REGENERATIVE LEADERSHIP: what it takes to transform business into a force for good

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An accomplished mapmaker and traveler of the regenerative transition, Emmanuelle Aoustin has a rich background in environmental science and has dedicated her career to fostering positive, scalable impact in business. As a chemical engineer, she's held significant roles from shaping impact strategies at Veolia and leading Quantis, a multinational sustainability consultancy, to launching the Regenerative Alliance. In 2022, Emmanuelle co-founded Seedlings, a pioneering initiative combining coaching, consulting, and expertise to guide the shift towards a regenerative economy, emphasizing the importance of human-centered, systemic change and drawing inspiration from living systems.

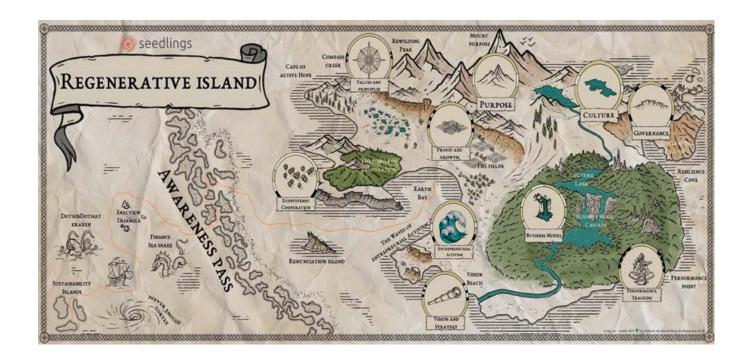
Ecological transformation will require a fundamental shift in the purpose of business and the global economy as a whole. This change will not only require new ideas, but a new type of leader. This article presents frameworks created by Seedlings – a pioneering initiative combining coaching, consulting, and expertise to guide the shift towards a regenerative economy – that can help leaders to understand the role of businesses in supporting regenerative transformation, and develop the mindsets and skillsets required to drive that change. These regenerative leadership qualities are vital if we are to succeed in innovating new models for business safeguard prosperity for people and planet.

INTRODUCTION

Businesses have a major role to play and a unique ability to lead the ecological transformation. They are able to influence, empower and align actors up and down value chains, within communities, across geographies, cultures, and socio-economic groups. It's a hugely exciting prospect, but not an easy one.

The regenerative transformation – how my organization, Seedlings, would characterize ecological transformation – is a radical shift for the business world, from being reactive and doing less harm (traditionally the responsibility of sustainability leaders) to being proactive and thriving while solving our world's biggest problems (the responsibility of all business leaders). This require multiple innovations that fundamentally redefine what it is to be a company and a profit-making enterprise.

This change will not only require new ideas, but a new type of leader. The magnitude of the transformation requires change agents who are well-equipped to steer their businesses into a new paradigm. These leaders are those who are brave enough to lead beyond the status quo, to truly align their values and actions, and to make an impact in the world.



The learning mindset is a

IMAGINING A MAP OF RADICAL BUSINESS TRANSFORMATION

Embracing a world where 9+ billion people can live well and where ecosystems thrive can only be achieved through urgent and significant transformations of our businesses and wider economy.

Regenerative transformation is very much a journey to new territories. In Seedling's illustration, we mapped out the Regenerative Island with 10 different ecosystems: meadows, rivers, cascades, peaks and coves, each representing a regenerative

business characteristic. Organizations that are leading the transformation have brought about radical change across all of these strategic aspects. These metaphorical ecosystems are in fact the 10 fundamentals of a business; each needs to be thought through with a regenerative lens in mind.

Most of the discussion about regenerative business today focuses on transformation of the Business Model. And for a reason. It's

indeed the key topic, and a very difficult one. Most current business models are based on volume and growth, and have detrimental social and environmental impacts - decoupling growth and impact has been an utopia long enough and it's now time to shift. Organizations must rethink their value proposition from its conception through to its distribution, delivery, and monetization. This is a radical change in the conception and production of products & services.

The regenerative business model builds upon and goes beyond existing concepts such as circular economy, sharing economy, eco-design, eco-efficiency, green chemistry, net-zero, etc. These approaches are intrinsic to "do no harm" models that seeks to minimize impacts, and to the "restorative" business model -

the "do good" model, also called "Net Positive", but a regenerative model goes further¹. Fundamentally, the "regenerative" business model works with and within the cycles of the living world2. It operates "within the doughnut" (meeting the needs of all people within the means of the living planet³) and seeks harmony with life, protecting Earth's life-supporting systems. Beyond the ecological aspects of regeneration, it also embraces social regeneration; enhancing social justice, diversity, participation and collaboration.

While the question of business model may sit at the heart of any

regenerative transformation, there are many different paths and starting points from which businesses can go on their journey. The other 9 ecosystems of Regenerative Island lay out the characteristics of the business they will need to explore to reach the end of their journeys: Purpose, Values & principles, Vision & strategy, Profit & growth, Performance tracking, Culture, Governance, Eco-systemic cooperation, and Entrepreneurial activism.

combination of an inquiring mind and the willingness to embrace change. This is not a given when it comes to business leaders All these fundamental business characteristics are

interconnected. This means that starting to shift one will also bring others into motion. On the other hand, not addressing some of these areas, consciously or not, can hinder regenerative transformation. Leaders should look at the whole map of the regenerative island from time to time and identify the ecosystems they have yet to fully explore.

Paul Polman & Andrew Winston (2021). "Net positive: How courageous companies thrive by given more than they take". Harvard Business Review Press.

Giles Hutchins & Laura Storm (2019) Regenerative Leadership: The DNA of life-affirming, 21st Century Organisations

³ Kate Raworth (2017) Doughnut Economics. Random House.



DEVELOPING REGENERATIVE LEADERSHIP QUALITIES

Creating a clear picture of what a regenerative business would look like is only part of the challenge, however. To succeed in radical transformation, we need to overcome resistance, inspire

and engage a wide range of stakeholders to innovate an entirely new model of business and economy. What are the qualities of leaders that can do all this?

Based on the emerging literature in the field from organizations and authors including the Inner Development Goals, Giles Hutchins and Laura Storm, and Otto Sharmer, and refined by our experience, at Seedlings, we have identified 7 fundamental qualities and competencies of regenerative leaders.

We cannot transform our organizations without understanding what transformation truly means... it is about a fundamental shift in the purpose of business and the global economy as a whole

1. AWARENESS AND KNOWLEDGE

To make sound and informed decisions that benefit planet and people, leaders need to be up-to-speed with many fast-evolving areas including climate science and regulations as well best practices and innovations in their respective fields. This requires dedicated attention to continuously building one's awareness & knowledge.

The learning mindset is a combination of an inquiring mind and the willingness to embrace change. This is not a given when it comes to business leaders: it implies being curious about fields of expertise beyond our core experience, being humble and accepting that we don't know much. It also requires being

patient and committed to re-learning; the science of our planet is complex and always evolving. Because no-one can know everything, leaders need to trust others to be able to leverage humanity's collective intelligence.

Regenerative leaders have the courage and humility to

un-learn traditional business approaches and engage into new ways of thinking. They must not only be technically competent but also emotionally intelligent. They will need engage all the different forms of intelligence: body, mind, heart and soul. They are able to unlock not only knowledge, but also meaning, passion and willingness to act in others.

Regenerative leadership is not only required of 'traditional' leaders of today – politicians, CEOs, etc. The magnitude of the environmental & social we face today

mean that leaders across all levels of business – and indeed all parts of society – must also reach this higher level of awareness and knowing.

2. DESIGN AND PLANNING

Awareness and knowledge as only useful when applied; leaders need design and planning skills to translate their understanding into real-world action. These include the capacity to redefine success and business purpose, to innovate and design new business models, to shape new governance and accounting approaches, and to shape a vision and a strategic plan to realize change that stretches far outside of our current understandings of "normal" business.

Together with designing comes planning: the magnitude and urgency of the transformation calls for leaders who can grasp that we have as little as one generation to achieve the change required. This means engaging with processes of innovation and experimentation, but at huge scale and speed. Ultimately, with the time we have left, a doer's mindset that is critical.

3. INNER TRANSFORMATION

Those leaders that are actively engaged in shifting business are actively engaged in their own personal journey. In other words, changing the world starts with ourselves; our own inner transformation is a prerequisite to any sustainable change.

Inner transformation consists of deep, reflective inner work exploring or re-exploring our own values, purpose, and contribution to the world, thus shaping a deeply felt sense of responsibility and commitment. Practices that promote this development include self-reflection, presence & mindfulness, and deep listening. They can give leaders the ability to act with sincerity, honesty and integrity in alignment with one's values as a person, as a parent, a friend, a citizen, and as a member of all generations of humanity. Leaders we speak with say this has helped them drop the mask they were wearing in the corporate world and "show up as a whole".

4. RFI ATIONSHIPS

A fundamental mindset shift to accelerate regenerative transformation is to focus on regenerating human connections: connection to ourselves through better alignment with our values and deepest beliefs, connection to others through resonance and sharing, and greater solidarity and connection to our environment. Who and what we care about is where our attention will be focused.

Regenerative leaders have developed a sense of interconnectedness, a feeling of belonging in the greater web of the world, as in the Buddhist concept of "interbeing". With interbeing, leaders have shifted their mindset from an ego perspective to an eco-perspective, feeling the oneness with nature. And even further, they can shift to a selva perspective, when they can embrace empathy and radical love⁴. This is also sometimes referred to as "ubuntu", a Nguni Bantu term that translates into "I am because we are", acknowledging that we are part of a larger and more significant relational, communal, societal, environmental and spiritual world.

It is a significant leadership shift to go beyond leading people or teams, to managing relationships and focusing on what is disconnected and needs reconnection: shifting from extraction to relation, from doing to meaning making.

Foundational mindset shifts are needed to underpin both the transformation of businesses and of individual leaders. Crucial among these is putting humanity at the heart of decisions and reconnecting to the wisdom of living systems

5. ECO-SYSTEMIC VISION

Developing an eco-systemic vision⁵ starts by realizing the crisis we are facing is a systemic one: it is a polycrisis that goes well beyond climate change. 6 out of 9 planetary boundaries have already crossed⁶, and the world is more unequal than it has been for centuries⁷. The challenges we face are global and they are also completely intertwined: for example, low- and middle-income countries suffer greater climate change impacts than their richer counterparts.

Eco-systemic vision involves understanding that we are all interconnected and interdependent. That applies not only to value chains, sectoral initiatives, or stakeholder engagement, but also to the relationship between business and ecosystems: business cannot thrive if ecosystems die. Businesses cannot thrive if the lives of people deteriorate. The health of every business is intrinsically linked to the health of the system as a whole, and every action has ripple effects that can be felt across each system. Leaders need to expand their worldview, embrace eco-systemic complexity, planetary boundaries, ecosystem cycles, long-term thinking, and face a broader responsibility. They need to recognize the effects their business has, and can have in this context, and find ways that they can contribute to treating

the causes of our current ills, not just the symptoms.

6. COLLABORATION

Shaping a collaborative culture is a major transformation that regenerative leaders have to embrace. Engaging all stakeholders calls for deeper and extended collaborations with a greater number of people. It starts inside businesses by breaking the silos that prevent transformation to happen, and continues with active engagement with suppliers and clients, as well as with legislators, innovators, investors.

Thus, enabling collaboration at all levels is a core quality to of regenerative leaders. Eco-systemic collaboration includes the ability to facilitate intense cooperation in a decentralized system; promoting co-creation and fostering collective intelligence. It involves such qualities as deep listening and the ability to communicate in the "language" of a range of stakeholders and perspective. It means moving away from the traditional competitive mindset and developing "Both/And" thinking to embrace creative tensions.

7. DRIVE

Ultimately, regenerative leaders can only be judged a success if they bring about transformation. It takes a delicate combination of audacity, resilience, and ability to engage others to steer an organization towards this path, and stick to it.

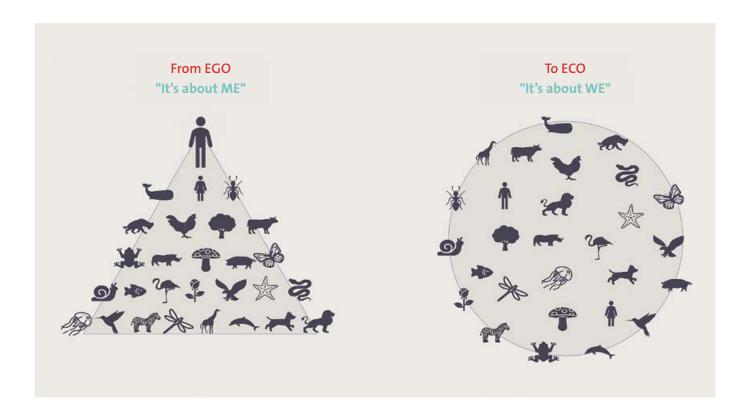
5 Donella H. Meadows (2008) Thinking in systems. Reed Elsevier.

⁶ Potsdam Institute (2022) Planetary boundaries update: Fresl

⁶ Potsdam Institute (2022) Planetary boundaries update: Freshwater boundary exceeds safe limits. https://www.pik-potsdam.de/en/news/latest-news/planetary-boundaries-update-freshwater-boundary-exceeds-safe-limits

⁷ World Inequality Report (2022). https://wir2022.wid.world/chapter-2/

⁴ Satish Kumar (2023) Radical Love: From Separation to Connection with the Earth, Each Other, and Ourselves. Random House.



It takes courage to dare push for the unknown, to give-up on unsustainable business models and explore new ones. It takes bravery to challenge the status-quo and accept being a singled-out at time. It also takes audacity to give-up on short-termism where decisions are guided by quarterly profit targets: the regenerative leader is one that does not shy away difficult conversations with its shareholders and investors.

Leaders who lead the regenerative transformation also demonstrate a high level of resilience. It takes determination and the ability to bounce back to maintain the new direction over the years despite inevitable challenges.

The largest challenge is possibly how to engage the broader ecosystem both inside the company, and with all its other stakeholders. Most important to this ability to be able to share an inspiring vision, a story of the benefits it will generate, how you will get there. Such regenerative leaders inspire because they are able to talk with their hearts, not only their heads. Their power to convince stems from the human being they are, beyond the professional: the parent, the citizen, the community member, the person that cares about the planet and future generations.

SHIFTING TO A REGENERATIVE MINDSET

Foundational mindset shifts are needed to underpin both the transformation of businesses and of individual leaders. Crucial among these is putting humanity at the heart of decisions and reconnecting to the wisdom of living systems.

ENGAGING WITH THE HUMAN DYNAMICS OF CHANGE

Scientific paradigms alone have proven ineffective in engaging with the exponential change that's requested. We know, yet we don't act, and certainly not at the speed and scale that's needed to maintain our existence on this planet. We also must recognize that it is a cognitive dissonance involved in inventing a new future, whilst still being on the old playing field.

There are many human reasons and obstacles that prevent our awareness, contradict decisions, limit commitment, delay engagement and hinder action. They can be organizational factors such as capacity, priority conflicts or power struggles. They can also be individual or social factors such as beliefs, habits, fears, or sense-making.

Only by understanding and accepting the human factors of change will we be able to engage in the regenerative transition. By integrating all aspects of the human dimension of the company, leaders can reinforce the desire and capacity to act of their stakeholders and activate a deep and lasting transformation.

RECONNECTING TO THE WISDOM OF LIVING SYSTEMS

The dominant worldview pervading our businesses, institutions and societies is flawed by an illusion of separation. We believe that humans are separate from nature. As we see it today,

⁸ Brené Brown (2018) Dare to Lead: Brave work. Tough conversation. Whole hearts. Random House.



Aerial drone image of fields with diverse crop growth based on principle of polyculture and permaculture - a healthy farming method of ecosystem.

living systems and the planet in general are a set of resources to be used for human betterment, ripe for our exploitation: nature can be measured, monitored, controlled and managed, and has no intrinsic worth other than to humans. This disconnect is the root cause of the systemic crisis we are facing — more leaders must identify with the essential message behind the Extinction Rebellion slogan; "We are nature defending itself."

Reconnecting to life and living systems goes beyond understanding the challenges of overcoming planetary boundaries. It also means rediscovering our capacity for wonder, understanding our intrinsic dependence on nature, recognizing how precious ecosystems are, observing the principles of cooperation and interdependence, and being inspired by them.

CONCLUSION: EMBRACING RADICAL TRANSFORMATION

Many features of our current mindsets stand in the way of transformation. Most organizations are still helmed by leaders who believe in a linear and technical solutions-driven transformation, deceiving themselves that solving a systemic crisis can be done from within the same system that caused it. Over the next decade, we need to unlock change in a way – and at a rate – that has so far eluded us.

We cannot transform our organizations without understanding what transformation truly means. Regenerative transformation is not simply a social and environmental agenda: it is about a fundamental shift in the purpose of business and the global

economy as a whole⁹. A mindset of reinvention is called forward; innovation and "new" thinking in the truest sense.

Regenerative leadership qualities and awareness cannot be united in a single providential man or woman "at the top". It is a whole collective that must shift: the leaders, the pioneering agents of change in all departments, as well as all employees and business partners. Our institutions too, which are the play book we have created for our economy and societies, have to shift: redefining value to reward true value creation, not value extraction; redefining education and learning. redefining governance and our collective vision of what success is.

This article provides a framework to inspire leaders at any level and in every part of society to cultivate the mindsets and skillsets that can help them to drive regenerative future, channeling human innovation towards purpose, not profit.

The harsh truth is that we are moving closer to critical planetary boundaries and the limits of social cohesion and stability. Being a leader for regenerative transformation will take courage, alongside all other features discussed in this article, but answering the call is vital. There is more work than ever to be done, and it is more urgent than ever that we do it.

⁹ WBCSD. 2020. *Time to Transform: Vision 2050*. https://www.wbcsd.org/contentwbc/download/11765/177145/1