

Model of Sustainable Organisation (MoSO)



Sustainable organisations are enduringly successful, yet not all successful organisations will endure, or be sustainable

How sustainable is your organisation?

A Sustainable organisation strives to build a sustainable long-term future by making a positive impact on the society and the whole environment in which it lives and works.

MoSO is a new way to look at organisations; a way which addresses the needs and aspirations of our time. At its heart is a model, yet it is so much more than that.

MoSO is a holistic or systems-thinking approach that sets out to show that all organisations, of whatever type or size, exist within a context bounded by the environment, the society in which they live and work, their culture and their leadership style, all of which influence the operational performance of the organisation and its effect on the environment.

MoSO currently has three areas of activity:

1. **The MoSO website** which is an open source, free to use, resource hosted by the [Deming Alliance](#). The website provides access to videos, easy to read articles and presentations, including case studies and suggestions for how MoSO may be used.
2. **The MoSO Community** offers a shared learning experience for those who wish to work co-operatively to continue to develop and enhance MoSO.
3. **MoSO Support** offers tailored advice and support for individuals and organisations. Support may include consultations, facilitation, master classes and workshops.

The Inspiration for MoSO

MoSO was started in 2007 by members of the Deming Special interest group (DemSIG) of the Chartered Quality Institute. The group wanted to make Dr. Deming's work, which was instrumental in the second half of the 20th century in the transformation of Japanese and Western industry, accessible to today's world.

Deming himself was a lifelong learner and would undoubtedly have continued to enhance and update his work had he been living today. In so doing, the group embraced the work of other significant thinkers on such subjects as organisational development and leadership. We call this approach Deming++.

The group penned the term **The Sustainable Organisation** as a focus for their work having decided that societal and environmental concerns were a logical extension to Deming's latter-day thinking and critically important to achieving sustained success.

The Essential Elements of a Sustainable Organisation

Customers

Operations

People, culture, leadership and management

Societal influences and learning

The environment

Continual improvement and innovation

The three voices
(Customer, System, People)

Essential interactions -
communications and collaboration

These elements are underpinned by a set of sustaining principles and values.



What is a sustainable organisation?

A sustainable organisation meets the needs and aspirations of our times, putting emphasis not only on financial security, but on the social and environmental management of its operations as a coherent strategy for long-term success.

Sustainable organisations see management that balances societal, economic and environmental forces, as essential elements of organisational learning and long-term success. There are three important thoughts at the heart of a sustainable organisation: **long-term**, **joined-up**, and **collaborative**.

- **Long-term:** (success): When people believe that an organisation has a long-term future they are more likely to want to contribute their skills, their enthusiasm and energy, their financial support, etc. – and want to play a part in that future.
- **Joined-up:** all too often, important decisions concerning one or more of the essential elements of an organisation are made in isolation (so called silo thinking). Identifying connections and interactions to understand the whole situation – taking a joined-up approach – can enhance decision making and customer satisfaction.
- **Collaborative:** rarely can anything tangible be achieved in isolation – whether it is as individuals, departments, functions, or organisations. Some degree of collaboration, toward common goals, is essential. A sustainable organisation extends collaboration into the society in which it lives and works, and into the environment; collaborating with other organisations (private, public and voluntary) to achieve tangible benefits – all the time learning from experience and bringing new ideas and skills to play in its own success.

A sustainable organisation is an organisation, of any type or size, which strives to build a sustainable long-term future by making a positive impact on the society, the economy and the environment in which it lives and works.

*The words **society**, **economy** and **environment** are used in their widest sense – the precise meaning being determined by individual organisations.*

Why do we need sustainable organisations? There are four compelling reasons,

1. Today's business environment is becoming ever more complex.
2. Existing models with their focus on short-term 'financials' and shareholder value at any cost are failing to meet the aspirations and needs of society and individuals.
3. We are living in a time of harsh economic realities epitomized by "cuts-cuts-cuts" and 'do more with less' – not to mention big questions about the big Society and its impact on organisations.
4. Climate change and its effects are inevitable and uncertain; organisations need ways to think about and respond to those effects, as well as their part in making them.

In the face of these compelling reasons, leaders and individuals in organisations that aspire to do more than just survive are saying, "**There must be a better way**" as they look to build a sustainable, long-term future.



Organisational Sustainability is a Journey

Organisational sustainability cannot be won like a price or a certificate on the wall. It's a continual journey – a direction of travel.

What are the benefits of accepting the MoSO challenge?

1. it promotes a fresh and innovative way to lead and manage an organisation.
2. it provides new insights into the way that organisations work.
3. all stakeholders – employees, suppliers, customers, community and the environment – benefit over the long term.
4. it stimulates improved motivation by giving everyone a stake in the future success of the organisation.

MoSO challenges you to ask powerful questions

For example:

- To what extent is our organisation sustainable – and how can we know?
- What would our MoSO look like?
- What strategies do we have in place for each of the essential elements?
- Do they work together as a whole, focused on a common aim?
- What gaps, inconsistencies or opportunities are there?

Individuals and organisations will arrive at their own unique answers. **This is why MoSO is not a prescription**, nor is the model perfect. We want people to use it, to join in the thinking and to contribute.

The Model of Sustainable Organisation (MoSO) at the heart of the thinking that underpins organisational sustainability is a generic model (some use the word “framework”) that gives a visual image of the essential elements of a sustainable organisation and how they fit together to form a cohesive whole.

Be warned, this is not a “conventional” or linear input- output process type model. Today’s organisations don’t work like that – they are more complex and each organisation is unique. This does not mean that MoSO is in itself complex – it isn’t, it’s just that at first sight it looks different.

The generic MoSO is used as the starting point for organisations to develop their own model – letting them see the big picture and join the dots.

It is the **act of mapping strategies, policies, processes and relationships onto your own MoSO** that identifies your organisation’s path towards sustainability.

Sustainability is a challenge, and a provocation that requires joined-up thinking, engaged people and sustained committed leadership. Join the challenge today!



The MoSO Model and its Essential Elements

MoSO is a holistic (or systemic) approach that sets out to show that all organisations, of whatever type or size, exist within a context bounded by the environment, the society in which they live and work, their culture and their leadership style. All of which influence the operational performance of the organisation and its effect on the environment.

Our working definition of a model is: “a simplification of reality intended to promote understanding and learning.” The MoSO model is not intended to be prescriptive, nor is it perfect. As George Box said: “all models are wrong but some are more useful than others.”

MoSO is constructed from the set of essential elements shown in the panel below. It can be used at any level in an organisation; at an overall organisation level, at a departmental or functional level and even at an individual level – highlighting the importance of relationships between all the essential elements in any given situation. There are two versions of the model: the **basic** model and the **enhanced** model, which builds upon the basic model.

MoSO Principles

The essential elements are underpinned by a set of sustaining principles.

Principle 1: **Customer focus** aims to deliver value by understanding and meeting their needs and expectations.

Principle 2: **Systems thinking**, approaches taken to understand multiple perspectives on the whole situation – the woods, the trees and the forest.

Principle 3: **Everyone’s daily work viewed as a seamless flow** through the organisation to produce outcomes valued by customers with the minimum of waste.

Principle 4: **Wisdom from data**, both numbers and the language of evaluation, to guide decisions and actions.

Principle 5: **Leadership** that is inspiring and visionary and guides change towards a better future.

Principle 6: **An openness to learning** that drives continual improvement, innovation and develops the organisation’s people.

Principle 7: **Protection of the natural environment.**

Principle 8: **Respect for people and society.**

The intent is for users to build on these principles and make them their own – perhaps using wording that has a better meaning within their organisation or sector.

Essential elements of the MoSO model

Customers,
Your Operations,
People, culture, leadership and management,
Societal influences/learning,
The environment,
Continual improvement and innovation,
Essential interactions - communication and collaboration.

The enhanced model incorporates the three voices:

Voice of the customer,
Voice of the people,
Voice of the system.

To Design & Redesign the system or its parts



Building the Basic Model

element by element

Customers

Customers are fundamental to every organisation - why it exists. Meeting or exceeding the needs and expectations of customers, e.g. clients, patients, constituents, is essential for sustained success and consequently for jobs or profits.



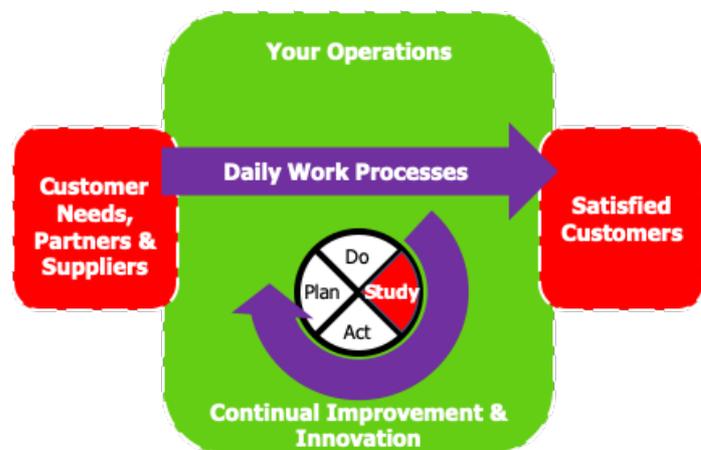
The “customers” element has two parts recognizing that all activity, whether daily work or improvement work, starts and finishes with a customer. Customers are a distinct element in MoSO since they provide the unique focus, and alignment, for everyone in an organisation.

Your Operations

The “customer” elements are joined together by “your operations”. MoSO uses this term to describe work performed – by *your* organisation – to provide products and services that satisfy and exceed customer expectations. Continually evolving customer needs and expectations must be satisfied for any organisation to continue to exist and prosper. Every operation (way of working) is unique – this differentiates one organisation from another.

MoSO has two key features related to operations:

- Work processes are viewed as an *end-to-end* flow, or system, from customer needs to satisfied customers - a seamless flow of work and information through the organisation.
- An embedded method for systematically driving continual improvement and innovation keeping pace with evolving demands of current and new customers.



Continual Improvement and Innovation (PDSA)

The Plan, Do, Study, Act (PDSA) learning cycle is shown at the very heart of MoSO because it is how organisations systematically and continually improve and innovate towards the aim of customer satisfaction. In other words, “get better at getting better.”

PDSA is a generic cyclical four stage improvement process, based on scientific method that uses feedback to enable systemic changes to be measured and improved over time.



Model of Sustainable Organisation (MoSO)

Experience has shown that applying a methodical sequence of stages to solving problematic situations, experimentation, or design activity, contributes to achieving results.

The intention here is to show that having a systematic way, or ways, of improving is an essential element of a sustainable organisation. The PDSA cycle is shown at the heart of MoSO because of the need to continually improve and innovate applies equally to all elements and activities carried out throughout an organisation.

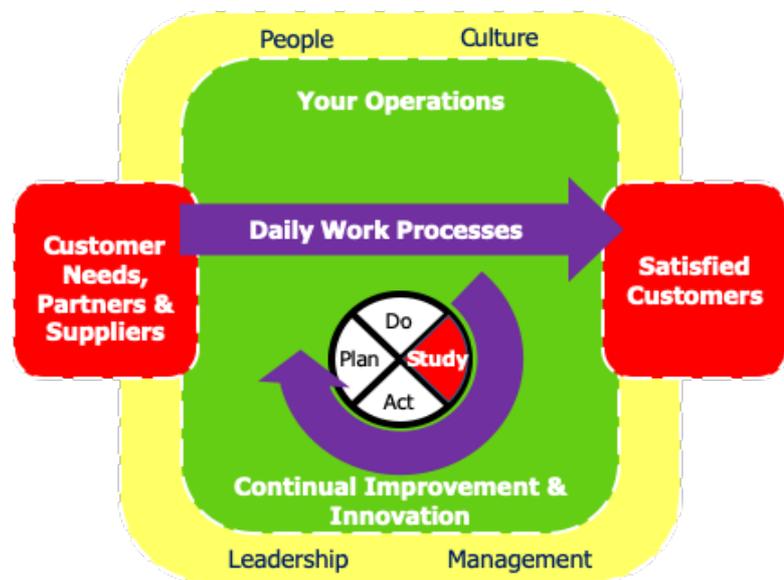
A note about Innovation - for a sustainable organisation, proper engagement with innovation is inescapable, but what is innovation? It is more than invention, improvement or novelty. Innovation is creating uniquely different products, services or processes that are new to customers or organisations. Dr. Deming said that learning should be managed as a source of innovation; since when done well it creates social and economic value.

People, Culture, Leadership and Management

People, culture, leadership, and management make up the next main element of MoSO.

These powerful interacting constituents of any organisation have a profound effect on the way an organisation works and the results it sets out to achieve.

There are no “hard” barriers between the elements; each has potential to influence each other, as indicated on the model by dotted-line boundaries between each element.



All elements of MoSO may be impacted by societal influences and the environment at large, and in any organisation:

- **People provide the vision and energy;** they do the work; improve and innovate; and are customers. People need to be engaged – they have needs, as does the organisation.
- **Culture can be summarized as, “the way we do things round here”;** it is the result that emerges from an ongoing dialogue about values, meanings and relationships between the people in an organisation, and with its environment.
- **Leadership:** this can be described as the capacity to release the collective intelligence and insight of groups and organisations; helping people to find answers.
- **Management is responsible for efficient implementation;** of daily work and continual improvement to outcomes in meeting and exceeding customer expectations. Managers must ensure that all areas of the organisation get better, from backroom to boardroom.

Model of Sustainable Organisation (MoSO)

Societal Influences/Learning

This element represents the context in which an organisation operates and from which it learns. The precise meaning of “society” needs to be defined for each organisation, but it will tend to include market, societal and business interactions, and corporate social responsibility; the ways in which a sustainable enterprise is influenced by the society in which it exists.

Society has a profound and ever-changing effect on us as people, consumers and workers. It affects our lifestyles and expectations of the products and services we buy, and on the opportunities available to us.

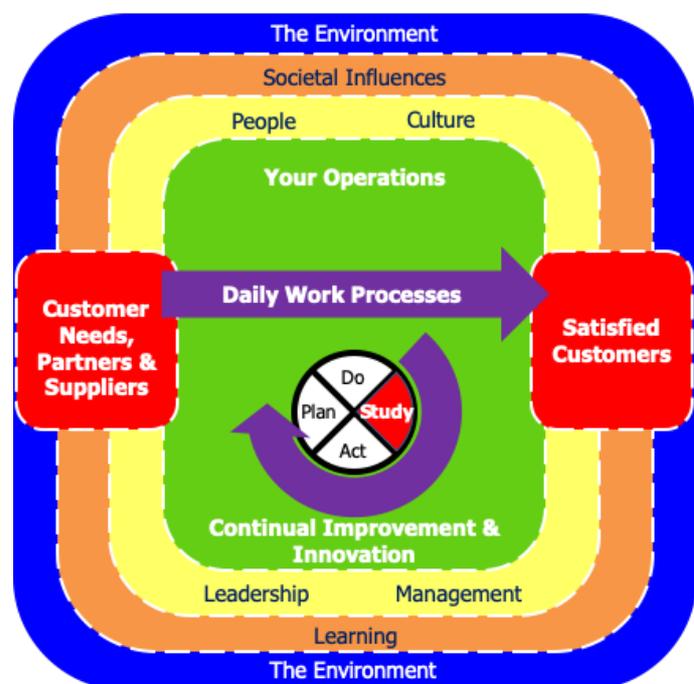


The Environment

The environment forms the outermost element and completes the basic MoSO model – since every organisation is inextricably coupled to its environment; in the activities it carries out to respond to it, and in how it affects that environment through those activities.

Environment brings us all together, expressing the need for everyone, and all organisations, to proactively play whatever role they can in sustainability. The environment sets the agenda for market and/or consumer requirements in terms of product and service offerings, and how organisations are expected to operate. This impacts the policies that the organisation holds and espouses, as well as every decision it makes that has environmental impact.

Managing environmental sustainability requires profound insights into the natural environment and the external environments of an organisation, emphasising systemic thinking, stability, logic and understanding of processes, and every aspect of organisational change.



Model of Sustainable Organisation (MoSO)

Essential Interactions, Communication and Collaboration

Making connections - Steve Jobs said, “Creativity is connecting things.” Communication and interactions, both social and through processes, are the life blood that pumps through the veins of any organisation – of any type or size. In MoSO, all elements have the potential to influence or connect to each other, which is represented by dashed lines between elements. For example, minimising environmental effects permeates through to product design, and the design and operation of daily work processes. Understanding the interactions between the essential elements of MoSO will help your organisation plan for a sustainable future.

A note about Collaboration - The aims of an organisation are best achieved through collaboration – within the organisation and externally to the society and its environment. A sustainable organisation may, collaborate with a network of other organisations (private, public and voluntary) to achieve specific outcomes – learning from the experience and bringing new ideas and skills to play in its own success. For a sustainable organisation, collaboration is essential to long-term success – it is part of a coherent sustainable strategy.

The Enhanced Model

Sustainable organisations can be said to have three primary activities: income generation, support and regulatory activities, and continual improvement and innovation – being driven by feedback from three voices, as the model at the front of this document illustrates.

- **Income generation** – the primary activities that an organisation does to provide products and services which customers (or funding bodies) are willing to pay for.
- **Support & regulatory activities** – the things the organisation does to keep itself in being and legal.
- **Continual improvement & innovation** (renewal) – the unyielding and continually improving effort by everyone in the organisation to understand, meet, and exceed the expectations of their customers.

The culture of an organisation sets expectations, and supports its people and management to systematically and continually drive innovative improvements from three voices:

- **Voice of the Customer** (VoC) – feedback from the people who buy or use the organisation’s products and services,
- **Voice of the People** (VoP) – feedback from within the organisation, about what issues to address, and what strengths should be retained or nurtured,
- **Voice of the System** (VoS) – feedback from the organisation’s processes, about how stably they’re performing, and where to focus attention.

Design & Redesign Whole System – having analysed the feedback from the three ‘voices’ this should lead to improvement or innovation of the whole or part of the organisational system.

The voices feed into the Plan Do Study Act (PDSA) learning cycle and represent a self-renewing and self-sustaining element of MoSO. As Peters and Waterman say in the book, *In Search of Excellence*; “**Excellent companies are better listeners**”.



Using MoSO in Your Organisation

A 7-step Journey to Improved Sustainability

MoSO can provide new perspectives about any organisation. It can help you to understand to what extent your organisation is working as a joined-up entity – and the benefits that might be achieved by “joining the dots” of vital areas.

Using MoSO is intended as a practical learning journey – it may lead to organisational change or transformation, in the way individuals and organisations perceive themselves and the way in which they go about learning, leading, managing and working with each other to enable an organisation to become more sustainable, i.e. achieve lasting economic success, whilst engaging positively with society and minimising harmful impact on the natural environment.

The 7 Steps shown in the right-hand panel form a guide that can be used or adapted to your situation. MoSO can be used at any level; in the whole organisation, your department, function, or location, or for yourself.

Deciding the ‘area of influence’ is an important decision when developing and using MoSO; you don’t have to work on all elements at the same time. Start at the most appropriate place - but always have the bigger picture in mind.

MoSO could also be extended “outside” the organisation to include, for example, joint ventures and partnerships, to identify potential opportunities, good practices, areas for improvement, concerns and risks ... and don’t forget about PDSA. Learning lessons from your use of MoSO is a vitally important factor in getting better at getting better.

Step 1 - understand your **vital need** or **imperative** to do things differently

Step 2 - **understand** how MoSO works

Step 3 - develop your **own MoSO**

Step 4 - consider **which areas of the organisation** to map onto the elements of your MoSO (e.g. best practices, strategies, policies, processes, risks, opportunities, standards, measures)

Step 5 - **identify** gaps, inconsistencies and opportunities

Step 6 - decide to **take action** - implement changes in a planned way

Step 7 – **reflection** (lessons learned)

Published by the MoSO Co-operative – if you have any questions, or would like to learn more, please contact us via: <https://demingalliance.org/resources/sustainable-organisations/>

