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Transition as a permanent element

Sustainable entrepreneurship | circular economy | business models | change | transformation | transition

We have without any doubt entered turbulent – if not overwhelming – times at the speed of light. Yet we really should have seen it coming. Problems that have been piling up under the surface over the past decades have become more and more entangled. Now, almost all of a sudden, it seems as if everything has reached the surface all at once. In the tangle of challenges around, say, raw materials, pollution, climate degradation and water, a way out or clear route through is hard to find. We are locked in to a view of the economy that we can hardly think outside of, let alone say goodbye to. Things must be radically changed, that much is clear, but how? To ask that question we must be prepared, for the time being, to accept that it does not yet have an answer.

We are facing a rapid departure from a society and an economy that has been in place since at least the 1960s, if not since World War II. The society of our parents and grandparents – of neoliberalism, of laissez-faire, of the idea that the market will solve everything – as a panacea is no longer a tenable concept. For too long we have covered known problems such as depletion, pollution and loss of bio-diversity (to name just a few) with the cloak of ignorance. But we have now reached the point of no return. Things must change, profoundly and rapidly – but how?

Generously available billion-dollar funds from the EU and individual countries are not a solution to the issues we face, such as lack of water, radical reduction of nitrogen and rising temperatures. But, while we must let go and phase out what we have, we are not on the path to a bright new economic or societal concept. Therein lies the great difficulty of our time. We do not have a clear perspective, a shared framework or a binding narrative. This means that we must allow each other to search, experiment and try new ideas, and to a far greater extent than we have done thus far. But we must also accept that with this will come failure, time and time again.

Hypothetical dot on the horizon

Working towards a sustainable and circular economy

can be seen as hypothetical and, for many, an abstract dot on the horizon. Certainly, these broad and challenging concepts partially address the task at hand, and help to frame how to act accordingly. But still it is tricky. For many people, companies, employees, citizens and politicians, this has no concrete meaning and thus does not encourage them to do things differently. All too often, "greenwashing" lurks here. And right through it all, leading economists keep shouting (misguidedly) that this can only be done with green growth

But are we really getting there? Should we not, however difficult it may be, dig much deeper and look at our economic principles and assumptions: at the systems we have created? Isn't the central question how we are to reach other forms of collective value creation? This could be achieved by working together on collective business models. The result should be a different division of roles, responsibilities and risks, and a radically different view of what is of value. Maybe that is the most difficult part of the task at hand, since in our society, what is of value has become monetized – and what can't be monetized doesn't count.

Thinking about change

In the pursuit of a different, sustainable and circular economy, there must be a one-to-one connection with our thinking about change. And this should take place not



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only within organizations, but especially between businesses, organizations and institutions. This implies a focus on how to alter and shape different value chains, networks, loops and systems. This also implies a new generation of business models for design, servitization and life-cycle management. All this is facilitated by the rise of datafication and digitization. An economy based on sustainability and circularity must therefore be linked to the intra- and inter-organizational challenges they bring. This means learning to let go of the many established routines and practices we have and working together on transformation and transition, with all the uncertainty that brings.

"I have never tried that before, so I think I should definitely be able to do it." Pippi Longstocking (Astrid Lindgren)

The question is whether we are mentally and conceptually equipped for the kind of change we need to work on. Since we don't know what the nature and scope of that change is, the only solution is to unveil it along the way, while simultaneously working out how to implement it. Going back in time is not an option. Reinforcing yesterday's economy is not a solution to today's wicked and intertwined challenges. We have only one road ahead, which is to fully and unconditionally commit to sustainable and circular organizing both within and between organizations. There is no other choice. And yes, that hurts, because we will have to say goodbye to many habits, practices and routines. And these changes will not only have to be made for today, but for several decades hence. We have to change course and that will take some time." 🗡️

'The course of our economy, our society, has to change radically, but we'll be working on that for a while'