



THE SDGs AS WICKED PROBLEMS OR WICKED OPPORTUNITIES – WHO SHOULD ADDRESS WHAT?

In Part I, we argued that the Sustainable Development Goals (SDGs) highlight a paradigm shift in approaches to the ‘grand’ and ‘systemic’ challenges of the present. The 2030 Agenda, an ambitious effort of multilateralism that is simultaneously networked with corporate actors, national governments and civil society stakeholders, is probably the only feasible approach to cope with systemic challenges. But we live in a so-called ‘VUCA world’ (Chapter 1). A Volatile, Uncertain, Complex and Ambiguous world generates *divergence* and rivalry with highly uncertain outcomes. This uncertainty and rivalry are not incidental but systemic, and need to be understood as the expression of longer-term change generated by the rise and decline of techno-economic paradigms and related societal models. The stakes are consequently high. The 2030 Agenda, with its SDGs, presented a timely introduced venturesome strategy to create *convergence* around common goals. It introduced a framework of common principles through coordinated processes of multi-stakeholder engagement (Chapter 2), which should help organizations to consider the conditions under which they need to develop transformative sustainable development strategies.

Key principles on fundamental ‘why’ questions introduced in Part I include:

- **Holistic:** a holistic and integrated view is needed because of paralleled systemic failures and increased rivalry;
- **Inclusive:** the principle of ‘no one left behind’ applies as a minimum benchmark for successful approaches;
- **Partnering** is important to create ‘procedural justice’ in working towards the four other principles: People, Planet, Prosperity and Peace;
- **Legitimacy** is at stake; all actors need to address the increased trust gap that is associated with major transitions, in order to support positive change (race to the top) and depress negative change sentiments;
- **Common purpose-driven change** creates opportunities, but requires constant feedback and learning on what works and what does not work;
- **Core:** companies, governments and civil society organizations should embrace the SDGs as part of their core strategy and responsibility, not as add-on philanthropic activity;

- **Divergent roads** are not necessarily a problem; they drive and shape the required change dynamics, but should be ‘channelled’ in order to address voids, fill remaining gaps and develop better approaches through the engagement of multiple stakeholders.

The experience of the first four-year cycle of the SDG-venture shows that the process is not progressing at the required pace and scale for a variety of reasons. Stepped-up efforts at all levels of society, across all sectors, and by all parties involved are required (Chapter 3). But *who* is going to address *what*, and based on what principles?

Part II considers the next steps in delineating Principles of Sustainable Business regarding ‘what’ and ‘who’ questions. Who should address what issues? *What* does a systemic and principled approach to grand challenges entail, and what does an inappropriately aligned approach imply (‘what if’)? The SDG-agenda represents complex challenges that are quickly denounced as ‘too complex’ to deal with. ‘Wicked problems theory’ shows that the latter question, in particular, reflects the challenge of linking what and who questions. *Who* is going to address what challenges (and also when)? Part II uses systems, complexity, ethical and governance (agency) theory to clarify and define principles of taking, assigning and having responsibility for addressing each of the SDGs. In three chapters, Part II develops a consistently built up, step-by-step *framework of societal triangulation*. It introduces methods that enable the analysis of relevant dimensions of complexity and main societal sources of wickedness while taking into account hybrid forms of organizations and governance. Part II also delineates relevant approaches to societal challenges, in terms of appropriate intervention levels and partnership configurations that can be considered best fit to trigger the kind of change processes required.

What if?

Chapter 4 explains the implications of looking at the nature of the challenges posed by the SDGs in terms of ‘*wicked*’ problems. Wicked problems are complexly dynamic and systemic and do not have (clear) solutions – only solution-oriented approaches that require multi-stakeholder action. The chapter inquires how ‘wicked’ the various challenges as specified by the SDGs are, and what type of ambiguities they represent. The chapter defines a wickedness scale consisting of *ten complexity dimensions* to delineate the *degree of wickedness* of a societal problem. Assessing the various degrees of the complexities involved can indicate the extent to which collective action is needed. Chapter 4 illustrates how these scales can be applied to various SDGs and what techniques can be used – even by non-experts – to assess the ‘wickedness’ of targeted parts of the SDG-agenda.

What and who?

Chapter 5 changes the perspective fundamentally by looking at the SDGs as wicked *opportunities*: through the creation of ‘synergistic value’ and ‘collaborative advantage’. It considers the question of *who* should be involved in addressing specific societal challenges. The chapter introduces a ‘societal triangulation’ technique. By defining the societal origins of the problem, it becomes possible to understand who is best positioned to take responsibility for addressing the problem effectively. The chapter distinguishes *four intervention levels* at which societal issues occur, and change processes can be initiated. These are based on a more detailed understanding of the primary (or fiduciary) duties of actors within three distinct yet complementary societal sectors (state, market, civil society), and the extent to which they can be held responsible for the consequences of their action, or inaction. The more complex the

sustainability challenge, the more collective action is needed. Consequently, chapter 5 defines the ‘partnering space’ as the logical ‘arena’ in which to address the most transformative ambitions of the SDG agenda. We will argue that many partnerships have been created as ‘coalitions of the willing’ that do not necessarily align with the wicked nature of the problem. The final part of this chapter hence introduces a supportive step-by-step approach to consider whether the *partnership configuration* adopted can be considered to match the level of societal complexity involved, and what improvements are needed to make the partnership set-up ‘fit for purpose’.

Who?

Chapter 6 considers the *governance challenge* posed by the SDG agenda in more detail: how to move from a primarily rule-based governance model and a narrow view on ‘fiduciary duty’, to a more principles-based governance model that includes a broader take on fiduciary responsibilities. Throughout the years, a large variety of organizational forms has developed in response to societal challenges that necessitated a different take on organizing. Chapter 6 further fine-tunes our understanding of the rich variety of *hybrid* organizational forms and consequent approaches to societal challenges. It first defines the kind of *societal interfaces* that different organizational forms have been designed to manage. To some extent, hybrids may be better able to deal with certain types of sustainability challenges. But hybridization also poses additional *responsible governance* challenges. The higher the degree of complexity involved, the more difficult it is to create hybrid organizations that can deal with all governance challenges effectively. At the international level, hybridity takes the form of simultaneously dealing with distinct governance contexts. Organizations that internationalize their up and downstream activities across national borders have to deal with different CSR/sustainability regimes. Whereas international treaties between countries provide for some extent of governance, a largely unmitigated and unregulated space exists at a global scale. This global governance gap is the space where the SDG-agenda is to facilitate positive change that stimulates a ‘race to the top’ rather than a ‘race to the bottom’.