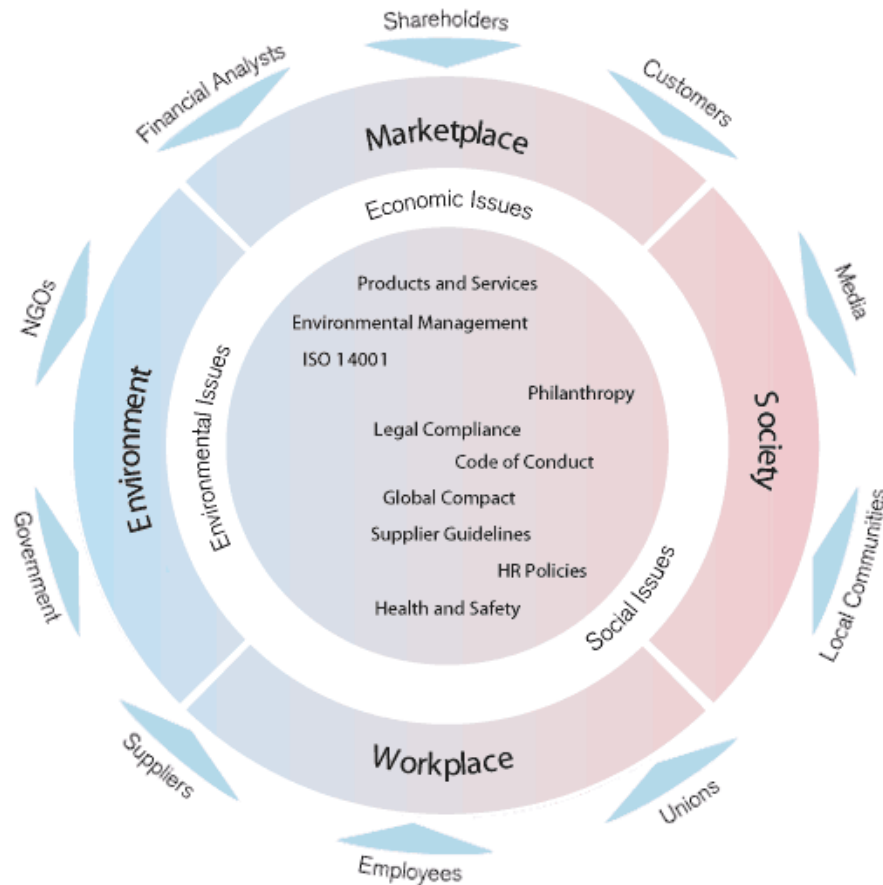
*Do we walk the talk? We make a difference.*

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- *Reduce. Reuse. Recycle.*
  - *Kill/eat animals?*
  - *Eco- chemicals. Clean energy,*
  - *Transport and travel.*
  - *Spending - Supermarket or local producers. Generic/traditional or fair trade/organic. Excitement or Education (a trained mind can conquer hunger).*
  - *Banking - Traditional or eco-bank. Ignore or engage*
  - *Investment - 3 or 4 BL policy or traditional. Portfolio or direct. Ignore or engage. Donations.*
  - *Geopolitics – Trade, UN, public polling, democratic engagement.*
- 



## *Multiple objectives and multiple stakeholders.*



How do you put all these pieces together?



## *Balancing multiple objectives is the challenge.*

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### • *Global vs Local, Public vs Private*

- Global commons, local communities
- Natural resources (energy, genetics), technology, ethics
- Pollution, human infrastructure (transport)
- SME vs BigCo
- Transport vs value

### • *Business/Investment Policy*

- Geography, stage, sector, size.
- Pricing – labour, time, technology; donationware.
- Micro business – finance, food, services.

### • *Walk the talk or not?*

- Coke, food, transport, hotels, heat and light, position, role and responsibility.

### • *Risk and Return*

- Entrepreneurs see a vision and have passion to overcome problems - Investors don't want to lose what they've earned and their heirs' opportunities.
- Entrepreneurs think money is immaterial compared to the idea - Investors worked hard for it.

### • *The tao of life*

- being without being. winning without winning





## *Business design – strategy, structure, systems*

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- *Strategy, structure and systems. WBEM offers a global footprint, without a footprint.*

- Strategy – 3BL, 4BL, stakeholder, sustainable, cooperation
- Structure – ownership shared, risk taking rewarded, labour rewarded, transparency and disclosure, responsibility is the price of power.
- Systems – distributed, trusting, culture, open (esp. tech)

- *Structure*

- Pooled capital vehicles: company, LL, partnership
- Member owned business (appropriate for administrative functions - Visa).
- Foundations, trusts. Custom eg “socially responsible” Corp
- Listed: Fees, performance, disclosure, regulation, engagement, risk management (TCR). Funds – Vanguard.
- Direct: stakeholder alignment, fees, process, risk management.
- Jurisdiction – offshore, MN, UN

- *Systems*

- Flat HR, self management, control vs trust, open IT
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## *Investment and business issues.*

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### • *Standards & Measurement*

- *Quality of Life, GNH*
- *AA1000, SA8000, GRI*

### • *Business/system management*

- *control vs cooperation, Law & Regulation or Trust and Guidance*
- *Business W/o Bosses, Maverick*

### • *Transaction management*

- *Brokerage, Exchanges eg POSIT?, Friendly Favors, barter, community currencies,*
- *Costs.*
- *Search and research*
- *Information flows*

### • *Size: MNC, NGO vs SME*

### • *Taxation (time dollars are tax free)*

### • *Biased perspectives - fighting fire with fire.*

- *Politics, religion*
- *SD “greens” are a hindrance!*

### • *Money*

- *A tool or alive?!*
- *ROI, Value of time, Interest/Demurrage*
- *Energy.*

### • *Technology*

- *IP/open, common?, natural?*

### • *Failures of responsibility?*

- *Businesses, Government, Fiduciaries, WBCSD, ...*
- *USA - big polluter but major contributor of passion and technology*
- *China - big polluter getting bigger, no incentive to get clean?*

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*A framework for system analysis.*

Dimension	Physical	Mental – derivative of physical	Spirit/Ethics – derivative of mental and physical dimensions
Understanding of Dimension	<b>~100%</b>	<b>75.00%</b>	<b>50.00%</b>
Potential	<b>Athlete</b>	<b>PhD</b>	<b>Guru</b>
Method to develop potential	<b>Nutrition, exercise etc</b>	<b>Education, learning to learn, ...</b>	<b>Om!</b>
Example	<b>“Arnold”</b>	<b>“Einstein”</b>	<b>Mmm.</b>
Ability to develop dimension in an	<b>75.00%</b>	<b>50.00%</b>	<b>25.00%</b>



## *Notes on the framework*

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- from the premise that existence is defined by matter, space, time and energy (accident), understanding behaviour begins with an understanding of physical interactions and the laws of nature. Individual humans have a good sense of their physical characteristics, and also recognise mental characteristics and spiritual characteristics.
- The **physical** dimension is well defined and understood (physics, chemistry, biology). We have the ability to develop physiological characteristics to a high degree, note the performance of athletes, even amateur athletes, even athletes with metal feet can run 100m in 11 seconds!
- The **mental** dimension is more difficult but still well understood (neurology, psychology). The mental characteristics are derived from the physical characteristics, particularly of brain and central nervous system. Understanding of development of the mind is good, but incomplete; this is reflected in education systems and programmes. With appropriate training humans can read, write, speak various languages, build a house, play video games etc.
- The **spiritual** dimension is least understood (spirituality, philosophy). It is a derivative of the mental dimension. There are many propositions for understanding the spiritual dimension and there appears to be much common ground; however, there is little agreement. In fact, the areas of disagreement are often enough used as an excuse to destroy life (eg Middle East, Northern Ireland, Southern Thailand ...)

