

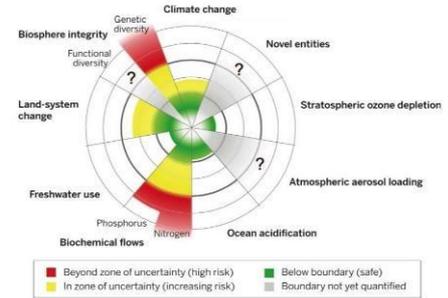
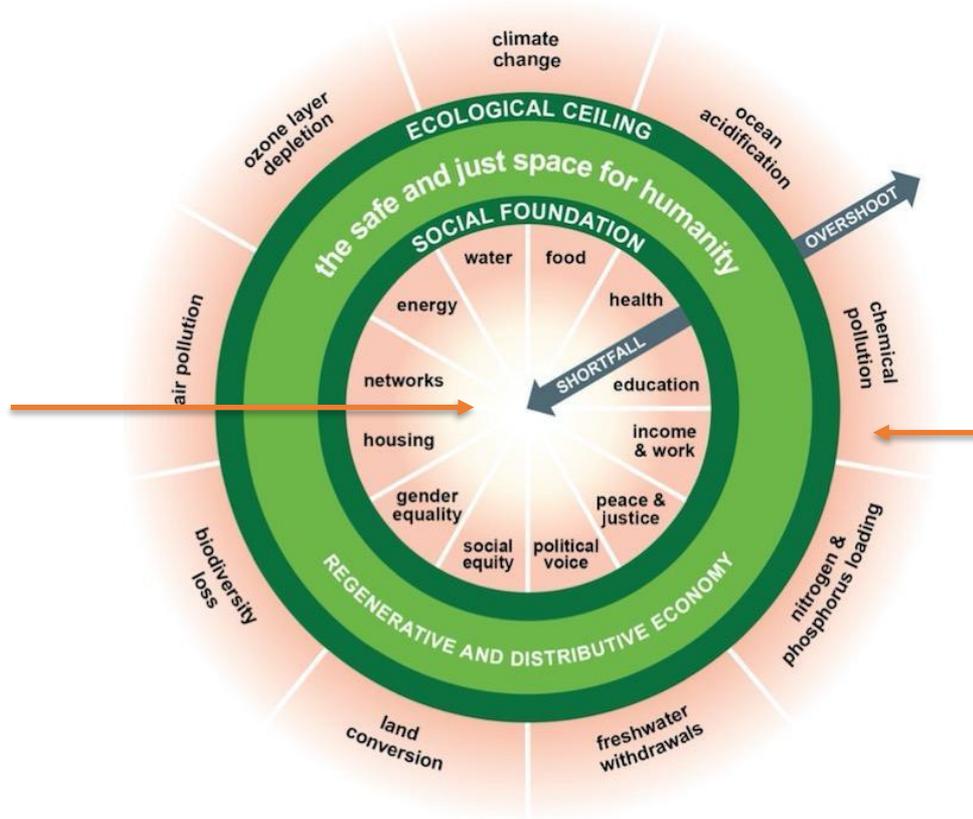
When finance meets the Doughnut

Redesigning businesses & finance through
Doughnut Economics

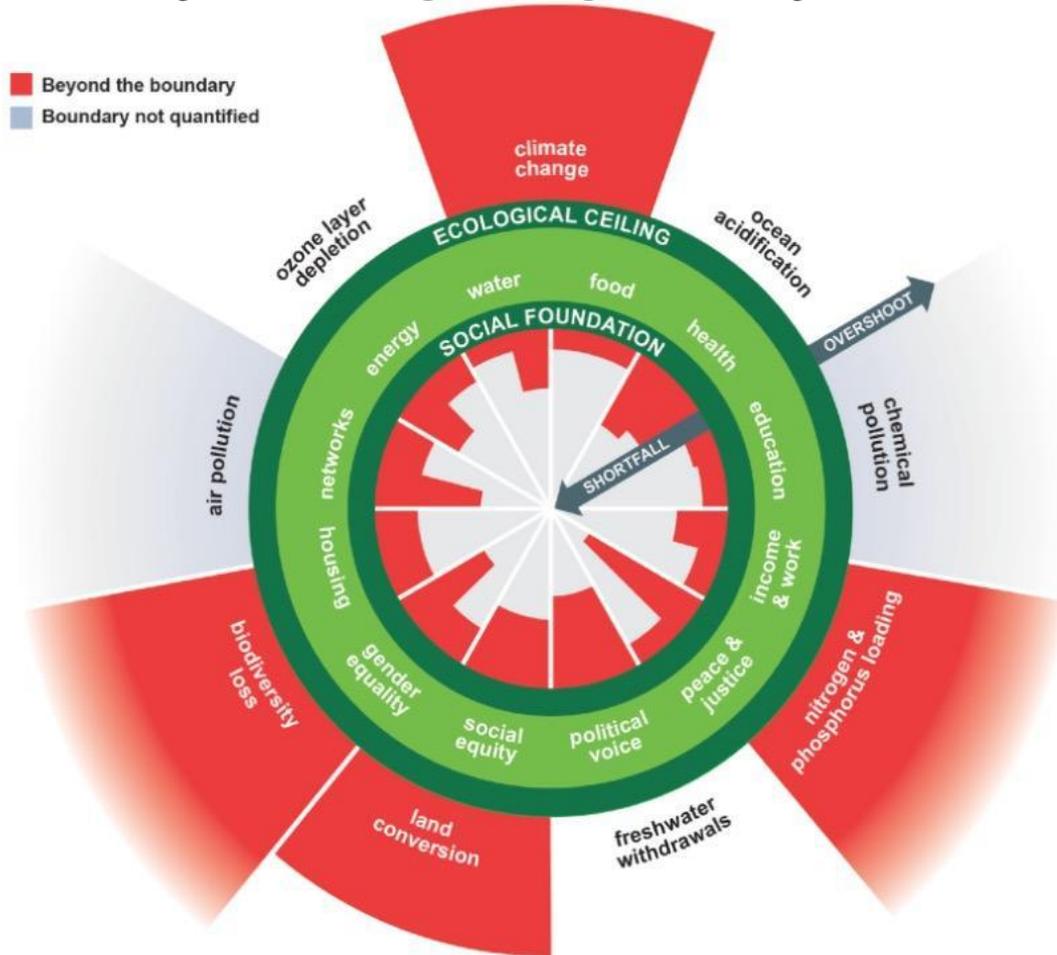


Erinch Sahan (November 2022)

A compass for human prosperity

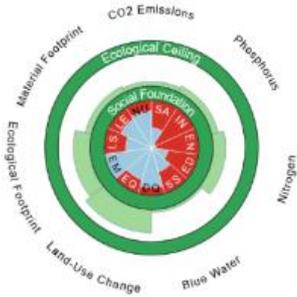


Humanity is living dangerously out of balance

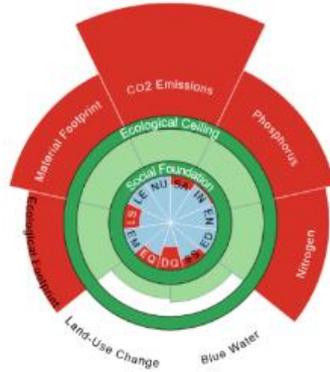


Every nation must transform

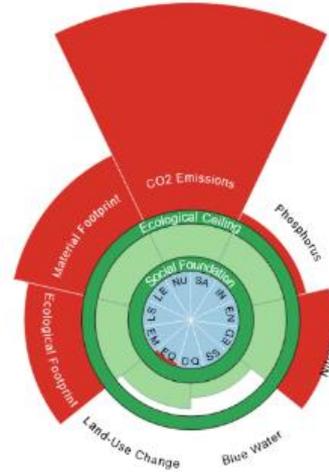
goodlife.leeds.ac.uk



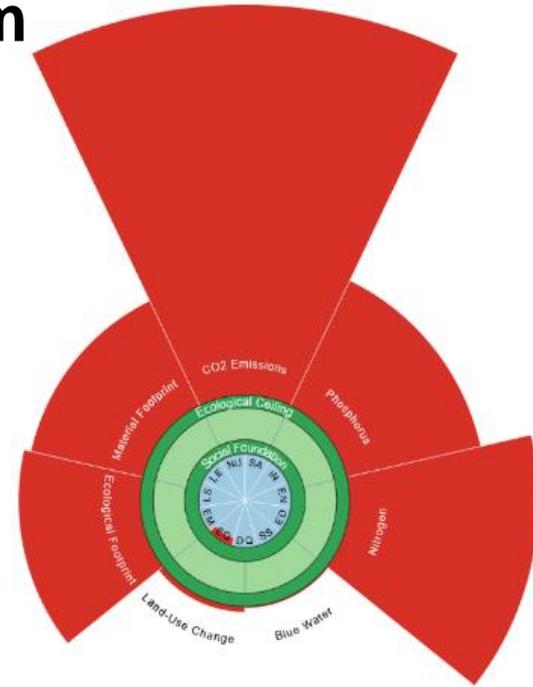
Malawi



China

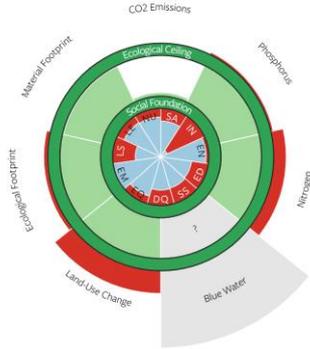


UK

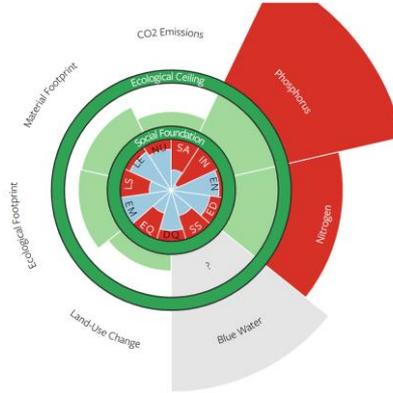


USA

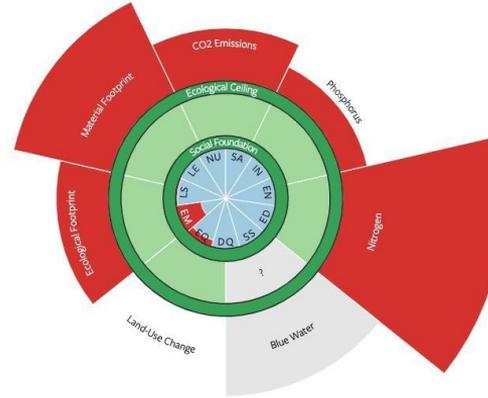
Every nation must transform



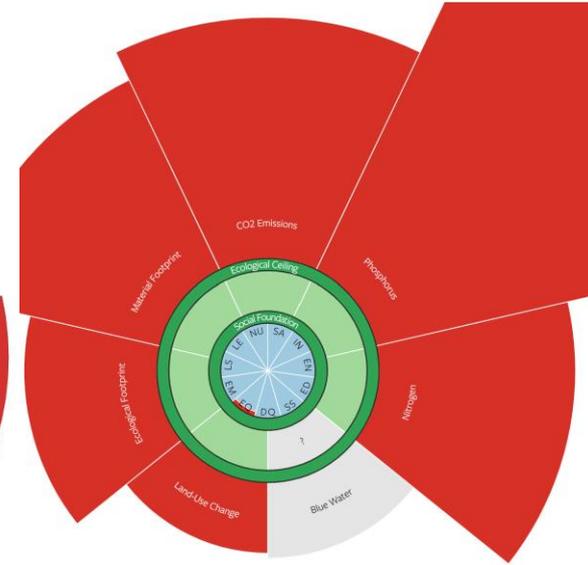
Lao



India

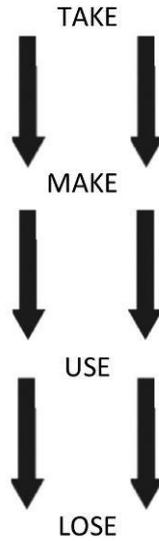


Spain

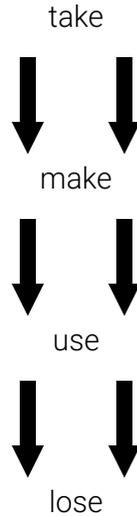


Australia

DEGENERATIVE

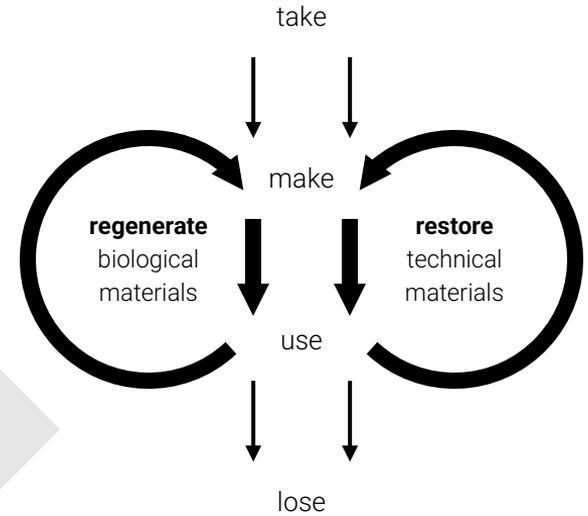


To change the future, change the dynamics



Degenerative

Running down Earth's life-supporting system

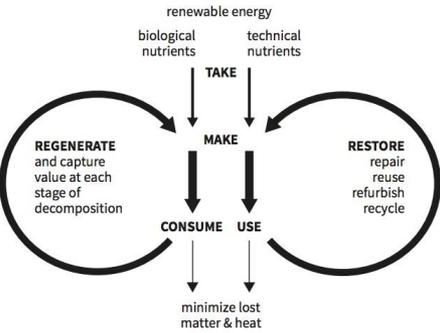


Regenerative

Working with and within the cycles of the living world

regenerative practices

An economy that works with and within the cycles of the living world



Open modular design - Fairphone



Factory as Forest - Interface

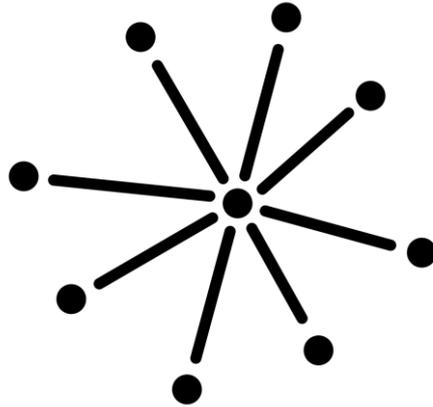


Plastic recycling – Body Shop



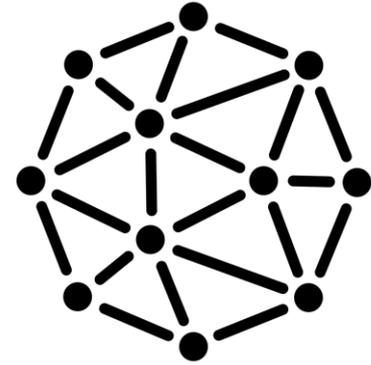
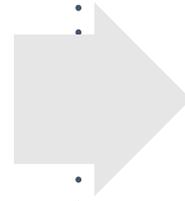
Circularity of materials - Houdini

**To change
the future,
change
the
dynamics**



Divisive

Capturing opportunity and value
in the hands of a few



Distributive

Sharing opportunity and value
with all who co-create it

distributive practices

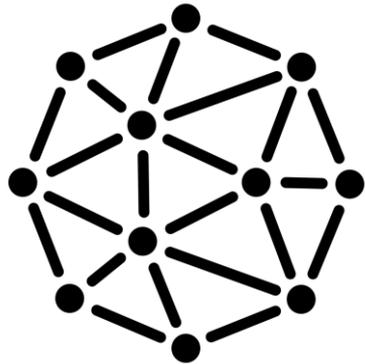
Sharing opportunity and value with all who co-create it



Supplier commitment – El Puente



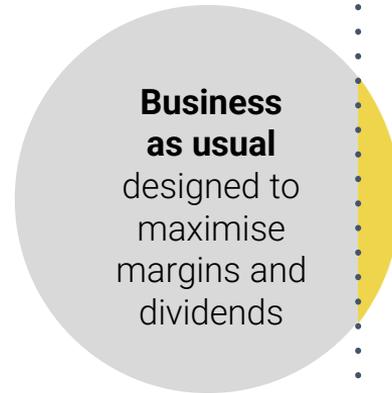
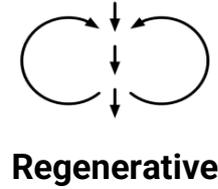
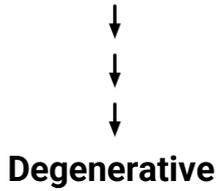
Employee ownership – Richer Sounds



Community-focused tourism - FairBnB



Fair Tax Mark - LUSH

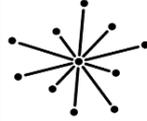


What's possible with current business design

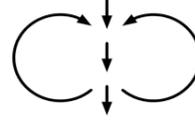




Degenerative



Divisive



Regenerative



Distributive





Degenerative



Landscape degradation

Sustainable



Zero deforestation



Regenerative



Landscape restoration



Built-in obsolescence



100% recyclable



Repair & modular design

 **Divisive**



Poverty wages

Inclusive



Living wage

 **Distributive**



Living wage and profit share



Aggressively enforced patents



Technology partnerships



Open source design

What can block transformative ideas?

outdated processes

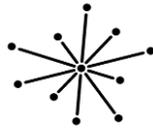
rigid financial targets

short-term thinking

culture of hierarchy



Degenerative



Divisive

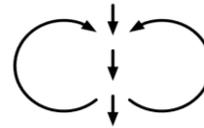
What can unlock transformative ideas?

suspending practicality

broad perspectives

long-term thinking

culture of courage



Regenerative



Distributive

Visualise a thriving future economy

It is regenerative and distributive by design - and your business is part of it.

What has your business started doing?

What has it now stopped doing?

What would they suggest?

- activists
- junior colleagues
- technical experts
- industry leaders

...

Towards regenerative and distributive business: generating transformative ideas

What would these many voices say?

Employees?

Local communities?

Customers?

Workers in the supply chain?

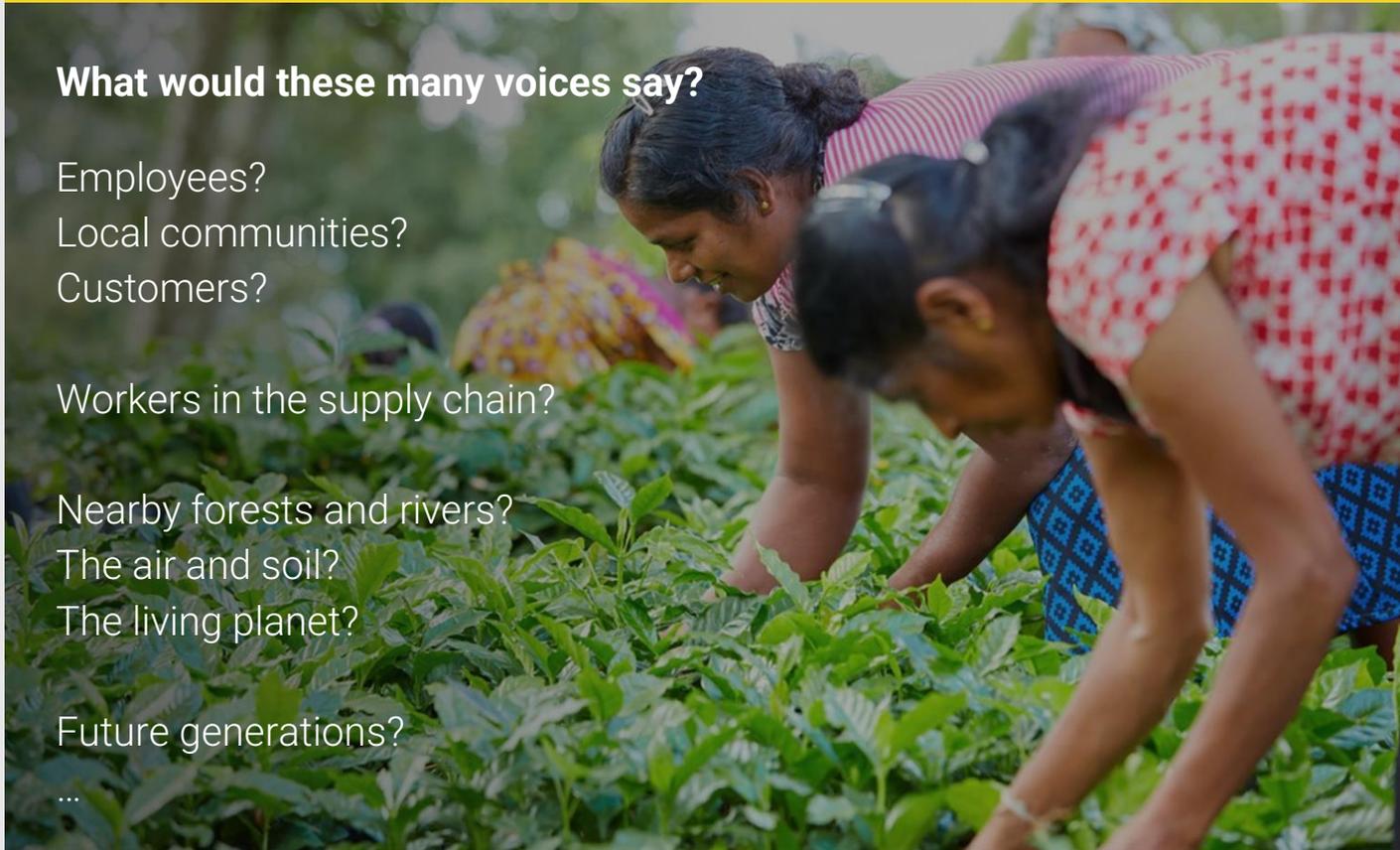
Nearby forests and rivers?

The air and soil?

The living planet?

Future generations?

...



There are many effective ways to start transforming business.

Exerting public pressure



Providing enlightened leadership



Setting new targets and metrics



Making the business case



**senior executive,
major beauty brand**

We should introduce
refillable perfume bottles –
but bringing consumers on
board needs investment, and
the payback period on that
capital expenditure is too
long.

I've been asked to create
a range of regenerative
clothing – while being
expected to deliver the usual
15% profit margins from the
outset. Impossible.

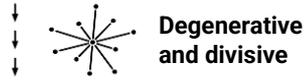
**head of innovation,
major clothing brand**

We prototyped an
expandable shoe – it was
going to be profitable, but
wouldn't have hit our usual
margins, so we dropped it.

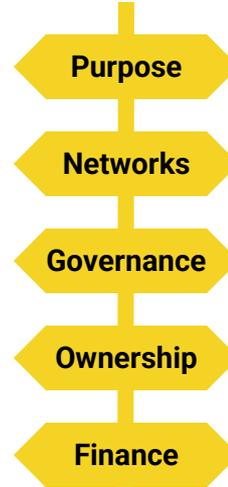
**ex-senior executive,
major footwear brand**



This is the deep design of business - as inspired by author & theorist Marjorie Kelly.



How much value can we extract through this enterprise?



How many benefits can we generate through this enterprise?

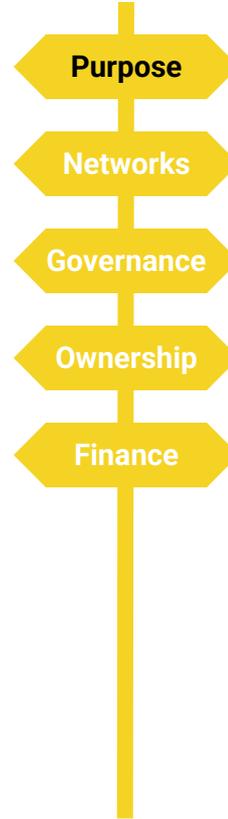
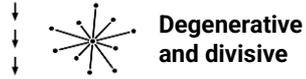
Purpose

Why does this business even exist?

What purpose does it serve in the world?

How is that purpose manifest in its operations?

How is that purpose manifest in its products or services?



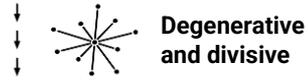
Example **Manos del Uruguay**

Networks

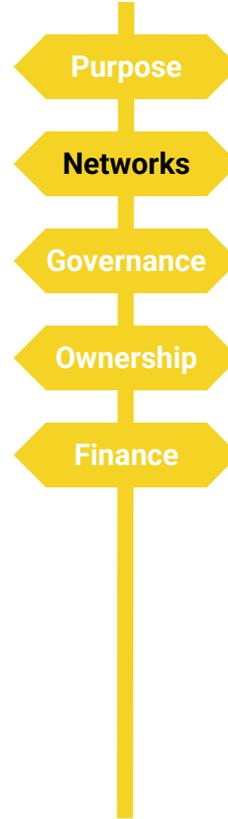
What relationships does the business hold - with its customers, suppliers, staff, governments, communities and partners?

What new connections does it need to create?

What outdated relationships must now be left behind?



Example **El Puente**



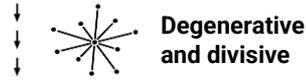
Governance

Who is on the board, with a voice in decision-making?

What are the company rules and culture?

What are the metrics of success?

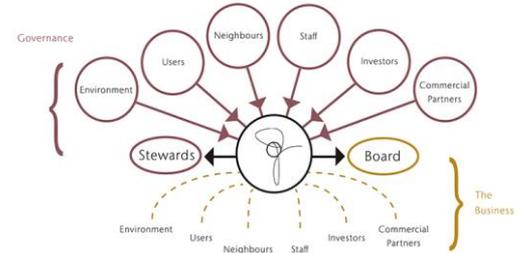
How openly are annual accounts reported?



Governance in service of finance



Governance in service of purpose



Example Riversimple

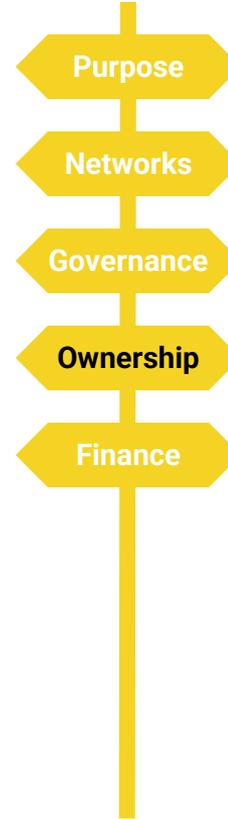
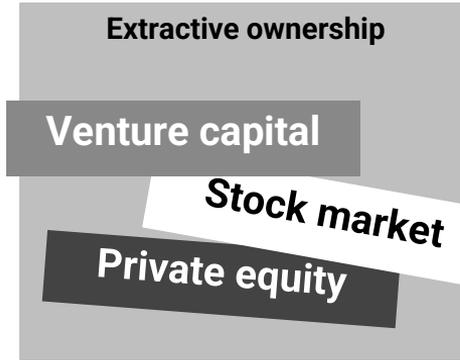
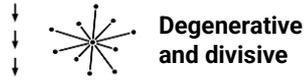


Ownership

Who owns the business?

What are their interests and expectations?

To what extent can the owners change or undermine the intended purpose of the business?



Example **Patagonia**

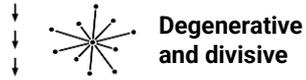
Finance

Where does finance come from, and what does it demand?

What are the margin and dividend expectations?

What are the rules on reinvestment & profit allocation?

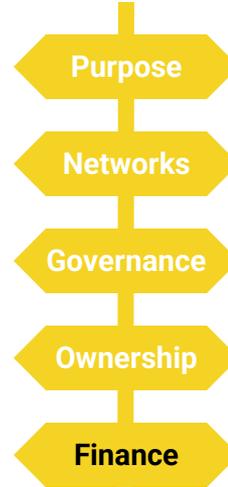
What's considered a fair return for investors?



Finance serving financial returns



Finance serving purpose



Example The **Body Shop** and **Plastics for Change** partnership

Benefits of redesign



- Purpose**
- Networks**
- Governance**
- Ownership**
- Finance**

- aligning internal processes with business purpose
- enabling new partnerships and engaging stakeholders
- channelling investment into transformative ideas
- locking-in legacy and protecting mission
- becoming regenerative and distributive by design

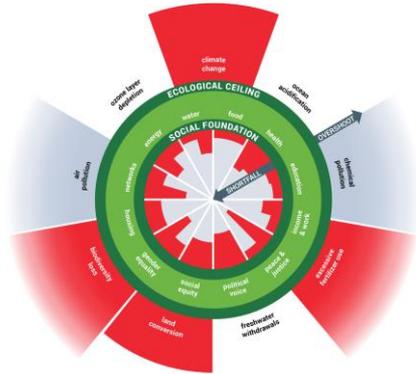


Doughnut Design for Business

DEAL's guide to redesigning businesses through Doughnut Economics - Core workshop



How does the design of your business block transformative action?



How could a redesign of your business unlock transformative action?



doughnuteconomics.org/tools/191



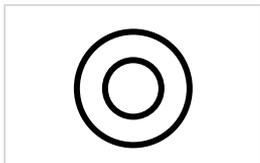
Core workshop: 4 to 5 hours

A four-part, half-day workshop to produce groundbreaking ideas.

1

Rapid Doughnut Mapping

Explore impacts and dependencies based on the dimensions of the Doughnut.

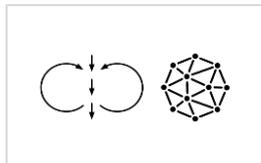


Canvas 1
Rapid Doughnut mapping

2

Regenerative & distributive ambitions

Create the most ambitious and transformative ideas that allow your business to become regenerative and distributive.

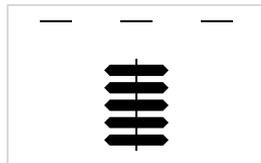


Canvas 2
Regenerative and distributive ambitions

3

Know your business design

With these ideas in mind, explore how the current design of your business is blocking or enabling you.

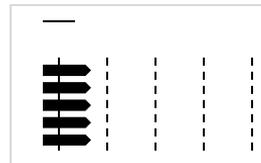


Canvas 3
Current business design

4

Redesign your business

Identify changes in your business design to enable your transformative ideas.

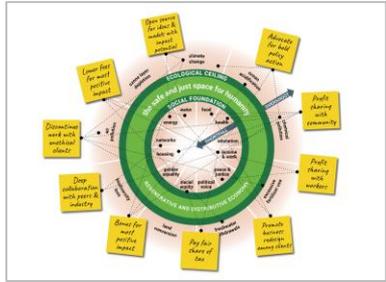


Canvas 4
Future business design

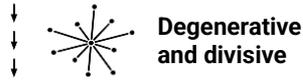
Then summarise your Doughnut story of business redesign.



Canvas 5
Business redesign story



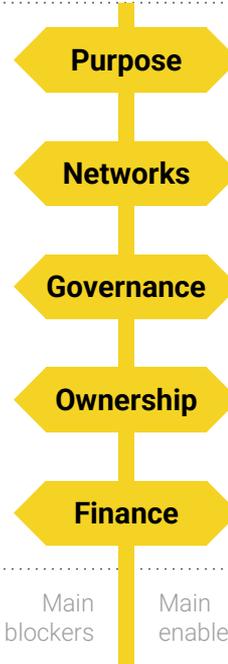
Transformative ideas



Deep design model
Current business design



Which aspects still block our most transformative ideas?



Which aspects can unlock our most transformative ideas?

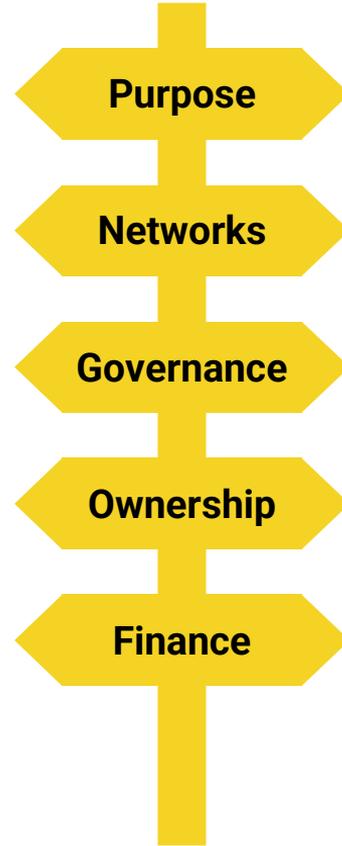
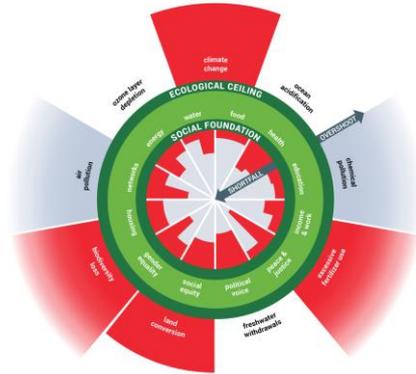
Canvas: Current business design

Doughnut Design for Business

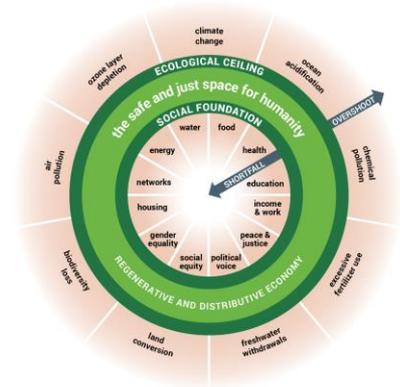
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