Two key questions -
1. What is the perception of PSEG’s most important stakeholders with regard to sustainable business practices, and to what extent a strong sustainability strategy supports a company’s ability to achieve its business objectives?
2. What is the real benefit of participating in third party assessments like DJSI and to what extent is PSEG’s participation essential to their future strategy?

Key challenges/critical tension -
Misalignment of understanding of sustainability as a concept, internal and external communication barriers, slow moving organisation in a rapidly changing industry, strategy conflicts

Key Activities
1. Interviewed over 35 stakeholders (internal and external) and drew out themes to comprehensively analyze gaps
2. Used L-Lab techniques and tools (ladder of inference, vision principle, four player model, stakeholder interview model, habits of thoughts, action and artifacts) to effectively make conversations around sustainability, analyze data and question mental models
3. Built systems map to understand systemic issues that underlie PSEG and how gaps connect with each other
4. Conducted research on DJSI and other measurement tools to build thinking around applicability of third party tools

Key Insights
- Unclear understanding of ‘sustainability’ - different perceptions distort the value behind the concept of sustainability
- Implicit vs. Explicit - several sustainability factors and initiatives are done implicitly but without a 'home', it loses meaning and tends to be reactive rather than proactive
- Scorecards - scorecards have a significant role in devising and implementing strategy. Without feedback loops to enhance the understanding and quality of scorecards, they tend to be inflexible, unbalanced, complicated and unpopular
- Future direction - long term strategies and visions have a strong tension with current reality (policy and compliance vs. thought leadership and innovation)

Lessons/Recommendations
1. Changing the conversation – Sustainability is really a philosophy, not a single item where a box can be checked. We provided our perceptions and made recommendations as to how this topic can be thought of more holistically.
2. Making the business case – PSEG’s business is centered on a balanced approach to success. Sustainability offers an opportunity to addresses the core values of the company and provides a system of understanding that highlights PSEG’s real value proposition.
3. Measurement – Understanding success is critical. The DJSI, and other 3rd party evaluation systems are tools that can be used to not only evaluate performance but also as a vehicle for setting long term strategic goals.

Various L-Lab tools used
- Ladder of inference
- Four player model
- Conversational model
- Enacted systems

Systems map analysis

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