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Research Pods Series©

Business Resilience: How to Adapt Organization to Climate Change

Deborah Câmara Batista, FGV alumna and climate change research consultant, together with Jorge Juan Soto Delgado, Founder of SusteNeo Ltd, present case studies from 3 leading Brazilian companies to argue for a shift in focus from climate mitigation toward climate adaptation.

Related research: *Corporate Climate Adaptation: From risk awareness to strategic action* by Deborah Batista and Jorge Soto. Originally published in Portuguese in GVexecutivo – FGV EAESP.

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THE 3 Ps IN A CoBS POD

PERCEIVE
with a set of key takeaways

PROJECT
with food for thought: on yourself, your organisation and the wider context

PERFORM
by putting it all into practice using action tips

PERCEIVE

with a set of key takeaways

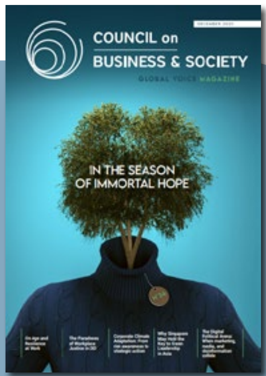
- Adaptation is no longer optional: Climate change already disrupts supply chains, infrastructure, and markets. While emission reduction (mitigation) remains vital, it is insufficient — companies must now adapt to unavoidable impacts. There are four types of corporate responses in which firms fall into four adaptation profiles:

    - **Preventive:** Proactive and forward-looking

    - **Reactive:** Responding post-impact

    - **Continuous:** Integrating adaptation into core operations, and

    - **Deferred:** Delaying action due to perceived low risk.



Read the full research insight in Global Voice magazine #34

- Risk perception drives strategy: How companies interpret climate risk — influenced by both data and organizational culture — strongly determines their level of preparedness and type of adaptation response. Effective adaptation blends hard and soft measures: Successful companies combine infrastructure upgrades, water management, and renewable energy investments ("hard" measures) with behavioral changes, collaboration, and stakeholder engagement ("soft" measures).

- Governance and collaboration are central: Adaptation succeeds when sustainability, operations, and executive leadership coordinate through integrated risk management and scenario planning — supported by partnerships across suppliers, regulators, researchers, and communities.

- Adaptation creates business opportunities: Beyond compliance, adaptation can spark innovation — from new low-carbon products and consulting services to efficiency gains and new revenue streams, turning resilience into a competitive advantage.

- Systemic barriers hinder progress: Companies still face major obstacles, including weak regulation, poor access to usable climate data, short-term financial thinking, and internal resistance to cultural change.

- Adaptation as a strategic and ethical imperative: Embedding adaptation into corporate strategy enhances competitiveness and contributes to societal resilience. True climate readiness requires long-term thinking, cross-sector collaboration, and acknowledgment of climate change as both a technical and moral challenge.

PROJECT
with food for thought

- On yourself: Do you personally view climate adaptation as a "compliance cost" or as a strategic opportunity to build long-term resilience? How do you personally perceive climate adaptation within your role, particularly in terms of its implications for long-term resilience and strategic value?

- On your team: In what ways does your team's cross-functional expertise enable — or limit — its ability to assess both strategic ("soft") and physical ("hard") risks across the supply chain?

- On your organization: To what extent is your company waiting for clear government regulations (regulatory pressure) before acting, or are you looking at industry leaders to set the pace (mimetic pressure)? What factors most strongly influence your organization's approach to climate action, particularly in relation to government regulation and the practices adopted by industry leaders?

- On the wider system: How would a sudden climate-related disruption to local infrastructure affect your ability to deliver value to your customers and stakeholders?

- On the future: To what extent is your organization's current culture prioritizing short-term financial gains over the long-term cultural and operational shifts required for true climate readiness - How does your organization's current culture balance short-term financial priorities with the longer-term cultural and operational changes required for meaningful climate readiness?

Thoughts

PERFORM

by putting it all into practice

CHECKLIST

- [ ] Conduct a dual risk assessment: Evaluate your organization's vulnerability to both direct physical risks (weather events) and transition risks (policy and market changes).
- [ ] Implement "soft" management changes: Integrate climate risk into your standard corporate governance and strategic planning sessions rather than treating it as a separate CSR issue. Designate a "Climate adaptation champion" within each department / team to ensure the tone-from-the-top is disseminated downwards, and that information and initiatives are reported upwards to senior management.
- [ ] Invest in "hard" infrastructure: Where possible, upgrade physical facilities or supply chain technologies to withstand more frequent and intense climate events. Establish a list of priority hard infrastructure and a detailed costing of each upgrade over time.
- [ ] Engage with stakeholders: Collaborate with local communities, NGOs, and governments to develop shared adaptation strategies that protect the entire ecosystem your business relies on.
- [ ] Overcome inertia through education: Organize internal workshops to transform climate change from an "abstract concept" into a concrete set of business metrics for your department heads.
- [ ] Audit your communication strategy: Ensure your reporting reflects not just carbon reduction efforts (mitigation) but also concrete steps taken to secure your assets and operations against physical environmental changes (adaptation).
- [ ] Link this to a series of internal awareness campaigns to coincide and accompany your internal training workshops. And communicate externally on this initiative to your wider stakeholders.

Getting involved

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