Sustainable Business: 
Opportunity and Value Creation

Andrea L. Larson
Assistant Professor of Business Administration
Darden Graduate School of Business Administration
University of Virginia
P.O. Box 6550
Charlottesville, Virginia 22906-6550
(804) 924-3221
(804) 243-7677 fax
LarsonA@darden.gbus.virginia.edu

Elizabeth Olmsted Teisberg
Associate Professor of Business Administration
Darden Graduate School of Business Administration
University of Virginia
P.O. Box 6550
Charlottesville, Virginia 22906-6550
(804) 243-7689
(804) 243-7676
TeisbergE@darden.gbus.virginia.edu

Richard R. Johnson
Research Assistant
Darden Graduate School of Business Administration
University of Virginia
P.O. Box 6550
Charlottesville, Virginia 22906-6550
(804) 924-3920
(804) 243-7677 FAX
JohnsonRi@darden.gbus.virginia.edu

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Abstract

Sustainable business is a term currently applied to the rapidly expanding area of environmentally aware corporate operating practices. It is part of the larger global
movement toward sustainable development. This movement crystallized in 1987 with the publication of a groundbreaking book titled Our Common Future by the World Commission on Environment and Development (also known as the Brundtland Commission). The Commission defined sustainable economic progress as "development that meets the needs of the present without compromising the ability of future generations to meet their own needs." Despite the understandable debate on the definition of "sustainable," the concept has gained sufficient acceptance to focus CEOs and managers on opportunities to improve current returns and future growth by pursuing sustainability.

The examples of success presented in this volume show sustainability not only as a guide to a cleaner and healthier world, but also an avenue to greater profitability. Firms succeeding with sustainable business are not being altruistic, and they are not choosing between profitability and environmental responsibility. They have achieved product differentiation and dramatic efficiency gains from the innovation enabled by adopting this new perspective. Consistent with the findings of Collins and Porras in Built to Last, a study of visionary and exemplary firms, the companies described in this issue are characterized by the "genius of the AND," the ability to embrace at the same time seemingly contradictory forces or ideas. Rejecting the more typical "tyranny of the OR," which would argue firms must be successful or environmentally responsive, sustainable companies are both profitable and possible.