



BEARS ON THE ROAD

IDENTIFYING AND OVERCOMING CRITICAL BARRIERS AND ORGANIZATIONAL TIPPING POINTS

Chapters 9 and 11 of *Principles of Sustainable Business* identify three basic transition phases (section 9.2.5) along five dominant pathways (section 11.2.2) that companies generally go through in the process of attaining higher levels of sustainability. Depending on (1) the kind of motivation (intrinsic/extrinsic; primary/secondary),¹ (2) the degree of integration/ coordination they are able to achieve in the business model, and (3) the exact transition phase the organization currently finds itself in, company leadership is confronted with a number of typical ‘barriers’ or **critical ‘tipping points’** they have to overcome.

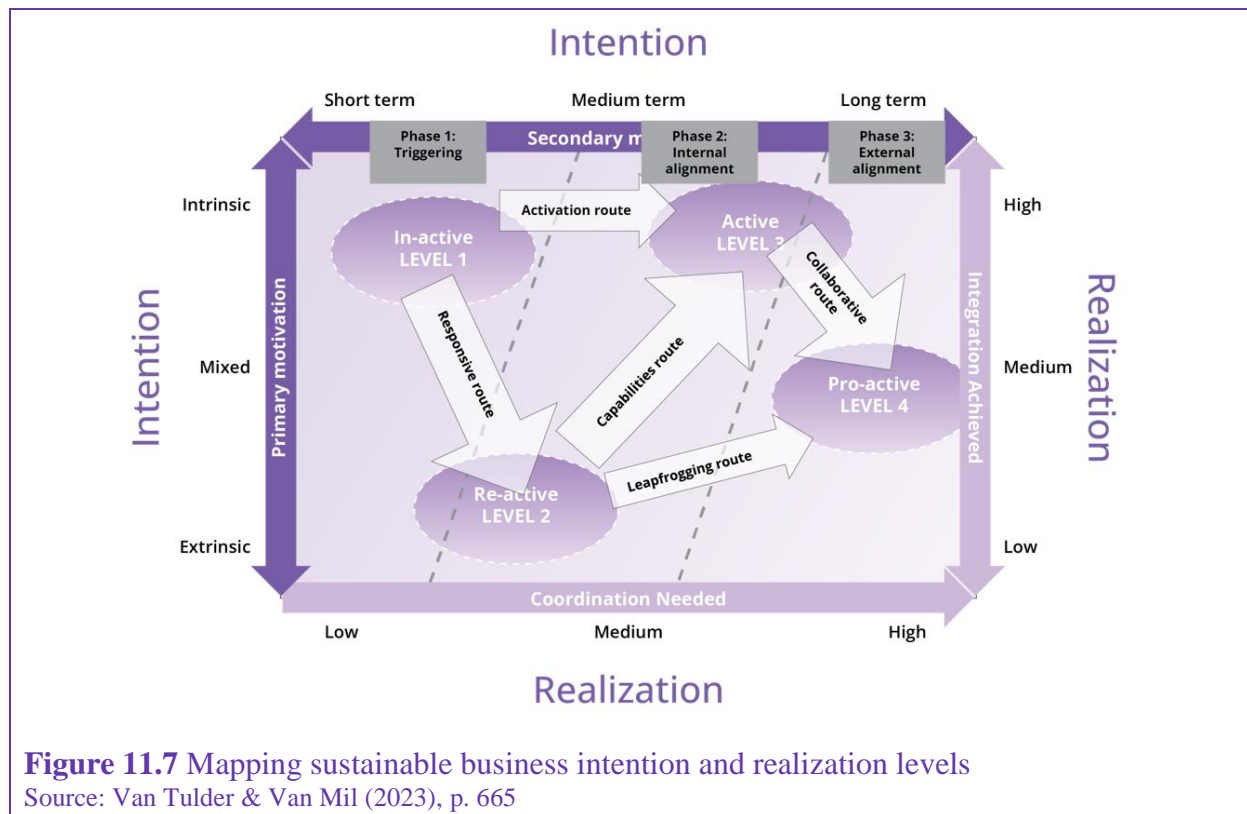
Integration and coordination are not necessarily aligned, nor do strategic intent and realization automatically go hand in hand (see Chapter 11). The process of developing, implementing and managing a coherent ‘sustainable business’ strategy often boils down to a confrontation between ‘intention and realization’ or sustainability ‘promise and performance’. Aligning intention and realization in a competitive, complex and dynamically changing (international) environment will never be a smooth and gradual change process. Generally, it entails a bumpy road of overcoming a myriad of internal and external barriers, ‘business as usual’ mindsets and habituated practices, relapse mechanisms, and learning by trial and error. Dynamic transition processes, almost by definition, come with significant organizational implementation challenges. All transition trajectories face quite a number of proverbial ‘**bears on the road**’ and often portray considerable **intention-realization gaps**.

The tension between intended sustainability strategies and their realization can be graphically mapped by juxtaposing intention and realization scales (see sections 11.2.2–11.2.3 in the book and Figure 11.7 below):

- **Intentions** are represented by the upper and upper-left scales. The interplay of primary (intrinsic-extrinsic) and secondary (short-term/long-term) motivations generates sustainability ambitions at levels 1, 2, 3 or 4. Ambition levels define the intended sustainable business strategy and business case (elaborated in Chapters 8, 9 and 10).
- **Realization** of sustainability ambitions in the concrete organization of a business model can be assessed as the (intermediate) outcome of two ‘realization scales’, representing vertical (integration) and horizontal (coordination) alignment dimensions (see Chapter 11).

¹ Sustainability intentions are the upshot of both primary (intrinsic/extrinsic) and secondary (short-term/long-term) motivations, resulting in level 1 (inactive/passive), level 2 (reactive), level 3 (active) or level 4 (proactive) ambitions and value propositions (see Chapter 9).





► **Exploring transition routes; identifying pitfalls and ‘bears on the road’**

Figure 11.7 in the book reveals five distinct transition routes, related to four motivational ‘logics’:²

- [A] the ‘**Activation Route**’ (from ‘inactive’ to ‘active’)
- [B] the ‘**Responsive Route**’ (from ‘inactive’ to ‘reactive’)
- [C] the ‘**Capabilities Route**’ (from ‘reactive’ to ‘active’)
- [D] the ‘**Collaborative Route**’ (from ‘active’ to ‘proactive’)
- [E] the ‘**Leapfrogging Route**’ (from ‘reactive’ to ‘proactive’)

Each transition route delineates distinct **organizational tipping points** that are rooted in the different combinations of intrinsic/extrinsic intention and integration/coordination that the organization faces when moving from one motivational and organizational position to another (Chapters 9 and 11). Along each transition route, a variety of barriers, pitfalls and traps – in short: ‘bears on the road’ – materialize that organizations should reckon with in order not to nullify driving and enabling forces (‘opportunities’) towards greater sustainability.³

² The five transition routes are also displayed on the ‘Principles of Sustainable Business’ [website](#). Clicking on a transition route will provide you with a summary of relevant ‘bears on the road’ that materialize at the individual, organizational and international level of organizing. All summaries provide page references to their source – *Getting all the Motives Right. Driving International Corporate Responsibility to the Next Level* (freely downloadable on the website).

³ Box 11.5 in the book describes three typical ‘bears on the road’ related to the Capabilities Route that organizations tend to struggle with: (1) confronting trade-offs (avoiding getting ‘stuck in the middle’; (2) dealing with the ‘Kodak-effect’ (avoiding the incumbent’s curse); and (3) techno-optimism/solutionism’ (avoid being blind for unintended side-effects).

► Sustainability motivations at three levels of analysis

An earlier study – ‘Getting all the Motives Right’ (Van Tulder, 2018) – identified over 120 motivational triggers and barriers (‘bears on the road’) that could be linked to the various transition routes. The publication builds on the insights from studies on behavioural economics, motivations in management, (social) psychology, organizational behaviour and international business strategy. Barriers and tipping points could be identified for three levels of analysis along four of five transition trajectories:⁴

- [1] **The individual level:** pertaining to the motivations of individuals – leaders as well as followers; citizens as well as consumers – and the ‘bears’ individuals face on their personal, psychological route when seeking to move from one sustainability attitude to another;
- [2] **The organizational level:** relating to typical challenges that organizations face in developing and transitioning towards higher levels of CSR (from CSR1.0 to → CSR2.0, → CSR3.0 → CSR4.0; see Chapter 8);
- [3] **The international level:** which adds an extra dynamic to transition trajectories for internationally operating organizations that want to drive their International Corporate Responsibility to higher levels (from ICR1.0 to ICR2.0 → ICR3.0 → ICR4.0; see Chapter 10).



Each of these three levels of analysis adds different dimensions of motivation and behavioural logic to the assessment, including:⁵

1. INDIVIDUAL MOTIVATIONS AND BEHAVIOUR

- **Intrinsic personal motivations for sustainability are often fickle**, because of irrationalities, multiple identities (e.g. grandfather vs. consumer vs. taxpayer), ignorance, personal dilemmas and complex trade-offs in personal choice processes, weak primary motives, denial, multiple biases and choice paralysis.
- Hence, effective change processes require the **combination of both ‘extrinsic’ and ‘intrinsic’** stimuli. In order to actually make the change, most people need others to keep them on track and to reinforce their motivations.
- **Nudges** can have a positive effect, but may also create **perverse incentives** to be satisfied with low ambition levels.
- Proactive attitudes require explicit **collaboration with others**.

⁴ Route [E] – the leapfrogging route – was not taken into account in that study, partly because of lacking evidence of its practical relevance.

⁵ Thanks to Hans Reus (Russell Reynolds Associates), who made – and shared – a concise book summary of all listed ‘bears on the road’ mentioned in *Getting all the Motives Right* (February, 2020).

- Basic observations on the individual implementation of sustainable action denounce much of the ‘normative thinking’ that surrounds sustainability issues:
 - There is no ‘ethical high ground’ for dealing with complex decision-making challenges;
 - Intrinsic motivations are not the only valid motivations;
 - A proactive personal attitude fundamentally requires a ‘**mixed-motives’ game**, in which one has to take *all* motives seriously to search for synthesis, new pragmatic and out-of-the-box thinking.

2. ORGANIZATIONAL MOTIVATIONS AND STRATEGIC BEHAVIOUR

- Barriers on the way to (higher levels of) sustainability include profit maximization, trade-offs, status-quo biases and **lock-ins, mixing up moral and strategic motives**, poor understanding of positive motives (as opposed to ‘**negative duty**’ or **crisis/event-driven** and urgency-related motives), and the importance of group/collaborative leadership.
- The road to sustainability requires an understanding of the **intrinsic/extrinsic motives of all players, stakeholders and partners**.
- Laws and regulation provide the **level playing field** on which companies can build their riskier strategies towards higher sustainability levels. But this only applies to moving beyond a reactive approach.

3. INTERNATIONALIZATION MOTIVATIONS AND SUSTAINABILITY

- The international organizational dimension of sustainability challenges **adds complexity, risks but also opportunities**.
- Efficiency maximization and cost minimization in themselves are weak motives for international entrepreneurs. There are valid reasons for international companies to **develop multiple sustainable local profiles**.
- International sustainable leadership requires specific intellectual and cultural characteristics that have a bearing on the firm's internal organization. It also involves external and strategic dimensions, creating a proper fit between **present and future (country) portfolios** of activities, and between **(local and international) stakeholders** through partnerships and global value propositions.
- Mixed motives become even more prominent at the international level of organizing. Stakeholder involvement, and ‘doing good’ rather than ‘avoiding harm’ are not only important to create a **license to operate**, but are a prerequisite for **overcoming the ‘liability of foreignness’**.
- International companies have considerable ‘**room for manoeuvre**’, which make it even more important to nurture intrinsic motivations for global sustainability ambitions as part of the strategic planning process. The SDGs are the most prominent candidate to leverage a race to the top.



Clicking on each of the five transition routes displayed on the website ⁶ will provide you with a summary of: (a) the distinct organizational tipping points that are rooted in different combinations of integration-coordination (section 11.2.2 of *Principles of Sustainable Business*); and (b) typical ‘bears on the road’ materializing at the three levels – individual, organizational and international – with page references to *Getting all the Motives Right* for focused further reading and thinking about practical operational implications for dealing with these challenges.

⁶ <https://www.principlesofsustainablebusiness.nl/tools-skills/transition-maps-bears-on-the-road/>

