



**P+**  
SPECIAL  
Year 18  
Week 29 | 2020

Unique digital global conference NBM2020

# Waterfall

of sustainable business models

# Waterfall of ideas

Looking for a sustainable business model? No problem. The unique digital conference on new business models, NBM2020, featured some 240 scientists from around the world and their findings. It was like a waterfall of ideas cascading down. A summary of what was on show.

## NWO and TNO enable digital global conference

**W**hen the corona crisis hit, large gatherings were prohibited and the borders were closed. All the months of preparations for the NBM2020 conference seemed to have been in vain. What then? Find a digital solution? Use ZOOM or the Microsoft Teams platform? These solutions were not deemed fit for a scientific conference. After all, scientists don't aim to show other participants their talking faces; they share their presentations, their PowerPoints, their flowcharts. Moderators should lead the discussion and involve the public in the content, pass on questions and oversee the debate. There should be a large plenary hall combined with plenty of smaller meeting rooms.

**Organisers Jan Jonker** and Niels Faber cancelled the conference accommodation that had been booked. Their personal network suggested a more suitable digital platform, made by scientists for scientists: iChair. The costs for organising a digital gathering were discussed with financiers NWO, the Dutch Research Council, and TNO, the Netherlands Organisation for applied scientific research. Organising online meetings is not in any way less complex than organising physical meetings, nor is it cheaper. Adapting software, renting a room full of laptops, building a studio at Avex in Utrecht, employing support technicians, meeting a range of security requirements, giving all participants a brief presentation training...

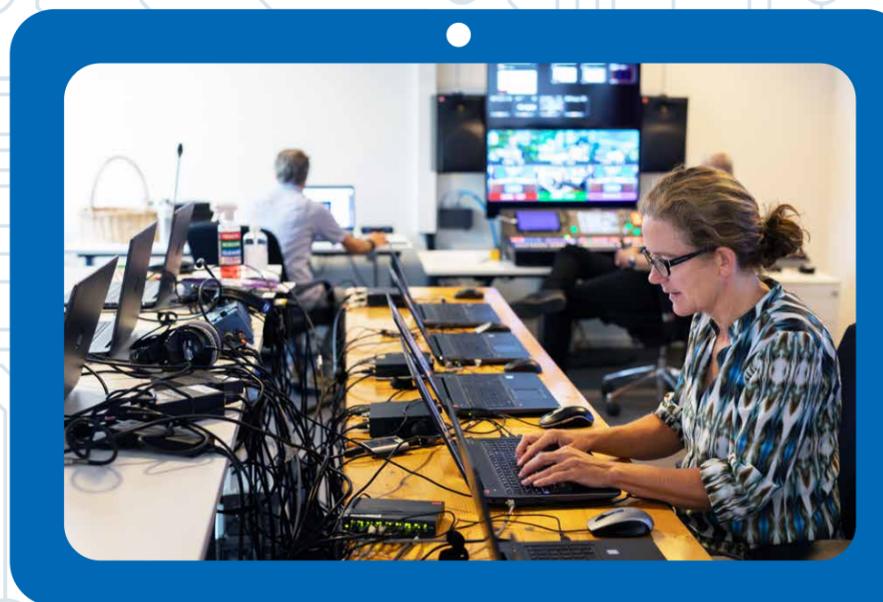
**It was almost too much**, in the short amount of time available. Nonetheless, NWO and TNO trusted Jonker to turn this uncertain adventure into a success. The end result was a unique experience, organised at a globally unparalleled scale. Faber: "We aimed for a truly superlative broadcast of the conference, in which the quality of the image and sound would be combined with a reliable connection."

**In the realisation**, CSR expert Geanne van Arkel and her husband Henkjan van Offeren, specialist in audiovisual communication, were worth their weight in gold. They helped build a completely new virtual conference building. With her love for examples from nature, Geanne clarifies: "We found a digital approach to accelerate the cross-pollination of knowledge." And that is exactly the point of the conference on New Business Models in the first place: exchanging ideas. Having discussions at both the academic and the practical level. How can sustainability, circularity and social inclusiveness be integrated in these models? Or: how can sustainable business models contribute to increasing the sustainability of society? The digital transformation of the conference actually strengthened these goals.

**Was the unique conference** technically perfect? Nearly. Occasionally a connection was disrupted. A Finnish participant, who thought

she could share her story without taking the proposed training, was unable to leave Finland. But the academics were forgiving. They would kindly point out annoying background noises during an excellent presentation on business models for music festivals. It turned out that another presenter had accidentally left their microphone on. Surprisingly, it turned out that this way of getting together had a major unexpected benefit. Where during physical meetings, it may sometimes be difficult to choose between interesting sessions organised at the same time, participants of NBM2020 could endlessly switch between speakers, which included a high percentage of (young) women.

**The emergency solution** was also favourable from a sustainability perspective. The organisers haven't gotten around to calculating the saved CO<sub>2</sub> emissions of all the 350 participants' air travel, but it is bound to be a lot. Nor did the event require any imported food or drinks. The participants presented from their own studies, sometimes from their attics at home, or even from their tiny house, with a bed skillfully constructed under the roof in the back-ground. Even before NBM2020 had ended, the conclusion was that the organisers had successfully developed a new sustainable business model for organising largely content-driven conferences or meetings.



A row of laptops, with a different business model presented on each screen. Invisible to all, Geanne van Arkel closely guards the process from the control room. Like a chess master in a simultaneous exhibition.

**Financers NWO and TNO** were fully involved. Marinke Wijngaard, managing director Circular Economy & Environment at TNO, announced she was working on a 'toolbox for design' and a transition academy, and appealed to all participants to contribute with literature and experiences. Professor Harry Garretsen, director of NWO, recalled supporting research programmes into sustainable business models since 2004. Showing a photo from P+ he said: "With this scientific programme we hoped to find a way out of the maze. The topic of business models has since become mainstream." ➤

*"We have found a digital approach to accelerate the cross-pollination of knowledge"*



“The environment is the holding company of the 21st Century”

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## Asset management company NN Investment Partners avoids Schiphol

Head of sustainable investments, Adrie Heinsbroek of NN IP, explained to the NBM2020 participants in a highly practical way how decisions by a sustainable investor are made. “As an institutional investor, we mainly look for mainstream companies that operate in a sustainable way. In that framework, we are looking for businesses that can remain successful in the future. The future vision and approach are what really make the difference. Who are pioneering in their thoughts and actions in that regard? Microsoft is interesting to us, for instance. Many of us use the software on a daily basis. When Microsoft states that it aims to work towards solutions that will reduce the energy consumption of computers, in line with the Paris agreements, we don’t hold back on supporting the company in this approach.”

NN Investment Partners sometimes has to consider whether it involves sustainable activities or, in fact, a sustainable business model. Heinsbroek explains: “That’s why we look at a company’s entire value chain, and not just at

the sector itself. To illustrate: Neste Oil is an interesting company that has entirely rediscovered diesel fuel, made from waste and residual products. Another interesting company is Solar Edge, a producer of inverters for solar panels. But oil companies like Shell, which have taken the first steps in sustainable energy, but don’t have a sustainable business model, create new issues. How do you prevent greenwashing in the purpose of the company, in the business goal? In these cases, we must look at how a company contributes to sustainable transitions. How does their business model solve problems? A good example is Novozymes, a company that produces enzymes – for washing, among other things. Their product enables washing machines to run at lower temperatures and replaces components that are less favourable to the environment.”

These criteria led Heinsbroek to question whether airports are still of interest to a responsible investor. For example, Schiphol gave out green bonds in 2018, and again this year, but NN Investment Partners is passing

them by. Heinsbroek: “We do give green credentials when there is clear energy efficiency. This is well illustrated by the Green Bonds from the German state Baden-Württemberg (where Stuttgart is located), which support investments in the ‘Energiewende’. The green electricity from the north of the country, from wind turbines in the North Sea, has to be transported south. This is interesting to us. But a loan that doesn’t suit us, is one in airports, not even in Airport Mexico, which will be purposed to pay for installing countless solar panels and switching to electric transport. We do believe this is an important step, but to us it is more important to consider that an airport’s purpose is to enable air travel. This means that the business model of airports is flying. To us, this is in sharp contrast to the perspective of the sustainable investment principle. And that’s why we don’t invest in airports. We draw up a report each year to account for our approach towards selecting companies that will or won’t be considered for investment. Our responsible investing report for 2019 is available online.”

## Scientist’s scientist maps ecosystem

Like there are writer’s writers and artist’s artists, there are also scientists who are mainly admired by their fellow scientists: the scientist’s scientist. Applauding emoticons fluttered across the screen after the presentation by Ed Langham, research director of Energy Futures at the Institute for Sustainable Futures in Sydney, Australia.

An outsider who tries to understand his complex tables will mainly see him as a biologist among scientists, mapping the ecosystem of mutual relationships between various parties. Interesting to companies is that Langham indicates that innovations to arrive at ‘real’ system change make the current borders between companies fade. The organisational structure is changing, becoming more decentralised. Operational processes that result in innovation are increasingly a collaboration between various parties. Langham provides relevant definitions in a

matter of fact tone. What is an open business model? Is it the architecture of value creation of a company, in which the relationships of cooperation are central in an ‘ecosystem’ of various parties? Langham has also passed the point in which values are just of a financial nature. He also chooses ‘societal value creation which involves creating a form of social, natural or economic values’ that protect and preserve the collective assets such as resources on this planet. Langman shows a beautiful graph in which he places the mutual relationships in an ever-lasting loop. Dry and business-like, he addresses the financing of all this: “For an ideal loop look this, it is crucial that financiers develop a long-term vision.”

Langham provides an ecology-like foundation for the growing global community of scientific researchers into sustainable models to use to framework their sub-studies. That is indeed worth an applause.

## A business model against racism

A sustainable business model that doesn’t require dollars or euros. The value is instead determined by a society without racism. “Because we, in the States, are experiencing the most intense unrest since the civil rights movement in the 1960s.” American professor Rick Edgeman gave us a very up-to-date demonstration in a preconference presentation which was available online from two days before the official opening of the digital global conference on New Business Models NBM2020. A unique amuse-bouche.

Edgeman, a management professor at the Fort Hays State University in Kansas, explains: “A practice in which the police first tries to understand the nature of the situation when they arrive on scene. Is the cause of violence perhaps a job loss, or the death of a loved one? This allows the officers to act in a de-escalating way, and enables civilians to understand and respect their role.”

The professor can’t be clearer about officers who cross the line. “They must be removed by

the local government. At the same time, professionals must help adjust unrealistic expectations regarding what a police officer is allowed to do. A forum to start a dialogue between communities and the police may help in that regard. Regular evaluations of practice too.” And that would put a stop to ‘400 years, 8 minutes and 46 seconds’ of racism. The time is measured up to the death of George Floyd, the man who spoke the most famous last words of our time: ‘I can’t breathe’.

## Festival goes outsmart providers of sustainable products

From extremely abstract to highly practical. NBM2020 featured a sample card of scientific research. Sybrith Marije Tiekstra of the University of Aalborg in Denmark studied how sensible it is to test sustainable innovations at music festivals. She looked at some 135 experiments in festivals that offered a ‘protected environment’. “Most products were alternatives to something that already existed, from skin care products to swim suits.” Does it make any sense to first test sustainable business models among festivalgoers? Tiekstra: “Sometimes it was difficult to integrate the product range in the festival as a whole. Sometimes the providers didn’t really know how to have an open discussion with the visitors. Another issue is whether the public is at all representa-

tive with regard to age. I thought it was interesting that the providers would sooner offer a ready-made product than a prototype for testing. As a result, the testers would sometimes outsmart the providers, or were more business-minded than the providers themselves. With regard to packaging, for instance. In these cases, an event will not result in a business model for new products, although it may help gain more insight.”

There were, of course, questions from fellow scientists for Tiekstra: “Are visitors of music festivals even sober enough to test products?” Her answer was nuanced: it very much depends on the time of the day.

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## Refugees innovate Turkish women's cooperatives

Sometimes a scientist benefits from the luck of the draw. This especially applied to Turkish scientist Burçin Kalabay Hatipoglu of the Bogaziçi University in Istanbul. She was already researching women's cooperatives when the refugees started flowing in from Syria. This had especially remarkable consequences for the business model of women-established child care centre First Steps. From 2017, Syrian women started bringing their children to the child care centre as well. But there was more. They were also given the opportunity to use the space to

make products. In 2019, they started helping out in the organisation. This was such a success that they soon had to look for a larger work space. Other neighbourhoods and cities started implementing the business model too. Hatipoglu: "There are now two programmes on a national level to support various groups of women this way." The scientist monitored the entire trajectory, and is now mapping the factors that led to the scalability of the business models of women's cooperatives.

## Bob Willard calculates achieved percentage SDGs

He is a very popular author, so it was a great opportunity to see American Bob Willard clarify his '21st Century Business Model' at NBM2020. He illustrated the difference compared to business models from the previous century with a memorable quote: "The environment is the holding company of the 21st Century". Willard's model clearly takes into account environmental and social risks for companies in the current century. Interesting slides showed the limits of the planet, similar to the work of British economist Kate Raworth.

In a crystal-clear speech, Willard gradually built up a dashboard showing the results of all efforts. Even the extent to which the UN Sustainable Development Goals (SDGs) were achieved. It was quite something. He also presented a slide in which the impact of a company for SDG 1 'No poverty' was as much as 82 percent. Despite this fact, the company still achieved a turnover of 5.6 billion dollars and a profit of 0.6 billion. Willard, too, still measures in financial terms these days, or, in his case, dollars.

## Toward New Commons modelling

It was quite an adventure, switching from a physical conference to a digital gathering of 350 people in a short timeframe. Organisers Jan Jonker and Niels Faber turned out to have the utmost confidence in their own abilities. As a result, they established a brand-new business model for a conference about New Business Models.

Four years ago, sustainable business models revolved around money. Today I see more and more business models that focus on entirely different values and don't even mention euros or dollars.

**Jonker**, professor in sustainability at Radboud University in Nijmegen: "That's right. Or, more accurately: five years ago, business models exclusively applied to companies. These models revolve around value creation. But how that value is defined, shifted from a strictly financial angle to a much broader social perspective. At the same time, it switched from an issue that only applied to companies to

something that is relevant to an increasing number of parties. You'll often hear: yes, but this research involves biodiversity. What's the revenue model? Where are the registers? Is it a register that rings for cash, or is it a register that structurally results in CO<sub>2</sub> reductions? What unit do we use in our calculations?" **Niels Faber**, university docent in Circular Business at Campus Fryslân of University of Groningen: "It is a very important shift that is reflected in the conference programme. We are moving from a purely market and company-oriented discussion to a social debate. There are various clusters. What is the role of business in this matter? What is the role of governments? How can civilians participate? And then there's accounting: how can the financial performance reflect the value of plant diversity and who represents nature as a stakeholder? We see a movement that wants to fix things, put on a band-aid. Fundamentally, little is changing in the governance of companies and

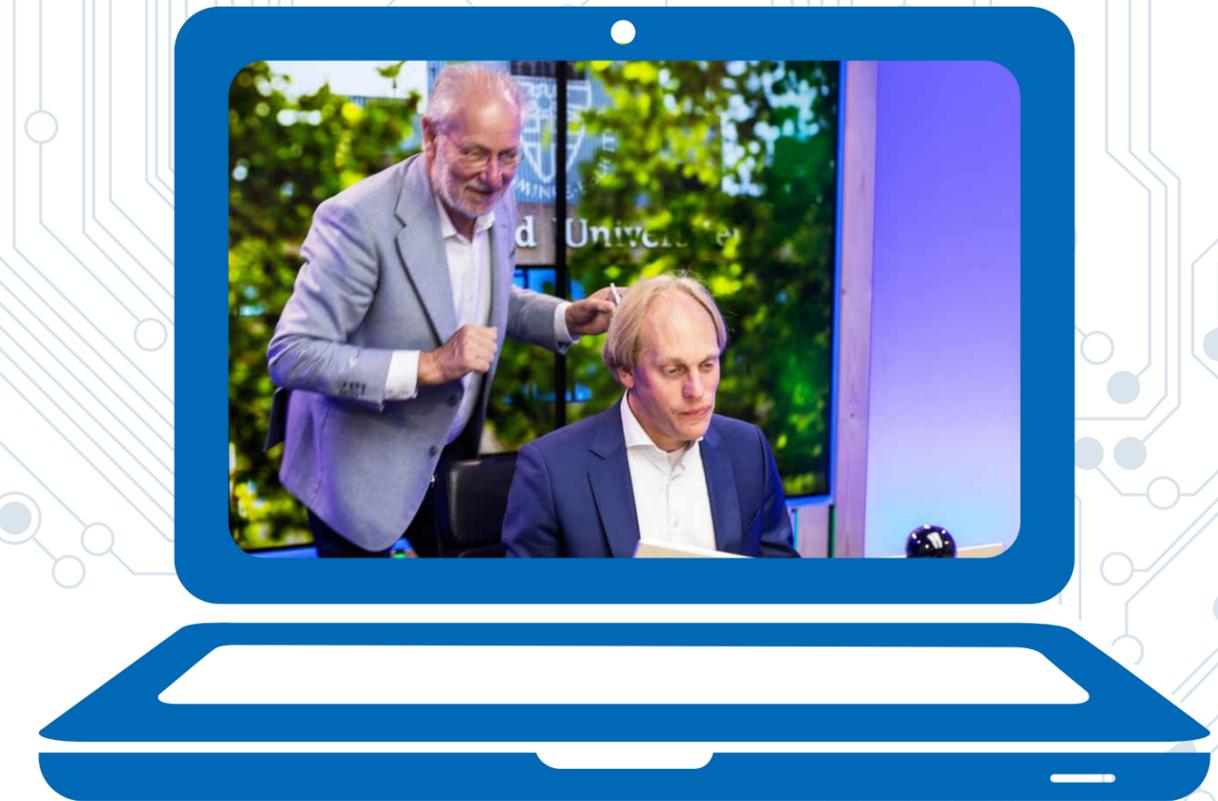
the government. For civilians too, financial considerations often take priority. This is a challenge for us all."

Should we still be calling them business models?

**Jonker**: "We spend a lot of time debating the matter. This is why we use the term 'new business models'. We haven't found a better alternative as yet. It involves the logic of value creation. And that brings us to another matter. We started in Toulouse five years ago, where I was a professor at the time. It was all very French: very pleasant, a bit messy, around 80 people. Two parallel sessions. This developed into seven parallel sessions this year, with participants from around the world, even from as far as South Korea."

**Faber**: "From nearly 30 presentations in the first conference, we have now grown to over 100."

With a wide range of topics, too, including sessions by



Organisers Jan Jonker (left) and Niels Faber: "Where is the cash register when you talk about value creation nowadays?"

scientists for scientists plus researchers with very practical results.

**Jonker**: "Why not? There are people who live in their own conceptual fish tank."

**Faber**: "From pure academics, theoretical, to participants who are grounded in practice. We have always tried to achieve this mix. Young and old, Green and..."

**Jonker**, almost retired, laughs: "Yes, go on. Green and grey."

**Faber**: "The intrinsic range varies from issues related to transitions and the organisation to those related to the impact that can be made."

**Jonker**: "And we've noticed that circularity has become a popular and returning topic in the past few years."

**Faber**: "This conference featured five contributions on the subject totalling an hour and a half. Over the past years, there were as many as 60 presentations on the matter."

**Jonker**: "An upcoming issue involves research into the role business models can play in the

transition. All in all, we now have 800 people in our database; a clean list, with people from 33 countries."

**Faber**: "I should add that the majority is from Europe. And not everyone attends the conference, but they are all involved in research into business models."

An interesting trend is research into the commons, the property of us all, and how it can be secured for future generations.

**Jonker**: "It is very much possible that in the coming years, we'll increasingly be looking for the answer to the following question: how can collective value creation contribute to the necessary transition? I think this makes sense. This is automatically followed by another issue: how can companies pay a useful role in that regard?"

**Faber**: "We'll have to switch things up and talk about New Commons Modelling instead of new business models." ■

### Website

The NBM conference programme will be continued in Halmstad, Sweden in 2021. If the corona situation allows it, participants will come together at the Center for Innovation, Entrepreneurship and Learning research (CIEL) of Halmstad University from 9 to 11 June 2021. The conference Board will include Niels Faber for the Netherlands.

### + NBM2021

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+ EDITING AND TRANSLATION AKKE PINKSTER

+ PHOTOGRAPHY P+ AND DEPOSITPHOTO'S

+ ART DIRECTION BUREAU BOUDEWIJN BOER AND STUDIO 10

+ PUBLISHED BY ATTICUS BV

+ WWW.P-PLUS.NL