Vincent Stanley with Yvon Chouinard

# The Future of the Responsible Company

What We've Learned from Patagonia's First 50 Years



patagonia



# Introduction

In *The Future of the Responsible Company*, Vincent Stanley, with Yvon Chouinard, discuss what it takes to be a responsible company in our time. This is no easy feat, as our world is characterized by significant social and environmental challenges, including threats to worker rights, wage stagnation, decreased business transparency, and climate change. Thankfully, though, a number of companies have embraced their social and environmental obligations in the face of these challenges; these are the responsible companies that work to honor their commitments to shareholders, workers, customers, communities, and nature. For individuals interested in these forms of business responsibility, *The Future of the Responsible Company* is an invaluable resource. This guide serves as a navigational companion for readers as they embark on this enlightening journey. Importantly, this guide features four sections that both individual readers and reading groups can draw from: comprehension and discussion questions, thematic activities, research topics, and related resources. This guide should prove useful for you as you explore this important book.

# I. Comprehension and Discussion Questions

This section features a variety of questions for each of the book's chapters. Some questions serve as comprehension questions while others inspire reflection and analysis.

### **Preface**

- 1) According to Stanley and Chouinard, what is the aim of this updated edition of *The Responsible Company*?
- 2) Consider the authors' statement on p. 8 about Milton Friedman and ponder these questions: To what extent do you think the profit motive drives corporate behavior? From your perspective, what role *should* it play?
- 3) What are several benefits of regenerative organic practices?
- 4) What are your thoughts on the profound decision the Chouinard family made in 2022?
- 5) To what extent are your career plans, both past and present, motivated by the desire to work for a responsible company?

## Chapter 1: What Crisis?

- 1) In what ways is wilderness "as much a spiritual concept as a definition of place" (p. 15)?
- 2) Who were the transcendentalist writers mentioned on p. 15? Who were the Romantic writers, such as William Wordsworth, in England? What view of nature did both groups of writers express through their work? What sort of environmentally focused literature do you engage with?
- 3) "Americans are the most avid practitioners of the high-growth, material-intensive capitalism that is to blame for nature's destruction" (p. 16). What evidence of this do you see in the world around you?
- 4) "Now we are using the resource capacity of one and three-quarters planets" (p. 17). According to the authors, in what ways is the pattern of consumption lopsided? How do you explain this variation?
- 5) In what ways is GDP connected to biodiversity?
- 6) Why do you think the "consequences of human overreach are magnified in poor and/or overpopulated countries" (p. 21)? Relatedly, do you view the environmental crisis as also being a social and economic crisis? Why? Why not?
- 7) How did the COVID-19 pandemic draw attention to the negative effects of human behavior on the environment? What signs of nature's resurgence did you observe during the pandemic?
- 8) What are 30×30 and the Half-Earth approach? You might conduct some brief, online research to learn more about these initiatives.

## Chapter 2: Meaningful Work

- 1) According to the authors, what makes work meaningful? What is meaningful work to you?
- 2) In the context of their work preferences, who do you identify with more, Yvon or Vincent? Why?
- 3) What do Patagonia, Paris, and Manhattan have in common?
- 4) Think about your own work experience. Have you ever engaged in work that, perhaps to your surprise, "turned out to engage [your] intelligence, imagination, and social needs" (p. 26)? If you are in a reading group, share your experiences with others.
- 5) "As was true for other companies, our campus felt abandoned during the COVID pandemic, every desk left as it was the night before we shut down for two years" (p. 29). If you were working during the pandemic, to what extent did your experience reflect this quote?
- 6) "Many people seek work at Patagonia because the company's values reflect their own" (p. 29). With this passage in mind, reflect on your values. What are they, and what are some companies with similar values?
- 7) On p. 29, how do the authors expand their definition of meaningful work?
- 8) Are you surprised to learn that "Patagonia was meant to be an easy-to-milk cash cow, not a risk-taking, environment-obsessed, navel-gazing company" (p. 30)? Why? Why not? Also, what does this illustrate about the potential of businesses to change course?
- 9) Beginning on p. 32, the authors present a handful of moments "that stunned us into consciousness." Which of these moments particularly resonates with you? Why?
- 10) What do the authors mean when they state: "We now know that Patagonia is exceptional only at the margins" (p. 32)? If you are currently employed, reflect on your workplace. Would you say it's exceptional only at the margins? Why? Why not?
- 11) On p. 33, the authors discuss how those who ventured into nature saw signs of the environmental crisis long before others did. What signs of the crisis have you observed around you that perhaps others have missed?
- 12) Why did Chouinard Equipment for Alpinists curtail the production of hard-steel pitons? Why was this such a risk? From a business perspective, what lesson(s) can you take from this story?
- 13) What are the advantages of on-site childcare? If you are currently employed, is this service provided in your workplace? If not, in what ways can you advocate for it?
- 14) What is 1% for the Planet? If you are currently employed, is your workplace a member? If not, what is stopping your workplace from joining this alliance or another like it?
- 15) In this chapter, the authors outline a number of environmental initiatives embraced by Patagonia. What are you most struck by? Why?
- 16) What does it mean to become carbon neutral? If you are currently employed, what steps can your workplace take to become carbon neutral?

- 17) Overall, what did Patagonia learn from their "cotton odyssey" (p. 51)? From a business perspective, what lesson(s) can you take from this story? As a consumer, are your garments made from organic or non-organic cotton?
- 18) What is a corporate social responsibility report? If you are currently employed, does your company have one? If so, what does it reveal?
- 19) What is Our Footprint and why did Patagonia create it?
- 20) In what ways has Patagonia ensured that their workers, particularly those at the far end of the supply chain, are treated well? As a consumer, do you purchase from companies that treat their workers responsibly? How do you know? If you are currently employed, are the people who manufacture your company's products treated fairly, paid well, and provided decent working conditions?
- 21) Whatisthe "cradletocradle'thinkingofarchitect William McDonough" (p.66)? Howdoesthis relate to Patagonia's Common Threads Initiative? As a consumer, do your consumption habits reflect cradle-to-cradle thinking?
- 22) As a consumer, do you see opportunities in your life to follow Patagonia's advice to reduce, repair, reuse, and recycle? In what ways? If you are a worker or business owner, do you see opportunities to apply this process in the context of your company?
- 23) What are the Henokiens, and how do they challenge the idea that growth is the only factor that contributes to business health?



Fred White, artist and now director of a reuse center, brings a vintage piece of clothing back to life during his previous tenure as a manager for Patagonia's New York City stores. DREW SMITH

- 24) What is the Sustainable Apparel Coalition, and what does it have to do with Walmart? Relatedly, what are the BIA tool and Higg Index?
- 25) In what ways is Patagonia an activist company? If you are presently employed, would you apply this title to your workplace? Why? If not, in what ways can you encourage your employer to engage in social and environmental activism?
- 26) "Republicans have defended the right of capitalists to make money as they see fit, while Democrats have defended the rights of workers to good-paying jobs in extractive and polluting industries—planet be damned by both" (p. 80). Do you agree or disagree with this statement? Why?
- 27) "We will fail if we try to make the environmental crisis smaller by pursuing compromise between profit and purpose, between human and planetary health" (p. 81). What are your thoughts on this statement?
- 28) What is Kernza, and how has it contributed to the success of Patagonia Provisions?
- 29) What is Tin Shed Ventures, and how does it reflect Patagonia's values? If you had your own fund, what companies would you invest in? Why?
- 30) In what ways has Patagonia made itself more representative of people of color? Reflect on your current workplace. What sort of efforts has your workplace made to promote diversity and inclusion? What still needs to be done?
- 31) Overall, what lessons about meaningful work have you learned from this chapter? How will these lessons guide your career plans?

## Chapter 3: The Elements of Business Responsibility

- 1) Consider the businesses you most often deal with. In what ways, if any, do they support the "shift from an extractive economy toward one that regenerates natural systems and human communities" (p. 90)?
- 2) How important is it for you to work for a company where you not only make a living but also feel satisfied by your work?
- 3) "Employees who grew up in this century do not want to leave their values at home with the dog" (pp. 90–91). If you are in a leadership position in your workplace, in what ways do you honor your employees' values?
- 4) According to the authors, in what ways do a company's responsibilities differ today from 50 or 150 years ago?
- 5) What particularly strikes you from the historical discussion on pp. 91–93? How have things changed over time for both better and worse?
- 6) "We're wasting our brains and our one and only natural world on the design, production, and consumption of things we don't need, aren't good for us or the planet, and are not worth the money" (p. 95). What are your thoughts on this statement?

- 7) "A responsible company in the twenty-first century needs to cultivate an economy based on fewer things of better quality" (p. 95). If you are currently employed, in what ways, if any, does your workplace reflect this idea? As a consumer, examine your buying habits. Do you typically emphasize quality over quantity?
- 8) Why do the authors choose to use the word *responsibility* instead of *sustainability*? What do these words have to do with the notion of a *restorative*, instead of an *extractive*, economy?
- 9) "Companies, large and small, can be essential to a postconsumerist society—a society where people consume, yet the well-being of the planet and populace has priority over shopping" (p. 96). What are your thoughts on the possibility of a postconsumerist society? Do you think we are moving in this direction? Why? Why not?
- 10) What is a stakeholder? What are the five key stakeholders?
- 11) In what ways does John Elkington's concept of the "triple bottom line" (p. 100) provide a more comprehensive metric than GDP? While considering several companies you admire, do they utilize the triple-bottom-line framework or something similar to measure their impacts? Conduct some brief online research to learn more.
- 12) "The Industrial Revolution, which has now extended its reach to all the world, famously abstracts labor..." (p. 103). In what ways has labor been abstracted?
- 13) "At Patagonia, we've noticed changes in cohesion when we move different departments to different floors and buildings" (p. 104). If you are presently employed, consider the layout of your workplace. In what ways, if any, would you redesign this layout to improve cohesion and encourage cross-departmental collaboration? Additionally, consider how remote work factors into this process.
- 14) "Our emergency plan for a downturn of any magnitude now is to cut the fat, freeze hiring, reduce travel, and trim every type of expense except salaries and wages" (p. 106). Let's imagine you have become your company's CEO. What is your company's emergency plan? How would you handle a significant downturn while being responsible to your workers?
- 15) Compare and contrast the worker-related policies in your current workplace, or one of interest, with Patagonia's. Would you characterize your company's policies as "generous and humane" (p. 108)? Why? Why not?
- 16) "Second, romance, but do not bullshit, the people whose business you solicit" (p. 109). In this context, how do romancing and bullshitting differ? If you are currently employed, which approach does your company embrace?
- 17) In what ways can a company "appeal to customers on the basis of values rather than instincts" (p. 112)? Think of several ways this could be accomplished and share your ideas with others.
- 18) "Every company needs to ask itself: Where are we local? And what are our obligations to those places we call home?" (p. 115). In relation to your present company or one you hope to work for, answer these two questions.
- 19) What is the precautionary principle, and why is it so important?
- 20) "It is time to separate economic health from economic growth" (p. 120). In what ways can this be accomplished through policymaking?
- 21) "Our economy revolves around nature, not the other way around. As we destroy nature, so we destroy our economy" (p. 121). What are your thoughts on this statement?

## Chapter 4: What to Do?

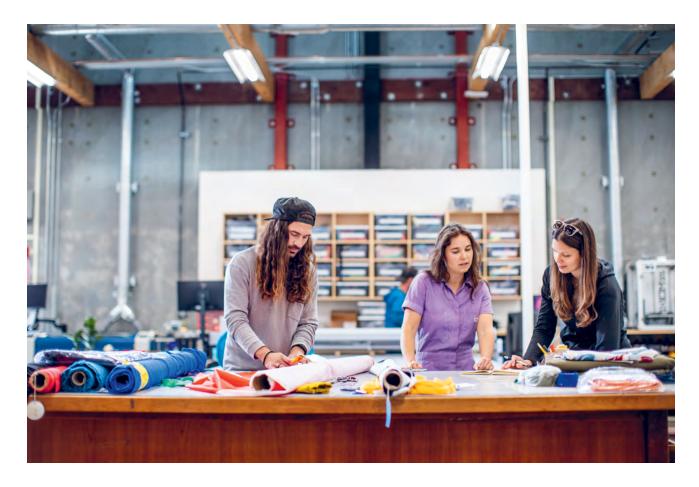
- 1) What is the 80/20 rule, and in what ways can it be useful?
- 2) If you are currently employed, what kind of business do you work for, and which checklist(s) should you consult?
- 3) According to the authors, how can a CEO undertake greening?
- 4) "Are (or were) you a juvenile delinquent? Great. You have the personality of an entrepreneur" (p. 126). What characteristics do you think a juvenile delinquent shares with an entrepreneur? Do you see these characteristics in yourself?
- 5) "Get your people nodding in full agreement a few times before you say something that challenges the half-sleep of received wisdom" (p. 127). In the context of your current workplace, if applicable, in what ways can you implement the authors' advice?
- 6) As you seek to create positive change in your organization, who are the "company heroes" (p. 127) you can call upon for assistance?
- 7) "It's always easiest to start with what can be done least expensively (or produces the most savings), and with the least resistance" (p. 130). With this quote in mind, identify several entry points for creating positive change in your current organization. Where will you begin?

## Chapter 5: Sharing What You Learn

- 1) What did Peter Drucker mean by his statement, "Culture eats strategy for breakfast" (p. 133)?
- 2) "Much of what companies hold secret, however, would be better off revealed" (p. 134). Do you agree or disagree with this statement and the authors' reasoning? Why?
- 3) "Sometimes what we need to know about ourselves is beyond us" (p. 135). What do the authors mean by this statement, and what implications does it have in relation to your current or previous workplace?
- 4) "With customers, there are two strong trends at cross-purposes" (p. 138). What are these two trends? In what ways does transparency benefit both groups of customers described in this section?
- 5) "To be credible—and relatable—a company's story includes its virtues and vices, its strengths and weaknesses, as well as its aspirations" (p. 139). If you are presently employed, assess your company's story. Do you find it to be credible and relatable? Why? Why not? If you are not employed, find a company online you are familiar with and assess its story.

## Chapter 6: Making a Living in the Anthropocene

1) Follow the author's advice to "explore what kind of work the world needs now" (p. 141). As you engage in this exploration, what sort of career pathways and industries do you feel drawn to? If possible, share your thoughts with those around you.



- 2) "Energy from solar and wind is now cheaper to produce than using coal—and a third cheaper even than natural gas" (p. 143). Despite this being well-documented, our species continues to rely primarily on fossil fuels for energy production. Why do you think this is the case?
- 3) As a consumer, in what ways can you support regenerative organic agriculture?
- 4) What do the authors mean by their assertion that nature is a circular economy? Think of an industry you are involved with or interested in. To what extent, if any, does it mirror nature's circular economy?
- 5) There are two fascinating graphics on pp. 151–152. From your perspective, why are these graphics important? Also, which one do you find most applicable? Why?
- 6) How do you compare the idea of "Doughnut Economics" (p. 152) with the cradle-to-cradle product cycle mentioned earlier in the book? What are several similarities and differences?
- 7) In what ways does the Halifax model "exemplify the principles of living systems, industrial ecology and symbiosis, living within planetary means, a community-based circular economy, and reconciliation ecology" (p. 157)? Additionally, how does the Halifax model represent a new form of capitalism?

## Chapter 7: What's Next for Patagonia?

- 1) What is the significance of Patagonia becoming a foundation-owned business?
- 2) According to the authors, how has the definition of quality changed in the context of the ongoing environmental crisis?
- 3) What are reconciliation ecology and restoration ecology? In what ways, if any, can you promote these ecological approaches in your workplace?
- 4) What central lessons can you take from this book? Think of at least three and share them with others.
- 5) If you are currently employed, what's next for your company? Meaning, as the authors did in this final chapter, describe meaningful initiatives currently in progress or those you hope to see emerge.

# II. Thematic Activities

This section features a number of activities related to the book's central themes.

\*\*\*For the activities and research topics below, you can choose different companies to analyze. If you are presently employed, you could analyze your workplace. If you are not employed, you could focus on a prospective employer or a company of interest.

## Responsibility to Owners/Shareholders and Workers

- 1) "John Elkington in 1994 coined the phrase triple bottom line (TBL) to measure indicators of an individual company's social (human capital) and environmental (natural capital) performance, as well as profit (financial capital)" (p. 100). Scrutinize your workplace through the lens of the "triple bottom line." While your company may be fiscally healthy, does it also support the health of human and natural domains? If not, how should the company change to become more responsible?
- 2) Take a look at your company's mission statement and evaluate whether the statement reflects the values and practices of a healthy, responsible company. If you find the statement to be lacking, you could create a revised version that explicitly addresses business responsibility, particularly as it relates to workers. To get ideas for how to revise your statement, you might examine the mission statements of several responsible companies that clearly express their commitment to labor.
- 3) Visit B Lab's website and investigate how your company can become an accredited B Corporation. Begin the accreditation process by taking the B Impact Assessment at https://www.bcorporation.net/en-us/program s-and-tools/b-impact-assessment. Note that this process provides a holistic assessment, and if you want to focus on your company's responsibility to owners/shareholders and/or workers, you should pay close attention to the assessment categories of Governance and/or Workers. If you are not presently employed, you can research a company of interest and draft a set of recommendations to help that business improve in the areas of Governance and/or Workers.

## Responsibility to Customers and the Community

To support your community, explore and pursue LEED certification. LEED certification indicates a commitment to the well-being of the natural world and the health of the local community. LEED-certified buildings use less energy and water, decrease greenhouse gas emissions, and support the health of their occupants. You can begin this process by visiting the U.S. Green Building Council's website (<a href="http://www.usgbc.org/leed">http://www.usgbc.org/leed</a>). Next, select a target for your efforts, such as a building at your workplace.

You might also explore the Living Building Challenge from the International Living Future Institute (<a href="https://living-future.org/lbc/">https://living-future.org/lbc/</a>), and make changes to your building(s) of choice related to the seven "Petals," or performance areas.

- 2) To become a more responsible consumer and community member, answer the following questions regarding your consumption habits:
  - Are your consumption habits generally supportive of the environmental health of the local community? If so, in what ways?
  - · Do you limit travel and decrease fuel usage?
  - Do you try to only purchase what you need?
  - Do you tend to purchase long-lasting, recyclable products, or do you regularly buy disposable products that contribute to the local waste stream?
  - Do you generally avoid products made with harmful chemicals that leach into the local water supply?

After you complete this assessment, identify two or three specific habits you would like to change. If you are participating in a reading group, you might share your findings with others.

- 3) "For both ethical and practical reasons, the selling story, to paraphrase Mark Twain, must be mostly true ... A life story, or product story, told just this side of mythmaking is okay when it fairly represents what's real. But beware of conjuring a false image of your company's goods or services" (p. 111). As the authors note, there is a difference between "romancing" customers and communicating false information. With this idea in mind, critique your company's marketing efforts. To begin, locate three or four of your company's most popular advertisements. Next, analyze these advertisements by answering the following questions:
  - To what extent are these advertisements truthful? How do you know?
  - In what ways, if any, do these marketing materials touch on the social and environmental impacts of the company's products and services?
  - From a diversity perspective, how inclusive are the advertisements? What groups of customers does your company seem to be focused on?

## Responsibility to Nature

1) "Acting on behalf of our threatened planet is both a condition and an expression of freedom—of what makes us human" (p. 115). Follow Patagonia's lead by taking up activism to defend the natural world. If you are currently employed, you could work with your colleagues to organize a campaign. You could also initiate a campaign with members of your reading group, if applicable.

Begin by selecting a local environmental issue that would benefit from your actions. Next, research the issue to determine the history of the problem, its primary contributors, potential ways to address it, and other important items of information. Finally, take action. Some suggested forms of activism include:

- Use a website such as <a href="http://www.change.org">http://www.change.org</a> to start an online petition.
- Write op-eds and send letters to the editors of local newspapers.
- · Initiate an email writing campaign directed toward legislators.
- Staff an information booth to inform your company, local school, or local community about the issue.
- Use free resources such as Wix (<a href="http://www.wix.com">http://www.weebly.com</a>), or Google Sites (<a href="http://sites.google.com">http://sites.google.com</a>) to design a website related to the issue. Promote the website through social media to publicize the issue and connect with other activists.
- Use free resources such as Canva (<a href="http://www.canva.com">http://docs.google.com</a>) to create engaging flyers and brochures to be distributed to the public.
- Use social media to organize public demonstrations.



The Ventura River mouth is a place of biological diversity and recreational opportunity, Ventura, California. JIM MARTIN

- 2) One of the book's checklists mentions conducting a life-cycle assessment (LCA), a process that reveals the social, environmental, and economic impacts of a product from creation to disposal. To learn more about what an LCA can uncover, go to <a href="https://www.lifecycleinitiative.org/library/">https://www.lifecycleinitiative.org/library/</a>, where you will find a number of life-cycle assessments for products such as single-use plastic bags, food packaging, and more. You might explore some of these reports to learn more about the impacts associated with each stage of a product's life cycle.
- 3) "Toward the end of the day, I learned from a crewmember how to replace a broken buckle on my own pack, using a sharp seam ripper to detach the old and bright-red thread to sew on the new. A pack that had begun its life mass-produced in a factory has now become an individual talisman of my travels. I still use the pack every day" (p. 70).
- 4) Follow the author's lead and repair your clothing to keep it out of the landfill. To begin, identify several items of clothing in need of repair. Next, explore the following resources to learn how to make the necessary repairs:
  - Repair videos and DIY repair guides from Patagonia: <a href="https://www.patagonia.com/repairs/">https://www.patagonia.com/repairs/</a>
  - Care and repair information from iFixit: https://www.ifixit.com/collaborations/patagonia

If you want to amplify your repair efforts, you could initiate a repair campaign in your workplace or community and collect and repair clothing from others.

# III. Research Topics

Research topics provide readers with opportunities for extended investigation and analysis.

- 1) "The aim of the 2017 book *Drawdown*, edited by Paul Hawken, was to lay out a comprehensive plan to displace enough carbon emissions by 2050 to prevent a rise of more than two degrees Celsius in global temperature" (p. 143). As the authors suggest, we all have a role to play in addressing the environmental crisis. An important first step toward doing so involves exploring potential courses of action. To initiate this process, access the Project Drawdown website (<a href="https://drawdown.org">https://drawdown.org</a>). Locate a sector that interests you and explore several associated solutions. Are there particular solutions that your workplace and/or community could pursue? If so, how could you initiate this process, and who could support you? Use these questions as starting points for your research.
- 2) "The artificial intelligence (AI) models used for the metaverse emit massive amounts of CO2 emissions" (p. 96). At the time of this guide's writing, the world is abuzz with news about artificial intelligence (AI). Conduct research to learn about the economic, ethical, and environmental implications of this rapidly evolving technology. In the context of business, what does the responsible use of AI look like? How can companies leverage the strengths of AI while also minimizing harm to workers, customers, and nature? Explore these questions and others like them through research.
- 3) The checklists in the final section of the book serve as invaluable tools for exploring the various forms of responsibility discussed throughout the book. To optimize their use, first consider the setting(s) in which you would like to apply them. You might investigate opportunities to utilize them in your workplace or even an organization

for which you volunteer. As you utilize the checklists, be sure to celebrate the boxes you can check off while also identifying areas to improve.

4) Chapter 1, "What Crisis?" features a powerful discussion of some of the ways human beings have altered the natural world. Choose one human behavior (the use of industrial chemicals, the production of greenhouse gasses, etc.) and explore it in detail. What is the history of your chosen behavior/practice? Who/what are the central contributors? What can be done to reverse course (consider policy changes, regulations, behavioral changes of businesses and individual citizens, etc.)?

## IV. Related Resources

These resources relate to themes and subjects from *The Future of the Responsible Company*.

#### **Books**

- Let My People Go Surfing By Yvon Chouinard
- The Wealth of Nature: Economics as if Survival Mattered By John Michael Greer
- Cradle to Cradle: Remaking the Way We Make Things
   By William McDonough and Michael Braungart
- Deep Economy: The Wealth of Communities and the Durable Future By Bill McKibben
- World on the Edge: How to Prevent Environmental and Economic Collapse By Lester R. Brown
- The B Corp Handbook: How to Use Business as a Force for Good By Ryan Honeyman
- The Ecology of Commerce: A Declaration of Sustainability, Revised Edition By Paul Hawken
- Drawdown: The Most Comprehensive Plan Ever Proposed to Reverse Global Warming Edited by Paul Hawken

## **Online Resources**

- <a href="https://sciencebasedtargets.org/">https://sciencebasedtargets.org/</a>
  The official website of the Science Based Targets initiative
- <a href="https://www.bluesign.com/en">https://www.bluesign.com/en</a>
  The official website of Bluesign
- https://themarketgardener.com/
   The official website of the Market Gardener Institute
- <a href="https://apparelcoalition.org/">https://apparelcoalition.org/</a>
  The official website of the Sustainable Apparel Coalition
- <a href="https://www.patagonia.com/actionworks/home/choose-location/">https://www.patagonia.com/actionworks/home/choose-location/</a> The official website of Patagonia Action Works
- <a href="https://www.patagonia.com/our-footprint/corporate-social-responsibility-history.html">https://www.patagonia.com/our-footprint/corporate-social-responsibility-history.html</a>
  A history of Patagonia's environmental and social responsibility
- <a href="https://www.fairtradecertified.org/">https://www.fairtradecertified.org/</a>
  The official website of Fair Trade USA

#### ABOUT THE AUTHOR OF THIS GUIDE

**Chris Gilbert, EdD**, is a former high school English teacher and college instructor who lives in the mountains of North Carolina. He is also an avid writer. His work has appeared in the *Washington Post's* education blog, "The Answer Sheet"; NCTE's (National Council of Teachers of English) *English Journal*; Kappa Delta Pi's *The Educational Forum*; *Critical Studies in Education*; and *Educational Action Research*. He has also written a number of educational guides for Penguin Random House and Patagonia.