STORYTELLING FOR SUSTAINABILITY

Sustainability is a word more and more used in every sphere of our society and economy.
If we have a look about UN goals, we realize how central the issue of sustainability is in our historical period in which we are living[1].

Fig. 1 UN. Sustainable development goals

But what does sustainability mean? The definition of sustainability is simply trying to meet the needs of the present without compromising the ability of future generations to meet their own needs.
When we talk about sustainability, we are referring to three components of our life:

- economy
- environment
- society

these three faces are more commonly known as:

- profits
- planet
- people

[1] https://sdgs.un.org/goals

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Since the early ages of humanity, stories have been used to communicate, interact, persuade and influence people in all their aspects of life.
By story we mean "a narrative account of an event or events-true or fictional. The difference between giving an example and telling a story is the addition of emotional content and added sensory details in the telling"[2]. In fact, storytelling is a fundamental human instinct aimed to convey the meaning of science raising interest in the audience and most importantly engaging them[3]. In the modern time, this powerful way of communication has been used in the sustainability framework. In fact, storytelling in sustainability topics has experienced a strong growth to try to find a new way to wake up consciousness over the sustainability topics therefore trying to change behavior especially in business, governance and society more in general[4].

How is an effective sustainability story created?

First of all, it is important to make a distinction on what is classical/conventional story and what is sustainability story.
With classical story we referred to a narrative mechanism for teaching and/or remembering to people details, customs, tradition, life lessons etc. and entertaining them, instead with sustainability story we have the primarily intention to produce changing in behavior and empower our audience, it is not a simple matter of convey a message.
Contrary to classical stories which refer to a broad audience, stories about sustainability must be addressed to a specific target audience, in order to attract and maintain their attention, as stated by Lee Gutkind "remember, your audience wants to walk away, they want to go have a cigarette or beer, they aren't necessarily interested in what you have to say".
Regarding the content, the 5 W's (Who, What, Where, When, Why) approach remains the basic structure to create a solid sustainability story although it is not always enough to answer these 5W's. In order to guarantee that a story of sustainability is a call for action, the following XXXX should be avoided: (i) simply reporting the facts without a call to action[5], (ii) it is not enough to make people aware of a problem to make them changing their behavior, so it is key to give information on practical and tangible actions so they feel themselves as change agents[6], (iii) avoid marketing approach which aims to sell a product giving always a more rose perspective of the reality with fast solutions[7].

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[2] Simmons, A. (2001). The story factor: inspiration, influence, and persuasion through the art of storytelling. Cambridge, MA. Basic Books.

[3] Wilson, E.O. (2002) The power of story. American Educator. 26 (1): 8-11. American Federation of Teachers. Washington D.C.

[4] Eckstein, B. & Throgmorton, J.A. (eds.) (2003). Story and sustainability: planning, practice, and possibility for American cities. Cambridge, MA. MIT Press; Grace, P & Kaufman, E. (2013, February 5). Effecting change through storytelling. Journal of Sustainability Education. Vol. 4. January 2013. ISSN: 2151-7452. Retrieved from http://www.susted.com/; Ramondt, L. & Watts, L. (2005). Sustainability through engagement: storytelling strategies as incentives for participation. Working Paper, 1-7. Retrieved from http://jellis.org/work/group2005/papers/RamondtWattsRevised.pdf

[5] Meisner, M.S. (2014). Consciousness Raising. In Rowe, D. (ed.) Achieving sustainability: visions, principles, and practices (2 vols.). 155-158. Detroit, MI. Gale Cengage Learning.

[6] Meisner, M.S. (2014). Consciousness Raising. In Rowe, D. (ed.) Achieving sustainability: visions, principles, and practices (2 vols.). 155-158. Detroit, MI. Gale Cengage Learning.

[7] Bernier, A. (2018). A Science to Showing your Professional Resilience in Sustainability Storytelling. Presentation. GreenBiz 2018 Conference. Phoenix, AZ.

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Another important aspect to keep in mind to have a successful story about sustainability is the trilogy of challenges, conflicts, and drama. People are attracted by drama by nature which are results of conflicts which on its turn come from challenges[8]. In this scenario, people usually react by trying to solve the conflict. Four dominant types of conflicts can be found in storytelling: (i) person against person, (ii) person against self, (iii) person(s) against nature, (iv) person against society[9].
Furthermore, it is crucial to just not tell sustainability story but rather show it by humanizing the characters[10].This is achieved by focusing more on the experience of the character rather than on the sustainability issue. This way the audience can empathize with the story and its actors[11].
To summarize, telling a story is more about describing the knowledge and desirable behavior instead of telling people what to do. This way, you can demonstrate a successful behavior change while avoiding merely heavy informative messages[12].

On top of the 5 W's, the most important question a sustainability storytelling should answers is the *How*. In this scenario, *How* is identified with competences, which is the sum of knowledge, skills, cognitive abilities and motivation[13]. Competences are not isolated concepts, but they need to be inserted in a complex reality. People who want to be an active change agent have to interface with complex systems and the life uncertainty[14]. Another dimension of the *How* question is the metacognition, identified as "awareness of one's own thoughts, emotions, and motivations, but also an awareness of how one interacts with the outside world"[15].
Increase the capacity of metacognition leads to an increase of self-awareness of learning processes, cognitive capacity and emotional intelligence, which is divided in 4 main categories[16]:

- Unconscious Incompetence: unaware of sustainability and the impact of their decisions
- Conscious Incompetence: not skilled but willing to learn and motivated
- Unconscious Competence: skilled but not aware of the challenges
- Conscious Competence: aware of what is needed and being able to do it in a flexible way.

[8] Amlani, A., Bertels, S., and Hadler, T. (2016). Storytelling for sustainability. Embedding Project. DOI:10.6084/m9.figshare.3439517.v1.

[9] Sachs, J. (2012). Winning the story wars: why those who tell - and live - the best stories will rule the future. Boston, MA. Harvard Business Review Press.

[10] Amlani, A., Bertels, S., and Hadler, T. (2016). Storytelling for sustainability. Embedding Project. DOI:10.6084/m9.figshare.3439517.v1.

[11] Haven, K. (2014). Story smart: using the science of story to persuade, influence, inspire, and teach. Santa Barbara, CA. Libraries Unlimited.

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[14] Wiek, A., Withycombe, L., & Redman, C. (2011). Key competencies in sustainability: a reference framework for academic program development. Sustainability Science. 6(2) 203-218. doi: 10.1007/s11625-011-0132-6

[15] Cabrera, D. & Cabrera, L. (2015). Systems thinking made simple: new hope for solving wicked problems. New York, NY. Plectica

[16] Cabrera, D. & Cabrera, L. (2015). Systems thinking made simple: new hope for solving wicked problems. New York, NY. Plectica, 2015

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To conclude, the sustainability story is a complex system that starts from a really complex issue but has to generate simple, strong but easy to understand messages[17]. The system comprises several interconnected elements organized coherently, where information can flow freely in this pattern[18]. The system organization is structured in several scenes mixed even in a non-chronological order, which results in a living story. Here the movement accommodates the narrative based on needs and changes without a clear beginning or an ending[19]. Therefore, a sustainability story stays always modern with the ending of the previous challenge becoming the beginning of a new story about possible consequences. This results in a high level of engagement of audience which lasts over time.

Sustainable Responsible Investment (SRI)

As the concept of sustainability, also the concept of sustainable responsible investment (SRI) has entered mainstream, especially on the financial markets. The number of assets under management that follow environmental, social, and governance (ESG) criteria in Europe has reached more €882 billion by the third quarter in 2020, accounting for 9.3% of total European assets[20].

Also, the European Commission, within the framework of the European Green Deal, announced a new sustainable finance strategy, to provide policies tools to help the financial system into the transition towards sustainability. In this sense, it is very new (published the 21st of April) the European Commission "Sustainable Finance Package", a comprehensive package of measures to help improve the flow of money towards sustainable activities across the European Union[21].

As already said, seems that sustainable finance became mainstream. Appears that most banks and financial institutions, particularly in Europe, have become aware that climate change does not only pose an environmental risk but will increasingly pose a financial risk in terms of stranded assets or unaffordable insurance premiums due to climate risks. However, although sustainable investments have become popular, there is a big investment gap to be filled to reach the $4.5 trillion additional investments needed per year to reach the United Nations Sustainable Development Goals (SDGs), probably for a lack of involvement of the private investors with sustainable investments. One factor that might be largely responsible for this gap is the unsuccessful or inefficient financial advisory talks between investors and financial advisors regarding SR. Most of the financial decisions are made because of advisory talks between financial advisors and private investors. In addition, financial advisors have been found to have a lack of knowledge on sustainable investments, that must be replaced if we want to improve sustainable finance. So, how financial advisors could improve their communication about SRI when talking to private investors to move more capital into SDGs?

In general, is it normal that private investors have some difficulties in understanding financial products and a lack of experience in making investment decisions. This is even more true when it comes to sustainable

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[17] Simmons, A. (2001). The story factor: inspiration, influence, and persuasion through the art of storytelling. Cambridge, MA. Basic Books.

[18] Meadows, D. (2008). Thinking in systems: A primer. White River Junction, VT: Chelsea Green.

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[20] Communicating Sustainable Responsible Investments as Financial Advisors: Engaging Private Investors with Strategic Communication; Nadine Straub, pag. 1.

[21] https://ec.europa.eu/info/publications/210421-sustainable-finance-communication_en

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investments, also because of the new sector. What distinguishes financial advisors from other financial actors is that they also represent the personal link between a bank and a client, and this is a key point to increase the demand of sustainable and responsible investment products on the financial markets. So, if financial advisors would be better informed about SRI and trained in selling sustainable financial products, we could implement the sustainability and accelerate the transition to a greener future.

Financial advisors are subject to professional rules and standards in the respective market: some new financial regulations in Europe might soon require financial advisors to make their clients aware of any sustainability risks associated with financial products, as a part of the European Commission strategy to a more sustainable finance. So, many banks and financial institutions seek education and training for their employees in the field of sustainable finance and, in addition to the technical aspect of the sustainable investments, the principle of strategic communication could be useful as a part of the trainings.

Eurosif, the European association for the promotion of sustainable and responsible investments, defined the Sustainable Responsible Investments (SRI) as "a long-term oriented investment approach which integrates ESG factors in the research, analysis and selection process of securities within an investment portfolio. It combines fundamental analysis and engagement with an evaluation of ESG factors to better capture long term returns for investors, and to benefit society by influencing the behavior of companies"[22], but there is there is no overall agreement on the definition of SRI. Also, for this reason, it is very important provide a clear communication about characteristics and goals of SRI.

The field of SRI has often been accused of lacking clear definitions, regulations, and measurements[23], and the actual impact of SRI can only be made tangible in the long term, for the nature of itself. In addition, SRI seems not have similar returns compared to conventional investments.

It is important (and possible) to train the financial advisors in communication and SRI. Concerning the private investors, is it normal that they have a lack of knowledges on SRI, that financial advisors have to fill. In general, private investors are genuinely interested in sustainability, but they very rarely transform this interest into investments. So, how it is possible to successfully communicate SRI to private investors?
One method is offered by Pilaj[24]: the 5A model. The model is composed by five mental steps that take place when engaging with SRI:

1. activating the think about investments;
2. raising awareness for SRI options;
3. creating an attitude towards SRI;
4. taking action on SRI;
5. adjusting and monitoring sustainable and responsible investments in the long term.

Step 1: **activating the option in the investor mind.**
During this first step, advisors should focus on using a clear numbers and language, easy to understand. In fact, in general people avoid complex information or information does not align with their current attitudes. In addition, the use of metaphors and imageries can simplify complex concepts. Also, repletion's are very useful in this sense. In general, more a message is repeated, more is understandable. Moreover, it is important the credibility and reliability of the source of the information provided. In this sense, a company gains more credibility for its "green" claims if the firm itself is indeed involved in sustainable behavior.

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[22] About us - (eurosif.org)

[23] Communicating Sustainable Responsible Investments as Financial Advisors: Engaging Private Investors with Strategic Communication; Nadine Straub, pag. 3

[24] Pilaj, H. The Choice Architecture of Sustainable and Responsible Investment: Nudging Investors toward Ethical Decision-Making

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So, it is important for banks of for investments companies to involve themselves in sustainable behavior, to be able to convince clients in invest in the green sector.

Step 2: **make clients aware of SRI options.**

Personal norms and social norms are drivers to motivate sustainable behavior[25]. In general, we are all divided between our egoism and self-attitude and our willingness to do the best for the planet and for the others. In this sense, storytelling could be very useful to motivate people to stay engaged with sustainable activities, giving the sensation into the private investor that the green investment is it in line with his values and norms. Financial advisors, for example, could simply remind customers of their values in line with sustainable investments.

Step 3: **attitude**

It is important for the banks/advisors to create a customer's attitude towards SRI. In this sense, is necessary to provide transparent and complete information on SRI. It is also important to demonstrate that SRI performance is as equal successful as conventional investment's one (event better, superior). To stimulate the attitude, the positive aspects of SRI and the potential loss of ignoring the green investments should be underlined by advisors. Is it also very useful using positive emotional language in changing investors' attitude towards SRI.

Step 4: **taking actions**

Some private investors, truly interested in SRI, fail to put intentions in practice, for example procrastinating. Social influence could be one of the strongest forces to influence sustainable behavior.

As Pilaj said, people want to "express personal values and seek peer approval"[26]. So, could be effective to remind investors that SRI is in line with common investment behavior, not only in their peer group, but also between "leaders" (for example, famous person, or successful person). So, could be very useful for banks and advisors to provide example of famous people who have already invest in SRI.

Al last, but not at list, is it important giving the perception to the investor that the impact of SRI that will be palpable in the near future and not just in the far future. How already said, one of the characteristics of the SRI is that they give the perception that the impact of the investment will be just in the far future. Is it necessary to change this view in the client's mind interested in SRI, providing clear examples on how the SRI will be able to change something in better in the near future (for examples, in terms of CO2 captured, trees saved, illness prevented etc.).

Step 5: **adjustment**

This last step is just eventual and consists in monitoring SRI.

Financial advisors should provide their clients with continuous clear information about their sustainable and responsible investments, to maintain investors happy about SRI. For example, could be useful to provide reports on the good green implication of the SRI. In this sense, is very useful the storytelling but also technologies and online features for tracking investments.

[25] Stern, P.C.; Dietz, T. The Value Basis of Environmental Concern. J. Soc. Issues 1994, 50, 65–84; Harland, P.; Staats, H.; Wilke, H.A.M. Explaining Proenvironmental Intention and Behavior by Personal Norms and the Theory of Planned Behavior1. J. Appl. Soc. Psychol. 1999, 29, 2505–2528

[26] Pilaj, H. The Choice Architecture of Sustainable and Responsible Investment: Nudging Investors toward Ethical Decision-Making, pag. 747

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Building institutional legitimacy

Due to the new societal challenges such as climate change, poverty, gender inequality and access to basic resources, new markets have been created, bringing new opportunities in social entrepreneurship and responsible investments. However, traditional financing channels (e.g., government support) for social and environmental actions are diminishing[27], due to institutional barriers and associated high risk[28]. However, inclusion of sustainability factors can represent an interesting factor for investors. In this context, impact investing is emerging having as main characteristic the intentional creation of social and environmental impact even if this affects the financial return. This approach is also known as blended value. However, the social impact market is still at an early stage[29] mostly due lack of terminological clarity, scarcity of capital for high-risk projects and shortage of track records of successful high-quality impact investments[30]. Impact investing is anyway recognized as an innovative paradigm in the financial ecosystem, comprising traditional investors and philanthropists. To overcome these barriers, building legitimacy is key to provide easier access to resources from external stakeholders and speed up the institutionalization, although it is not easy for such complex field like impact investing. The concept of legitimacy is multifaceted but three different perspectives can be defined[31]:

- legitimacy as property: immaterial resource gained by a company through legitimate structure and practices.
- Legitimacy as process: constant process of development, renegotiation and maintenance.
- Legitimacy as perception: assessment of the societal fit of an organization's characteristics by the individual point of view.

Legitimacy can be influenced by communication strategies and is based on the perceptions and/or expectations of the audience in a well-defined social setting[32].

So how legitimacy is created in discourse in the field of impact investing?
To answer this question, we need to first identify and classify the actors, namely social investors, sustainable financiers, enablers and impact entrepreneurs. In Figure 2, their main services and activities are depicted, showing a large heterogeneity between the different actors.

[27] Moore, M.-L., Westley, F.R. and Nicholls, A. (2012), "The social finance and social innovation nexus", Journal of Social Entrepreneurship, Vol. 3 No. 2, pp. 115-132.

[28] Clark, G.L., Feiner, A. and Viehs, M. (2015), "From the stockholder to the stakeholder: how sustainability can drive financial outperformance", available at: http://dx.doi.org/10.2139/ssrn.2508281 (accessed 12 December 2017).

[29] Lehner, O.M. and Nicholls, A. (2014), "Social finance and crowdfunding for social enterprises: a publicprivate case study providing legitimacy and leverage", Venture Capital, Vol. 16 No. 3, pp. 271-286.

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[32] Hoefer, R.L. and Green, S.E. (2016), "A rhetorical model of institutional decision making: the role of rhetoric in the formation and change of legitimacy judgments", Academy of Management Review, Vol. 41 No. 1, pp. 130-150.; Lounsbury, M. and Glynn, M.A. (2011), "Cultural entrepreneurship: stories, legitimacy and the acquisition of resources", Strategic Management Journal, Vol. 22 Nos 6–7, pp. 545-564.; Ruebottom, T. (2011), "The microstructures of rhetorical strategy in social entrepreneurship: building legitimacy through heroes and villains", Journal of Business Venturing, Vol. 28 No. 1, pp. 98-116.

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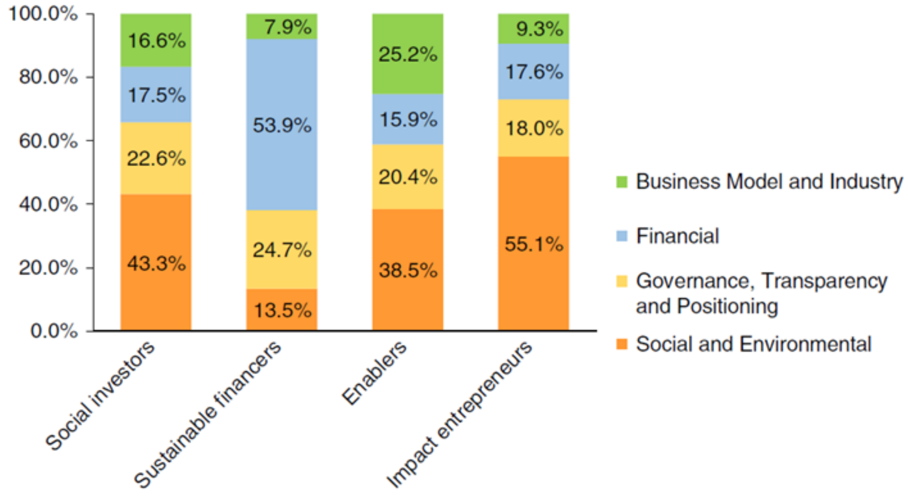

Fig. 2 Graphical result – discursive focus of archetypes

Social investors have as core business of their investment activities the social impact creation. Sustainable financers consider impact investing as a new business opportunity which must be included in their overall portfolio. Enabler's intermediaries strongly focus on developing the impact investing industry and bridging supply and demand. Impact entrepreneurs focus on social and/or environmental impacts thanks to the resources provided by investors or their intermediaries.

To answer our main question, it is also important to define the rhetorical strategies to build legitimacy used by the actors presented above:

- **Rationalization**: most important strategy to promote propriety for all actors in the impact investing industry with rational and objective arguments in order to create legitimacy.
- **Success and failure narratives**: this strategy suffers from the broad definition of success and its dependency on the actors' view. Anyway, success and failure narratives are the 2nd most commonly used legitimization strategy in the field.
- **Problem and solution discourse**: this strategy used to present the business model of an actor as a possible solution to an environmental and social problem.
- **Frame alignment**: aim to generate pathos and emotions, mostly with the use of strong and iconic pictures, use to symbolize success stories and the impact created.
- **Value-based theorization**: this strategy is use differently by different actors, putting emphasis on the individual personal values or impact investment.
- **Idealizing identity**: strategy to clearly identify organizational structure, governance and mission both at personal level and corporate level.
- **Valorizing and demonizing actors**: valorizing strategy to promote partnerships, networks and the sharing of knowledge between actors are key. Demonization is not used as it can have a negative impact.
- **Ineffectiveness and injustice of existing practices**: this strategy, aimed to delegitimate the traditional financial sector, is not commonly used.

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These strategies are very much connected and can be grouped in 3 main clusters: (i) rationalizing strategies used by all actors, (ii) values and emotion strategies are exploited by socially motivated actors, while (iii) strategies constructing identities and actors are applied by pragmatic financers and enablers.

To conclude, there is a strong connection between legitimization strategies and social identity of actors[33]. Impact investing, seen as a hybrid approach combining financial and non-financial goals, comes with communication difficulties between the different actors, resulting in issues in financing and standardization. All actors agree that building legitimacy is the key to overcome these barriers and the strategies described above are the tools to reach that goal.

[33] Suchman, M. (1995), "Managing legitimacy: strategic and institutional approaches", The Academy of Management Review, Vol. 20 No. 3, pp. 571-611.

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