

## Future work on business adaptation to climate change should find a common definition, gather empirical data, and develop tools

### EXECUTIVE SUMMARY

This report discusses knowledge and research gaps in the area of business adaptation to climate change, and makes recommendations for further research that could meet the needs of both academic and business practitioners in the field. Future work would focus on three main areas: finding a common working definition of adaptation; gathering more empirical and industry data on adaptation; and developing tools for business adaptation.

### BACKGROUND

There is a growing consensus among researchers and policy makers that adaptation is a central strategy in dealing with the impacts of climate change. Adaptation is most commonly described as ‘adjustment in natural or human systems in response to actual or expected climatic stimuli or their effects, which moderates harm or exploits beneficial opportunities’ (IPCC).

In 2008-2009 the Network for Business Sustainability commissioned a systematic review to synthesize the current state of research and practice of business adaptation to climate change. This report, the fourth in a four part series, discusses the knowledge gaps in the field and future work necessary.

### FINDINGS

Some businesses are incorporating climate change into their business models and strategies, but mostly only in terms of mitigation strategies or risk evaluation. In general, there is currently a:

- Lack of consensus on the meaning (definition, theories, etc.) of business adaptation to climate change.
- Lack of information pertaining to business adaptation (case studies, best practices, etc.)
- Lack of tools for business adaptation.

### IMPLICATIONS FOR MANAGERS

Managers need to create an environment conducive to adaptation study and practice:

- Establish sectoral and cross-sectoral platforms for sharing knowledge and concerns on the issue. Share information about adaptation strategies and practice with researchers, to advance learnings.
- Derive a common definition of business adaptation to climate change.
- Develop tools to evaluate risks, opportunities, and adaptation strategies.

### IMPLICATIONS FOR RESEARCHERS

Researchers need to promote and support adaptation practice:

- Conduct primary research on firms and their adaptation practices. Develop case studies, lessons learned, and best practices. Focus on neglected sectors and on drivers, strategies, barriers and gaps.
- Conduct interdisciplinary work on metatheoretical development. Amalgamate information on business risks, opportunities, and adaptation strategies across sectors to derive generalizations.
- Derive a common definition and shared understanding of business adaptation to climate change, via consultation and fieldwork. This will in turn facilitate the development of theories of and tools for risk modelling, opportunity evaluation, and adaptation identification.
- Develop tools to address concerns of businesses of particular sizes, sectors, and geographies.

### METHODS

A systematic review of multiple and varied resources – from the public sector, the private sector, and academia, dating from 1997 to early 2009 – revealed 201 sources pertinent to business adaptation to climate change. An interpretive narrative synthesis was employed to distil the large volume of varied data into accessible and intelligible frameworks. By analysing the findings, we identified gaps in the literature and made recommendations of potential further research that could meet the needs of both academic and business practitioners in the field.

### CITATION

Network for Business Sustainability. (2009). Business Adaptation to Climate Change: A Systematic Review. Network for Business Sustainability Knowledge Project Series. [www.nbs.net](http://www.nbs.net).