

Sustainability Needs Entrepreneurial Energy

There are a number of business opportunities in the sustainability domain today.

By P.G. Ganapathy

I would like to start by referring to a statement made by Sir Richard Branson in a recent article in a magazine where he makes a call for “enlightened capitalism”. Referring to the social inequity that still exists today and the “clear and present” decline of every one of our natural ecosystems, he says that, “Our only way out is to turn business itself into a good cause.”

This is a powerful statement and resonates with something that I have been also thinking about for some time now: I find some of the ventures in the non-profit sector sufficiently cash surplus, especially those that have existed for many years and are serving a useful social purpose at a very affordable cost. They have reached a stage where they don't need any more charity for their existence. A large number of educational and healthcare trusts fall in this category. What has led to this is:

- (a) clarity of vision
- (b) passionate and committed leaders and workmen including voluntary servers
- (c) lean and austere operating practices
- (d) genuine commitment to the consumer and his needs (customer is not a mere moneybag for them).

I don't see why some of these principles cannot work in business and produce reasonable returns, which in this case can then reward shareholders and sustain the growth of the institution. Yes, they may not offer opportunity for super profits, but then that is the pursuit of the greedy. I am sure there are a lot of people who are willing to do business for reasonable returns and for whom the purpose of the business is as important as the profit motive.

The initial charity that goes into kickstarting some of these institutions can be seen as the initial invest-

ment if they were to be seen as a business, albeit with a difference, capital that is committed and passionate for the cause, if capital could have any character or be enlightened!

I see opportunities in the sustainability domain in a similar perspective today. There is no reason why they cannot be good businesses offering reasonable returns, and also serving a good cause. For those who are seeking meaning in their work, I think this is an ideal business.



“Environmental health promotes human health.”

Businesses have demonstrated that they can make quick and large impacts by virtue of certain constructs that define the very nature of business—the spirit of private initiative and entrepreneurial energy; the concept of transaction between the provider and the consumer, governed by market forces & competition; the profit motive as a driving force; the freedom of choice to everyone involved (the consumer, the investor, the employee, the promoter, etc.); encouragement of measured risk taking; capital as a key enabler and an accepted medium of sharing risk and reward; growth and self-propagation as a very fundamental goal, etc.

Now, let me come to what constitutes the sustainability domain. The term is quite a catch-all phrase and encompasses many things: environmental sustainability, social sustainability, cultural sustainability and human health. At its deepest level, it stands for a value-system and can be applied in many contexts. Let us look at the entrepreneurial opportunities in some of these areas.

Let us take the environmental sustainability domain, perhaps the most popular association of the word “sustainability.” This broadly covers the areas

of energy, water and waste management, reduction of greenhouse gases which are causing climate change and initiatives towards conservation of natural resources, ecosystems and bio-diversity. In other words, all factors that go towards maintaining the delicate balance of the earth, its climate and its ecosystem, which are all ultimately crucial for human survival.

I believe opportunities in the energy space are going to be big. I don't have to highlight the renewable energy sector as it is oft written about. Within that, I see great opportunity for System Integrators who are able to create robust hybrid systems for retail/small scale applications that combine solar, wind, bio-mass, hydro, natural gas and conventional grid in an appropriate way, so as to improve system availability.

The other area is energy efficiency, wherein there is still a huge opportunity in the three big areas—buildings, industry and power generation and in transmission and distribution. Again, the opportunity here is for those who bring knowledge in the form of design and product development capability for various EE applications, system integrators and ESCOs who can implement programs in different implementation models and process specialists who can improve the energy efficiency of various processes. The industrial sector is already ahead in this game, the power generation, transmission and distribution sectors are gradually catching up but suffer from the drawback that much of this business is in the government domain; hence, the untapped opportunity is in the buildings sector.

Other areas in the energy space pertain to innovations towards efficient energy storage, which is the most impactful area, but also the most challenging.

Water is another big area. People are beginning to realize the value of water and hence it is now getting into the realm of business from the realm of public service. A lot has been done in the area of technology for treatment and distribution.

The area that is most critical and least addressed is managing water resources. Hydrogeology and the art of identifying and storing water underground will be a sought-after area of competence in coming times.

Designing and setting up systems to harvest rain in a cost-effective way will be a big opportunity. Natural and low-cost systems for treating waste water and sewage will find wider acceptance.

Solid waste management in a decentralised small scale format, which does not require waste to be transported over long distances, will also become popular. There will be a good demand for community-based systems that can convert waste to compost, waste to bio-gas, waste to energy, etc.

The buildings sector will witness a plethora of innovation in materials that, in their production and usage, require less energy, emit less unhealthy fumes and are easily disposable. This means a return to natural materials that are applied intelligently by leveraging all the engineering, technology and design skills that we have accumulated over generations, so as to overcome their drawbacks.

Another dimension of sustainability is human health. You may ask why I include it. The reason is simple—it is not only our survival that matters, but also how healthy we are as a species. I see a huge potential for sustainability in human health: a systems approach that takes a holistic view of the multiple dimensions and systems of the human body and its link with the environment.

Going forward, I foresee the growth and popularity of alternative systems of medicine that take a more holistic view of the body: systems like Ayurveda, naturopathy, Siddha, Unani and Chinese medicine.

These will co-exist with modern medicine to start with, and finally move towards a more integrated paradigm that draws from the strengths of all these systems. There would be opportunities for entrepreneurs who can bring competence in these areas.

There are some underlying themes in these various opportunities: one of them is about distributed systems or decentralised systems. I can foresee a gradual move away from mega scale centralised infrastructure except maybe in connectivity infrastructure. We will see more self-sufficient communities, which are well networked with each other.

Another theme is customization to a context: climate, socio-cultural, etc. This will mean emphasis on design and integration, rather than off-the-shelf.

This will call for more knowledge at the application level or at the usage point, rather than at the product R&D level, which in turn augurs quite well for entrepreneurs. ■

“Human health and environmental health are intricately linked, though we have been missing this crucial point in recent times.”

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