

NHH



# ESG, BUSINESS MODEL INNOVATION AND VALUE CREATION

Jørgensen | Pedersen

ESG Workshop, December 11th 2017

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7 Steps to  
Sustainable Business Models

[www.RESTART.business](http://www.RESTART.business)  
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# ESG - what, why, how and so what?

## MANAGEMENT SCIENCE

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### The Impact of Corporate Sustainability on Organizational Processes and Performance

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We investigate the effect of corporate sustainability on organizational processes and performance. Using a matched sample of 180 U.S. companies, we find that corporations that voluntarily adopted sustainability policies by 1993—termed as *high sustainability* companies—exhibit by 2009 distinct organizational processes compared to a matched sample of companies that adopted almost none of these policies—termed as *low sustainability* companies. The boards of directors of high sustainability companies are more likely to be formally responsible for sustainability, and top executive compensation incentives are more likely to be a function of sustainability metrics. High sustainability companies are more likely to have established processes for stakeholder engagement, to be more long-term oriented, and to exhibit higher measurement and disclosure of nonfinancial information. Finally, high sustainability companies significantly outperform their counterparts over the long term, both in terms of stock market and accounting performance.

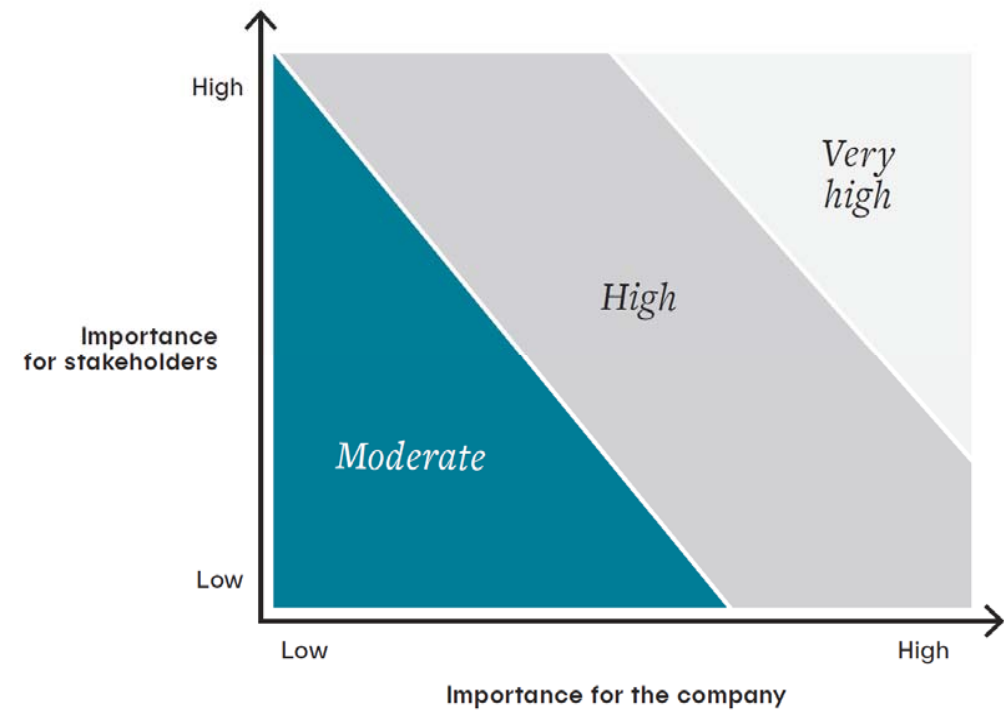
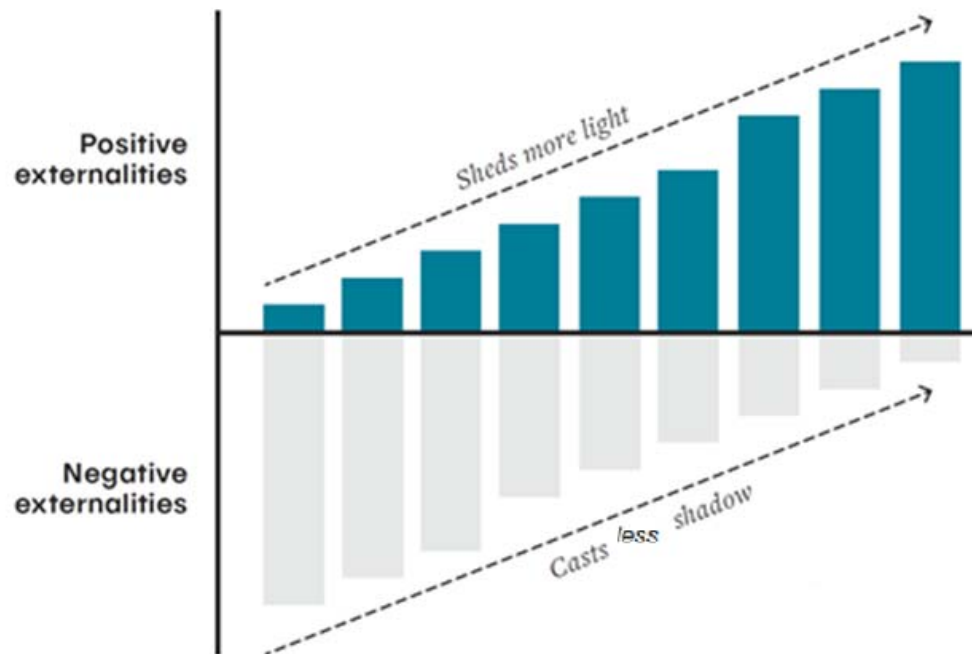
**Keywords:** organizational studies; strategy; effectiveness performance; behavior; sustainability  
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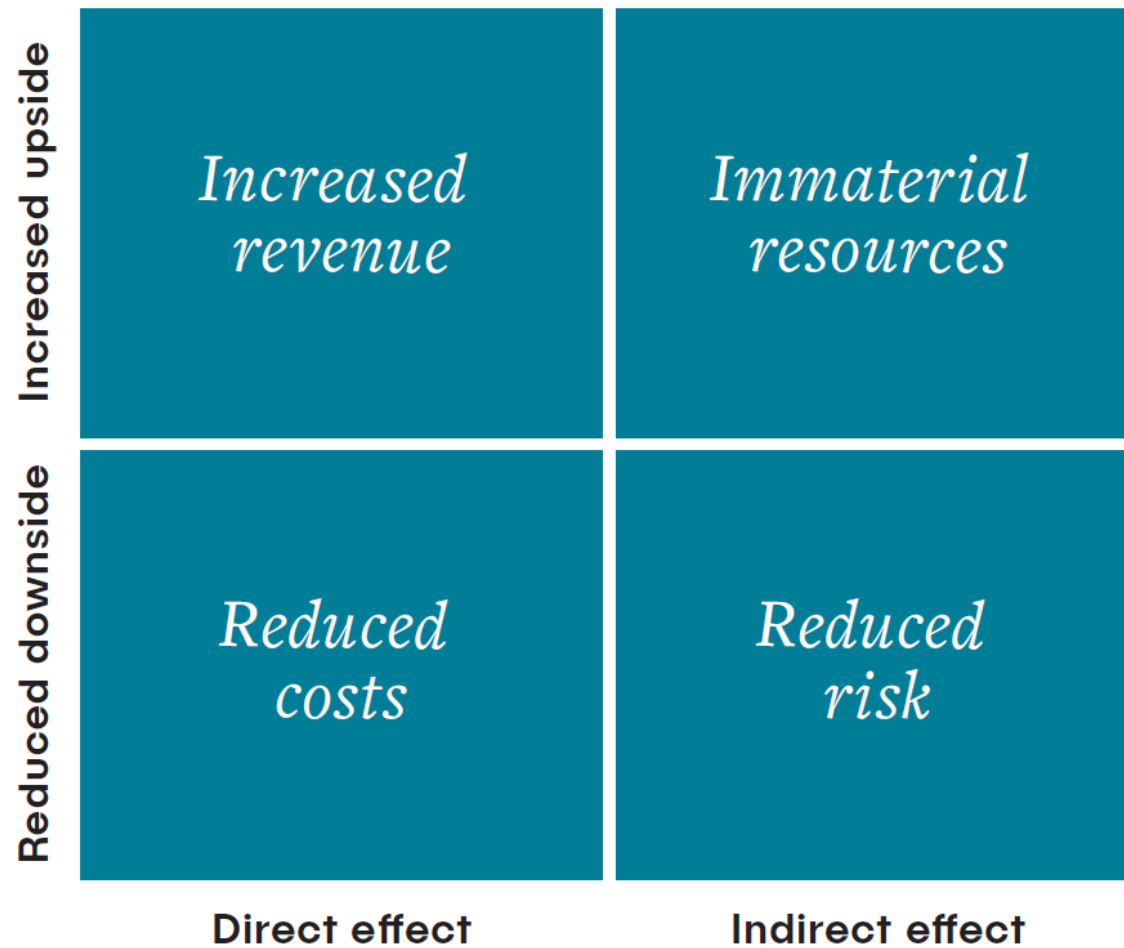
### Corporate Sustainability: First Evidence on Materiality

Mozaffar Khan  
George Serafeim  
Aaron Yoon

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## The business models of the future...

..will require frequent **Redesign**,

which necessitates controlled **Experimentation**.

They will be characterized by **Service-logic**

based on ideas from **The circular** economy.

This will make **Alliances** even more important,

in order to achieve the right **Results**

in a world where the scorecard is **Threedimensional**



