Chapter 8
Strategy Design for Flourishing: A Robust Method

Antony Upward and Stephen N. Davies

8.1 Introducing the Flourishing Imperative

The Flourishing Enterprise Strategy Design Method is a robust procedure that helps leaders craft effective enterprise strategies in our increasingly Volatile, Uncertain, Complex, and Ambiguous world (VUCA). Informed by the latest science and practice, it enables leaders to create a strategic path for enterprises and their stakeholders to improve their performance financially, socially *and* environmentally.[1] The method provides leaders with a systematic approach to designing intentional strategy (Mintzberg & Waters, 1985) aligned with the Flourishing Imperative (Box 8.1). As a result, firms can prepare for and thrive in our increasingly complex world.

The method is for leaders, managers, and entrepreneurs focused on business strategy, business architecture, and enterprise designers interested in adopting a powerful orientation towards the future, up to and including contributing to realizing the benefits of the Flourishing Imperative.

---

[1]The method as described here is intended for use by established organizations. For the application of the method to ideation, early and later stage start-up, applying lean start-up and customer development techniques to iteratively search for a viable business model for flourishing, see the Lean for Flourishing Startups Method www.Lean4Flourishing.biz (Hogeboom, 2015, 2019).

A. Upward (✉)
OCAD University, Toronto, ON, Canada

Edward James Consulting, Toronto, ON, Canada

Hamlstad University, Halland, Sweden
e-mail: antony@EdwardJames.biz

S. N. Davies
OCAD University, Toronto, ON, Canada

Transformation by Design Business Consulting Inc., Toronto, ON, Canada

> **Box 8.1 The Flourishing Imperative**
>
> The Flourishing Imperative is best summarized as: "sustaining the possibility for human and other life to flourish on our planet for [seven generations and beyond]" (see footnote 2) (Ehrenfeld, 2000, p. 36; for more on the Flourishing Imperative see Cooperrider, 2017; Laslo et al., 2014; Ehrenfeld & Hoffman, 2013).
>
> This aspirational goal for humanity is a summary of all the advice, practice and research for effective leadership in our VUCA world: collaborate authentically, constantly learning and acting together to co-achieve goals to realize a shared values-based aspirational purpose far beyond self-interest.
>
> Not only is this the best approach for each of us, all of us, and all other life to have the possibility for flourishing, it is also the best "inner why" for any organization and all its stakeholders. This is an idea made popular in Simon Sinek's TED talks and book: "people don't buy what you do; they buy why you do it" (Sinek, 2009, p. 41).
>
> The Flourishing Imperative is the best "inner why" an enterprise can adopt because it creates multiple positive "whys" relevant to all stakeholders, not just customers. This increases an enterprise's attractiveness to all its stakeholders. In turn attractiveness drives multiple positive feedback loops for higher levels of social, environmental *and* financial performance, leading to improved outcomes for everyone and everything in our increasingly VUCA world.

The aspirational goal of the Flourishing Imperative (Box 8.1) is to "sustain the possibility that human and other life will flourish on this planet for [seven generations and beyond]"[2] (Ehrenfeld, 2000, p. 36). Our organizations have a critical role in helping us meet our individual and collective needs, including realizing the highest level of human potential: flourishing (Keyes & Haidt, 2003). To realize the benefits of the Flourishing Imperative for all an enterprise's stakeholders requires leaders, managers, and entrepreneurs to proactively and systematically engage with the unprecedented and growing levels of VUCA. The challenge for leaders, managers and entrepreneurs is *how*.

The Flourishing Enterprise Strategy Design Method enables an enterprise's stakeholders—including its leaders—to design for those benefits of the Flourishing Imperative they determine are feasible now, with a view to realizing all the benefits in the future. Should the stakeholders' values and world-views not be aligned with the science-based Flourishing Imperative, the Method provides a structured approach for them to realize their selected definition of success. The method achieves all this by guiding all stakeholders through the co-exploration and co-design of the critical

---

[2]The original quote is "forever," updated based on personal conversation with Dr. John Ehrenfeld in October 2017: North American indigenous peoples believe that all decisions should be taken with a view to how our seventh generation descendants would view the outcomes in their time of each decision we make today.

integrating driver of any successful enterprise: its business model (Elkington & Upward, 2016; Kurucz, Colbert, Lüdeke-Freund, Upward, & Willard, 2016).

8.2 Flourishing Enterprise Strategy Design Method

This chapter will introduce and explore the elements of the Flourishing Enterprise Strategy Design Method and tool that support and enable its effective use. It provides an overview of the method at its current stage of development, based on an overall approach proven over the past 25 years. The authors expect the method to evolve further, and for users of the method to adapt it to their circumstances and needs, sharing their experiences to allow enhancement and improvement.

This chapter is organized following Fig. 8.1:

- *Business modelling*—six tasks to create useful models of the enterprise—describing present conditions or designs for the future;
- *Strategy Design Process*—four steps, ABCD, applied iteratively, co-create enterprise strategy, using business modelling;
- *Prioritizing*—four questions used to select the best solutions for the near future;
- *Foundations*—two underpinnings of the method: the Principles of the Flourishing Imperative, and the Flourishing Business Canvas tool to enable useful business models to be created;

A two-part case study provides a practical example of the method in use. The chapter concludes with a discussion of the benefits, challenges and limitations of using the method and tool.

8.2.1 Business Modelling

Business modelling is the heart of the method. It is undertaken collaboratively by an enterprise's stakeholders to create shared understandings of existing business models, and to design future improved ones.

A business model describes how a business defines and achieves success over time—the story and the numbers (Magretta, 2002; Upward & Jones, 2016). It articulates who engages with the organization; what the organization does now and in the future; how, where and with what does the organization operate; and how the organization defines and measures its success (Upward & Jones, 2016). Like all modelling, business modelling aims to create a useful partial description of something of concern to the modeller—i.e. a model is a map, not the landscape. Like all models, business models have the advantages of being faster and less costly to build than actual operating enterprises; this enables cost-effective learning by the modellers through rapid sketching, iterative prototyping, and simulation. Business
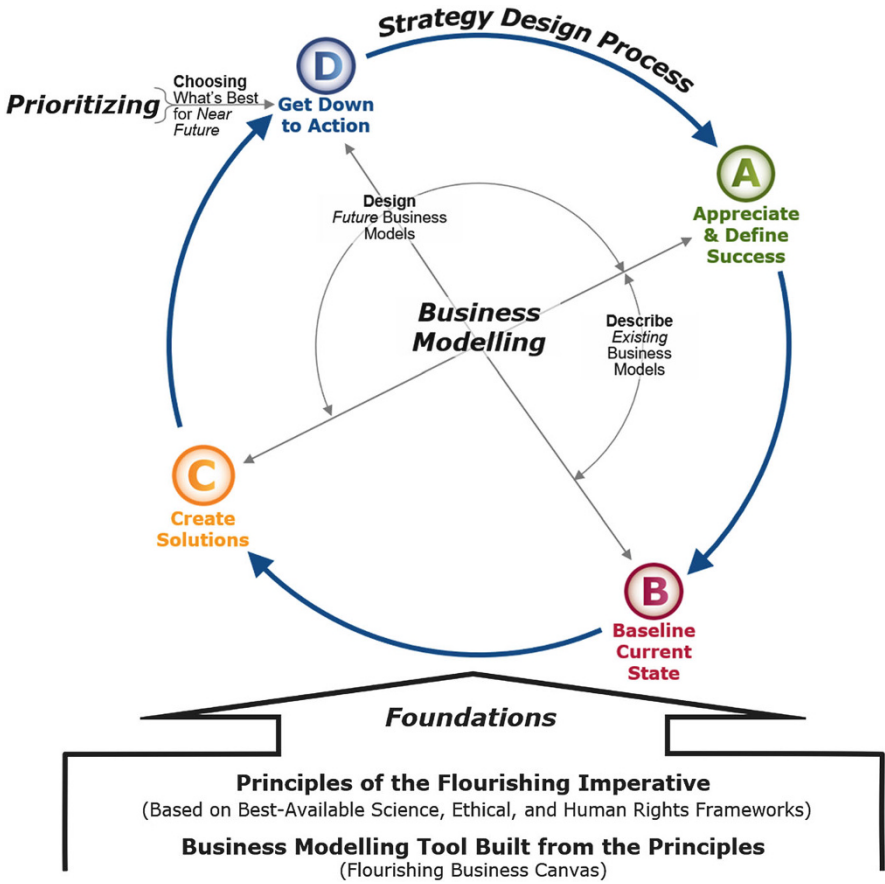
Fig. 8.1 The flourishing enterprise strategy design method

models also have the same limitations as any other model, any model is inherently incomplete compared to a "real" business.[3]

Business modelling starts with internal stakeholders, such as leaders, managers, and other employees undertaking the modeling tasks. As experience with business modelling grows, to reach the methods full potential for risk mitigation and opportunity identification, it becomes beneficial to increasingly include customers, suppliers, investors, communities, NGOs, and government (Hart & Sharma, 2004; Langenwalter, 2007).

---

[3]For a comprehensive exploration of the benefits and advantages of business modelling using business modelling tools, and iterative design approaches to strategy development compared to earlier analytical approaches see Hanshaw and Osterwalder (2015), Kiron, Kruschwitz, Reeves, and Goh (2013), Lindgardt, Reeves, Stalk, and Deimler (2009), Martin (2009) and Teece (2010).

Research and practice[4] has shown that there are six tasks required to create a useful business model of an enterprise socially, environmentally, and financially. Often these tasks must also be undertaken iteratively to create shared understanding among stakeholders. Each iteration might start with sketching many business model ideas before choosing one, a few, or parts of many, in which to invest in deeper exploration and elaboration. This exploration can include prototyping and/or simulation. These same tasks can be used to create a model that describes the past or current business; a near future, next business; or a far future, inspiring vision business.

The six tasks are as follows:

1. *Determine the Stakeholders*: Who is involved—who will the enterprise impact— socially, environmentally and economically? And, what are these stakeholders' fundamental needs, whose fulfillment relates to the purpose of the enterprise?
2. *Establish Governance*: Not all stakeholders have equal amounts of power. Establish with each stakeholder a clear understanding of their terms of engagement: their individual governance rights. This ensures everyone knows which stakeholders have power to make which decisions about all the elements of the enterprise's business model, as each stakeholder is likely to have different governance rights.
3. *Set the Goals*: Use the agreed governance arrangements to set the goals for the enterprise. The stakeholders with the governance rights to do so will determine how enterprise success is defined socially, environmentally, and financially. Stakeholders should be encouraged to explicitly consider their values and their needs, and then use this self-knowledge to inform their preferred organizational goals. In light of experience over multiple iterations of the method it is normal for stakeholders' values to change, and as individual and shared learning occurs.
4. *Develop the Value Co-Creations and Value Co-Destructions*: Value co-creations and co-destructions describe the enterprise's positive and negative value propositions. These describe why stakeholders choose to engage, or avoid engaging with the enterprise. Value co-creations and co-destructions are based on the idea that value is generated and destroyed in the relationships between an enterprise and its stakeholders over time.[5] Value co-creations and co-destructions are informed by the enterprise's goals. They are statements of what the enterprise does now and in the future to co-create value with its stakeholders—enabling

---

[4]See Upward and Jones (2016) and the work of the 1475+ global members of the Strongly Sustainable Business Model (SSBM) Group global community of innovation practice. The SSBMGroup is a knowledge mobilization initiative of the Ontario College of Art and Design University's Strategic Innovation Lab. Background at slab.ocadu.ca/group/strongly-sustainable-business-model-group-ssbm; learn more at wiki.SSBMG.com/home/streams, join at forum.SSBMG.com

[5]This is known as "service dominant logic" (Echeverri & Skålén, 2011; Vargo, Maglio, & Akaka, 2008). Compare this to the earlier "product dominant logic" used as the theory behind Value Propositions in earlier business modelling tools (Osterwalder & Pigneur, 2009).
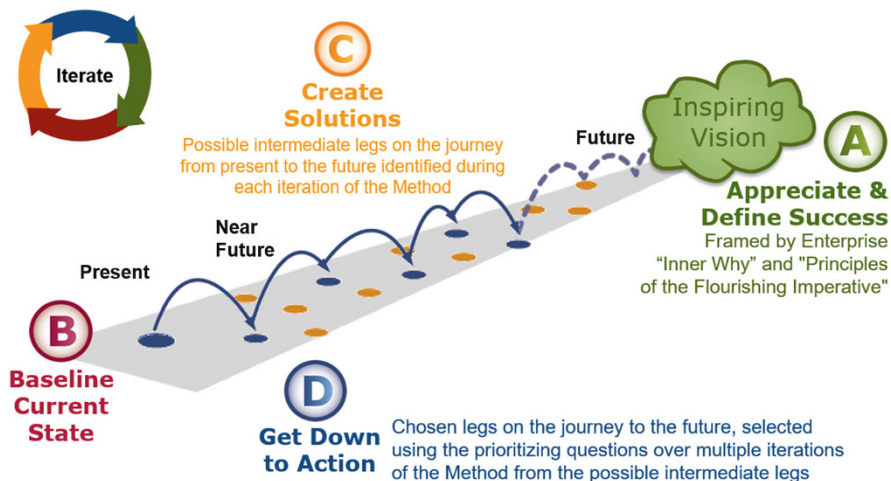
Fig. 8.2 Flourishing enterprise strategy design method—showing multiple iterations of the ABCD overall process as they unfold over time (Figure adapted from The Natural Step and recent practice naturalstep.ca/abcd)

them to satisfy their needs—and/or co-destroy value with its stakeholders–harming their ability to satisfy their needs.

5. ***Determine the Processes***: How, where, and with what will the enterprise's value propositions be realized, including partnerships, resources (tangible and intangible), and activities. Consider the full range of processes, including social, environmental, and financial elements.
6. ***Agree on the Measures***: Consider how the social, environmental, and economic performance of the enterprise will be measured in order to know whether or not its goals are being met.

8.2.2   Strategy Design Process: ABCD

To be useful, business modelling needs to be undertaken in a structured manner. This is provided by the four ABCD steps of the method (Fig. 8.2). The value and necessity of these steps are based on more than a quarter century of research and practice undertaken around the world in many contexts (Broman & Robèrt, 2017; Cooperrider & Srivastva, 1987; Robèrt, 2002). Undertaking business modelling within the context provided at each of these steps provides stakeholders with multiple complementary views of current or proposed future business models.

These steps and associated practices are based on the backcasting approach (Dreborg, 1996; Robinson, 2003). The distinguishing characteristic of backcasting is its *initial* focus on identifying a scientifically feasible *and* normatively defined

desired future, a future that explicitly and dramatically improves on current situations.[6] This is then *followed by*, and *within* the desired future context, an exploration of the conditions required for this desired future to be realized. Compare this to forecasting, and much scenario planning: these approaches explore likely, scientifically feasible and socially plausible futures, and pathways to those futures, but these futures are usually extrapolated from the past, and they are imagined *without* explicit concern for those futures' *desirability*. Unlike the backcasting approach used here, these other planning techniques do not explicitly focus on improving situations or the realization of normative goals, such as the possibility for flourishing, that stakeholders increasingly explicitly care about. These differences from other planning techniques, uniquely, in our understanding, recommends backcasting for science-based strategy development towards ideal goals (Ackoff, 1971).

As with all iterative design methods, insights are gained by completing a cycle of all the steps, and learning from the total experience of what then unfolds in the real world.

The four steps of the overall process shown in Figs. 8.1 and 8.2 are as follows:

A. ***Appreciate and Define Success***: *Co-create the necessary shared understandings to be used throughout the remaining steps and for subsequent iterations of the method.*

This work is vital since the future will be increasingly different from the past; conditions will be ever more VUCA, and the result of people's individual and collective past behaviours will be felt ever more strongly. As a result, dramatic new socially, environmentally and financially material risks and opportunities will appear (de Boer et al., 2012). Further, people's values are different and will change, so acceptable "satisfiers" of their needs are different between cultures, and will change over time (Max-Neef, Elizalde, & Hopenhayn, 1991, p. 16).

Appreciate Principles and Implications for Definitions of Enterprise Success
It is critical that stakeholders first take the time to co-develop a shared appreciation of their current values and worldviews, *and* how these relate to the implications of the science-based principles of the Flourishing Imperative. For example, stakeholders need to understand the implications of these principles on their definitions of success—for themselves, their families, businesses[7], communities, nation, and humanity. For whom and what do they love and care? What legacy of stewardship for each other, all other life, and the planet do they want to leave for the seventh generation and beyond? (Kinkead, 1999) This future consciousness is a shared sensibility that must be developed intentionally.

---

[6]We use the inclusive terminology of improving situations and conditions, inspired by Appreciative Inquiry, rather than the more typical deficit-based thinking terminology of problem finding and problem solving. This increases the likelihood for stakeholders to co-create designs with fewer unintended consequences (Cooperrider & Srivastva, 1987).

[7]See slides and video of this talk "What is a Successful ~~Sustainable~~ Business?" (Upward, 2017).

Appreciate Leaders

Next, to create a practical appreciation for the implications for business strategy, stakeholders examine the current business models of other enterprises whose stakeholders are improving their competitiveness by taking advantage of the Principles of the Flourishing Imperative. Stakeholders use the Flourishing Business Canvas to explore together exemplary existing businesses. This also enables stakeholders to gain experience with the tool and the six business modelling tasks. Stakeholders may also wish to study a growing collection of case studies,[8] as well as co-constructing models of inspiring businesses they find most relevant.

Develop an Inspiring Vision

Once stakeholders have a shared appreciation of the current and future conditions, and others' responses to those conditions, they then define a long-term inspiring vision of success for their enterprise—one that is desirable based on the stakeholder's values and feasible based on the science of the principles.

The inspiring vision includes, based on the governance rights of each stakeholder, a shared/agreed upon understanding of the "inner why" or purpose of their enterprise (Sinek, 2009).[9] As these discussions of "What is a successful enterprise?" (see footnote 7) unfold, they must be based on the principles, but **not** from the perspective of negative constraints on creativity imposed by forecasts.

To be most useful, the inspiring vision needs to be far enough into the future that people intuitively understand that everything in the past and present can and likely will be different, i.e. forecasting based on the past isn't useful to achieving a desired future that is significantly different from the past. To help stakeholders develop and maintain their future orientation, using the principles to *enable* their inherent unlimited creativity for future sustainable viability, the backcasting approach recommends the inspiring vision be at least 10, and better 20–30 years in the future (Barton, Manyika, & Williamson, 2017).

Develop the Business Model of the Inspiring Vision

Lastly in Step A, to make a shared, inspiring vision at an appropriate level of detail, the stakeholders again use the six business modelling tasks and the canvas to co-design an Inspiring Vision business model. This articulates *how* in the future, day-to-day, they imagine their enterprise will operate to realize their definition of success. This business model includes all the key social, environmental, and financial elements that enable all the organization's long-term future goals to be fully realized at that point in time. It shows, enabled by the constraints of the principles, how their enterprise will be viable in the future that the stakeholders desire.

---

[8]See growing list of published case studies www.flourishingbusiness.org/case-studies

[9]We recommend using tools like Sinek's "Golden Circle" to explore the "why (vision), how (mission), and what (strategy)."

B. ***Baseline Current State:*** *Compare Current business model to Inspiring Vision business model.*

Describe Current Business Model

To baseline their understanding of their current state, stakeholders first describe the social, environmental, and financial aspects of the enterprise's Current business model. This is the business model that describes how the enterprise creates its outcomes in the current conditions. To co-create a description of their Current business model, stakeholders use the six tasks and the canvas.

Co-developing a description of their Current business model helps stakeholders build a shared understanding of their enterprise's current situation and identify quick wins. Implementing such quick wins helps to generate successes early in the change journey, enabling a collective will to continue with the journey together.

Compare to Principles

To complete their baseline of their current situation, the stakeholders undertake a comparative analysis of their Current and Inspiring Vision business models. The objective of this exercise is to appreciate what elements of the Current business model support or may detract from the achievement of the Inspiring Vision. Stakeholders ask themselves: How well does the current design of the business comply with the principles? Which elements of the Current business model might be used to increase compliance or decrease non-compliance? What role do the environmental, social, and financial systems, of which our enterprise is a part, constrain or enable compliance with the principles? And, in what ways do we need, and in what ways is it feasible, for these systems to change in order to achieve our Inspiring Vision business model in the future?

C. ***Creative Solutions:*** *Generate possible solutions that will be required at any point in the journey from the Current to the Inspiring Vision business model*

Co-Create Possible Solutions

There are always many ways to achieve any imagined future outcome. Step B generates insight to areas of the current business model where there is the most significant need and opportunities for change and innovation. During Step C, as each of these opportunities are qualified and explored, the enterprise can establish an Innovation Agenda for the business capabilities that will be most strategic for the achievement of the enterprises definition of success.

At the start of Step C, stakeholders will have recognized that to move towards their Inspiring Vision business model, a large number of innovation solutions may be required at different points on the journey in many different domains: stakeholder values, worldviews, relationships, and behaviour; law, regulation, policy, and community standards; environmental, social, market, and economic systems; resource, service, and infrastructure availability and affordability; knowledge, technology, product, service, and process design; and more. Solutions will be needed to close gaps, mitigate risks, and realize new opportunities.

During Step C stakeholders use systemic techniques known to maximize their co-creativity, e.g. brainstorming, Syntegration (Beer, 1994), and Strategic Dialogic Design (Jones, Christakis, & Flanagan, 2007), along with techniques for exploring alternative pathways to futures, e.g. Three Horizons (Hodgson & Midgley, 2014; Sharpe, 2013).

Sketch Possible Future Business Models

Stakeholders use the six tasks and canvas to simulate alternative business models, considering social, environmental, and financial factors. These business model sketches, or prototypes, integrate various imagined solutions to describe alternative business models, viable at different legs of the journey from the present, via alternative pathways, to their inspiring vision (See Fig. 8.1, Broman & Robèrt, 2017). The business models that are imagined to be the most viable in the near future, typically 6–36 months in the future, are candidates for exploration during Step D.

D. **Get Down-to-Action:** *Choose, test, improve, then plan and implement the Next business model for the enterprise.*

This step selects and realizes in practice, and at full-scale, a business model design that is "good enough"—recognising that in our increasingly VUCA world attempts at "optimization" are not feasible (Ackoff, 1981; Rittel & Webber, 1973).

Select Best Next Business Model

The Next business model is selected to be sufficiently viable in the near term—6 to 36 months. It creates various streams of social, environmental, and financial benefits compared to the current business model, moving the enterprise meaningfully towards its inspiring vision. It must do this while "satisficing" (Ashby, 1958; Simon, 1956) as many of the stakeholder's relevant needs as possible—including improved organizational viability in the near future along with increasing compliance, as far as possible, to the principles. The satisficing approach explicitly recognizes that an optimized "best" strategy cannot exist given the tension between multiple stakeholders needs—needs that will frequently be divergent.

To ensure the Next business model is sufficiently viable, stakeholders analyze the candidate Next business models identified in Step C using the four Prioritizing Questions—described below. Stakeholders then use this analysis to make an informed choice between options, or they select the most satisfactory elements from several candidates. The selected model is then refined and implemented. The refinement process can take a "lean" approach [i.e. iterative learning: lowest investment for greatest increase in confidence in achieving desired outcomes, inspired by Blank (2013) and Ries (2011); and described in Hogeboom (2015, 2019)] or via a "strategy rehearsal and enacting" process (Dyson, Bryant, Morecroft, & O'Brien, 2007).

Stakeholders use the six tasks and canvas to capture the refined elements of the Next business model design, having sufficiently validated the design through the testing process.

Implement Target Next Business Model

At this point in Step D, the stakeholders have a sufficient level of confidence in their Next business model design, they agree that the benefits of implementing their Next business model design reasonably outweigh risks. Stakeholder then consider how they will implement the changes to their current operation so it shifts from the Current to the Next business model design.

Typically, this will consist of a program of projects to realize the changes in the operational business and hence initiate the flow of identified benefits (Dyson et al., 2007). The multiple inter-related projects each require definition, costing, cost-benefit justification, resourcing, launch, monitoring, reporting, celebration, and wind-down.

Management can use strategic program management methods, such as REFOCUS on Sustainability,[10] to prioritize, manage, monitor, and report to the stakeholders the status of the projects required to implement the changes and realize the benefits.

The Importance of Iteration

After one complete iteration of the ABCD steps the organization will have accomplished one leg of its journey towards its inspiring vision of the future, as shown in Fig. 8.2. The stakeholders will now have new experiences and hence gain new insights from undertaking the whole method, realizing in practice its intended strategy: the streams of social, environmental, and economic benefits from the operation of its Next business model. This is when stakeholders must consider starting a second iteration of the method, starting the second leg of their journey.

Recall that the inspiring vision of the future is "ideal"—it will never be realized in practice, as the future is unknowable. The role of the inspiring vision is to act as a guiding star for designing viable business models in the near future, and possible journey pathways that intentionally move the enterprise towards that ideal. The ideal itself evolves over time as the stakeholders learn new lessons from each iteration.

With each iteration the stakeholders' inspiring vision will *always* get further in the future as compared to their original starting point, and the future will *always* be 10–30 years away compared to their *current* situation. The inspiring vision evolves as the stakeholders' knowledge and experiences, and our collective understanding of what is desirable, and what is scientifically feasible, changes as the journey unfolds.

---

[10]REFOCUS on Sustainability—a program management and capability building method for sustainability inspired enterprise transformation towards realizing the Flourishing Imperative. It is another of the projects of members of the Strongly Sustainable Business Model Group: www. refocussustainability.com

8.2.3   Prioritizing Questions

The four prioritizing questions help stakeholders make better decisions about the Next business model candidates to satisfice the stakeholders' diverse needs. Stakeholders ask for each candidate Next business model:

1. Does it align with our shared values and inspiring vision?
2. Does it move our enterprise decisively towards the inspiring vision set by those with the governance rights to do so?
3. Does it provide a flexible platform, opening up possibilities in the future for the subsequent legs of the journey toward the inspiring vision?
4. Does it provide a sufficient level of viability for the enterprise to survive so it can iterate towards the inspiring vision over time?

To be clear, viability means that the level of return on the social, environmental, and financial investments required to realize the Next business model and the associated benefit streams in practice, will generate sufficient social, environmental, and financial surpluses for the enterprise to survive and iterate towards its inspiring vision over time. For example, if a Next business model requires too high an investment for too little return, because the market isn't ready for a more environmentally friendly product or service, this business model is well beyond the Viability Frontier—the enterprise will go out of business in the near future, as costs exceed revenues.

The initial discovery of the Viability Frontier in any given iteration of the method happens early in Step D, as the Next business model is selected. However, stakeholders typically wish to gather information to develop a deeper understanding of their current Viability Frontier's relationship with their Next business. Typically, the Lean approach (testing and validation) gathers this information (Blank, 2013; Hogeboom, 2015, 2019; Ries, 2011).

8.2.4   Foundations to Realize the Benefits of the Flourishing Imperative

The last components of the method are its two foundations, shown at the bottom of Fig. 8.1: the Principles of the Flourishing Imperative and the Flourishing Business Canvas.

8.2.4.1   Knowledge: Principles of the Flourishing Imperative

Comparing an enterprise's performance against science-based principles enables stakeholders to reliably respond, in practice, to a single question: is the enterprise

truly sustainable in its current state, and if not, are the proposed Inspiring Vision and Next business model designs an improvement?[11]

To most powerfully orient the enterprise towards the future that science is already telling us is possible and likely, while contributing to a desirable future for all, the stakeholders should ensure that their chosen definition of enterprise success is informed by the Principles of the Flourishing Imperative—to the maximum degree that their values and worldview allow.

The principles that must be followed to design a financially viable enterprise are well known and taught in every business school and entrepreneurial program. However, the principles required to realize social, environmental, **and** financial viability, aka "tri-profitability" (Upward & Jones, 2016), are not yet well known.

Box 8.2   Case Study: Part I (Inspired by Langenwalter, 2007)

The leaders of a 60-year-old, medium sized manufacturing company in a smaller town knew they faced a huge challenge. Compared to new competition from abroad, their labor costs were higher, and they were in danger losing business to these lower cost competitors. Further, global markets were creating price volatility on key raw materials, and environmental damage created by their industry in the past was driving the local regulator to ever tighter and more costly regulations. At the same time, employee morale and engagement was falling; several large orders were lost, not on price, but on the fit of their current product to changing customer requirements.

The conventional choice, one demanded by their bank, and suggested by several board members, was to outsource manufacturing to a lower labor cost region, and invest some of the savings in an intense program of product innovation, all while increasing profit in the near term.

But the newly minted CEO, the granddaughter of the founder, had deep roots in her community. She knew the impact that job losses would have on the people her family lived with everyday; people her family had known and prospered with for three generations. And these were not just any jobs, but some of the few well-paying jobs left in her community; jobs that over time had raised-up the overall wellbeing of her community.

But what was the alternative? She knew she was facing the results of our increasingly VUCA world—price increases and volatility, new regulations, changes in customer preference, and more—but her conventional advisors,

(continued)

---

[11]Given the long history of business leveraging science for practical benefit and to mitigate risk, today it appears very uncommon for business people (or business scholars) to be interested in this question. Indeed, to the authors' knowledge, the question "how we would know a truly sustainable business if we saw one (based on the best available science, ethical and human rights)?" was first asked at the launch of the pre-cursor project to the Future-Fit Business Benchmark in Toronto in 2012 (First author was present when Dr. Bob Willard posed this question at this event).

Box 8.2 (continued)

and indeed her business school training, were silent. Her values told her outsourcing was not the answer; she wanted the goal for the company to include its continued contribution to the genuine wellbeing of her community—her home.

By chance, she heard about the significant innovations new start-ups were generating from business modelling with groups of managers and trusted advisors (Blank, 2013; Hanshaw & Osterwalder, 2015; Hogeboom, 2015; Ries, 2011). Perhaps looking at each of the problems the firm was facing in isolation was the problem? She wondered if looking at the whole picture, using the integrated view provided by business modelling, could be more useful?

She did her research and hired a facilitator experienced with the Flourishing Enterprise Strategy Design Method. After taking time to understand the context, the facilitator tailored the method to fit the situation. The facilitator then started to apply the method by working with a hand-picked group of managers and trusted advisors from across the company (internal stakeholders). The facilitator and CEO determined it was best to start close at home, so they began by modelling the existing business (Start of Step B). Over four weeks, and three 2-day workshops, the group developed and validated its first ever shared, end-to-end understanding of the company.

To her delight, the group's work exceeded the CEO's expectations. First, senior leadership and sales and marketing departments gained a powerful new way to tell their existing story to prospective customers and other stakeholders. This story more powerfully explained their current differentiators and value propositions than their existing marketing materials. This alone helped people see the organization in a new way—reminding them of their past successes and innovations.

Next, the team identified a number of easily implementable ideas, "low hanging fruit" or "quick wins," that would lower costs and improve their product while providing good in-year return on investment. These ideas had previously not been brought to the attention of senior leadership, as the insights came from people from multiple, previously siloed departments who were able to develop a shared understanding of the wider situation the company was facing. Multiple observations about their current situation made in individual departments were synthesized for the first time to co-create new solutions.

While the CEO knew the company needed a new inspiring vision for their long-term success, she also knew it was urgent to gain the benefits from implementing quick wins. Guided by her facilitator, she diverted the majority of her new cross-functional team to focus on creating short term success by implementing the changes and realizing the benefits they had identified. She knew that this would increase morale, through a powerful and new type of shared learning experience across the whole company. In turn, this would

Box 8.2 (continued)
drive a deeper understanding of their wider predicament and build the confidence that together, they could successfully make changes to overcome these challenges. Meanwhile, the remaining team members were asked to learn more about the Flourishing Enterprise Strategy Design Method and its foundation, and then propose some more significant next steps.

(Continued in Box 8.5)

The Principles of the Flourishing Imperative have emerged from a wide range of practice and research, and are based on the best available science, ethical, and human rights frameworks (Broman & Robèrt, 2017; Neumayer, 2013; UN General Assembly, 2015; Upward & Jones, 2016). The principles provide a *generic* definition of ecological and social sustainability, synthesized over the past 30 years in research and practice from relevant trans-disciplinary, systems-based science. This definition is then used as a boundary condition, a "frame" or an "enabling constraint," when imagining desirable futures at any point in the future (Box 8.3).

However, to be most useful to stakeholders as they design their enterprise strategy, it is helpful to have an organizational view of the generic principles. The Future-Fit Business Benchmark© (Future-Fit Business Benchmark©, 2018) provides an *organizational* benchmarking system built from these eight generic criteria.[12] Compare this to more common approaches to organizational benchmarking, where firms compare performance and practices against *each-other* (Kendall & Willard, 2017; Kurucz et al., 2016).[13]

Comparing their enterprise's performance against these science-based key fitness indicators and associated benchmarks enables stakeholders to reliably respond to questions such as: is the organization fit enough to survive and thrive in an increasingly uncertain future driven by ever increasing levels of VUCA? And, if their enterprise is not currently future fit[14] and is detracting from the possibility for flourishing, what is the absolute gap to be closed based on the best available science, ethical and human rights frameworks?

In each step of the method, the principles help stakeholders:

1. Understand whether and how others' business models are applying the science, ethical and human rights frameworks of the principles, and co-create their own organizational definition of success, designing an Inspiring Vision business model that envisions, constrained by the principles, the possibility for flourishing—organizationally and beyond

---

[12]See also Chap. 17.

[13]For more information see www.FutureFitBusiness.org. Includes details of leading enterprises adopting this benchmark, the 23 indicators and associated science-based future fitness benchmarks for "break-even" enterprise performance, an additional 20 "positive-pursuit" benchmarks that "remove obstacles to people's wellbeing, reverse the effects of environmental degradation, or to help other organizations or individuals to improve their own future-fitness."

[14]There are currently no future fit, no truly sustainable companies in existence, based on the Principles of the Flourishing Imperative.

2. Understand the gaps between their enterprise's current business model and the
   principles
3. Understand if and to what degree imagined solutions and candidate Next business
   models are compliant with the principles, and
4. Ensure their Next business model realizes as much of their inspiring vision as
   possible as quickly as possible, albeit constrained by current market, financial,
   social, or environmental conditions necessary for near-future viability.

Box 8.3 Generic Principles of the Flourishing Imperative

The generic principles provide a trans-disciplinary, systems sciences-based
generic definition of social and ecological sustainability, applicable to *any*
scale—individual, household, organization, community, biome, nation, and
planet.

The generic principles are expressed as eight "exclusion criteria for rede-
sign," (Broman & Robèrt, 2017, p. 23), iteratively developed and tested
worldwide by a global network of academic, business, and non-governmental
organizations, including The Natural Step, over the past 25 years[15]:

"In a sustainable society, nature is not subject to systematically increasing:

1. Concentrations of substances extracted from the Earth's crust
2. Concentrations of substances produced by society, and
3. Degradation by physical means

   . . . And people are not subject to structural obstacles to

4. Health
5. Influence
6. Competence
7. Impartiality, and
8. Meaning-making" (Broman & Robèrt, 2017, p. 23)

Depending on the stakeholders' worldviews, informed by their values,[16] other
views on the principles may prove to be more attractive and relevant at some points
in their journey—or simply provide a complementary view.[17]

---

[15]See also Chap. 17.

[16]In the authors' experience, as stakeholders' learning journeys unfold they come to apply "the five
transformational commitments" and similar ideas of stewardship to their life goals (Doppelt, 2012).

[17]Stakeholders may wish to refer to several other perspectives on the principles developed and
tested over the past decades:

- Benefit Corporation "B-Impact Assessment" used by over 50,000 organizations world-wide
  (B Lab, 2008, 2016)

Fig. 8.3 The flourishing business canvas, v2.0 © Antony Upward/Edward James Consulting Ltd., 2014. All rights reserved. www.FlourishingBusiness.org. Used with permission

8.2.4.2 Tool: The Flourishing Business Canvas—Introduction

The Flourishing Business Canvas (Fig. 8.3) fully embeds the principles of the Flourishing Imperative (Elkington & Upward, 2016; Hoveskog, Halila, Mattsson, Upward, & Karlsson, 2017; Kurucz et al., 2016). At present, this canvas is the only tool known to be fully aligned with the principles whilst remaining fully compatible with an earlier, widely used, but financially-oriented, business modelling tool (Osterwalder & Pigneur, 2009). The research and practice behind the tool is introduced in Box 8.4.

Using the Flourishing Business Canvas (Fig. 8.3) prompts stakeholders to consider what are the necessary and sufficient social, environmental, **and** financial business

---

- "Co-operative Principles" proposed at the very beginning of the co-operative movement in 1844 and recently updated for the 250 million people world-wide who are employed by co-operatives (International Co-operative Alliance, 1995)
- The Local Economy Framework, aka "Localist Principles," adopted by more than 30,000 members of the North American based BALLE (Business Alliance for Local Living Economies, 2016)
- The UK based Transition Town's ideas (Hopkins, 2008, 2011)
- The PROmoting Business Excellence benchmark for Sustainability Excellence (PROBE Network, 2005)
- Various standards and certification systems of the International Living Future Institute (2015).

model factors, identified by the same science that defines the principles. This enables them to co-describe and co-create business models anywhere on a spectrum from entirely ignoring the principles, to full compliance with them. This process is inspired by the way the frame around a painter's canvas constrains, but simultaneously enables, their unlimited creativity, providing the context for their creative process.

As shown in Fig. 8.3, there are sixteen nouns in the language used by the Flourishing Business Canvas, visually expressed as the translucent "question blocks" on the canvas, e.g. Needs, Channels, Activities, and Costs. These questions are framed within the three contexts of all businesses (Environment, Society and the Economy), and grouped into four perspectives (Outcomes/why, People/who, Value/ what, and Process/how and where). The Flourishing Business Canvas and the questions are fully introduced in Elkington and Upward (2016, pp. 131–136).[18]

Responding to these sixteen questions is necessary *and* sufficient to describe or design *all* the elements of *any* business model for any enterprise—past, present, or future, irrespective of the organization's defined goal; from maximizing short term financial profitability, to sustaining the possibility for flourishing, i.e. fully compliant with the principles. As a result, the canvas provides a single consistent way for stakeholders to capture the output of *all* their business modelling work at each of the four steps of the method.

Box 8.4 The Research and Practice Behind the Flourishing Business Canvas

The Flourishing Business Canvas, the key component of the Flourishing Enterprise Innovation Toolkit, is the most recent result of an ongoing program of action research and practice conducted by members of the Strongly Sustainable Business Model Group.[4]

The Flourishing Business Canvas is in active use by over 170 First Explorers licensees from a variety of educational, professional training, consulting, and entrepreneurial settings.[19] The Toolkit team is currently co-creating introductory handbook to using the Canvas with the First Explorers.

Three years of systemic design research defined the language expressed through the canvas (Upward & Jones, 2016). This new language is a significant extension to an earlier profit-focused business modelling language (Osterwalder, 2004). The Flourishing Business Canvas was inspired by, but not derived from Osterwalder and Pigneur's Business Model Canvas (2009), a well known design tool powered by this earlier language.

---

[18]To aid the reader in understanding the Flourishing Business Canvas, this manuscript is available via www.academia.edu/23769906/

[19]The license is free, and includes an extended version of the Flourishing Enterprise Strategy Design Method introduced here. In return, the First Explorer provides meaningful feedback on their experience using the Toolkit. See www.flourishingbusiness.org/the-toolkit-flourishing-business-canvas/first-explorers-program/. Ultimately the Flourishing Business Canvas will be made widely available under a creative commons license (CC-BY-SA).

Fig. 8.4 Building a shared understanding of an existing business model © OCAD University Strategic Innovation Lab, 2015. All Rights Reserved. Used with Permission

The stakeholders respond to the questions to describe current or imagined future business models by placing sticky notes on the collaborative visual Flourishing Business Canvas, as shown in Fig. 8.4. The questions are accessible prompts to the stakeholders to consider what they collectively understand. The questions help to make the complex and sophisticated knowledge of the principles intuitive and more easily accessible during the six tasks of business modelling.

In summary, the Flourishing Business Canvas enables stakeholders to effectively, efficiently, reliably, and collaboratively undertake business modelling. It allows them to describe and design business models based on their chosen definition of enterprise success informed by their values and their understanding of the principles—from maximizing short-term financial profitability, to sustaining the possibility for flourishing for all for seven generations and beyond. This is made possible by the combination of the knowledge systematically embedded in the canvas, and the structured visual approach it enables.

Box 8.5 Case Study: Part II

Confidence at the medium sized manufacturing company was growing (introduced in Box 8.2). The recent quick-win improvements, identified by exploring their current business model, were panning-out. And the remainder of the recently formed cross-functional business modelling were now sharing some provocative and inspiring next steps with the leadership team.

Following the team's original work to describe the company's current business model, the facilitator had suggested comparing that business model against the principles for the Flourishing Imperative, using the Future-Fit Business Benchmark (latter part of Step B). While limited in resources, the

(continued)

Box 8.5 (continued)

team undertook a first high-level pass. The company did not currently collect much of the data the benchmark required. But even so, the gap between the organization's current outcomes and "Future-Fitness" appeared to be significant. At the same time, the facilitator suggested building an appreciation for leaders in their industry and more broadly (part of Step A). So the team started looking for inspirational examples. The facilitator suggested starting by looking for certified Benefit Corporations, some companies that were known to be applying the principles, and co-operatives.

A picture was starting to emerge that a small number of enterprises appeared to be adopting business models that not only allowed them to survive as levels of VUCA increased, but thrive despite it. And they appeared to be doing so by ignoring some of the conventional business school advice, which recommended things like outsourcing jobs, dealing with suppliers on a pure cost basis, or assuming all environmental regulation was pure cost.[20]

The CEO and her senior leadership team wanted to see if these ideas could be made to work for their company. This prompted much discussion internally, and, at the suggestion of the facilitator, with some key external stakeholders (the bank, the mayor, two key customers, and a key supplier). This culminated in a 3-day off-premise Inspiring Vision workshop involving the business modelling team, senior leadership, and the external stakeholders (continuing Steps A and B of the method).

The workshop opened by reviewing the current business model, updated to reflect the recent quick-win improvements, and the initial comparison to the Future-Fit Business Benchmark. The workshop then explored the business model stories of some companies the business modelling team had found to be particularly inspiring. Helped by the facilitator, they brainstormed, explicitly informed by their values, which of the benefits of the Flourishing Imperative they thought they should try to realize. This led them to work together to identify values that they shared, and that they felt should inform the future definition of success for the company. All this prompted many questions, and a wide range of opinions, about if and how the principles for the Flourishing Imperative might apply to their enterprise.

Time had been set aside in the agenda to allow for side-bar discussions between the stakeholders—many of whom did not know each other. Through these conversations, the participants started to realize that the challenges being faced by the manufacturing company were related to those being faced by their

---

[20]For an introduction to the financial business case for following the Principles of the Flourishing Imperative see Willard (2012). This book along with the companion website www.sustainabilityadvantage.com gives worked examples and a free to download Sustainability ROI Workbook to quantify the increased profit potential of following the Principles.

Box 8.5 (continued)

major customers and suppliers. From this, some ideas for improvements started to emerge that would require new levels of inter-enterprise sharing and collaboration.

Over the remaining time at the workshop, they started to explore what an Inspiring Vision business model for their enterprise could be—its goals based on their new definition of success, and all the other elements of a future business model. In this first iteration through the method, where the whole process was new, the facilitator suggested keeping the first inspiring vision in a nearer-term future: 3–5 years. But nonetheless, the ideas, opportunities, and benefits came thick and fast in the open, and co-creative space created by the facilitator's careful application of the method. As expected by the facilitator, this presaged Step C of the Method—creating solutions!

Following the Inspiring Vision workshop, time was planned explicitly to allow for creating solutions (Step C). For example, key ideas emerged during the workshop for significant manufacturing cost savings through the use of different raw materials, coupled with more environmentally friendly processes and energy sources. In turn, these ideas led the stakeholders to realize that the product changes these innovations require could, if done in a certain way, create new value for the customers, and a differentiator from their cost-based competitors. Some of this new value came from the changes to the product, but, to the surprise of some, much came from how the revised product was to be manufactured and distributed (i.e. the business model design), and why the company had chosen this path (i.e. the "inner why").

Next, continuing Step C, the original cross functional business modelling team was re-convened, and the facilitator guided them through the sketching of three possible alternative Next business models that could start to realize their new inspiring vision—each with a target date for full implementation in 12–18 months. As they proceeded to start Step D, they applied the prioritizing questions to help them determine which of the Next business models could be the best one for implementation—which was closest to their Viability Frontier.

Space doesn't permit a further recounting of this case study—the implementation of the selected Next business model (latter part of Step D). However, it is worth observing that this company is now starting their second iteration of the method. The benefits of their initial quick-wins, as well as the larger benefits from the implementation of the first iteration, are starting to be realized (after much testing and implementation work). The internal team, including the CEO, are highly engaged, energized and excited—for themselves, their enterprise, their families, and their town—and the external stakeholders are inspired, too. While the impacts of VUCA are still being felt, this remains their underlying reality, confidence is building that sufficient economic viability can be maintained while creating social and environmental benefits for all—a good working definition of flourishing in the present.

8.3   Benefits and Challenges of Using the Method and Tool

8.3.1   Benefits

Overall the benefits of using the method and canvas, as illustrated in the case study, are that stakeholders co-create an aligned understanding of their situation and strategic direction:

 (i) Co-discovering the vital but often hidden interconnections among our organizations and the world, leading to powerful reframing of enterprise success oriented towards the future that is possible, likely and desirable
 (ii) Co-discovering the individual and mutual value of aspiring to realize the benefits of the Flourishing Imperative. This enables more of the stakeholders' diverse needs to be satisficed within the agreed definition of enterprise success over time
(iii) Co-creating value that satisfies the stakeholders' needs in ways that do the least amount of harm to those same stakeholders, their communities, and the natural environment
(iv) Co-developing a more complete view of the risks, resulting in fewer unintended consequences over time—economically, socially, and environmentally.

These benefits arise through the stakeholders' capturing their collective understanding of existing and future business models in a structured way using the steps of the method and the tool. And, in turn, these shared co-created understandings enable stakeholders to make commitments to collaborate on a range of vital strategy design and realization activities:

 (i) Diagnosis to identify gaps, risks and opportunities based on the principles
 (ii) Co-discovery of key assumptions behind each business model: Inspiring Vision, Current and Next
(iii) Co-identification of tests to validate/confirm or invalidate/disconfirm business model designs
(iv) Co-definition of improved business models based on the analysis of test results
 (v) Co-creation of projects to implement the operational changes required to implement the Next business models and realize its benefits.

8.3.2   Challenges and Limitations

In practice a number of challenges and limitation have emerged:

First: The Flourishing Business Canvas has a basic unit of analysis of a business model of a single enterprise. In practical situations, the unit of analysis may need to scale to the value-network level. This limitation can be addressed in practice, but the description is beyond the scope of this chapter.

Second: The method says nothing to address the power relations that underpin the current ownership and governance rights that organize and dominate in existing business models. A cultural critique of the method would expose this vulnerability: a new working theory of macro social, environmental, and economic systems change is a future research focus.

Third: The method presents a challenge to strategists directly: typical strategic planning timeframes look 3–5 years into the future, whereas this method advocates creation of an Inspiring Vision business model that is some 20–30 years in the future. The futurity of this kind of strategy work is a genuine challenge as it requires significant imaginative capacity, and the development of "future consciousness" (Curry & Hodgson, 2008). Also, the iterative method calls for the design and deployment of multiple Next business models with reference to the Inspiring Vision business model over time. Maintaining that creative tension over extended periods of time has yet to be practically proven, and will stretch many organizations beyond their historical creative capacity. For leading work on practical techniques for building such "Learning Organization" capabilities see Laslo et al. (2014).

Fourth: There is likely to be a value conflict between the Next and Inspiring Vision business models. This is a predicament unaddressed by the method, but points to the need for the stakeholders to develop the capacity to contain a significant creative tension. If they are unable to do so, then a form of existential angst could pervade the organization's stakeholders and could cause a crisis in purpose and direction.

8.4 Conclusion

Earlier business modelling tools and business strategy design methods based on them are already helping the leaders of start-ups, businesses, and other enterprises worldwide increase the likelihood of being successful in financial terms. But since these business model tools implicitly prioritize financial profit making, they don't take account of the risks and opportunities arising from the increasing scope and scale of the financial, social, and environmental "externalities": they don't take account of the increasing material realities of trying to create and grow "going-concerns" in our increasingly VUCA world.

Over time, as the stakeholders iteratively undertake the ABCD steps, they learn together, co-creating the possibility to realize the benefits of the Flourishing Imperative—for themselves, their enterprise, and beyond. Such authentic ongoing, multi-stakeholder collaboration for innovation enables organizations to explore and implement business models that meet the definition of success chosen by their stakeholders—even as that definition changes over time, as the stakeholders and the enterprise learn together.

For each of us, and indeed for all life, to have a possibility to flourish depends on our ability to quickly innovate our strategies to better respond to our new and changed circumstances—our increasingly VUCA world. This is particularly true,

as we enter fully into the challenges and risks of the Anthropocene era (Crutzen, 2002),[21] where these circumstances are largely shaped by the unintended consequences of our own individual and collective behavior. Human enterprises are central in generating these circumstances, and in creating the strategic innovations required to take definitive, highly-leveraged actions to sustain the possibility for the flourishing of human and other life on this planet for seven generations and beyond. In return, enterprises that design strategies to strive to realize the Flourishing Imperative will be seen as successful, and will be rewarded with viability and resilience. The Flourishing Enterprise Strategy Design Method provides leaders and their enterprises a clear, science-based approach to co-creating strategy for this new breed of fit-for-the-future enterprises.

References

Ackoff, R. L. (1971). Towards a system of systems concepts. *Management Science, 17*, 661–671.

Ackoff, R. L. (1981). The art and science of mess management. *Interfaces, 11*, 20–26.

Ashby, W. R. (1958). Requisite variety and its implications for the control of complex systems. *Cybernetica (Namur), 1*, 83–99.

B Lab. (2008). *B Corporation – About B Corp – Our Declaration* [WWW Document]. Retrieved February 2, 2011, from http://www.bcorporation.net/declaration

B Lab. (2016). *Measures what matters most – The benefit impact assessment (BIA)* [WWW Document]. Retrieved November 18, 2016, from http://bimpactassessment.net/

Barton, D., Manyika, J., & Williamson, S. K. (2017). Finally, evidence that managing for the long term pays off. *Harvard Business Review*.

Beer, S. (1994). *Beyond dispute: The invention of team syntegrity*. New York: Wiley.

Blank, S. G. (2013). Why the lean start-up changes everything. *Harvard Business Review, 91*, 63–72.

Broman, G. I., & Robèrt, K.-H. (2017). A framework for strategic sustainable development. *Journal of Cleaner Production, 140*, 17–31. https://doi.org/10.1016/j.jclepro.2015.10.121

Business Alliance for Local Living Economies. (2016). *Local economy framework* [WWW Document]. BALLE (Business Alliance for Local Living Economies). Retrieved November 18, 2016, from https://bealocalist.org/local-economy-framework/

Cooperrider, D. L. (2017). The quest for a flourishing earth is the most significant OD opportunity of the 21st century: How macro OD can be the most powerful form of Micro OD. *OD Practitioner, 49*, 42–51.

Cooperrider, D. L., & Srivastva, S. (1987). Appreciative inquiry in organizational life. In W. A. Pasmore & R. W. Woodman (Eds.), *Research in organizational change and development* (Vol. 1, pp. 129–169). Greenwich, CT: JAI Press Inc.

Crutzen, P. J. (2002). Geology of mankind. *Nature, 415*, 23. https://doi.org/10.1038/415023a.

Curry, A., & Hodgson, A. (Tony) (2008). Seeing in multiple horizons: Connecting futures to strategy. *Journal of Futures Studies, 13*, 1–20.

de Boer, Y., van Bergen, B., McKenzie, M., Averchenkova, A., Gladwin, T. N., Lyon, T., et al. (2012). *Expect the unexpected: Building business value in a changing world*. KPMG International.

Doppelt, B. (2012). *From me to we: The five transformational commitments required to rescue the planet, your organization, and your life*. Sheffield: Greenleaf.

---

[21]See also Chap. 1.

Dreborg, K. H. (1996). Essence of backcasting. *Futures, 28*, 813–828. https://doi.org/10.1016/S0016-3287(96)00044-4.

Dyson, R. G., Bryant, J., Morecroft, J., & O'Brien, F. (2007). The strategic development process. In R. G. Dyson & F. O'Brien (Eds.), *Supporting strategy: Frameworks, methods and models* (pp. 3–24). Chichester: Wiley.

Echeverri, P., & Skålén, P. (2011). Co-creation and co-destruction: A practice-theory based study of interactive value formation. *Marketing Theory, 11*, 351–373. https://doi.org/10.1177/1470593111408181.

Ehrenfeld, J. R. (2000). Colorless green ideas sleep furiously: Is the emergence of 'sustainable' practices meaningful? *Reflections, 1*, 34–47.

Ehrenfeld, J. R., & Hoffman, A. J. (2013). *Flourishing: A frank conversation about sustainability*. Stanford, CA: Stanford University Press.

Elkington, R., & Upward, A. (2016). Leadership as enabling function for flourishing by design. *Journal of Global Responsibility, 7*, 126–144. https://doi.org/10.1108/JGR-01-2016-0002.

Future-Fit Business Benchmark©. (2018). *Explore the goals*. Retrieved August 3, 2018, from http://futurefitbusiness.org/break-even-goals/

Hanshaw, N., & Osterwalder, A. (2015). *The business model canvas: Why and how organizations around the world adopt it*. A field report from Strategyzer. Strategyzer and Business Models Inc.

Hart, S. L., & Sharma, S. (2004). Engaging fringe stakeholders for competitive imagination. *Academy of Management Executive, 18*, 7–18. https://doi.org/10.5465/AME.2004.12691227.

Hodgson, A. (Tony), & Midgley, G. (2014). *Bringing foresight into systems thinking: A three horizon approach*. Presented at the 58th Meeting of the International Society of the Systems Sciences (ISSS) (pp. 1–12).

Hogeboom, O. (2015). *Applying the lean start-up methodology in social purpose start-ups (Masters)*. Reading: Henley Business School, University of Reading.

Hogeboom, O. (2019). *Lean startup for social enterprises: What must change and why for entrepreneurs to flourish*. In A. Upward (Ed.), Montreal, Canada. (forthcoming)

Hopkins, R. (2008). *The transition handbook: From oil dependency to local resilience*. Totnes: Green Books.

Hopkins, R. (2011). *The transition companion: Making your community more resilient in uncertain times*. Totnes: Green Books.

Hoveskog, M., Halila, F., Mattsson, M., Upward, A., & Karlsson, N. (2017). Education for sustainable development: Business modelling for flourishing. *Journal of Cleaner Production, 172*, 4383–4396. https://doi.org/10.1016/j.jclepro.2017.04.112.

International Co-operative Alliance. (1995). Co-operative identity, values & principles [WWW Document]. Retrieved April 1, 2015, from http://ica.coop/en/whats-co-op/co-operative-identity-values-principles

International Living Future Institute. (2015). *Living product challenge 1.0 – A visionary path to a regenerative future (Standard)*. Seattle: International Living Future Institute.

Jones, P. H., Christakis, A. N., & Flanagan, T. R. (2007). *Dialogic design for the intelligent enterprise: Collaborative strategy, process, and action*. Presented at the Proceedings of International Council on Systems Engineering 2007 (INCOSE 2007) (pp. 1–16).

Kendall, G., & Willard, B. (2017). *Future fit business benchmark – Release 2 (Electronic)*. London: The Natural Step and Future-Fit Foundation.

Keyes, C. L. M., & Haidt, J. (2003). Introduction. In C. L. M. Keyes & J. Haidt (Eds.), *Flourishing: Positive psychology and the life well lived* (pp. 1–14). Washington, DC: American Psychological Association.

Kinkead, G. (1999). In the future, people like me will go to jail. *Fortune, 139*, 190–195.

Kiron, D., Kruschwitz, N., Reeves, M., & Goh, E. (2013). The benefits of sustainability-driven (business model) innovation. *MIT Sloan Management Review, 54*, 69–73.

Kurucz, E. C., Colbert, B. A., Lüdeke-Freund, F., Upward, A., & Willard, B. (2016). Relational leadership for strategic sustainability: Practices and capabilities to advance the design and assessment of sustainable business models. *Journal of Cleaner Production, 140*, 189–204. https://doi.org/10.1016/j.jclepro.2016.03.087.

Langenwalter, G. A. (2007). *The squeeze: A novel approach to business sustainability*. Dearborn, MI: Society of Manufacturing Engineers.

Laslo, C., Brown, J., Ehrenfeld, J. R., Gorham, M., Barros-Pose, I., Robson, L., et al. (2014). *Flourishing enterprise: The new spirit of business*. Stanford, CA: Stanford University Press.

Lindgardt, Z., Reeves, M., Stalk, G., & Deimler, M. S. (2009). *Business model innovation: When the game gets tough, change the game*. New York: BCG – The Boston Consulting Group.

Magretta, J. (2002). Why business models matter. *Harvard Business Review, 80*, 86–92.

Martin, R. L. (2009). *The design of business: Why design thinking is the next competitive advantage*. Boston, MA: Harvard Business Press.

Max-Neef, M., Elizalde, A., & Hopenhayn, M. (1991). *Human scale development: Conception, application and further reflections*. Uppsala: Dag Hammarskjöld Foundation; The Apex Press.

Mintzberg, H., & Waters, J. A. (1985). Of strategies, deliberate and emergent. *Strategic Management Journal, 6*, 257–272.

Neumayer, E. (2013). *Weak versus strong sustainability: Exploring the limits of two opposing paradigms* (pp. 296–296). Cheltenham: Edward Elgar.

Osterwalder, A. (2004). *The business model ontology: A proposition in a design science approach* (pp. 1–172).

Osterwalder, A., & Pigneur, Y. (2009). *Business model generation: A handbook for visionaries, game changers, and challengers*. Amsterdam: Alexander Osterwalder & Yves Pigneur.

PROBE Network. (2005). *PROBE for sustainability excellence* [WWW Document]. Retrieved January 22, 2018, from http://probe-network.com/probe-solutions/probe-for-sustainability-excellence/

Ries, E. (2011). *The lean startup: How today's entrepreneurs use continuous innovation to create radically successful businesses*. New York: Crown Business.

Rittel, H. W. J., & Webber, M. M. (1973). Dilemmas in a general theory of planning. *Policy Science, 4*, 155–169. https://doi.org/10.1007/BF01405730.

Robèrt, K.-H. (2002). *The natural step story: Seeding a quiet revolution*. Gabriola Island: New Society Publishers.

Robinson, J. B. (2003). Future subjunctive: Backcasting as social learning. *Futures, 35*, 839–856. https://doi.org/10.1016/S0016-3287(03)00039-9.

Sharpe, B. (2013). *Three horizons: The patterning of hope*. Axminster: Triarchy Press Limited.

Simon, H. A. (1956). Rational choice and the structure of the environment. *Psychological Review, 63*, 129–138. https://doi.org/10.1037/h0042769.

Sinek, S. (2009). *Start with why: How great leaders inspire everyone to take action*. London: Penguin Publishing Group.

Teece, D. J. (2010). Business models, business strategy and innovation. *Long Range Planning, 43*, 172–194. https://doi.org/10.1016/j.lrp.2009.07.003.

UN General Assembly. (2015). *Transforming our world: The 2030 agenda for sustainable development – The sustainable development goals*. New York: United Nations.

Upward, A. (2017). *What is a successful sustainable business?* Copenhagen Business School Centre for Corporate Social Responsibility in the Department of Management, Society and Communication. https://www.academia.edu/35429864

Upward, A., & Jones, P. H. (2016). An ontology for strongly sustainable business models: Defining an enterprise framework compatible with natural and social science. *Organization & Environment, 29* (Special Issue: Business Models for Sustainability: Entrepreneurship, Innovation, and Transformation), 97–123. https://doi.org/10.1177/1086026615592933.

Vargo, S. L., Maglio, P. P., & Akaka, M. A. (2008). On value and value co-creation: A service systems and service logic perspective. *European Management Journal, 26*, 145. https://doi.org/10.1016/j.emj.2008.04.003.

Willard, B. (2012). *The new sustainability advantage: Seven business case benefits of a triple bottom line* (Completely rev. 10th anniversary. ed.). Gabriola Island: New Society Publishers.

Antony Upward   is a Flourishing Enterprise Designer and Certified Management Consultant with 30 years of experience. He is an Adjunct Professor at the Ontario College of Art and Design University's Faculty of Design, and in the Business Model Innovation group in the Center for Innovation, Entrepreneurship and Learning, Halmstad University, Sweden. He has a Masters of Environmental Studies in Business Model Design and Sustainability. His graduate thesis research originated the concept of the Flourishing Business Canvas (@FlourishingBiz), and also led to the formation the Strongly Sustainable Business Model Group: a 1475 strong growing global community of innovation practice (@StronglySustain) hosted by OCAD University's Strategic Innovation Lab. He is founder of Edward James Consulting Ltd., a Certified B Corporation® in Toronto, Canada, the platform for all his practice with startups (@Lean4Flourish), and with established enterprises (@BetterMyBiz).

Stephen N. Davies   is Managing Director of Transformation by Design, an enterprise strategy and design consultancy. He provides strategic advisory services as a Certified Management Consultant with over 30 years of industry experience. He leads business design and IT-enabled transformation projects in organizational settings across a wide-variety of sectors including financial services, retailing, utilities, government, not-for-profit, and technology. Stephen Davies is an Assistant Professor at OCAD University where he teaches Strategy Development, and Business Design in the Strategic Foresight and Innovation program (Masters of Design). He is also a Certified Master Designer and Facilitator for the Team Syntegrity process invented by Professor Stafford Beer, the founder of Management Cybernetics. He is co-founder Transformation by Design, an impact consulting company that helps organizations change intentionally for a better future. He is based in Toronto, Canada (transformationbydesign.com).