

We have hacked the most widely used strategic tool on the planet to help you understand and operationalize the new creative equation for businesses and brands.

#ESGpraJÁ

presents:

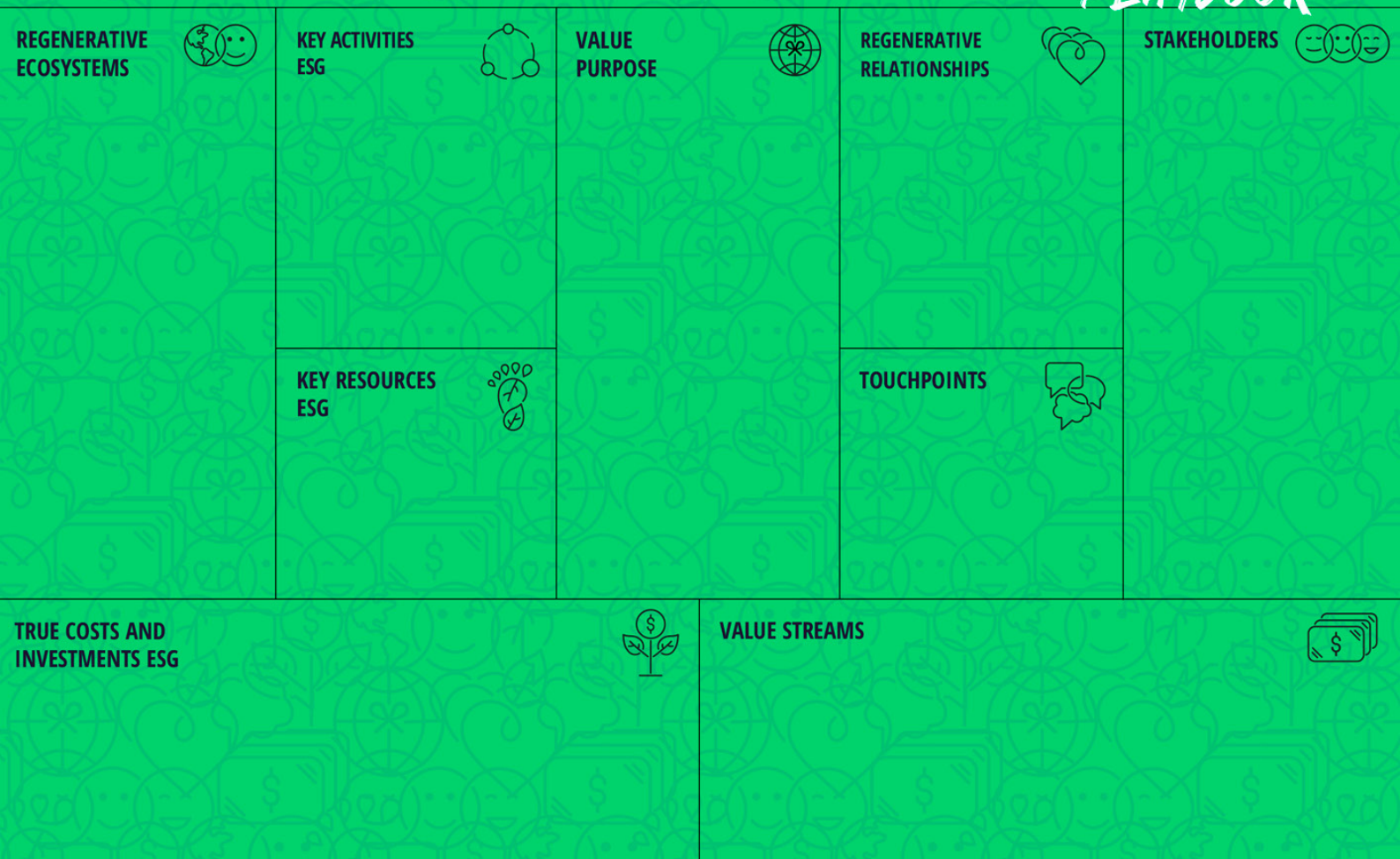
BUSINESS

MODEL

REGENERATION



PLAYBOOK



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ESGpraJÁ Advanced Study Group
T01-2023

CO-CREATED BY:
ESG & Creative Strategy Advanced Study Group
(AN INCREDIBLE TEAM OF 30 PROFESSIONALS)

This work is an adaptation of the Business Model Canvas, based on <https://assets.strategyzer.com/assets/resources/the-business-model-canvas.pdf> by <https://www.strategyzer.com>, licensed under CC BY-SA 3.0. Our intention is to advance the initial discussion proposed by Alex Osterwalder and co-authors, provoking new strategic analyses and creative syntheses within the context of ESG.



INTRODUCTION

Discomfort has brought each and every one of us here to the ESG line.

But make no mistake. There is no place with more creative power than here and now, where everything seems to need new meaning. Urgently.

We've been facing this moment in business, humanity, and the planet with great creative energy, openness, and awareness. By the way, the binomial creativity + consciousness is the hot topic of the moment.

Yes, we know how it goes: creativity comes smoothly, but consciousness could be a hard pill to swallow in the business world.

In any case, we already know that none of this will get us any further. In the context of ESG, companies are recruited as agents of regeneration of the planet (Environmental), society (Social), and even capitalism (Governance). Notice that this is a shift in consciousness.

The possibility of a business being both regenerative and profitable challenges us because it actively seeks to regenerate environmental, social, and human systems and resources through an economic model that also makes money and thrives over time.

The stakeholder **capitalism** promise is powerful: by creating value for all stakeholders (including the planet and society), the business is able to capture **extraordinary value** back.

The **(RE)Generation Business Model** brings a set of provocations and concepts designed to help you piece together your new creative equation: **regenerate and profit, at the same time.**

This was the challenge of the ESG & Creative Strategy Advanced Studies - Group 01/2003: hacking the most familiar and widely used innovation tool in the world so that you can quickly take creative ownership of it all and turn your strategy around.

#ESGpraJÁ!

Talk to us: info@esgpraja.com.br

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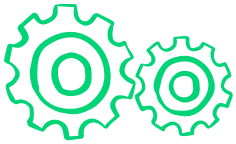
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METHODOLOGY

We understand that the ESG agenda is set to accelerate incredibly over the next two to five years, so in the very short term, all brands and businesses will be asked to position themselves according to this new paradigm.

It's important that we, as strategy, creativity, innovation and communication professionals, have the ability to turn this big idea into new businesses, products, services, projects, campaigns, experiences, and countless other initiatives that we may not even know about yet.

We have this unique opportunity that comes with a huge responsibility.

#ESGpraJÁ is a community of practice among creatives, innovators, sensemakers, designers, strategists, producers, planners, marketers and storytellers. We have decided to come together to study the creative aspects of ESG and produce high-quality, open-source, knowledge for immediate application.

It is a powerful network of 30 people willing to understand how to help operationalize the ESG creative turn. There were ten 3-hour online meetings between April and July 2023, and several other meetings from August to October to carry out this application project, totaling 210 hours of study, discussion, and reflection on the new creative business equation.

Our community of practice has also begun a long collective and ongoing conversation in which we share over 100 different real cases that have been taking place here and now to understand what is "a hard pill to swallow" in our society and its creative implications.

Business Model (RE)Generation Canvas is the result of this endeavor. As Maria Bethânia puts it: "I'll learn to read, so I can teach my comrades".

This is our mission.

#ESGpraJÁ

www.esgpraja.com.br



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**INSTRUCTIONS**

In general, dealing with creativity is simple. It's in our human nature, so it's an intuitive and highly accessible process. All it takes is a repertoire (in terms of volume and quality) and a well-crafted question. If there is time pressure on top of that... Then we take a leap.

Some cool techniques, frameworks, creative tools, games can help this process... anything goes! The whole background of design thinking is, at its core, a way to push our thinking into new directions and employ different repertoires and perspectives. Therefore, everyone can learn to make better use of creativity in practice.

Our favorite technique is creative provocation. Sometimes a provocation can be presented as a very radical or even absurd idea, even for those who are used to it (!) and this will make you think outside the box. Some other times it's the logic of another product category, or another business sector, which we bring into our own and see what happens.

The creator of the radical provocation technique, Dr. Edward de Bono, also proposes that when we consider the absurd, we are forced out of critical thinking mode and into the creative realm. The good old “think outside the box”.

A creative provocation should always be something counterintuitive, something that shakes you up and forces you off the beaten track, allowing you to try out other points of view and find new solutions to the problem at hand.

This playbook will propose powerful insights and fundamental creative provocations about ESG. The aim is to make you think again, more deeply, along different paths, starting from the big idea of the moment. That's why we use creative tools: to ~~perceive~~ (re)perceive premises, hypotheses, and explore possibilities that seemed to be off our radar.

The Business Model (RE)Generation Canvas is the greatest common denominator among 30 brilliant minds who came together to creatively unravel the ESG, with little pretension and lots of purpose. And it turned out amazing.

Enjoy! We've made it for you.

Erlana Castro - Founder of #ESGpraJÁ and Facilitator of the ESG & Creative Strategy Advanced Study Group

Virna Miranda - Co-Founder and Manager of the ESG & Creative Strategy Advanced Study Group

September, 2023

HOW TO READ THE TEXT

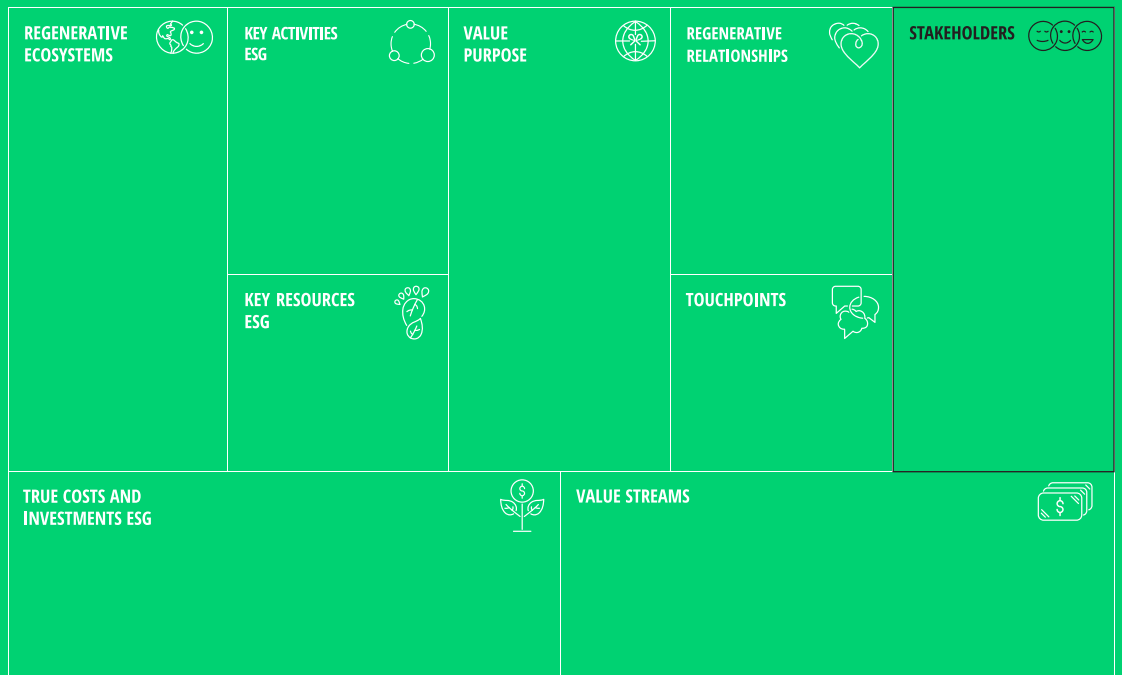
Expressions, concepts that are worth looking into: underlined

Hack, that is, our flip of meaning: ~~strikethrough~~

Striking insights: **bold** to memorize

Make a tattoo with this idea: ***italics, underline, bold***

BUSINESS MODEL *RE*GENERATION



1.

STAKEHOLDERS

From: **Customers Segments** → To: **Stakeholders**



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It all starts with this question: **who are we creating value for?**

Quadrant 1 of the Business Model Canvas (BMC) proposes as a starting point a major **creative research** of the opportunities to solve problems, pain, and expectations of the main customer segments that are the focus of the business.



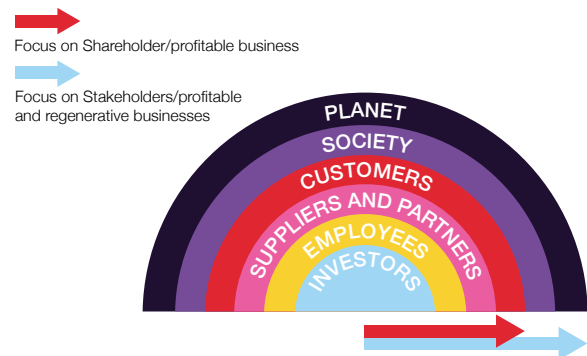
OUR HACK

From: **Customers Segments** → To: **Stakeholders**

The **Business Model (RE)Generation Canvas - BMRC**, broadens the scope of this quadrant, including and acknowledging all the other parties involved in and impacted by the company. In addition to the usual customers, consumers and users, the new creative business equation invites us to **create value for all stakeholders and thus capture extraordinary value back.**

Stakeholders means "interested parties" in the success of the business. The most common

- **Investors/shareholders/owners**
- **Employees**
- **Partners/Suppliers**
- **Clients**
- **Society**
- **Planet**



Read the list above again and now imagine all these stakeholders engaged in your business/idea/project, happy for its existence, grateful for the value created, supporting its growth. Can you feel the power of the stakeholder capitalism?

According to this approach, the company is an agent of change, articulator of problems to be solved (jobs to be done) and enabler of **creative opportunities of value** that include other businesses, other social systems, and the biosphere; far beyond compliance (minimum obligation, usually described by the laws and regulations of the industry in which you operate).

The path to creating extraordinary value lies through a **purposeful existence (purpose)**, a systemic view and awareness of its interdependence. The first step to get there is to know, acknowledge and include your stakeholders, all of them, as interested parties in the thriving existence of the business, idea or project. In short, your partners.



CREATIVE PROVOCATION

Right now, there is one sovereign stakeholder: the planet. This is a creative premise of the idea of **regenerative economy**, which in turn is subject to the idea of ecology. Think individually or as a group about the following statement:

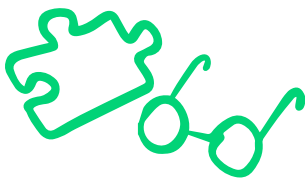
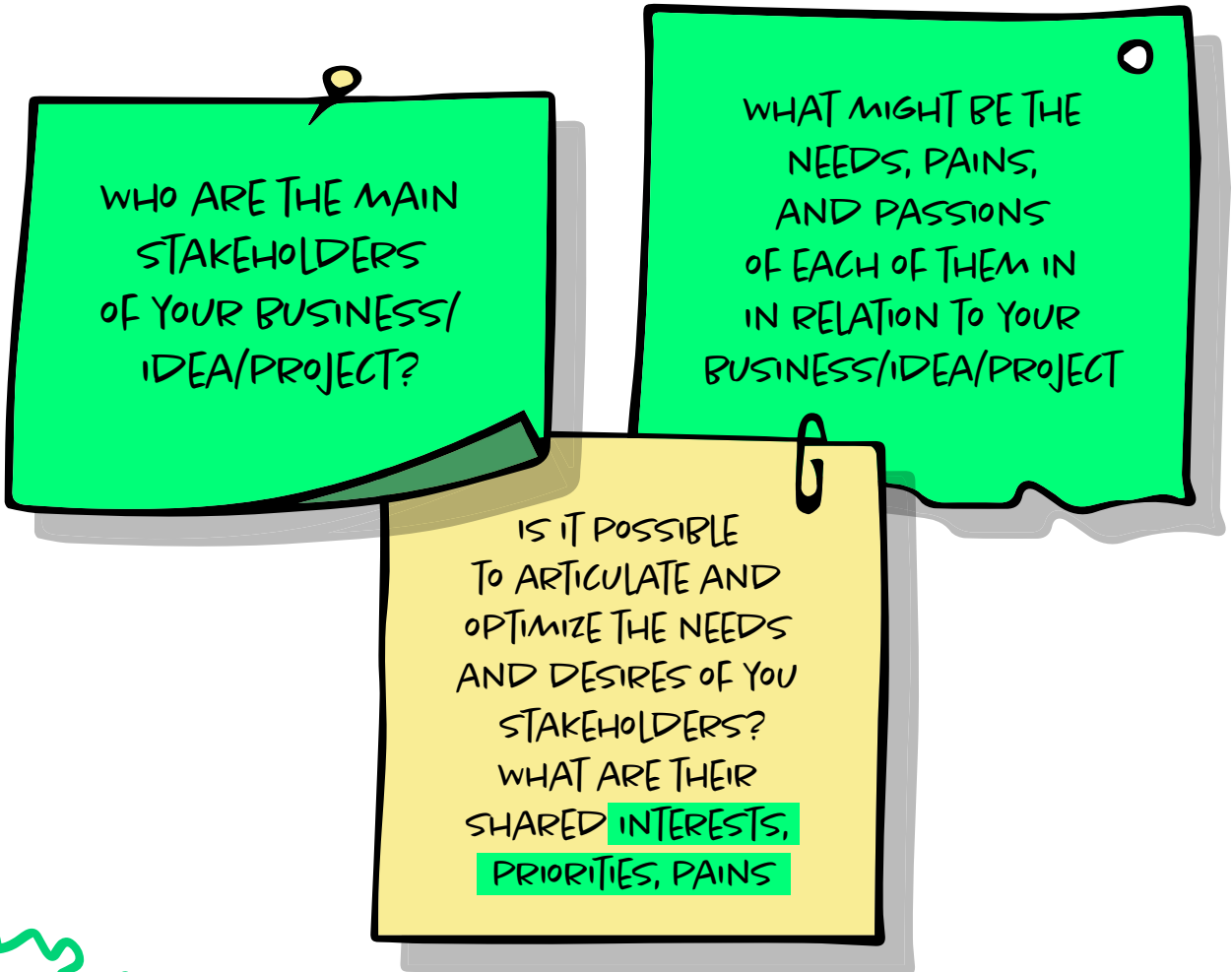
It's big business to have the planet as a stakeholder.



HANDS ON THE POST-IT!

From: **Customers Segments** → To: **Stakeholders**

Each Post-it will bring a question and/or a reflection that serves as encouragement and guide for you to answer in your Canvas:



GET THE PICTURE

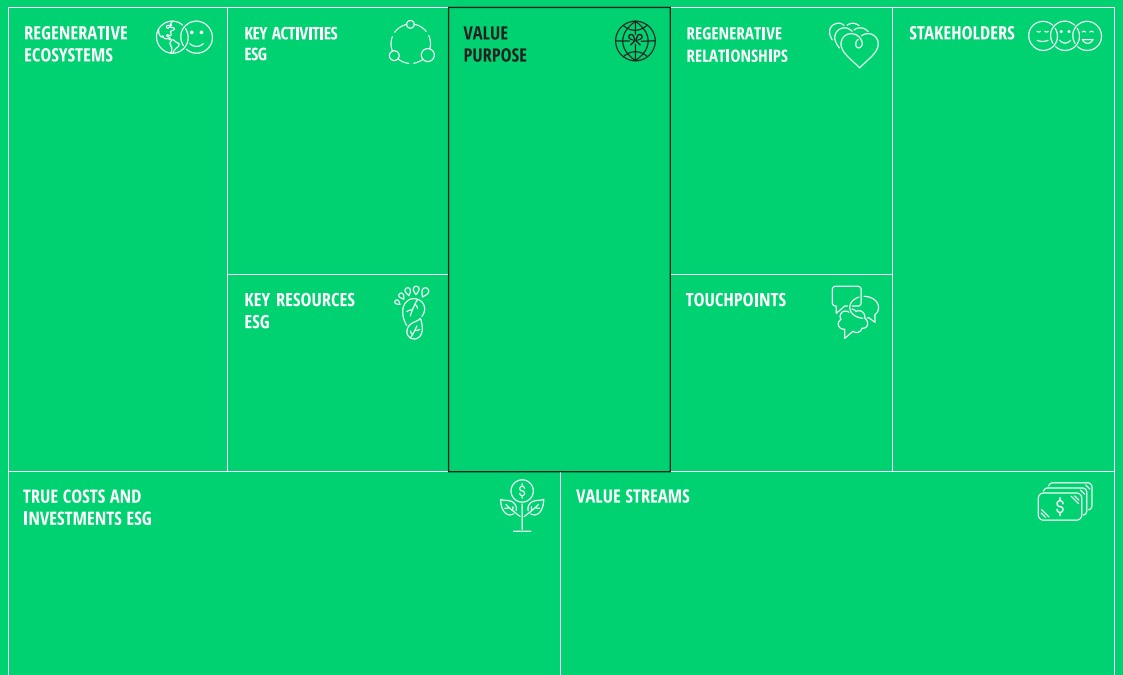
Think about the vision of the present and future that unites your business and its stakeholders.

Given this world view, what are the important/critical E, S and G issues to your business and, at the same time, valued/desired by your stakeholders?

Research, reflect, list, and prioritize: issues that most impact your industry and your business/idea/project x agendas that matter most to your various stakeholders.

Your goal here is to become aware of the issues that impact and matter at the same time.

BUSINESS MODEL *RE*GENERATION



2.

VALUE PURPOSE

From: ~~Value proposition~~ → To: Value purpose

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RECAP

Straight to the point: the value proposition is the **company's creative response** to the needs, pains, desires, and expectations of its customers; and it is expressed in the form of products, services, features, and experiences.

A good value proposition solves something for someone and, therefore, creates value. Value propositions emerge to respond to the demands and opportunities observed in the market and among its customer segments.

The purpose of a business comes from another place. It has to do with why that business exists and **why it would be good for all its stakeholders if it continued to exist.** The purpose, therefore, should reflect that community's (company's) vision of the future, its "why", and its ambitions to **create value for itself and beyond** (relevance, longevity, and legacy).



OUR HACK

From: **Value proposition** → To: **Value purpose**

By using **BMRC**, we combine these two ideas into one larger one: **the value purpose.** We invite you to think about the countless opportunities to **combine profit with purpose and purpose with profit.**

Purpose is the new creative starting point for your business, its axis for creating value and meaning (*sensemaking*). A great hook for creating interest, engagement and preference among your stakeholders.

But beware: **it's not about market differentiation it's about your place of power in the world.**

Our hack inspires you to find that power, manifest it in value created for the world and thus capture extraordinary value back for the company.



CREATIVE PROVOCATION

Purpose manifests itself in value everywhere. It may come from several orders, magnitudes, and natures. Non-monetary exchanges are also worthwhile and can, directly or indirectly, generate a lot of economic value!

Look at your stakeholders again – now in perspective. Imagine that you are starting a business from scratch and reflect on the opportunities to create value, based on your purpose.

Notice how your purpose can creatively evolve your current value offer, but don't limit yourself to just products and services. Also reflect on your principles, your production and commercial systems, the quality of the company's relationships and policies towards its stakeholders.



HANDS ON THE POST-IT!

From: **Value proposition** → To: **Value purpose**

○ WHAT IS THE VISION OF THE FUTURE THAT YOU ARE COMMITTED TO CREATING THROUGH YOUR BUSINESS/IDEA/PROJECT AND WHICH SDGS (SUSTAINABLE DEVELOPMENT GOALS) INFORM, DIRECT AND LAND SUCH COMMITMENT?

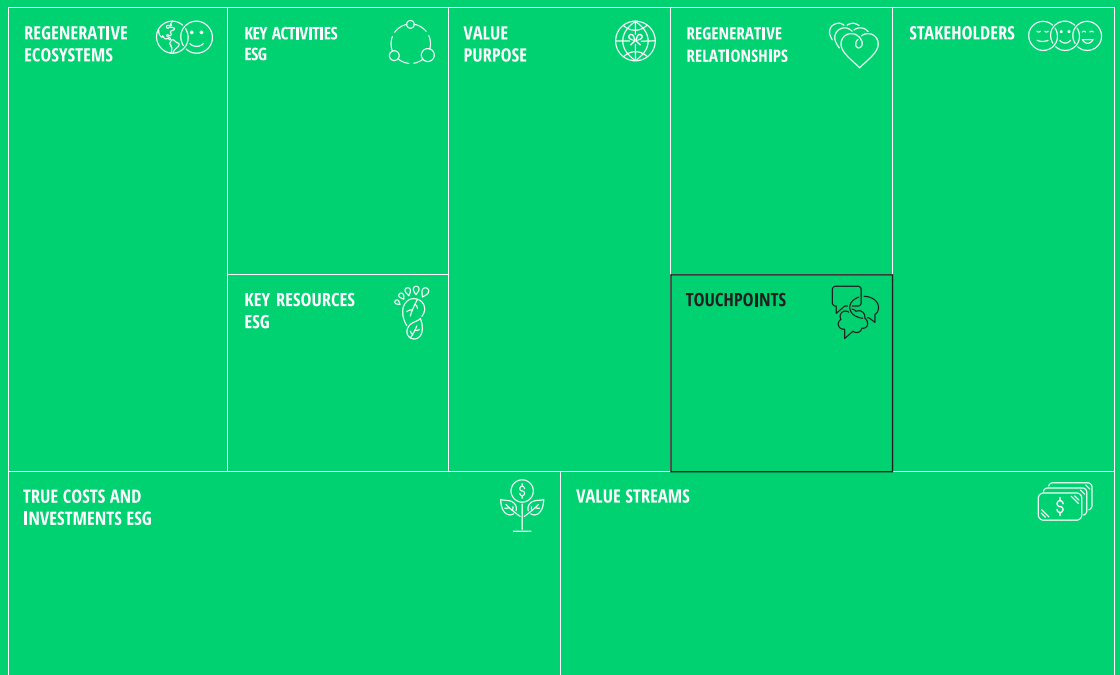
FROM PURPOSE TO OFFER:
WHAT IS YOUR GREAT INTENTION AND/OR INSPIRATION? HOW CAN IT GENERATE VARIOUS OPPORTUNITIES TO CREATE AND CAPTURE VALUE AMONG ITS STAKEHOLDERS?
WHAT IS THE ORDER, MAGNITUDE, AND NATURE OF SUCH VALUE CREATED?

FROM OFFER TO PURPOSE: HOW CAN YOUR CURRENT VALUE OFFER BEST MATERIALIZE THE PURPOSE OF YOUR BUSINESS?

Learn more about the 17 SDGs, join the movement and do your bit. Sew them into your value purpose with plenty of ambition, creativity, and determination. Please visit: www.pactoglobal.org.br



BUSINESS MODEL REGENERATION



3.

TOUCHPOINTS

From: **Channels** → To: **Touchpoints with stakeholders**



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RECAP

In the Business Model Canvas (BMC), quadrant 3 invites you to think of channels as mediators between the creation and delivery of value to your customers, throughout the sales cycle. Far beyond logistics, this original Canvas definition already expands the issue creatively.



OUR HACK

From: **Channels** → To: **Touchpoints with stakeholders**

We expanded it a little further to include the stakeholder perspective. In **BMRC**, the idea is to identify and describe the touchpoints involved in manifesting purpose and delivering value, taking into account the diversity of their interactions.

Different stakeholders, different value deliveries, different touchpoints. Some touchpoints will be common to all, others will be specific and it is precisely this dynamic and systemic look that will reveal surprising opportunities!

In addition to logistics and commercial transactions, **touchpoints are there to support stakeholders in any type of interaction with the business:**

- Inspire, create engagement, listening spaces, interaction, and coexistence with stakeholders;
- Expand access and knowledge of stakeholders about business, products, services, processes, practices, principles, relationships, policies, results, future plans, purpose, people;
- Ensure efficiency, transparency, safety, and the experience as a whole.



CREATIVE PROVOCATION

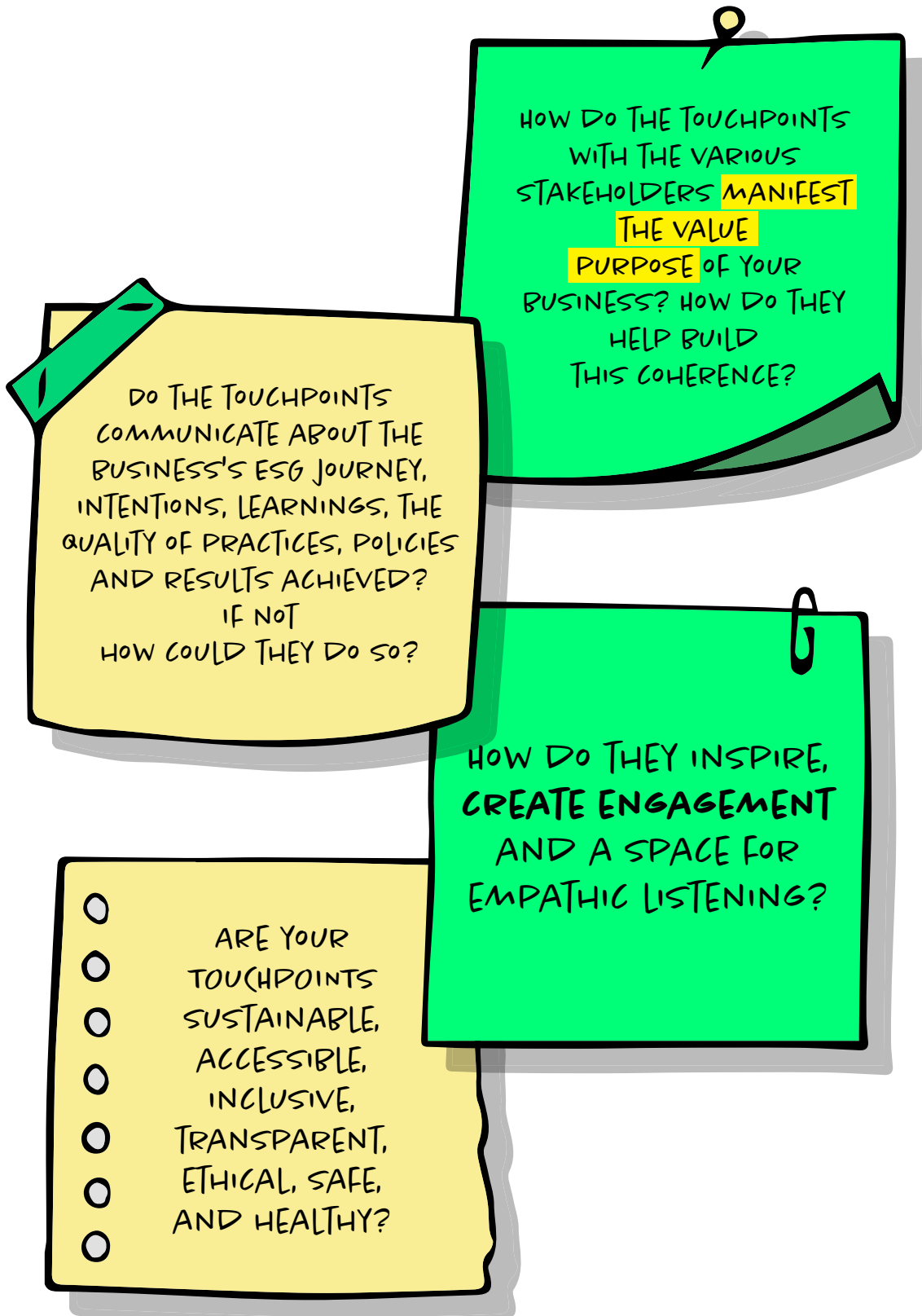
A company's reputation is directly associated with the experience that takes place at the touchpoints. In short, touchpoints need to be ~~thought~~ rethought so that stakeholders can perceive and experience the business in practice.

This is the place for "walk the talk", **where discourse and practice meet. A huge creative territory!**

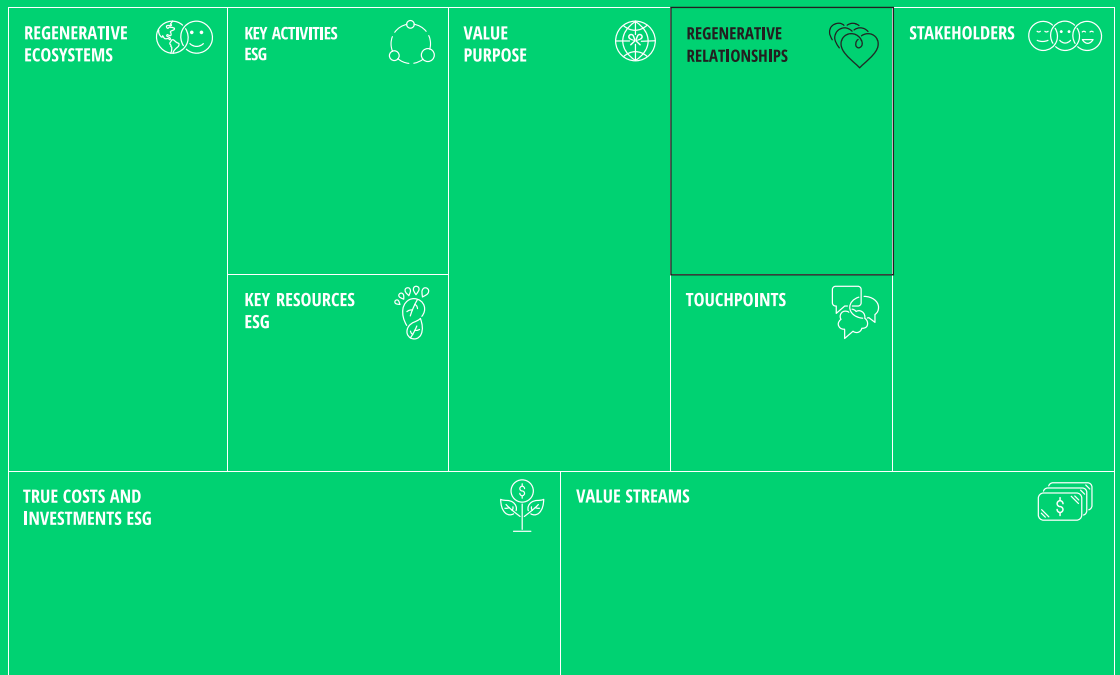


HANDS ON THE POST-IT!

From: Channels → To: Touchpoints with stakeholders



BUSINESS MODEL REGENERATION



4.

REGENERATIVE RELATIONSHIPS

From: ~~Customer Relationships~~ → To: **Regenerative Relationships**

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In BMC (Business Model Canvas), this quadrant provides a space to work out how the company will engage with its customers, with the idea that such decisions are not secondary at all.

Relationship building is a highly strategic chapter regarding customer experience as a whole and, therefore, the business's success. Decisions made here will also inform the following building blocks, especially the key resources and activities.



OUR HACK

From: **Customer Relationships** → To: **Regenerative Relationships**

In **BMRC**, quadrant 4 (Regenerative Relationships) sheds light on how the business chooses to **care for the quality and nature of the relationships woven into its ecosystem**.

When we think about our main stakeholders, not only customers, we must reflect on the importance of creating a healthy and thriving environment that manifests the value purpose of the business and that - intentionally - does not feed feelings of fear, insecurity, competition, anguish, prejudice, anger, injustice, shame, and rejection in people, or even win-lose or zero-sum transactional relationships between the individuals and entities that are part of this ecosystem.

The idea is to invest in creating a **culture of regenerative relationships**, defined by the experience of security, trust, transparency, belonging, win-win, and empowerment. This is the lifeblood of what it means to continuously **nourish the success** of the entire company.



CREATIVE PROVOCATION

What metaphors or analogies would you like to use to **inspire the business's culture of regenerative relationships**, as well as its values, beliefs, behaviors, and practices?

Hint: avoid narratives of war, hyper-competitive sports, and other narratives consisting of goals that are virtually beyond reach, which are built on and trigger feelings of competition, domination, power, control, violence, intense discipline, extreme sacrifice, and strength. Instead, try taking inspiration from nature! Animals that organize collectively and cooperate like bees or the concept of antifragility and creative efficiency of tropical forests etc.

Use analogies and metaphors to link complex ideas into narratives that are easier to understand, remember, and connect with from an emotional standpoint. Remember that these narratives are supposed to resonate with your stakeholders!



HANDS ON THE POST-IT!

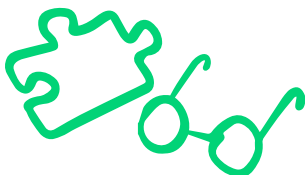
From: **Customer Relationships** → To: **Regenerative Relationships**

WHAT KIND OF RELATIONSHIP DO EACH OF OUR STAKEHOLDERS EXPECT US TO ESTABLISH WITH THEM? HOW DO THESE RELATIONSHIPS IMPACT ON THEIR ECONOMIC, PHYSICAL, AND MENTAL HEALTH?

WHAT IS THE TONE OF THE RELATIONSHIPS BETWEEN STAKEHOLDERS THAT YOUR VALUE PURPOSE INFORMS AND INSPIRES? HOW DO WE ENGAGE PEOPLE IN HEALTHY AND THRIVING RELATIONSHIPS IN THIS CONTEXT? AND HOW DOES THIS GENERATE VALUE FOR THE BUSINESS?

HOW DO YOU INTENTIONALLY ENSURE THE CONTINUOUS BUILDING OF **REGENERATIVE RELATIONSHIPS WITH EVERY STAKEHOLDER, IN EVERY POINT OF CONTACT?**

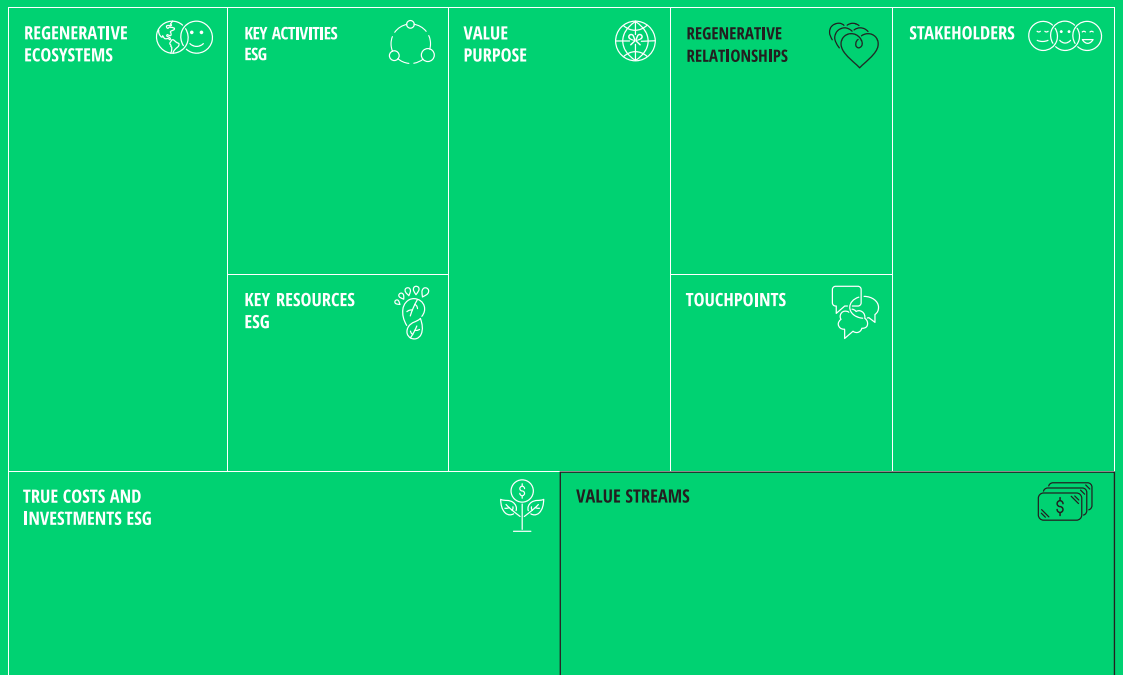
HOW TO CREATE A CULTURE OF TRUST AND TRANSPARENCY INTEGRATED INTO THE BUSINESS MODEL, WHICH CAN BOOST THE ENTIRE ECOSYSTEM?



GET THE PICTURE

A toxic relationship environment makes people sick, undermines the company's energy, sabotages business success, weakens the ecosystem, and destroys value.

BUSINESS MODEL *RE*GENERATION

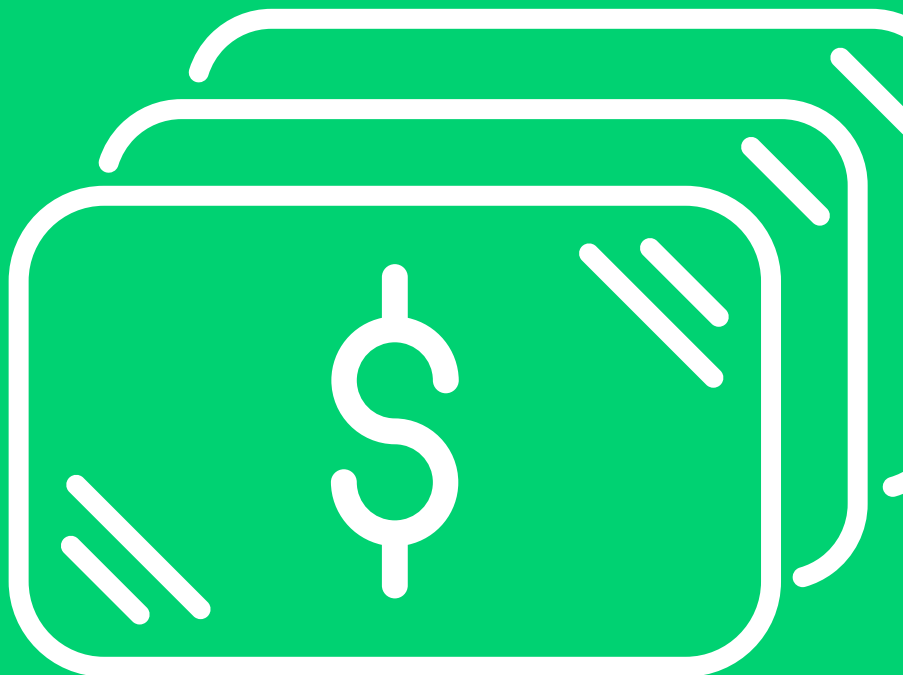


5.

VALUE STREAMS

From: ~~Revenue streams~~ → To: Value Streams

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RECAP

In BMC (Business Model Canvas) this quadrant provides a space to work out how the company actually makes money. There are several possible ways to build cash inflows, from one-off sales transactions to subscriptions, licensing, bundled services, etc. This quadrant is not about profit, but about the ability to generate revenue from each customer segment and how this money flows into the business



OUR HACK

From: **Revenue Streams** → To: **Value Streams**

The **ESG creative equation** brings the big idea that **it is possible to regenerate by profiting and to profit by regenerating.** ESG promises that a regenerative and profitable business, at the end of the day, generates much more value, beyond what is usually expected for your type or industry. This is the hypothesis of **extraordinary value creation** that we seek to demonstrate with **BMRC**.

Profit is a focal part of this set of values that a business is capable of creating. It brings energy to the company, it is legitimate, desirable, and will be higher or lower depending on its ability to optimize the economic model.

But remember: **in a profitable and regenerative business, the means justify the ends.** Your social license to operate lies in your commitment and effective delivery for people, the planet, and the future.



CREATIVE PROVOCATION

We bring forward the idea of **RoF (Return on Futures)**. Thinking of a business only in terms of **Rol (Return on Investment)** is no longer enough.

Inventing possible and thriving futures is the core business of regenerative and profitable businesses. And this is important here and now since the present value of a business lies in its expected future earnings. In other words, **a business with no future has no present value either.**

The question is: what futures is your business/idea/project creating or helping to create?



HANDS ON THE POST-IT!

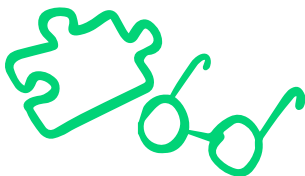
From: ~~Revenue Streams~~ → To: **Value Streams**

SOURCES OF VALUE:
WHAT KIND OF VALUE DOES THE BUSINESS CAPTURE FROM THE VALUE IT CREATES FOR ITS STAKEHOLDERS? HOW CAN WE TRANSLATE THIS INTO ECONOMIC VALUE?

HOW AND HOW MUCH ENVIRONMENTAL AND SOCIAL VALUE DO WE GENERATE FROM OUR BUSINESS MODEL AND BUSINESS PRACTICES?
HOW DO WE DESCRIBE THIS VALUE?
ARE THERE INDICATORS THAT CAN DESCRIBE IT?

WHAT IS THE ROI LOGIC OF THE BUSINESS/ IDEA/PROJECT AND WHAT IS THE ROF LOGIC? HOW CAN WE MAKE SENSE OF THE **STRATEGIC BALANCE** BETWEEN ROI AND ROF, REGENERATING AND PROFITING IN THE PRESENT AND THE FUTURE?

WHAT WOULD BE THE EXECUTIVE GOALS AND PERFORMANCE INDICATORS BASED ON THIS BROADER LOGIC WITH **DIFFERENT SOURCES OF VALUE, ROI AND ROF?**

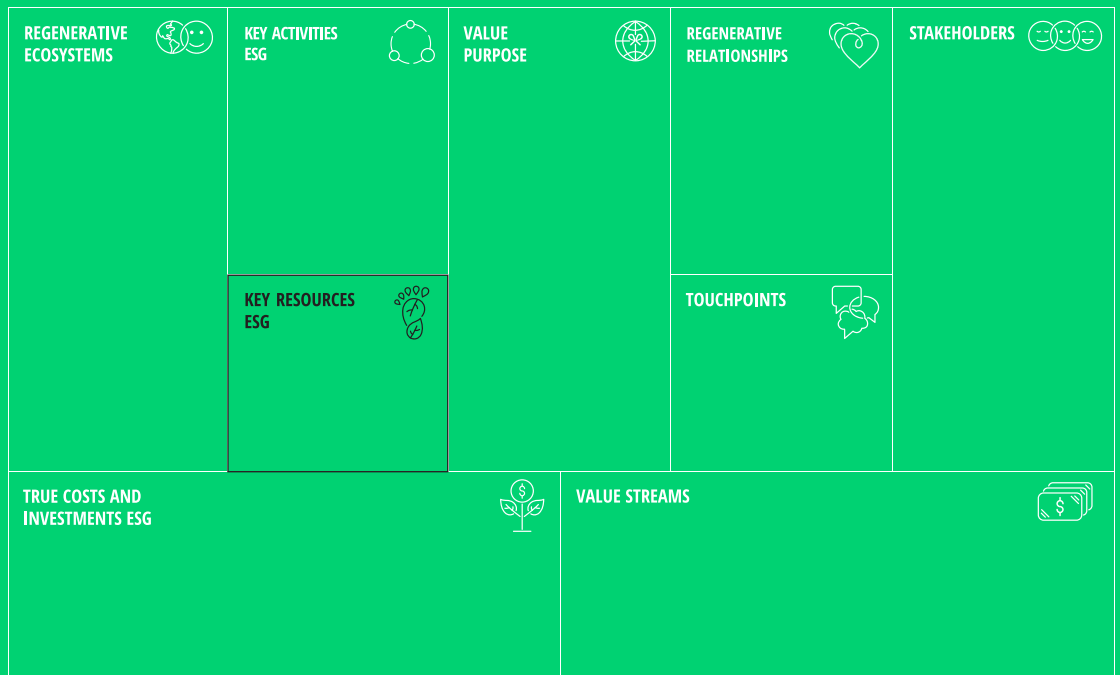


GET THE PICTURE

There is a promise in the idea of stakeholder capitalism: by creating value for all your stakeholders (including the planet and society) you would be able to capture extraordinary value back for your business.

How can your business/project/idea prove this theory?

BUSINESS MODEL REGENERATION



6.

KEY RESOURCES ESG

From: **Key Resources** → To: **Key Resources ESG**



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Quadrant 6 of the Business Model Canvas reflects on the key resources needed to create and deliver the value proposition. In other words, the most important assets for your business model to work and for value to be created and delivered. These resources can be of any kind:

- **Physical:** physical assets, such as facilities, vehicles, machinery, systems, energy, etc.;
- **Intellectual:** brands, patents, copyrights, technologies, data, etc.;
- **Human:** talents and skills.
- **Financial:** access to credit, investment capacity, working capital, etc.



OUR HACK

From: **Key Resources** → To: **Key Resources ESG**

Decisions on Key Resources must be made in the light of the **creative ESG equation: regenerate and profit at the same time.** In other words, strive for efficiency and excellence, but based on renewable resources, clean energy, zero carbon, circularity, integrity, social justice, and care for people. In the scope of ESG, **form transforms.**

Diversity is ESG’s greatest ally. ***A diverse team regenerates the creative capacity of the business.*** When thinking about key talents, we must take into account the inclusion of diverse talents (gender, ethnicity, race, age, education, sexual orientation, place of birth, etc.), affirmative action, and a great deal of training, as well as lots of team integration, support groups, learning groups and **other opportunities for creative coexistence.**

Technology, meanwhile, must always be at the service of regenerating the planet and society, proposing leaps and disruptions regarding the way we solve the current major challenges.

Finally, pay close attention to investment funds and credit lines that are favorable to companies that adopt ESG operational and strategic principles. **ESG money is cheaper and more abundant than ever.**



CREATIVE PROVOCATION

How does the idea of circularity transform your production process and/or your model as a whole? Stop for a moment to get to grips with the idea of the circular economy, both in general and specifically in your industry. Go back to the Canvas and review your assumptions so far.

Minimum ambition: how to be a zero waste and carbon-neutral business?



HANDS ON THE POST-IT!

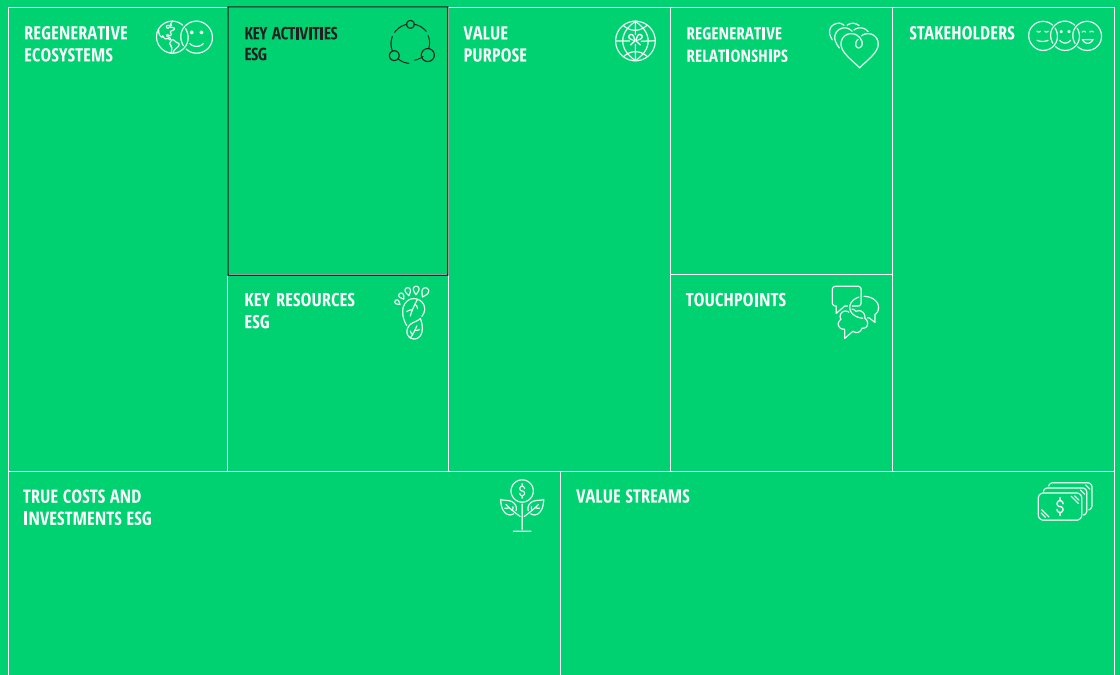
From: ~~Key-Resources~~ → To: Key Resources ESG

REFLECT:
HOW DO YOUR KEY
RESOURCES
ACCELERATE YOUR ESG
PERFORMANCE
INDICATORS?

FIND OUT HOW KEY
RESOURCES
(AND THE WAY YOU
MANAGE THESE RESOURCES)
STRENGTHEN YOUR CREATIVE
PREMISE ON HOW TO
REGENERATE AND PROFIT
AT THE SAME TIME.

THINK ABOUT YOUR
BUSINESS MODEL,
RELATIONSHIPS,
POINTS OF CONTACT, YOUR
PRODUCTION PROCESS AND THEN
LIST THE KEY RESOURCES NEEDED
TO CREATE AND DELIVER VALUE,
EXPRESSING YOUR PURPOSE TO
ALL STAKEHOLDERS.

BUSINESS MODEL REGENERATION

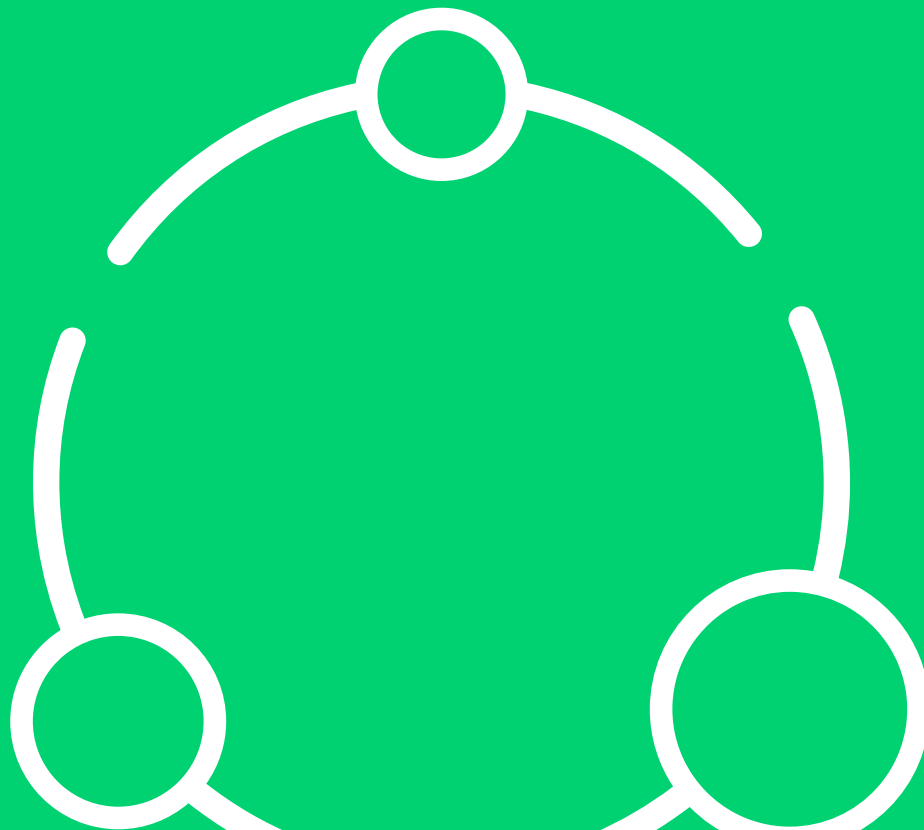


7.

KEY ACTIVITIES ESG

From: **Key Activies** → To: **Key Activies ESG**

#ESGpraJÁ

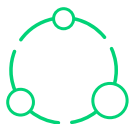




What activities are key to fulfilling your with your customers? As in the previous building block, now list the crucial tasks for running your business model, delivering value, sustaining relationships, and capturing revenue.

In the original Canvas, the key activities vary greatly according to the industry and the business and are related to the production process, expertise, advantages, management, and operations. Typical key activities for most companies incluFrom:

- Marketing
- Production
- Sales and customer service
- Financial and legal management
- People management



OUR HACK From: ~~Key Activities~~ → To: **Key Activities ESG**

Within the framework of the ESG, means justify ends. The tip is to ~~perceive~~ (re)perceive key activities as opportunities to regenerate society, the planet, and your own business. **Just like key resources, key activities can be major drivers of ESG performance.**

Speaking of ESG performance, the governance of indicators, results, certifications, and reports is a key activity in regenerative and profitable business models.

Another important opening of **BMRC** is to consider how the business creates and delivers value to all its stakeholders, individually and in perspective, as it manifests its purpose, in all touchpoints. This zoom-in/zoom-out exercise can reveal key activities that previously didn't seem so strategic, such as developing a culture of regenerative relationships.



CREATIVE PROVOCATION

How do the key activities, the key resources and the way you articulate and manage them materialize the idea of **regenerating and profiting at the same time?**

Take inspiration from the business narrative you started creating on page 17 (**CREATIVE PROVOCATION Regenerative Relationships**).



HANDS ON THE POST-IT!

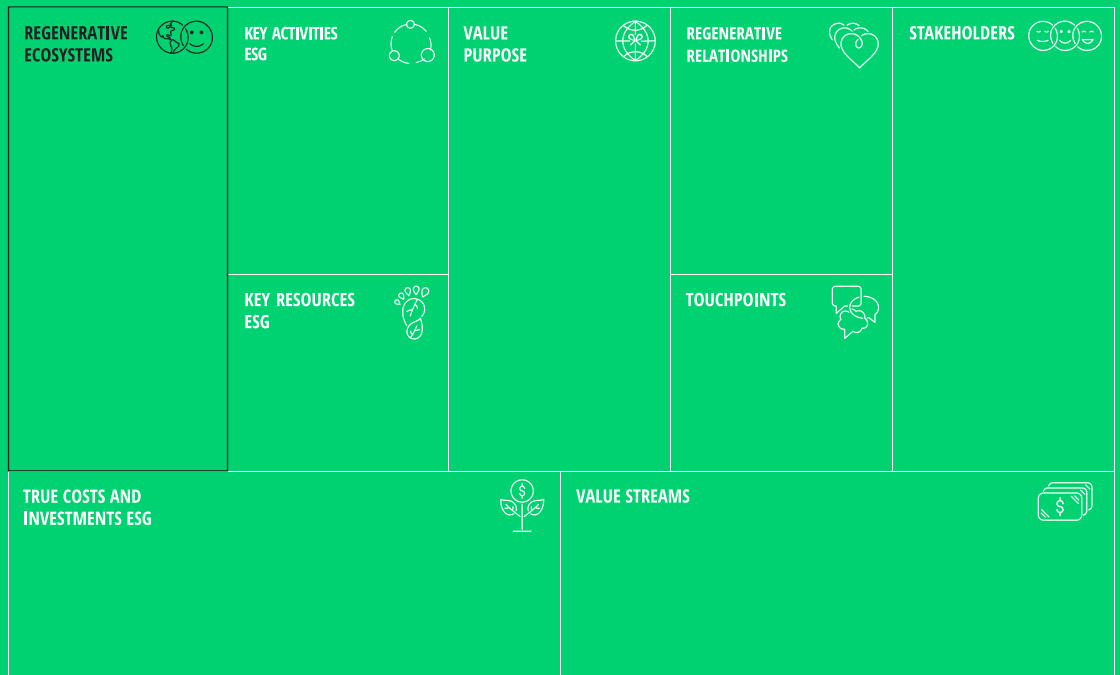
From: ~~Key Activities~~ → To: Key Activities ESG

WHAT KEY ACTIVITIES
ARE NEEDED
TO CREATE
AND DELIVER
VALUE TO EACH OF
YOUR BUSINESS
STAKEHOLDERS?

HOW CAN YOUR KEY
ACTIVITIES BEST
EXPRESS YOUR VALUE
PURPOSE?

HOW DO YOU
REGENERATE YOUR
BUSINESS, SOCIETY
AND THE PLANET
FROM YOUR KEY
ACTIVITIES?

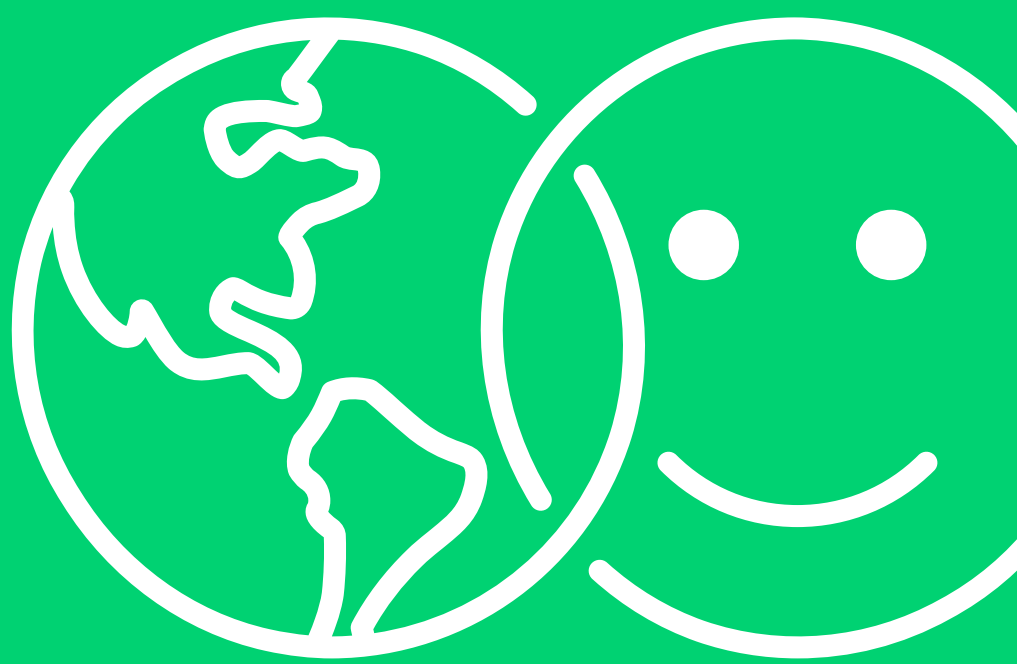
BUSINESS MODEL *RE*GENERATION



8.

REGENERATIVE ECOSYSTEMS

From: **Key-partners** → To: **Regenerative Ecosystem**



#ESGpraJÁ



Who are your business' main partners? Far beyond listing the company's main suppliers, the idea of the Business Model Canvas is to establish partnerships to optimize and/or create essential sources of resources, as well as to help reduce costs and mitigate the risks underlying your model.

Strategic partnerships are essential to running the business model and these relationships are dynamic, evolving and changing throughout a company's life cycle. The key here is to ensure clear agreements, shared expectations, healthy relationships and awareness of the impact that key partners have on your customers.



OUR HACK

From: **Key-partners** → To: **Regenerative Ecosystem**

The shift from key partners to key ecosystems proposes a change from the linear and transactional logic of articulating partnerships to an **interdependent, propositional model based on a culture of regenerative relationships, innovation, and impact.**

This change will require companies to focus less on maximizing their own profits and more on the overall health and success of the ecosystem, in order to maximize their positive impact on the planet and society. **Conversely, the resilience of the ecosystem directly informs the resilience of the businesses that constitute it.**

In today's context, competitive advantage has given way to the idea of **collaborative advantage**. In other words, faced with systemic, complex, pre-competitive challenges on previously unthinkable scales, we urgently need to declare our interdependence and collaborate.

The key to a regenerative business ecosystem is the purpose of shared value and the intention to support each other, dilute risks, close gaps and increase short- and long-term impact in solving common goals. The following are a few examples:

- Collaboration between companies to develop environmental and social technologies by sharing skills and intellectual property;
- Encouraging the affirmative contracting of SMEs, founded and led by minorities or minoritized social segments, as well as a radical reduction in payment terms applied by large companies; the funding of a waste management platform for the entire network of suppliers, facilitating circularity and the decarbonization of the ecosystem.

Think about what your ideal ecosystem would look like in order to optimize resources, mitigate risks and maximize your theory on how to regenerate and profit at the same time.



CREATIVE PROVOCATION

The big idea of circularity is about creating closed circuits of zero final waste, where resources are kept in use for as long as possible and natural systems are regenerated. This requires creative and intentional re-engineering, where waste or surplus from one is a productive resource for another.

How does this idea transform your vision of the ideal ecosystem?

Go back to the Canvas and review everything so far. Deepen your **theory of profiting and regenerating at the same time!**



HANDS ON THE POST-IT!

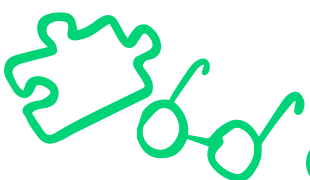
From: **Key-partners** → To: **Regenerative Ecosystem**

HOW DOES THIS ECOSYSTEM ARRANGEMENT ACCELERATE THE ACHIEVEMENT OF ESG GOALS AND MAXIMIZE THE IMPACT OF THE SET?
 IS THERE A MISSING STAKEHOLDER IN YOUR BUSINESS ECOSYSTEM FOR IT TO BE REGENERATIVE?

WHAT ARE THE VULNERABILITIES OF EACH STAKEHOLDER INVOLVED IN THIS ECOSYSTEM?
 HOW CAN THE ARRANGEMENT REDUCE RISKS, COMPENSATE FOR GAPS AND LIMITATIONS OF THE PARTIES?

WHAT BUSINESS ECOSYSTEMS CAN WE USE AS A REFERENCE? **WHAT CAN WE LEARN** FROM THESE EXISTING SUCCESSFUL INITIATIVES?

HOW CAN WE ORGANIZE RELATIONSHIPS AND SYNCHRONIZE STRATEGIES BETWEEN THE VARIOUS STAKEHOLDERS IN THE ECOSYSTEM?
 INSPIRING, ALIGNING, COMMUNICATING, LEADING THINKING, AND MANAGING RELATIONSHIPS IN AN ECOSYSTEM BECOMES A KEY ACTIVITY IN YOUR BUSINESS?



GET THE PICTURE

What can arrangements such as cooperatives, decentralized organizations (DAOs), self-sustaining communities and other successful collaborative models teach us? Do some research.
 Acquire a repertoire and a critical and creative perspective.

BUSINESS MODEL REGENERATION



9.

TRUE COSTS AND INVESTMENTS ESG

From: Cost structure → To: True costs and investments ESG



#ESGpraJÁ



The last building block of the BMC deals with Cost Structure. To create and deliver your value proposition to your customer, a creative, productive and commercial process has taken place between the company and its key partners. Quadrant nine represents all the costs involved to operate your business, i.e. costs of key activities, key resources, contracts and key partnerships.

It's always good to go through the entire Canvas continuously, as the idea evolves, to see if there isn't another major cost that wasn't apparent before. If there is, it should always be associated with some key task, resource or contract, whether already mapped or not.

In Canvas, costs should be computed by what is large, critical, essential. Think about fixed operating costs, variable costs and pre-operating costs. All businesses are different and your goal now is to set up an economic model.



OUR HACK

From: **Cost structure** → To: **True costs and investments ESG**

At **BMRC** the invitation is to ~~perceive~~ (re)perceive what goes beyond the traditional cost structure and consider all the negative human, social and environmental externalities for all stakeholders throughout your production process. What we call real costs: waste, pollution, greenhouse gas emissions, deforestation, destruction of biomes, depletion of natural resources; burnout, stress-related illnesses, toxic human relationships, among many others...

The question is: what costs does your value offer and production model in fact generate for the planet, for society, for employees, partners and other stakeholders?

To put a profitable and regenerative economic model on its feet, you need to add all these costs to your spreadsheet. Let's face it: if you're not paying, your stakeholders are, and usually with rare, expensive, finite resources that should be used for other purposes such as preserving human life, biodiversity and the planet's climate.

In building block 9 of the **BMRC**, you will also need to broadly put forward a perspective on the investments needed to do your part in regenerating the planet (scope E), people and society (scope S) and the economic and business management model itself (scope G).

Talking about ESG and making no provisions is a shortcut to greenwashing.



CREATIVE PROVOCATION

Following this line of reasoning, we bring back the concept of **RoF (Return on Futures)**, i.e. investing in the creation of futures. Exercise your strategic flexibility between the short term and the long term (strategic ambidexterity).

Think about the present and future relevance of the business/idea/project and its regenerative and profitable ambitions.



HANDS ON THE POST-IT!

From: **Cost structure**

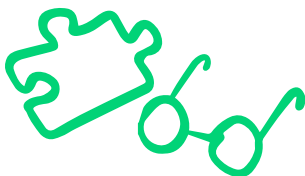


To: **True costs and investments ESG**

WHAT ARE THE MAIN COSTS OF CREATING AND DELIVERING YOUR VALUE PROPOSITION TO YOUR STAKEHOLDERS?

WHAT ARE THE REAL AND NON-APPARENT COSTS ARISING FROM THE DEGENERATION OF SOCIETY AND THE PLANET, INCLUDING NEGATIVE EXTERNALITIES, PROVISIONING FOR RISKS AND MITIGATION?

WHAT ESG INVESTMENTS WILL BE NEEDED TO REGENERATE AND TRANSFORM YOUR BUSINESS? AND WHAT ARE THE COSTS OF NOT DOING SO?



GET THE PICTURE

Now that you've understood the creative ESG equation, a good closing exercise would be to make your **Materiality Matrix** and follow it up with your detailed economic plans, business strategy, market strategy, implementation plans and operations!

FINAL NOTE - CLOSING THE CANVAS

PROFITABLE AND REGENERATIVE AT THE SAME TIME

The creative business equation has changed and become more complex. Previously, the challenge was even simple: whatever you did, the purpose of a business was to maximize shareholder return. In this context, the idea of sustainability was to remain profitable over time. The limits of this approach have led us to a dysfunctional business environment, where the ends practically justify the means.

In the scope of ESG, we can say that the means justify the ends, i.e. we will only have access to capital, consumer markets, talents and a thriving future if we effectively help to solve the urgent issues faced by the planet and society, while at the same time creating value for all our stakeholders, through conscious, intelligent management practices that are aligned in their intentions and actions.



So far, the best synthesis of this change in logic that contextualizes the whole ESG creative mobilization has been that of Larry Fink himself, mega investment manager and founder of BlackRock, from the top of a pile worth nearly 10 trillion dollars: **"To prosper over time, every company must not only deliver financial performance, but also show how it makes a positive contribution to society"**.

That's it. This powerful statement reveals the new creative equation a business should follow from now on: **regenerate by profiting and profit by regenerating**. This is how extraordinary value is created in times of ESG. And that's what capital itself is telling us.

NOW IT'S UP TO YOU!

#ESGpraJÁ

ACKNOWLEDGMENTS

IT TAKES A DUO TO CREATE AN AD, AND 30 TEAMMATES TO START A CREATIVE REVOLUTION!

I would like to thank Virna, my partner in creating, proposing, and supporting the ESG & Creative Strategy Advanced Study Group in 2023. Pairing up with you is always about reaching the stars!

I would like to thank each of the 28 dear teammates mentioned as co-creators and who took part in the discussions to design the Business Model (RE)Generation Canvas as an object of study. The ESG revolution is creative! So LET'S FIGHT for our time for reflection, exchange, and self-development!

I would like to highlight the work of colleagues who joined #GigESGpraJÁ, mentioned here as the playbook organizers! Without you, we wouldn't have turned our discussions into material designed to reach the world and help a lot of people!

Special thanks to the Nossa Praia agency team, who laid down the creative direction and version number 01 of the playbook.

Thanks also to sensemakers Denise Eler and Rafo Barbosa, who engaged with us around the idea of

hacking the icons from the original Canvas, further strengthening the construction of a new meaning for the framework we love so much.

I would like to make a special mention to Ana Charnizon, Cecília Novaes, Dilma Campos, Regiane Bochichi for showcasing a super teaser of BMRC at 2023 *Rio Innovation Week* and also sharing our hack with Alex Osterwalder himself, creator and co-author of the Business Model Canvas BMC, which inspires us so much. Next to it, a photo of this blessing that marked our history!

Finally, thanks to you, our readers, fellow professionals, allies in the creative community, business leaders, founders, advisors, consultants, marketers, communicators, designers, and entrepreneurs. You, the restless, creative, visionary, innovative, lively person who is aware of your role in our society.

This (RE)thinking that we are proposing will arrive in your hands energized. You can devote time, resources and faith that **BMRC** will help you reach your new creative ESG equation. When you get there, let us know. And if you don't, tell us about that as well. We want to know about your setbacks, challenges, dilemmas, answers, ways out and ways around these discussions regarding your business/idea/project. Contact us: info@esgpraja.com.br









T01/2023 Advanced Study Group: our **Value Purpose** is materialized in this playbook! The legacy of our studies to creatively accelerate the ESG shift has turned out great. So be it!

Erlana Castro

#ESGpraJÁ



BUSINESS MODEL REGENERATION

<p>REGENERATIVE ECOSYSTEMS</p> 	<p>KEY ACTIVITIES ESG</p> 	<p>VALUE PURPOSE</p> 	<p>REGENERATIVE RELATIONSHIPS</p> 	<p>STAKEHOLDERS</p> 
<p>KEY RESOURCES ESG</p> 	<p>TOUCHPOINTS</p> 			
<p>TRUE COSTS AND INVESTMENTS ESG</p>	<p>VALUE STREAMS</p> 			

UNVEIL THE ESG POWER OF YOUR IDEA/BUSINESS/PROJECT!

