

# Biodiversity and Corporate Sustainability Management

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Companies, business activities and management relate to biodiversity in at least three ways:

- *The influence of companies on biodiversity:* Companies and business activities exert influence on biodiversity. The relationship does not have to be exploiting, but can also be protective and increase corporate success.
- *Biodiversity as a basis for business:* Biodiversity and natural resources do not only build the necessary basis for eco-tourism but also for many business activities. A systematic biodiversity management starts with the integration into the core management processes of the company and the development of the business model which protects biological diversity and strengthens corporate competitiveness at the same time.
- *Management methods for protection areas and organisations:* Management methods and business models can serve as sources of idea for the organisation of protection areas like national parks, nature parks, biosphere areas, etc. and for leading environmental organizations. Cooperation arrangements which at the same time are also business models for companies may have a large potential for further protection of biodiversity.

Companies exert direct as well as indirect effects on biodiversity. Location decisions, building activities and operative production processes as well as products and services have an influence through land use, tourism, emissions, water use, dispersion of chemicals, etc. However, the relationship between companies and biodiversity does not have to be a problematic one, but can rather be constructive. Companies are not just sources of problems but also *solvers of problems*. Also this corporate role can be direct, like with eco-tourism, or indirect, like with refraining from the use of chemicals which endanger rare species.

Given the dramatic loss of biodiversity it is ever more necessary that companies consider biodiversity in a systematic manner. As a methodological approach *biodiversity management* is that rarely acknowledged part of sustainability management which deals with the

identification and accounting for effect of an organization on biodiversity and the systematic management of business processes, products and projects for the protection of biodiversity. *Sustainability management* is in short the sum of all systematic, coordinated and goal oriented corporate activities which serve a sustainable development of the organization and which ensure a contribution of the organization to a sustainable development of the economy and the society. It includes the coordination and integration of conventional economically oriented with ecologically and socially oriented activities.

Biodiversity management should not reduce itself to philanthropic activities and projects which do not touch the core processes and products of a company. Biodiversity management rather starts with product development and innovation management, and the development of the own production processes and products. Because most companies are founded for economic reasons a central challenge for biodiversity management is to shape voluntary biodiversity protection activities in a way that they are, firstly, integrated in all core processes and management decisions, and secondly, that they strengthen the economic success of the company. Philanthropic activities, single projects, corporate foundations, etc. are beneficial for the protection of biodiversity. However, from a corporate perspective they often have an additive character which does not touch the core business processes and products enough. Therefore, an effective and sustainable biodiversity management must, first of all, deal with the development of the business model, the product range and products, the integration into managerial decision processes, corporate culture and the integration with the core business. With this, the so called "*Business Case for Biodiversity Management*" moves into the core focus. As shown with many good examples in the forest, agricultural and nutrition industry and some examples in the pharmaceutical industry the business case for biodiversity distinguishes itself from an exploitive use of natural resources by an integration of voluntary biodiversity protection activities with the strengthening of innovation, business success and competitiveness.

In the *context of supply chain management* biodiversity management requires also the consideration of *indirect effect of purchasing*. As shown with successful cases like the Forrest Stewardship Council (FSC), the Seafood Group of the Marine Stewardship Council (MSC) strategic cooperations with societal groups and environmental protection organisations can combine both, the consideration of the core business as well as the supply chain and the market environment and at the same time initiate positive structural effects with high visibility.

In this context the relationship between management and biodiversity receives its third meaning, namely the *use of corporate management methods for leading non-profit-organisations (NPOs) and non-governmental organizations (NGOs) dealing with biodiversity protection as well as for the management of protection areas, national parks, and biosphere areas*. Here the main idea is to develop new models of cooperation and to secure most protection effect possible with limited personnel and financial resources. A large potential may especially exist for the development of new cooperation arrangements which are at the same time business models for companies and arrangements for safeguarding a sustainable protection of biodiversity.