Transcript for S9 E4 Exploring business sustainability with Diane Osgood

Cat Barnard (00:42)

Hello and welcome to a fresh episode of the Future of Internal Communication podcast. I'm your co-host Cat Barnard and as ever I'm joined by Jen Sproul and Dominic Walters. Today we have another brilliant guest for you. We are going to dive into the topic of opportunity for internal communication in the field of sustainability. And with that in mind, I'm delighted to welcome a colleague from the Carbon Almanac Project. Listeners will probably know that I had been involved in that project back in 2022, but in somewhat of a side wing capacity, because actually today I want to welcome you Diane Osgood, who was one of the core authors for the Almanac as it came into existence. And Diane is somewhat of a sustainability veteran insofar as she has a PhD in environmental economics and development studies. And she emanates from the United States, splits her time today between the United States and France, but has a long career in corporate sustainability and human rights. She's worked as a senior advisor to the Clinton administration back in the 90s, she's done a lot of work with the Virgin Brands and Richard Branson. And today she advises organisations on sustainable innovation and growth with purpose. And so Diane and I have been in direct dialogue for, I don't know, maybe a year, talking about sustainability and communication and the role of people in driving organisational sustainability. So I'm really excited for the conversation that we're going to have today. Diane, welcome and thank you for joining us.

Diane (02:44)

Thank you very much. It's a real pleasure to be here. Looking forward to this conversation.

Cat Barnard (02:49)

A 100%. And what I want to kick off with is kind of right back to the beginning, because there's so much talk about sustainability now, and yet one of my big hobby horses that I always come back to is where is our shared term of reference, where's our shared understanding, how do we know that we're actually speaking the same language when there are so many new terms of phrase and buzzwords and jargon to familiarise ourselves with. So can I start by asking you, what is business sustainability and why is it so important?

Diane (03:28)

Business sustainability, up until now, I've put it into two buckets and I've added a third bucket to that definition, which I'll go through. The first bucket is, how does a company make what it makes? So what impact it has on the world by producing whatever widgets, whatever blue plastic buckets, whatever delicious food, what other clothing items, cars, rocket ships, whatever it is that it's made, what are the impacts on the environment and society through the modes of production. So that's

bucket number one. Bucket number two is what a company makes. So there's a very different impact in the world of a product that is made that is highly polluting by its very nature versus something that promotes a more sustainable, to use the buzzword, a more kind to the environment or kind to people product. So for example, an investment, a company that produces organic food has a very different sustainability outlook and therefore impact than a company that produces clothing with toxic materials or single use plastic, throw away toys, right? What they produce is very different. So the purpose of the company and their production impacts the environment and communities in a very different way by the nature of what they make. So what is the nature of their widgets? The third bucket, which is I think becoming really important, but is yet to really enter the mainstream conversation around sustainability is how does a company manage the risks of climate and environmental impact on the company, its employees and its customers? So increased weather events, loss of biodiversity, what we call converging crises, you know, flooding throughout all of that, how does that impact the company's employees and customers, and then of course its own production. So it's taken on a risk impact line of consideration and of work, which I think is really important. And again, not quite yet entering into the mainstream conversations about sustainability. And the word sustainability, I always go back being slightly a technocrat, to our common future, which was a document in the 90s, which defined sustainability as growth that does not impede future growth. So we can continue to grow and to make things, but we need to do it in a way that does not degrade the environment or make things worse for communities.

Cat Barnard (06:28)

And that is so multifaceted that actually there will be very few organisations in existence today who are fully sustainable. There's work to be done.

Diane (06:41)

Yeah, no company, no product is perfect. Every product has a footprint. Everything that we make has some sort of footprint, even services. And the goal is to do them within certain limits of impact, of resource consumption, of strain on communities. This gets quite nerdy quite quickly. So it's strange here, but understanding what the planetary boundaries are, understanding how much we can continue to deforest or to erode soil or do things that lead to acid, the ocean acidification, that gives us a sense of the boundaries in which we can continue to produce and consume products and services.

Cat Barnard (07:21)

So there's a massive adult education piece here, isn't there? There is a massive urgency to educate people in their workplaces around the fundamentals of sustainability and just understanding that every action creates a reaction. Every step of business has, I guess an opportunity cost to it, like there will be a consequence to an action and undertaking. And when you were speaking, I was reminded of where we really started to have our conversations in 2023. And it was around the topic that as

extreme weather events become more dramatic and cataclysmic for communities and local populations, for instance, the Hawaiian fires this last summer, you know, where communities got wiped out. What will an organization do?

I don't even know whether it's possible to mitigate against that risk, right? Because we can't control nature, but what will a business do to support members of its ecosystem in the wake of spiralling environmental circumstances? So for instance, in the UK at the moment, we've got swathes of the country underwater. You know, swathes of the country that where homes have been flooded. And I think there's a pervasive ignorance around the act of flooding because people assume, oh, it's fresh water coming into your house. Well, no, it's not. It's drain water, it's sewage water. It is toxic, poisonous, bacterial water that requires the entire of your inside of your house to be

Cat Barnard (09:15)

stripped away and repaired. And that can take months and months and months. And obviously there's an insurance cost and all of these things. So the whole topic of what we're speaking about has a level of urgency to it now that I think even now in early 2024, too few of us have woken up to. And I would say also my impression, and I come back to being a really boring person with a dictionary in the corner, is where is our shared terms of reference? Because there's all of these buzzwords and they're not buzzwords, but there are a whole host of language that we need to familiarise ourselves with and understand. So it leads me to another question that I wanted just to get your clarity on before I hand the mic over. But I've noticed in the last six, nine months, in addition to lots of discourse about sustainable business online, there's also discourse about regenerative business. I know there's a difference. I don't feel confident to say I know exactly what that is, but I'm gonna defer to you to explain if you don't mind.

Diane (10:38)

The way I frame regenerative is that it gives back. So its goal is not to be neutral. Its goal is not to do the least damage and least impact possible, but to actually leave behind a richer environment and a more connected and well-resourced community. So it's to go from, I think on the scale of things is, reduce impact, leave no trace, leave it better.

Cat Barnard (11:10)

Wow, that's a lovely, simple, digestible nugget right there actually, that hopefully clears up confusion for listeners because I consider myself to be reasonably well informed of the whole topic of net zero and sustainability, but equally it's just overwhelming how many different tons of phrase there are. So guys, I know you've got questions to ask Jen, Dom.

Dom (11:41)

Yes, no, thank you very much. I just thinking how useful that is actually those three steps, just to clarify the difference between the different organisations. As you were talking, Diane, you were mentioning about those different aspects of sustainability and how organisations affect them. I was thinking, well, one of the things we try and do in this podcast is to equip internal communicators to help organisations translate strategy into action.

And I guess it'd be really helpful to talk a bit more about why business sustainability is so important for employees, for, well, I guess people in general who work within organisations. And I guess as you were talking, I probably answered that myself, but one of it was how do I contribute towards making sure that our processes have the least impact or perhaps even going towards regenerative business actually have a positive impact? And then how can I get supported by the organisation. But I imagine that's quite simple, so it would be good to get a more complex take on it from you please.

Diane (12:40)

Employees are the company. Fundamentally, it's the people who actually make things happen that are the company. Sure, they may not be shareholders. They may not be the founders or the original innovators of whatever widget is that's being made and sold. But it's the people who show up virtually or in person every day and make stuff happen that are the company. And it's their morale. It's their creative spirit, it's their ability to resolve issues and have visions and figure out how to make their vision of running the company better come to life. And internal communications is the connective tissue for all of that, right? So if we use the analogy of a body and all the employees being cells, well, internal comms is the connective tissue. It's what keeps it all together because one end needs to understand what the other parts are doing. And in this challenge that we face with enabling companies and helping them pushing and nudging them to become more sustainable.

Diane (13:48)

I think almost nothing is more important than good communications. I generally believe that no one gets up in the morning and thinks, gee, I really want to make the world a worse place. Gee, I really want to make a mess of the environment, to screw over that community over in location X that are doing, you know, either our customers or our suppliers or whatever. You know, in general, it's not human nature to want that. But we get into our silos.

We have our incentive systems, we have our incentives, the carrot that we very much want, and we blindly go for that, unless there is more information in a flow so that we understand the broader context. And I think a huge part of the role that internal comms could help is helping everyone in a company understand the concentic circles of context in a crisper, easier way so that everyone understands, okay, here's the challenge, here's my role, here's what's going on in the company, here's what's going on in the industry, here's what's going on in the broader range. So it's the context of my job in terms of the sustainability challenges that the company faces. It's the context of what this company faces, what does this company actually make, right?

And what's our industry doing? Are we industry leaders? Are we industry laggards in terms of carbon reduction goals or getting rid of single use plastics or treating communities with respect and ensuring fair pay? And then it's understanding what's happening at the nation level and with global trade. But it's communicating well is critical because these are, this gets a little wonky and it is hard to see sometimes how I as an engineer or as an accountant or as someone in the innovation lab, what's my role? How does my role, my job?

Diane (16:00)

have impact and potential for good in terms of the company's sustainability. And the first thing is understanding context. The context of my role and also the context of what the business is doing. And I think internal comms is absolutely the vital source for helping people understand those bits of context.

Dom (16:23)

Help me with a dilemma a little bit? Because I felt if I was having a debate with some communicators before Christmas about how you communicate around sustainability and in particular about the climate crisis and things related to it. And one of the questions is why is it that people don't seem as activated by it as perhaps they should be giving it some normative? And the debate was that there seems to be a tendency for people not to give good news about our progress towards the climate goals. And I know there's a debate that say, if you give people too much good news, it induces complacency. But it does seem to fly in the face of what is a received accepted wisdom about project management, about change management, where we give people progress reports, we share successes, we show that we're moving towards a goal. And the question was really, how do you balance that? How do you give people sufficient information for them to want to be engaged without making them complacent.

Diane (17:17)

I'll put this in two scenarios. And of course they're not two simple buckets. There's a whole gray area in between. I don't think any company actually fits neatly. There's a trend line. Anyway, on one side you've got a company with strong sustainability goals. Goals that are aligned with what the world, governments have agreed are what we're gonna have to do as a world to reduce the risk of climate, negative climate impact. That's what we call the Paris Agreement. So the Paris Agreement or the Paris Goals to keep it short. So there are mechanisms, it's a very clear way, not easy, but clear how a company sets these goals, which means it's doing its best, it's doing its part to meet the Paris Agreement goals. So in scenario one, you've got a company with those types of goals.

Man, communicating those goals, helping people understand the context of the goals, helping people understand they can be proud to work for a company that has stepped up and accepted the challenge of meeting the goals to get the world to the Paris Agreement levels on carbon emissions, fantastic.

Man, that's a really good place to be for an internal comms person is to help communicate those goals and what it means in the larger context and then helping it break it down to the division and then the department and the individual roles in the company. Now, Scenario 2 is a company that doesn't have those goals. Scenario 2 is the majority of companies where they might have some goals or they might not have any goals or they might be in this endless loop of, well, we have goals, but we really don't wanna go public with them, and are they good enough? And all that internal maceration that occurs. And this is the juice of what I do on a day-to-day basis. And I have infinite compassion and curiosity and desire to work with those companies because this is messy hard stuff. I don't wanna come across as like, oh, shame on you, you guys don't have your goals. It's hard work getting there.

Diane (19:24)

But that's exactly why communicating about it is so important because then everyone in the company can help the leadership figure out what their goals are, agree to commit to them, and then figure out the strategy and the action plans to make them real. So in that case, to use the tired expression, it takes the village to raise the standards and help leadership understand they need to step up and adopt goals that would put the company in line to the Paris standards. And of course, most companies are in between, right? Where they have some goals or they're shifting back from, you know, shifting back their timelines like, yeah, we'll do it, but not until 2050 or we're not going to do it to 2070, right? And if that's communicated, that dialogue's going on, then employees have the opportunity of saying, hey, no, wait.

Diane (20:18)

You know, we've got a solution, we want to try this out. We think we can do better. Sure, it's gonna take a little budget, let's have that conversation. But if the connective tissue of communications isn't there, then the company can't rise to the challenge.

Cat Barnard (20:35)

I think there's something so interesting in here. I'm not quite sure that I'm going to be able to articulate it succinctly, but coming back to this idea that one of the most important things that we can do, and I guess this was the catalyst behind the carbon almanac in its origin, was the most important thing that we can do right now is educate all stakeholders so that we all understand what is at stake. And we all understand this context and these kind of concentric circles of responsibility. And I wonder if, and I'm just going to play devil's advocate, I wonder if the sustainability agenda isn't moving at pace because it's easier to control under educated people than it is to concede control to

people that could easily be part of the solution when they are empowered and have the right information, knowledge, etc. to be part of the solution. There's something quite interesting in this whole mix for me, like a power, a power play, a power struggle. I don't know. I mean, I, yeah, it's just a perception thing.

Diane (21:54)

The beauty of the Carbon Almanac was, we like to kind of say, all the facts, none of the politics. Earth sciences don't care how you vote, right? Butterflies will come out of the chrysalis. Plants will germinate, animals will reproduce. Carbon will be emitted when forests burn. I mean, those things just happen regardless of how the population has around them has voted or what our politics are. And this framework of planetary boundaries, that is devoid of what we think about it. It's just that it is a biological system. However, understanding that has led to a wide range of possible solutions, many of which will cost someone something.

And so if you're talking about, as we used to say, taking my cheese, there's an old management book about moving my cheese boat, moving my cheese, you're moving somebody's cheese when you're saying, hey, you gotta switch modes of transportation. You're moving someone's cheese when you're saying fast fashion isn't serving the planet or the people of the planet. When one realises that at a large scale, it's challenging certain industries and certain assumptions about how those industries function. You're helping it results in people understanding their cheese bowl is at risk, right? And that's where you get the warped behaviour because no one wants their cheese bowls to risk. You know, it's man, change is great for my neighbour. It's lousy for me to go through. It's great for a competitor to go change, but we like the way things work here.

Diane (23:47)

So that's how I perceive that conundrum. And again, the reason that the Carbon Almanac was created was to get back to some of the facts and to ground people in that. I unfortunately am not convinced that if we just give people facts, they'll activate. I think we need a little bit more. And this is again, coming back to the role of the internal communicator.

I think understanding the context in which we operate and the potential that we have for impact is really important. But then also, if I'm within a large organisation and I've got a great idea, how does that idea get to the right place, right? What's the mechanism? How can internal comms help that fluidity of those ideas?

And if you look back at the history of innovations that have impacted our world, a lot of them did not come from the central innovation lab. They came from an engineer or someone who's just been tinkering on the project or the problem for so long and they have a breakthrough. But they've got to have that connective tissue. They've got to have that fluidity of communications so that the idea rises.

Jen (25:04)

There's so much that you've just said, Diane, that just, I nod a lot enthusiastically. And like you say it is a complex problem, but we need to give that simplification of kind of the way you've explained that so far. And I, and I think one of the things when I've been talking to other internal communicators, those working in large corporate organisations that are really sort of trying to make the charge to get good sustainable comms that it feels like they've got themselves in a bit of a muddle, but at the outset. And it goes back to what you're saying is that they've got themselves such a muddle with what it is in the terminology and where we're trying to go. That we were trying to see so being purpose driven, it's so critical to business that we've got in this sort of sand of what, well, this is our purpose. But then when you come down to, as you say, the facts and the how, and what are the biggest barriers to is socialising that and cascading that and making it feel real and making it feel different. And there's some stuff we've seen, for example, from employees where they're getting, they're polarised on purpose communication, whether it's too much or too little. And I think that comes back to, because it's, it's lost its connected tissue. It's lost its sense of me. And I just wonder as well as you're talking, but we also see that this the new generations and new people coming through with it? Well, they have questions and they expect sufficient answers about what organisations are doing or when they are doing and it will affect where they buy, where they work, what they're doing. Are you seeing that sort of, I guess, downward upward pressure for the two to meet that maybe will help drive through some of the action and the socialisation? Where is that coming from, I guess, is there resistance at one end or is it, why aren't we meeting in the middle? I guess is what I'm trying to ask in some way.

Cat Barnard (26:51)

I think that whole, like none of these things, this is the challenge right, none of these things are straightforward plain sailing, we're right in the thick of complexity and I think there's an aspect of what we at work need to do. If we have experience, if we have gained experience, then we need to in some whatever way, shape or form, embrace our role as wise elder and provide education because young people do expect answers and they do in my view, they're intolerant of ambiguity. Yeah, they'll just walk away, they'll just go somewhere else and we're seeing that a lot with climate quitting started to trend as a turn of phrase, back-ended, green watching, purpose, you know, all of these things. Like, I genuinely think that we're kind of drowning in buzzwords and actually what people most want to see is action behind the platitudes. They want to know that something real and tangible is going on. And I don't want to sort of steal this agenda, but the whole employment landscape has changed. We don't live in a job for life culture anymore. And people who have got the financial means to do so will walk away from lackluster environments where they don't feel there is an authentic commitment to the things that they care about. And that comes back to internal communication. It's incumbent on internal communication to discover what those things are to begin with, which is all about relationship building and so on. I don't know whether I'm answering the question, but I can see I'm giving Diane food with thought.

Diane (28:49)

Every generation has a different, looks at life and the economy and the functioning of our society through a different lens. And that adds nuance and potential and conflict because again, back to this notion of change. What I've experienced is that those from different generations and the lenses through which they look at how companies function, how the marketplace in general functions is so different from mine that when we meet in the middle, that's where innovation happens. That's where the great breakthroughs happen. And for me, the condition in which that can work is that everyone understands the context that we're operating in. And that context is the converging crises that we're facing in terms of environment and the related social impacts. So if we set the field or whatever analogy you want to use, but ensure that the context is understood, then the meaning, the way in which one perceives the market forces, the role of industry, do we really need this widget? Is it there a completely different way of doing something? Circular economy, rentals rather than ownership. All of these types of business models we've been, those of us on the forefront of sustainability have been talking about, I wrote about the circular economy in 1995 and urban mining and things like that. So it's not brand new, but it needs to be, now there's enough juice to bring it forward. And what's required is, the connective tissue, and the context.

Jen (30:47)

One of the things we're going to talk about was why is internal communication so critical? And I think you've just answered that simply by saying, you know, it is the bit that can bring everything in the middle, that can get the dialogue going, that can understand, I think that also the phrase you said at the beginning was about how can we come together for a common future in our context? What is our contextual common future? And then how does that then feed into where I play a role in that and what I can do with that?

And I think that what you've highlighted is how internal communication is that. Someone said ages ago that they would describe internal communicators to me as sort of marriage guidance counsellors. And then they went, no, we're more sort of group therapy people. But it is that ability because this is such a complex challenge that's going to take great human endeavour. And as you say, a shift in mindset, these things have been building for a long time, but it feels where we are right now that there is finally, as you say, the juice behind it. There is the, right, we need to get on now and do that. And it feels to me that the ears are open and the actions are wanted more so than ever, we just got to work out the how collectively together in our context.

Diane (31:55)

Yeah, I think a starting point for someone in internal comms would be to spend some time with their sustainability folks and understand the goals that have been set. And then for them to step aside and figure out in their own way, in their own minds, are these good enough? Right? Make a judgment call, do some research, make a couple phone calls left and right, right? And come to terms with their own judgment, are these really goals that in the context of today, in our industry, where we are located, are these goals that are really appropriate and gonna move us forward? And if yes, go run

with it. Go help break them down. Everybody can understand what their role is into making them communicate about the strategies. Use all your bells and whistles. And if they're not, that's the bigger challenge.

And then how can you partner with the sustainability team? Right? And then that gets into the nuance of where sustainability is located within the company and stuff, which I think is very, very important. Because it tends the language of the sustainability if it's based in marketing, or if it's based in sales, or if it's based in general counsel, or if there is a chief sustainability office. It's a very different set of languages. But regardless of that nuance, the internal coms team then has the potential of being that connective tissue to raise the stakes.

Dom (33:28)

Well, Diane, if I can bring us into land, you've mentioned a number of things. I've got a lot of notes about what internal communication can do to help sustainability within organisations. And I think you've mentioned this idea about the connective tissue, which I think is the great strategic view of how internal communication can work. You've set some really good ideas around principles about helping people meet in the middle, so facilitate those conversations so people from different traditions, different generations, different beliefs can come together and start to agree on actions. You've talked about helping them with the facts, making sure people have the solid facts rather than speculation upon which to act. And you've talked about helping them see what they can do. So translate these principles into day-to-day actions. So I'm gonna ask you almost an impossible question, I'm afraid, which is I know everything is interconnected and it's incredibly complex, but if there's one thing that you would suggest an internal communicator should do on the based upon this conversation. What do you recommend them to do? What's that one thing in your mind?

Diane (34:23)

The starting place is helping all employees understand the company's challenges and what they're doing today. What's the progress to date on tackling the difficult question of climate change and the drivers of climate change.

If the company has goals, what they're doing against them. If they don't have goals, what are they doing regardless? Where are they? Help everybody understand where the company is in that journey.

Dom (34:48)

So they've got to have a clear idea about what's being achieved, the successes, what they're finding tough, where they need to redouble their efforts perhaps as well. And can I also add to that what you said earlier in the conversation, which is reminding people it's actually a great thing that we have these goals within an organisation to help us achieve the Paris Agreement restriction or guidelines as

well. Not everyone has that. I think perhaps sometimes we communicators can forget that that's something we should reiterate all the time as well.

Cat Barnard (35:14)

Yes, that is massive. You know, if you're already on the bus and you've already accepted that there are wider responsibilities now than simply revenue generation, that is something to be celebrated. If you're working for any organisation that has that wider spectrum of awareness, I think that is very cool. So, you know, it's not all mountains ahead. There are small wins to be celebrated on the way, right?

Diane, thank you so, so much for spending the time with us. I feel like already I'm making notes that I want you to come back at some stage because the topic is so huge and I'm sure it won't be very long before there's something else important that needs to be discussed under this big broad umbrella. But thank you so much for your time and it's a joy to see you again and I'll look forward to more conversations with you offline.

Diane (36:11)

Great, thank you so much for having me. It's been a pleasure.