



Bernard Mohr

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Regenerative Business Growth

Using Ecosystem Strengths to Build a Better World

The tension between profit and purpose can and must be resolved if we are to fully engage the reach and resources of the business sector in building a better world. The opportunity for Appreciative Inquiry practitioners lies in partnering with clients on regenerative business growth, i.e. profitable growth that comes from new services or products which solve human, economic or ecological issues within the ecosystem of the enterprise. This article is about developing a methodology (the what and the how) for regenerative business growth infused by Appreciative Inquiry.

What does regenerative business growth look like?

The Androscoggin Bank is a 150-year old small-to-medium enterprise (SME) in Maine, USA, with about 150 employees and some \$41 million in annual revenues. With a keen eye towards growing the business and doing good in the community, Neil Kiely, the CEO, found himself listening to stories of families who were excluded from purchasing a house or starting a business due to prohibitions within their Muslim religion against engaging in interest-bearing loans. In collaboration with bank employees, members of the Muslim community, and state and federal regulators a whole new financial product was prototyped and made available.

This new product overcomes the religious constraints while also being profitable for the bank. The new product not only supports greater inclusion of a minority population, it has also created an enhanced sense of pride amongst bank employees, a significant increase in social capital within the bank's ecosystem, new customers, increased rates of deposit and new business startup clients.

But regenerative business growth (RBG) is not limited to the world of SMEs. In India, Tata Motors, a global multibillion-dollar automobile manufacturer was exploring how to increase market share. Recognizing that the market for their new cars was dependent on the functioning of the used car market, the corporation searched for opportunities to improve the used car ecosystem. They discovered that banks were unwilling to lend to used car buyers because there was no way of easily assessing the value of the purchase; used car owners were

hesitant to sell their cars because there was no shared consensus about the value of the car; and small repair shops were unable to get the parts needed to repair used cars, further increasing the disarray in the used car dealer market. On top of this, older, highly polluting, unrepaired used cars were adding damage to the environment. In short, the used car ecosystem was a mess – bad for individuals, the communities in which they lived and the new car manufacturers.

By using their strengths in digital technology and their existing relationships with parts manufacturers, dealer franchises and banks, Tata Motors developed:

- A business-to-business on-line auction platform;
- Multi-brand car dealer franchises;
- A multi-brand spare parts catalog;
- A warranty and roadside assistance program for used cars;
- A third-party inspection service;
- A new diagnosis and repair system; and
- A free Indian “blue book” that more clearly described the value of a used car.

This conglomeration of interconnected innovations has resulted in fewer highly polluting cars on the road, improved access to car loans for buyers of both used vehicles and new vehicles and, not surprisingly, increased market share in the new vehicle business market for Tata Motors.

What do these and other stories of regenerative business growth have in common?

From our research of these and other RBG exemplar stories, we offer a generic roadmap for the WHAT of regenerative business growth (see page 18).

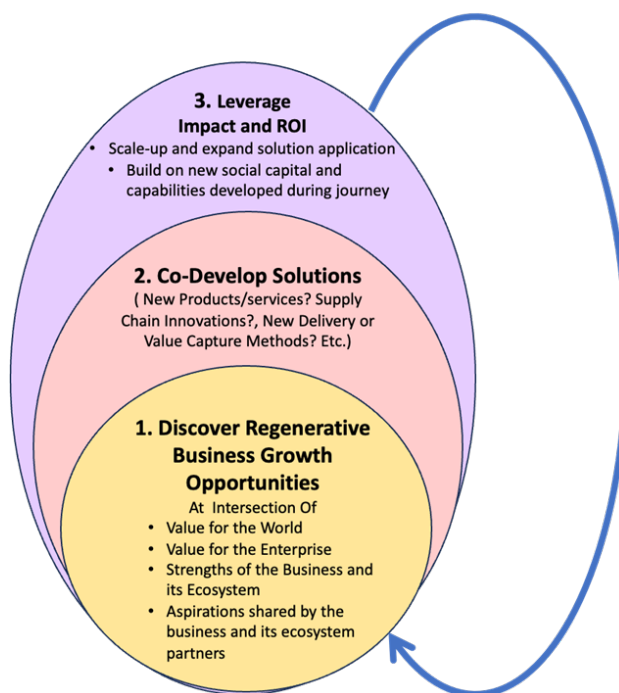
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RBG can be and was achieved without the formal application of an Appreciative Inquiry (AI) 5D process in our examples – but imagine what more could be achieved if a business used customized versions of AI principles and practices to supercharge and overcome the challenges within each of these steps?

We know that most businesses struggle between investing resources for short-term profit and pursuit of a higher purpose. But what if that tension could be resolved through RGB? This has led us to ask, “How can the theory, principles

and practices of Appreciative Inquiry support and accelerate the transformation of an enterprise in moving from profit at any cost to co-creating value that benefits society and the enterprise?”

Figure 1: The WHAT of regenerative business growth



So, how did this work get started?

Around 1988, Jane Watkins and Cathy Royal, friends and fellow faculty members at the Institute for Applied Behavioral Science, called me to say, “We need people to explore and develop a radically different approach to organizational innovation. Will you join us to experience and advance something called Appreciative Inquiry?”

As an “innovation junkie”, it was an offer I could not refuse!

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And so – as I learned firsthand about the power of positive questions, the richness of storytelling as a way to illuminate individual and collective capacities and aspirations, the delight of imagining preferred futures grounded in realistic abilities, and the power of design to bring our dreams to life. My life was changed forever.

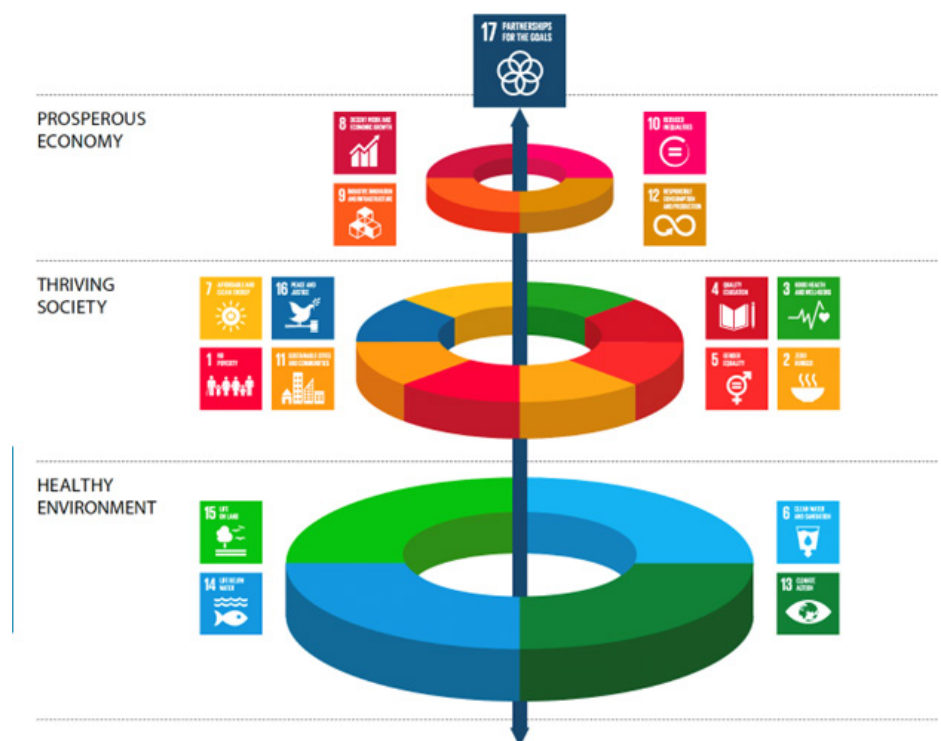
Fast forward to 2023, and I’m reading a 2023 progress report on the UN’s Sustainable Development Goals, which states:

Nearly half– 48 per cent – of the targets that can be assessed show moderate or severe deviations from the desired trajectory.

It is so clear to me that philanthropic initiatives – doing less harm or even net-zero initiatives – are insufficient. Paul Polman, former CEO at Unilever, challenged his private sector colleagues, by writing that “profits should come not from creating the world’s problems, but from solving them”.

But, given the guiding mandate for many businesses is to “maximize shareholder profits”, how can we support a massive shift in the role of business in society? Governments and the civil society sector cannot do it alone. The reach and resources of the private sector, in partnership with their ecosystems, are needed to successfully address the comprehensive UN Sustainable Development Goals, which include the biosphere, but go far beyond it.

Figure 2: The UN's 17 sustainable development goals



So, how do we accelerate the role of business in building a better world?

Once again, I find myself pursuing a new invitation, this one from David Cooperrider to “shift our collective work on business innovation from what is happening inside to how the enterprise is (or could be) building a better world” – to create a wholly new domain of AI practice.

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Fortunately, we are not alone, and we have something unique to offer!

Global efforts to support a regenerative role for the business sector continue to grow. Organizations as diverse as the [Council for Inclusive Capitalism](#), [The Economics of Mutuality Foundation](#), [B-Lab USA and Canada](#), the German

Economy for the Common Good movement, The RSA (Royal Society for the Arts, Commerce and Manufactures), Conscious Capitalism and, of course, the Fowler Center for Business as Agent of World Benefit (BAWB), to mention only a few, are advancing this idea. But with the exception of the Fowler Center, the ideas and practices of Appreciative Inquiry are absent.

So where is the innovation in AI practice?

First, can we shift from working only on the inside of the business to working on the outside? How can an enterprise prosper economically by using its strengths to address any aspect of the 17 UN SDGs? What if this shift might be a more powerful way to create more positive cultures within the business than we might imagine?

Second, RBG will happen when the private sector has access to the AI tools and strategies needed to more successfully develop market-based solutions for the human, economic and ecological challenges we face. This requires an expanded practice (methodology) of Appreciative Inquiry.

In particular, a methodology for RGB that takes full advantage of the AI summit, systemic design thinking and what Dr Mariana Mazzucato, professor of the economics of innovation in London, calls “Mission Economics”. Along with, of course, everything else we know about positive business transformation. Such a methodology could reap the rewards of mirror flourishing (Cooperrider, 2015), where the enterprise, by growing through AI-driven regenerative value creation, experiences how its regenerative work in the outside world refracts inwardly to build:

- New capabilities for innovation and adaptation;
- New relationships (social capital) that can be called upon for support in times of crisis;
- Employee engagement and experiences of dignity, equity, meaning and community at work.

Third, the challenges for us as AI practitioners include:

1. Teaming up with the rapidly growing community of sustainability practitioners to understand their work and where it makes sense to adapt, from an appreciative perspective, some of their core tools, such as materiality assessments.

2. Collaborating with business development, organization design and strategy professionals to augment rather than supplant their expertise.
3. Developing and sharing creative ways of introducing businesses to the possibility of AI-driven RBG.

Impact

Our “methodology building” nonprofit (The Co-Creating Mutual Value Collaborative) has a set of 2030 “Earthshot” Impact Goals:

- A tipping point of businesses prospering by actively building a better world as part of their core strategy.
- Unimagined gains in the UN’s Sustainable Development Goals through multiple stakeholder collaborations.
- Businesses, large and small, that are trusted and valued by their communities.
- Newly formed relationships supporting agility and resilience in businesses and their ecosystems.
- Internal experiences of dignity, equity, meaning and community.

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The core AI practices of whole (eco-)system engagement, building from strengths and shared aspirations, and the co-creation of preferred futures are already (somewhat) visible in our research of RBG exemplars. Achieving these goals will benefit from:

- Fully customizing AI-based practices for specific RBG challenges, such as ecosystem orchestration and partnership facilitation, identification of opportunities for mutual value creation, and product and service innovation.
- Capturing the attention of many more profit-driven enterprises – by reframing the generic 5D cycle into business language, perhaps as offered in Figure 1?

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Principles and success factors

We believe any practice of Regenerative Business Growth methodology must be driven by the five original principles of Appreciative Inquiry (Watkins & Mohr, 2001, pp.37–39) plus some that have since emerged, specifically:

- **The growth-through-purpose principle** When a business grows by applying its core strengths to the development of market-based solutions for the social, human and ecological challenges of our time, both short- and long-term economic prosperity is much more likely than when the focus is only on growth or purpose.
- **The outside-and-inside principle** Your ecosystem has a generative core – discover it and use it for building the foundations of relationships, commitment and capability that are needed for this work.
- **The co-creation-of-mutual-value principle** Not only will your enterprise achieve faster and better product and service innovation through co-creation, the only way to define “mutual value” is through dialogue and participation.
- **The mirror-flourishing principle** As the enterprise intentionally combines its strengths towards building a better world with those found in its ecosystem, the strengthening of that ecosystem (its capabilities and life-giving forces) will be refracted into the organization itself.

Moving forward with these ideas: Six invitations to build a better world through RGB

Invitations to build a better world through RGA: get in touch!

If you are an AI practitioner, a professional in business development, sustainability, design, strategy, business model innovation, organizational development or a courageous business leader seeking a practical HOW for regenerative business growth, here is a list of possible ways to join our journey of supporting the business sector in regenerating the world:

1. If you have any stories you think would fit into our upcoming book *Regenerative Business Growth: A Playbook for How To Prosper by Building a Better World*, please contact me by email.

2. If you know of a business:

- That has grown by developing new products or services which address any of the 17 UN SDGs,
And would be willing to share their story with us
Please contact me by email.

3. If you want early and free access to our emerging body of work (concepts, tools, practices), just email me.

4. If you have a potential client interested in growing their business by developing new products or services which address any of the 17 UN SDGs and you want some coaching please contact me.

5. If you would like to join our collaborative in developing this body of practice, just email me.

6. Or if you simply want to chat about this work, just email me and we will chat by email or Zoom.

REFERENCES AND FURTHER READING

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