

The Essence of Context-Based Sustainability

*Managing impacts on vital capitals
with stakeholder well-being in mind!*

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What is Context-Based Sustainability?

- * A compelling approach to corporate sustainability management that:
 - * Assesses performance relative to organization-specific *norms or standards of performance*
 - * Defines such standards relative to thresholds in the carrying capacities of vital capitals
 - * Measures and reports performance in terms of an organization's impacts on capitals, but only in cases for which there are corresponding duties or obligations owed to stakeholders



Thresholds vs. Allocations

- * A hallmark of CBS is its specification of organization-specific standards of performance
 - * Takes thresholds in the carrying capacities of vital capitals organizations have (or should have) impact on (e.g., natural, social and economic ones), and then ...
 - * Defines or allocates fair, just and proportionate shares of the responsibility to produce and/or maintain them to individual organizations – be they shared or exclusive





The logic of defining organization-specific sustainability standards of performance

1. Identify vital capitals an organization is and/or should be having impact on in ways that can affect stakeholder well-being

2. Determine responsible populations for maintaining the carrying capacities of the capitals involved

3. Allocate fair, just and proportionate shares of the responsibilities to produce and/or maintain the capitals involved to specific organizations

Organization-Specific Standards of Performance

The carrying capacities of capitals is key!

e.g., water resources impacted by an org's manufacturing activity; the stakeholders involved are everyone else who relies on the same resources

e.g., the entire population of people who share and rely on the water resources in question, including the manufacturer

e.g., first determine the carrying capacity of the water resources involved; then account for natural loss (evapotranspiration); then allocate a share to ecological functions/needs; then satisfy all household needs; and then, last, allocate the remainder to organizations based on their respective contributions to GDP

Brief Discussion

- * CBS is inclusive of science-based considerations whenever possible, but is not the *same as* ‘science-based’
 - * CBS also takes justice and ethics into account when making normative allocations of duties to maintain vital capitals
 - * Science-based goal-setting and performance evaluations rarely include such normative considerations, but even when they do, it is ethics they are relying on, not science
- * See the [MultiCapital Scorecard®](#) for state of the art CBS





Thank you!

For more information, visit us at:

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