

Generative/Regenerative business

Growth does not always have to be about a business expanding its size. Some businesses work to grow and develop the ecosystem in which they operate by being generous with those in their networks. They create opportunities for growth and development for stakeholders around them. Businesses who engage with their networks in this way are acting like nature. This is called biomimicry.

The Biomimicry Institute (<https://biomimicry.org/>) has proposed ten Unifying Patterns in Nature (<https://toolbox.biomimicry.org/core-concepts/natures-unifying-patterns/>). These are principles that generative (regenerative) businesses can follow to improve sustainability, in particular to support the local-social and local-ecological elements of the matrix you learned about in Section 1.3.4 (</study/app/y12-business-management-a-sl-may-2024/sid-352-cid-174703/book/ethical-objectives-and-corp-social-resp-csr-id-36850>) on corporate social responsibility (CSR).

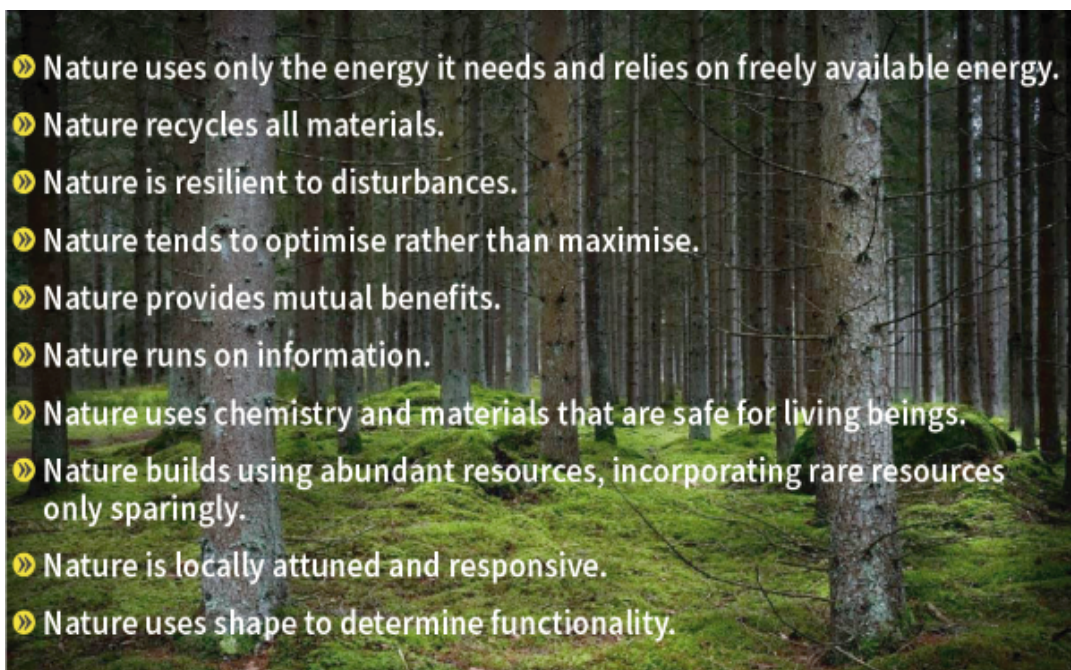


Figure 1. Businesses can act more like nature, developing strong healthy ecosystems .

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(<http://toolbox.biomimicry.org/core-concepts/natures-unifying-patterns/>)

A number of the ideas from **Figure 1** have already been touched on in this book. For example, in [Section 1.5.5 \(/study/app/y12-business-management-a-sl-may-2024/sid-352-cid-174703/book/small-businesses-id-36869\)](/study/app/y12-business-management-a-sl-may-2024/sid-352-cid-174703/book/small-businesses-id-36869), you learned that many small businesses aim to satisfice. This means to optimise profits while considering other objectives, rather than to maximise profits. You also learned how small businesses may be better attuned and more responsive to customers in their local environment. Throughout, you have been learning that businesses need to meet human needs within planetary boundaries, being mindful of scarce resources and using safe materials to improve sustainability. You have also seen many times that businesses need to be resilient to be able to cope with the many disturbances that come their way from the external environment. In [Section 1.3.7 \(/study/app/y12-business-management-a-sl-may-2024/sid-352-cid-174703/book/tool-circular-business-models-id-36853\)](/study/app/y12-business-management-a-sl-may-2024/sid-352-cid-174703/book/tool-circular-business-models-id-36853), you learned about circular business strategies, which mimic nature's natural recycling of materials. Finally, you were also exposed to generative businesses in the video from Kate Raworth in [Section 1.3.5 \(/study/app/y12-business-management-a-sl-may-2024/sid-352-cid-174703/book/strategies-and-tactics-id-36851\)](/study/app/y12-business-management-a-sl-may-2024/sid-352-cid-174703/book/strategies-and-tactics-id-36851).

This section focuses on the idea that businesses can work to provide mutual benefits to themselves, other stakeholders and businesses within their sphere of influence. There are many examples of these relationships in nature. For example, a hummingbird feeds itself and pollinates flowers at the same time. The relationship helps both species survive and thrive. The same can be true for businesses that provide mutual benefits and support a healthy ecosystem.



Figure 2. Like a hummingbird and flower, it is possible for businesses to cultivate mutual benefits in their ecosystem.

Credit: Larry Keller, Lititz Pa., Getty Images

There are a number of characteristics of generative (regenerative) businesses. They share their know-how with other businesses, providing opportunities for others to learn from their experience. They nurture a network of relationships between their stakeholders, so that the interaction and interdependence support widespread thriving. They create a shared purpose and deliver value in many forms to their stakeholders, rather than just financial value (profits) to owners/shareholders. They actively seek to improve and restore the health of individuals, communities and the planet, not simply to do less harm.

Examples of generative (regenerative) business practices include:

- A technology firm making its code open source so that others can learn from and improve it, or designing its platforms so that other businesses can connect with them.
- A local bakery regularly offering free bread-baking classes for the community.

- A multinational food manufacturer providing financial support for farmers to transition to regenerative agriculture (<https://regenerationinternational.org/why-regenerative-agriculture/>).
- A school offering empty classrooms free (at weekends and during school holidays) to local non-profit organisations who need space to run their programs.

Activity

Learner profile: Caring

Approaches to learning: Social skills

For each of the four examples above, consider how the business itself could benefit from its contribution to other stakeholders, creating a healthy and resilient business ecosystem.

The concept of generative (regenerative) business also challenges an assumption in economics and business that fierce competition between organisations is the best way to maximise benefits for all. Instead, generative (regenerative) business recognises that positive feedback loops can develop between organisations and individuals, increasing innovation through sharing, cooperation and support.

Concept

Sustainability

Generative (regenerative) businesses aim to support the well-being and development of different stakeholders connected to the business, contributing to sociocultural sustainability. They distribute value widely and create a network of mutual benefit; a healthy economic and social ecosystem that is more resilient when changes occur in the external environment.