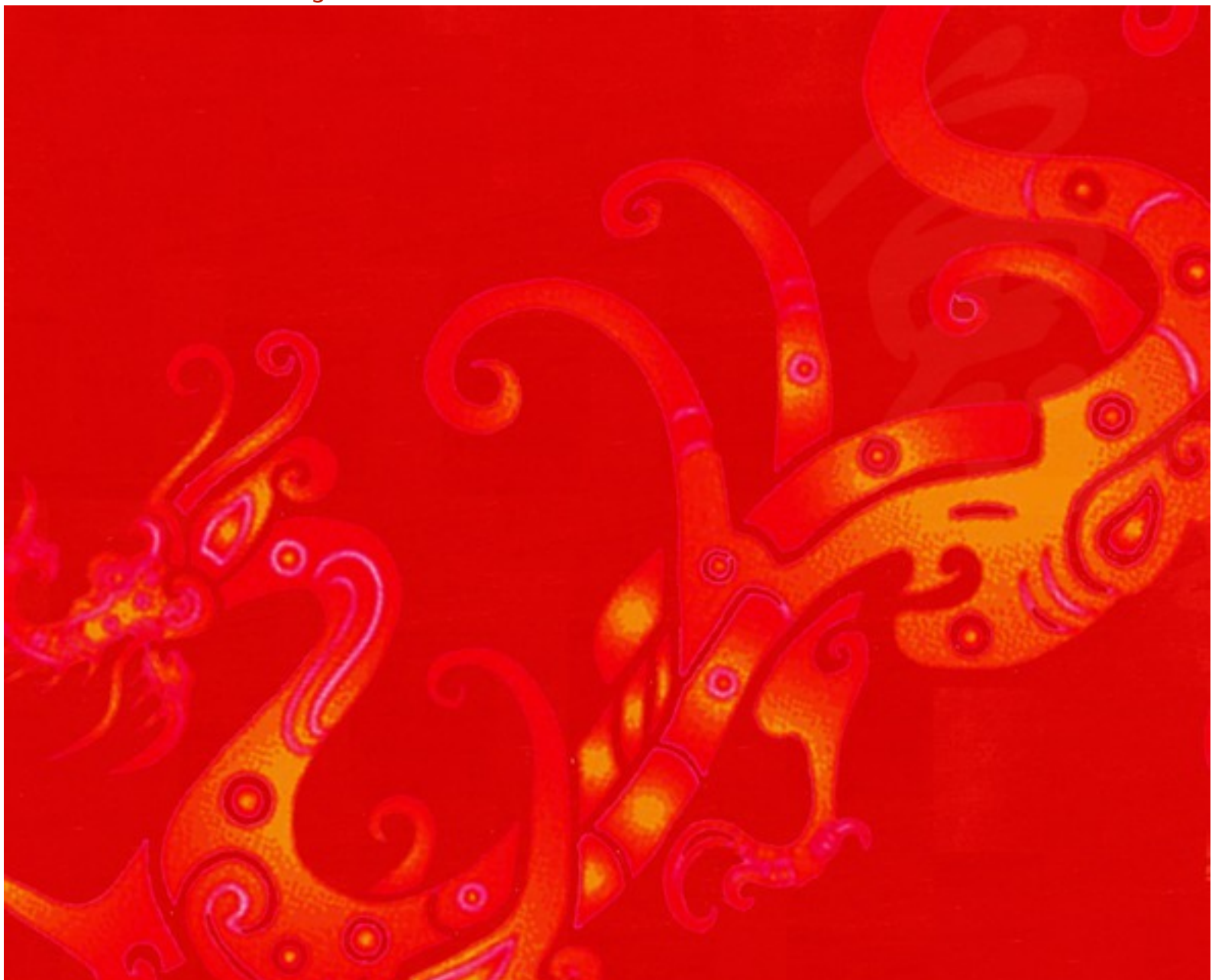


# Global Responsibility



GLOBALLY RESPONSIBLE LEADERSHIP  
INITIATIVE

The GRLI Partner Magazine



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Carol Adams, James Ayres & Stephen Muir on how La Trobe is changing individual mindsets

John North & Derick de Jongh on the GRLI School of Business for the 21<sup>st</sup> Century (SB21) project

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Zenaida Pereira on what does it mean to be a responsible manager

Philippe de Woot's keynote speech from the 2<sup>nd</sup> Worldly Leadership Summit

# Call for papers



## Journal of Global Responsibility

**Editor:** Dr Grant Jones, Australian Catholic University, Australia

**Deputy Editor:** Professor Gayle Avery, Macquarie Graduate School of Management, Sydney, Australia



We are currently seeking papers for a new journal launched in 2010 and closely aligned with the goals and objectives of the Globally Responsible Leadership Initiative (GRLI).

fundamental disciplines such as sociology, politics, psychology, history or philosophy.

### Coverage includes, but is not limited to, the areas of:

Ethics, new mental models, governance, strategy, public policy, corporate social responsibility, human rights, workplace spirituality, employee/community engagement, transparency, resource management, environmental impact, organizational development, change, human resource management and development, social entrepreneurship, innovation and creativity, social marketing, action learning, management education, cross-cultural management, organizational change, leadership theory and leadership development.

Full author guidelines can be found at [www.emeraldinsight.com/jgr.htm](http://www.emeraldinsight.com/jgr.htm)

To submit an article or to request more information, please contact the Editor:

E-mail: [grant.jones@acu.edu.au](mailto:grant.jones@acu.edu.au)

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GLOBALLY RESPONSIBLE LEADERSHIP  
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### Editorial scope and objectives:

Organizations can become conditioned by competitive pressures to narrow their goals and adopt an overly instrumental logic, stripped of any meaning beyond simple profit. The survivalist impulse is self-contradictory, because it reduces longer-term viability. It also reduces the organization's legitimacy, because a narrow focus diminishes the net contribution that the organization can make to society. The adoption of global responsibility is therefore an act of leadership, a voluntary and willful deployment of the resources of an organization towards building sustainability.

*Journal of Global Responsibility* defines a globally responsible organization as one with a clear business case for sustainability.

Articles would be welcome from the traditional management disciplines – accounting and finance, operations, human resources, organizational studies, marketing and strategy – where the articles build on our model for sustainable development. It is also recognized that the development of global responsibility may also be directly informed by more

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Research you can use



GLOBALLY RESPONSIBLE LEADERSHIP  
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# On Responsible Leadership

Dear Reader,

Here we are in 2011 and the Globally Responsible Leadership Initiative (GRLI) is heading into its seventh year of activity. Seven years is, in many traditions, recognized as a turning point and for GRLI this is no exception. As a community of action, we are always restlessly seeking the lever points that will unlock change towards the development of a new generation of globally responsible leaders. And in this seventh year we sense that real progress is within our grasp.

On the surface the idea of global responsibility feels like it has been around for long enough and is in sufficient common usage that it is an old friend. Yet, it only takes a small amount of digging to discover that in practice it is a phrase that is increasingly adapted to cloak unchanged practices rather than a signal of genuine transformation. Like Corporate Social Responsibility (CSR) it risks becoming a suitcase phrase, adopted by all and co-opted to re-package the status quo.

The global agenda is social justice and environmental sustainability. In the development of a generation of leaders with the capacity and will to play catalytic roles in leading their organisations to contribute to this agenda, we remain in the starting blocks.

This edition of *Global Responsibility* continues the work of creating a platform of reflection for partners in the GRLI and pointers to the future beyond incremental CSR and towards real global responsibility.

Henri-Claude de Bettignies considers CSR fatigue and the nuances of China after his experiences of living and working in Shanghai for the past few years. Mark Esposito goes to the heart of the problem of CSR as a programmatic agenda – his insights resonate with the experience of quality management in companies where a key element of really successful approaches has been getting the responsibility for them out of the quality department and into line management. The same applies to our agenda in business schools where responsibility

largely remains the domain of specialists in "Centres."

For anyone who thinks the next generation doesn't get it, have a look at the two articles from Zenaïda Pereira and Christina Trott. These future leaders certainly do, and they share both a clear-eyed understanding of the scale of the failure of the current generation and a powerful determination to create a different future.

Mary Gentile gives an overview of her innovative and thoroughly practical approach to values development and there is news of a new book by Derick de Jongh and his colleagues on interviews with corporate leaders in South Africa. Carol Adams explains how La Trobe University, host of the GRLI's first General Assembly of 2011, are tackling responsibility at a university wide level.

The GRLI is focussed on making a practical difference and John Alexander writes a thought provoking piece on our work to develop a practical mechanism to assess Globally Responsible Leadership through the development of Indicators. In the same vein, there is a snapshot of the vital SB 21 project, which is developing the blueprint of the business school of the future. These are just two of our lever projects, so-called because they are targeted at lever points for systemic change.

If you would like to know more about the work of the GRLI, visit us online at [www.grli.org](http://www.grli.org).

Mark Drewell,  
Chief Executive, GRLI

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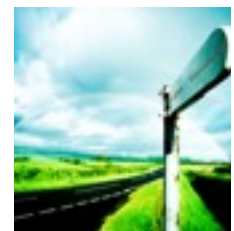
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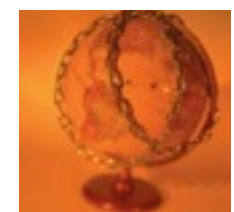
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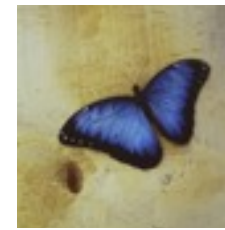
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# soundbites

## Winners of the GRLI- Net Impact Challenge

"GRLI and Net Impact Challenge"  
invites innovative ideas NOW



The Globally Responsible Leadership Initiative (GRLI) and Net Impact are pleased to announce the winner of "Shaping Tomorrow's Leaders - the GRLI and Net Impact Challenge", a team-based competition where students and young managers were given the chance to present their views on **"How can next generation leaders contribute to the development of globally responsible leadership?"**

"Cycle Chalao!" is the winning project, selected from among 39 strong proposals from all over the world, submitted by three students in the MBA programme in Social Entrepreneurship from the Narsee Monjee Institute of Management Studies (NMIMS), Social Entrepreneurship Cell, based in Mumbai, India. They are Rajkumar Janagam, Jui Gangan and Jyotika Bhatia. All three are involved in the management of this social business that was awarded the inaugural GRLI and Net Impact award because it is a concrete, hands-on, replicable and inspiring initiative that proves how students can set an example of being a globally responsible leader.

Vehicle emissions are responsible for 70% of India's air pollution and World Health Organization ranks Mumbai among top 10 polluted cities. Subsequently, Cycle Chalao! ([www.cyclechalao.com](http://www.cyclechalao.com)) promotes cycling in India by adding bike sharing systems to mainstream public transportation in order to curb increasing levels of air and noise pollution. By promoting cycling as an alternative choice for commuting short distances, the initiative aims to give citizens the power to travel in an economical and

eco-friendly way. Bike sharing stations are being established at key traffic locations like railway stations, bus depots, colleges and corporate parks. Revenues are generated through rental subscriptions and advertisements over bike stations and bikes.

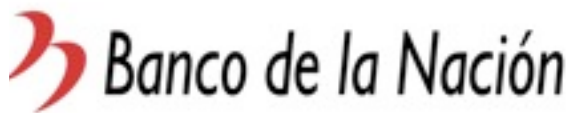
"The announcement came minutes before this new year," says Raj, Founder and Director of Cycle Chalao!, "and we're still in a high to have won a Global Competition in the same year of our project launch... Of course it has always been the constant support we experience around us which keeps us moving ahead in proving a highly challenged idea of our times."

The awarding jury consisted of Prof. Stephen Murdoch, Associate Dean (International), Rouen Business School (France); Prof. John Rayment, Principal Lecturer, Anglia Ruskin University (UK); Martine Torfs, Head of Networks and Projects, GRLI Foundation (Belgium); Ambreen Waheed, Executive Director, Responsible Business Initiative – RBI (Pakistan); and Giselle Weybrecht, author of The Sustainable MBA (UK).



The three winners will present their model and work with GRLI Partners on the development of the student based GRLI Ambassadors programme at the GRLI General Assembly in the first week of March in Melbourne, Australia, sponsored by GRLI Institutional Partners Anglia Ruskin University (UK), Babson College (USA), ESSEC Business School (France), GlaxoSmithKline Biologicals (Belgium), Griffith University (Australia), Maastricht University (The Netherlands), Responsible Business Initiative – RBI (Pakistan) and Rouen Business School (France).

For more information please visit:  
[www.grii.org/ambassadors](http://www.grii.org/ambassadors)



## Banco de la Nación joins GRLI

CENTRUM Católica, a GRLI Partner since 2008, is very proud to present to the GRLI community its strategic corporate Partner: Banco de la Nación (BN). BN is a Peruvian public institution responsible for handling the Public Treasure accounts and supply financial services to the national administration and individuals in locations countrywide. A distinctive goal is to foster inclusive access to finance especially in the population segment that the private sector is not interested in targeting. To date, BN employs around 3600 workers in 447 branches throughout the country. 90% of them are outside Lima. During the past years BN had been pioneering and gaining groundbreaking experience in the process of integration and management of the concept of sustainability. Such undertaking resulted in a deep multidimensional change in the purpose, strategy, processes and institutional culture, restoring an institution that faced demise less than a decade ago and turning it into both an engine for inclusive development and a champion of sustainability for the entire public sector.

While the origins of BN can be traced back to the late 19<sup>th</sup> century, in 1966 BN officially started operations as an autonomous enterprise subject to public law that centralised the public treasure accounts and supplied the financial platform for the national administration to dispose of them. Traditionally, its main functions have been to collect dues on behalf of the national and local authorities and their corresponding bodies and pay out to public entity creditors and employees. However, in 2007 BN began to gear its efforts towards the articulation of its longstanding commitment to assist vulnerable groups in society such as the poor, the elderly and the youth under an integral management model based around corporate governance and CSR.

BN has undertaken an aggressive market penetration strategy and actually has 438 offices nationwide. In the case of ATMs in 2010 reached 670 units, placing 61% of those in provinces, especially in those less developed. Thus, the institution has established itself as the bank with the largest number of agencies at the Peruvian banking system. This strategy was leveraged by the continuous innovation in products and processes. It is noteworthy that the introduction of ATMs in provinces,

along with the addition of new services that can be accessed with the same, has increased the number of transactions significantly. As for its services provided through the Internet, BN has designed a channel called Virtual MultiRed, allowing operations for BN's clients and other banks in some cases. 191,630 operations were performed in 2009 in local currency and 48,260 in foreign currency. In 2008, BN launched a physical mobile banking service to outlying areas, which use computers, satellite units and operators. This service is through itinerant mobile modules, which travel within the country locations in specific dates and times.

Interesting enough, BN starts its transformation readdressing the way it construes its purpose: BN no longer acts as a payout bank but aims to become a service bank, oriented at satisfying stakeholders and pursuant to the highest standards. This essential change in the rationale of BN made it easier to formulate an agenda to integrate CSR into their policies and processes; much of what BN had on the ground already embedded aspects of it. BN had long featured a deep social commitment but its efforts largely lacked visibility in the eyes of the public, diminishing the impact of its actions before its stakeholders.

The alliance between CENTRUM Católica and BN is unique not only because of our sharing core principles but also our understanding of the common roll that the academy and the financial sector has in promoting sustainable development in emerging economies and particularly in the reduction of present inequalities.

For more information please visit: [www.bn.com.pe](http://www.bn.com.pe) or contact José Pereyra, Director Centrum Futuro at Centrum Católica: [japereyr@pucc.edu.pe](mailto:japereyr@pucc.edu.pe)



## Dalhousie University joins GRLI

Dalhousie University's Faculty of Management, is a unique constellation of four schools (Business, Public Administration, Resource and Environmental Studies and Information Management plus a program in Marine Affairs). This partnership brings a broad, multi-

# soundbites

disciplinary, multi-sector approach to management education. It also positions us to realise our mission which is “to be the internationally acknowledged centre of “values-based management” in Canada whose graduates become private sector, public sector and non-profit sector leaders who manage with integrity, focus on sustainability and make things happen.

In an era where economic institutions have collapsed, climate is warming, biological systems are in crisis, and the gap is widening between the rich and poor, questions of how to better educate future leaders of business, government, public-sector organizations need to take centre stage. No leader from any single sector can hope to address these problems alone. Such problems are complex and intractable. They require a multi-sector perspective and a values-based approach if progress is to be made with regard to finding solutions. The Faculty of Management’s mission combined with our unique structure is enabling us to implement a new approach to management education.

Since leading edge organizations themselves are changing, there is demand for this new type of leadership – what we call syncretic stewardship. The term “syncretic” reflects the fact that these organizations encompass great diversity in terms of their objectives, the people they employ, the cultures they encompass, and stakeholders they serve. Such firms synthesize this diversity into a larger whole greater than the sum of the parts. The term steward reflects the fact that these new types of organizations bring an orientation of care and responsibility towards multiple stakeholders. They view themselves as custodians, responsible for leaving a positive legacy as a result of their operations.

We also pride ourselves on the relevance of the education we provide and the research we undertake. We constantly work to find the right balance between leading edge theory and practice. In all we do, we strive to ground our models in practice. We have extremely strong advisory boards made up of leading practitioners. We work hard to implement their advice. We offer our students work experience along with their academic training. Our Commerce students must do three terms of co-op work in the sector of their choice to earn their degree. Our MBA students must complete an eight-month internship at a managerial level. Many of the students in our other undergraduate and master’s programs also do work terms. Thus, our graduates have excellent disciplinary skills and enter the workplace job ready no matter what sector they choose for their career. We encourage our students to examine the status quo and seek ever better solutions to problems. Our graduates are prepared to take action and make informed, balanced decisions despite the ambiguity and

complexity that surrounds today’s problems. In recognition of our focus and programs, we were honoured to receive the European CEO Magazine’s 2010 award as the Most Innovative Faculty in Canada.

For more information please visit: <http://management.dal.ca> or contact Peggy Cunningham, Director, School of Business Administration, Associate Dean Research, Faculty of Management: [PeggyC@dal.ca](mailto:PeggyC@dal.ca)



## University of Gloucestershire joins GRLI

Shaping the next generation of globally responsible leaders has taken a new step forward at the University of Gloucestershire’s Business School. The school is one of the first in the United Kingdom to become a Partner of the GRLI. As a sector leader in sustainability, becoming a Partner in the GRLI reflects the commitment of staff and students at the University to developing responsible leadership in business, whichever path their career takes them on. It also builds on University’s status as a supporter and signatory to the United Nations’ Principles of Responsible Management Education Initiative (UN PRME).

The University’s core values, which include trust, service, respect and creativity, accord strongly with the GRLI’s vision for a new generation of globally responsible leaders and provide a sound basis on which to promote and nurture responsible leadership among staff and future graduates. The Business School’s involvement in the GRLI will help it further embed corporate responsibility and the benefits of responsible leadership into the curriculum of a wide number of existing courses, from marketing to business management.

The University of Gloucestershire is an acknowledged leader in the promotion and practice of sustainability within the UK. The Business School has recently re-launched its undergraduate Business Management and MBA programmes with sustainability incorporated as a central theme and this year plans to introduce a new range of short courses on topics related to leadership and corporate responsibility. The University has been consistently ranked in the top 5 of the People and Planet Green League and has been awarded a succession of Green Gown Awards in recognition of its achievements.

The University's International Research Institute for Sustainability has achieved international recognition and undertakes work for international agencies such as UNESCO Culture, UNESCO DESD, UNESCO Asia-Pacific, IUCN, UNECE and EU. The University also hosts a United Nations Regional Centre for Expertise in Sustainability Education – RCE Severn.

The Business School has a vibrant research community and has a doctoral programme of international standard (RAE 2008) with over 200 participants from more than 25 Countries. Researchers within the Business School are engaged in areas such as green consumerism, corporate social responsibility, trust and relationships, environmental accounting, responsible leadership and business ethics.

As well as our existing portfolio of courses, becoming a GRLI partner will also further the research interests of staff and students. It is particularly relevant for the University's Leadership, Entrepreneurship and Development, Ethics Research Centre (LEADeR), which works with students and staff pursuing a wide range of research interests in a variety of areas related to globally responsible leadership.

As more companies and businesses recognise the value of nurturing more effective and responsible leaders, becoming a GRLI partner will benefit current students and staff as well as reaping rewards for the wider business community in the future.

For more information please visit: [www.glos.ac.uk](http://www.glos.ac.uk) or contact Paul Hopkinson, Director of Studies, Marketing: [phopkinson@glos.ac.uk](mailto:phopkinson@glos.ac.uk)



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## University of Pretoria joins GRLI

The University of Pretoria (UP) provides an intellectual home for the rich diversity of South Africa's academic talent. The University is one of South Africa's and the continent's leading research universities and the largest single supplier of doctoral graduates in South Africa. The University started in 1908 with a staff complement of four professors and three lecturers at the Pretoria branch of the Transvaal University College, which became a fully-fledged university in 1930.

Today the rich cultural diversity of the South African population is reflected in the total student population of almost 63 500 students. UP has transformed from a mainly Caucasian, Afrikaner institution to a multicultural, multiracial university that offers quality education to South Africans from all walks of life.

### Faculty of Economic and Management Sciences

The Faculty of Economic and Management Sciences is one of the largest Faculties at the University of Pretoria. The Faculty is committed to delivering competent, creative, responsible and productive citizens – the future thought leaders of business leaders. Apart from recently establishing the Centre for Responsible Leadership the Faculty is also embarking on a journey to introduce a compulsory Responsible Leadership module for all students. Such a module will focus on elements such as environmental leadership (businesses' impact on the environment i.e. climate change, renewable energy and recycling), social leadership (businesses' impact on society, i.e. food security, water security, poverty reduction and human rights), economic leadership (new forms of wealth creation, stakeholder vis-à-vis shareholder value creation), ethical leadership (businesses' ethical codes, practices and culture) and leadership and governance (businesses' governance practices, i.e. roles and responsibilities, reporting practices). This module will also reflect on and include the local reality of doing business in SA and the concept of "thinking globally and acting locally in a sustainable manner" at a very early stage in the student's education journey.

### Centre for Responsible Leadership

The Centre for Responsible Leadership is a multidisciplinary, inter-faculty unit that focuses on harming the academic integrity of a variety of disciplines across areas such as economics, management sciences, environmental sciences, natural sciences, law, engineering and humanities. Some of the key objectives of the CRL include enhancing research in leadership development with special focus on responsible leadership and corporate responsibility and citizenship, developing leadership programmes (formal and non-formal tuition) focusing on responsible leadership and advancing post-graduate teaching (Masters and Doctoral) with special attention on topics related to responsible leadership and business practices. Evidence that the centre plays a leading role, and is an internationally renowned platform for dialogue and thinking on responsible leadership, is the fact that it annually hosts the International Conference on Responsible Leadership, which brings together various influential experts and participants from across the world. Recently the centre also started playing a central role in driving the GRLI's Schools of Business for the 21<sup>st</sup> Century (SB21) initiative.

# soundbites

## Gordon Institute of Business Science

GIBS is the University of Pretoria's business school located in the heart of Illovo, Johannesburg, close to the Sandton business hub. The Financial Mail has consistently rated it as one of the top five business schools in South Africa. In May 2010, in the prestigious UK Financial Times again ranked it as one of the top business schools globally. It was the only African business school to be placed in the top 50 business schools worldwide for executive education programmes. GIBS became signatory to the United Nations Principles for Responsible Management Education (PRME) on 11 November 2009 and is a member of The Academy of Business in Society (EABIS). It also runs several initiatives in the context of responsible leadership and sustainability including academic programmes, participation in international initiatives, corporate social responsibility and investment activities, campus greening initiatives and diverse stakeholder dialogue programmes.

For more information please visit: <http://web.up.ac.za> or contact Derick de Jongh, Director: Centre for Responsible Leadership: [derick.dejongh@up.ac.za](mailto:derick.dejongh@up.ac.za)



## Rhodes Business School joins GRLI

Rhodes Business School, based in Grahamstown, South Africa, was established in 2000, with seed funding from Investec Bank Ltd. From its beginnings, as a virtual business school with a single staff member, it has grown to a proud institution which is arguably recognized as a thought leader in South African management education in teaching sustainability principles. Currently it has around 100 registered MBA students from as far afield as Afghanistan and Zanzibar and a staff complement of 5 academics who are responsible for the academic clusters of Business Development, Leadership and Research, Financial Sustainability, Organisational Sustainability and Environmental Sustainability.

The essence of the Rhodes Business School is 'Leadership for Sustainability', whilst our vision is to be the business school of choice for those aspirant leaders and managers who are committed to applying sustainable business practices. We undertake to equip our MBA graduates and Executive Short Course participants with

the requisite knowledge to fundamentally contribute to ethical and sustainable management practices.

In fulfilling our vision, mission and goals, some of the strategies we pursue include concentrating on specific academic discipline streams which emphasize leadership and sustainability; delivering quality programmes with regard to teaching, learning and research with structured support and mentoring, the emphasis being on promoting 'critical thought'; and developing a vibrant short course programme, offering both customized and public courses

Insofar as the latter is concerned, two focus areas where a significant track record has been established are in the discipline of environmental management, and leadership and management development within the automotive industry. Despite being part of the smallest university in South Africa and somewhat geographically isolated (our nearest cities are Port Elizabeth and East London being 120kms and 160kms away respectively), we have a proven record of leadership development in the private and public sectors as well as civil society. For example, we have run leadership development programmes for the South African parliament, various provincial legislatures and the City of Johannesburg and count a number of prominent South African based companies amongst our clients.

Being based in the heartland of one of South Africa's most economically challenged regions, the Eastern Cape, presents us with a unique lens in which we can and do make a relevant contribution to the challenges confronting our country. We promote a culture of service learning amongst our staff and students and make a contribution in a variety of ways to promoting economic and entrepreneurship development in the proximity of the business school through various partnerships with stakeholders in the Grahamstown area.

We also are in the process of improving our research capabilities and encouraging our students to explicitly research in the areas of leadership and sustainability.

Earlier this year, we became signatories to the Principles for Responsible Management Education (PRME). We are also an Organisational Stakeholder (OS) of the Global Reporting Initiative (GRI). Joining the GRLI confirms and reinforces our total commitment to contributing to the global and national imperative of developing responsible leaders.

For more information please visit: [www.ru.ac.za/businessschool](http://www.ru.ac.za/businessschool) or contact Owen Skae, Director, RIBS: [o.skae@ru.ac.za](mailto:o.skae@ru.ac.za)

**PRME** Principles for Responsible  
Management Education

# 2011 Global Summit



## Partnership in Responsibility:

Embedding the United Nations Global Compact's Principles for Responsible Management Education in Support of the Corporation of the 21st Century

**The Global Summit, which follows on directly after the EFMD's Annual Conference, will be a value-filled event with highlights which include:**

— Insights from business leaders who are signatories to the United Nations Global Compact to unpack the needs of companies in the context of the development of responsible managers

— Examples of emergent best practice in the application of the six principles of the UN PRME

— Practical "how-to" sessions on state-of-the-art Sharing Information on Progress (SIP) Report

**Who should attend?**

A must for anyone engaged in the development of responsible business leaders

— Business human resources executives responsible for the selection of business schools for executive education

— Leaders of PRME signatory business schools

— Those responsible for the implementation of the PRME principles and for the preparation of SIP reports

— Business schools considering becoming PRME signatories

**When / Where:**

7–8 June 2011  
Crowne Plaza Hotel, Brussels, Belgium

**Further information:**

For further information contact:  
Tavis Jules: [tavis.jules@grli.org](mailto:tavis.jules@grli.org)  
or visit:

[www.efmd.org](http://www.efmd.org)  
[www.grli.org/prme](http://www.grli.org/prme)

**Co-Hosts and Co-Organisers:**



Presented by EFMD and GRI in partnership with the United Nations Global Compact Principles for Responsible Management Education



# Leading the Sustainable Way at La Trobe University

CAROL ADAMS, JAMES AYRES, & STEPHEN MUIR

In 1964, La Trobe University was created through an Act of the Victorian parliament to undertake a distinct mission, “to serve the community through the relevance and inclusiveness of its research and teaching and through the production of graduates who are well rounded citizens as well as trained professionals.” Half a century later, that mission, spelt out in the University’s constitution, resonates more profoundly than ever.

Engrained in the University’s culture, from its beginning in the farmlands of Melbourne’s northwest, are the underlying values of social justice, community and citizenship and a desire to see principles of corporate social and environmental responsibility embedded within society’s institutions and businesses. The University shares these values with the Globally Responsible Leadership Initiative (GRLI) and supports the GRLI’s global vision – and its actions to stimulate its contribution to such a mission. The GRLI’s vision – the construction of a worldwide network of companies and learning institutions, characterised by action, advance laboratories of learning and thought leadership – is one akin to the ambitions of La Trobe University. The 10<sup>th</sup> GRLI General Assembly being held at the University will provide the opportunity for the intersection of these ideas. The preceding Academic Symposium and Business Forum offer a unique opportunity to engage a range of stakeholders on the issue of “Leadership for Climate Change and Sustainability.”

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The University shares these values with the Globally Responsible Leadership Initiative (GRLI) and supports the GRLI’s global vision – and its actions to stimulate its contribution to such a mission

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*Green curriculum and the sense of social responsibility that such curriculum must instil will not develop solely based on obligatory feelings and moral responsibility*



image courtesy: photos.com

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*La Trobe University is acutely aware of its ability to influence the social and environmental impacts of climate change and other pressing environmental issues on future generations through its research, curriculum, operations and engagement with staff and students*

To “develop a next generation of responsible leaders” through collective and individual action is the mission and purpose of the GRLI, and these notions are echoed in the University’s aim of producing “ethically, socially and environmentally responsible graduates.” As a higher education provider responsible for the education of future leaders, La Trobe University is acutely aware of its ability to influence the social and environmental impacts of climate change and other pressing environmental issues on future generations through its research, curriculum, operations and engagement with staff and students. The growth of “Green Collar” industries and corporate landscapes addressing sustainability issues and adjusting to climate change will greatly affect the nature of the workplace for future graduates. Universities must move to accommodate and influence this. La Trobe University is striving to ensure it is prepared to create and guide these changes rather than simply meet them. For the University, the creation of this change is a journey that begins with the development of curriculum and research designed to reflect the evolving needs of students, organisations and society, so they can meet the changing needs of the planet and society.

*Green curriculum and the sense of social responsibility that such curriculum must instil will not develop solely based on obligatory feelings and moral responsibility. The momentum for change will not be encouraged only by the desire to enforce such values upon future*

generations. It will occur because movement towards sustainable practice allows universities to align themselves to these growth market areas and reflects the growing concern amongst young people about our environment and linked global justice issues. To embed sustainable thought and practice and responsible leadership into curricula is a vital path to ensure both students' success *and* institutional stability.

In 2010 La Trobe University launched *Vision 2015*, a five-year plan to “expand its capacity to transform student lives through education and learning.” One of the plan’s four main points – “to operate the University in a sustainable and ethical manner,” – became a mantra upon which La Trobe University envisions its future. The enhancement and care of intellectual, physical and financial resources for future generations is a priority. Responsible leadership within the organisation is not something taught exclusively in the classroom but something exhibited in the culture of the campus. Early in 2010 the cooperation of students, staff and senior executives saw La Trobe University accredited as only the third Fair Trade University in Australia. The University is a signatory to the United Nations Global Compact and the Talloires Declaration signifying La Trobe’s connection to the global fight to address issues of human rights, labour, environment and corruption. For La Trobe University, the launch of a Corporate Responsibility Course in the University’s Graduate School of Management in 2009 was just one small step, yet it was symbolic of the University’s direction. La Trobe’s Faculty of Law and Management has signed the UN-backed Principles for Responsible Management (PRME) and offers Graduate Diploma and Masters level courses in Corporate Social Responsibility along with a number of degree level subjects in aspects of social and environmental sustainability.

In early 2010, La Trobe University created Australia’s first Pro Vice-Chancellor (Sustainability) position, a member of the senior executive with responsibility to integrate and embed sustainability across curriculum, research and operations. To unite pockets of sustainability practice across the University, the Office for Sustainability created a transformation programme “*Generations. Sustainable Futures. Together*”, a symbol of the University’s commitment to the future, to inspire change, to communicate knowledge and an expression of the University’s determination to become a thought leader in sustainability.

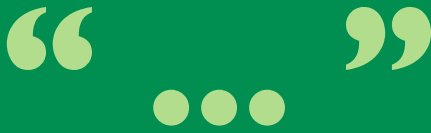
Such leadership remains pivotal to the movement of organisations from their traditional focus towards long-term sustainability. La Trobe and the GRLI share the belief that change in individual mindsets and institutional behaviour will foster responsible leadership and share the conviction that these leaders can implement models of sustainable development in the future. The result of this, for individuals and corporations, is the assumption of a responsible benchmark concerned with the common good. It is such actions that can cause a seismic shift in the perception of organisational culture towards sustainability.



La Trobe and the GRLI share the belief that change in individual mindsets and institutional behaviour will foster responsible leadership and share the conviction that these leaders can implement models of sustainable development in the future



image courtesy: photons.com



We use La Trobe's symbol "Generations. Sustainable Futures. Together", as a backdrop as these events will investigate the role leadership, policy, practice and innovation play in addressing the long-term viability of the economy, social order and the environment

### **Generations. Sustainable Futures. Together**

The 10<sup>th</sup> GRLI General Assembly and the Academic Symposium and Business Forum in Melbourne, Australia, hosted by La Trobe University, and involving a number of partner organisations including: the Office of the Commissioner for Environmental Sustainability, the State of Victoria, the Committee for Melbourne, the UN Global Compact local network, the National Australia Bank, Griffith Business School and Macquarie University, will bring together work from a range of disciplines to promote multi-disciplinary and multi-stakeholder perspectives on developing practical and policy solutions to improving social and environmental sustainability. We use La Trobe's symbol "Generations. Sustainable Futures. Together", as a backdrop as these events will investigate the role leadership, policy, practice and innovation play in addressing the long-term viability of the economy, social order and the environment.

As hosts La Trobe is ready to play its part in the implementation of cultural change. The introduction of new curriculum, leadership initiatives and the focus of education towards social responsibility all fulfil our commitment to create change at an institutional level. Now the challenge had been set, in partnership with the GRLI and other organisations for the movement of change to be realised on a global level. We must work together.

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#### **FURTHER INFORMATION**

[www.latrobe.edu.au/sustainability](http://www.latrobe.edu.au/sustainability)

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logo courtesy: La Trobe University

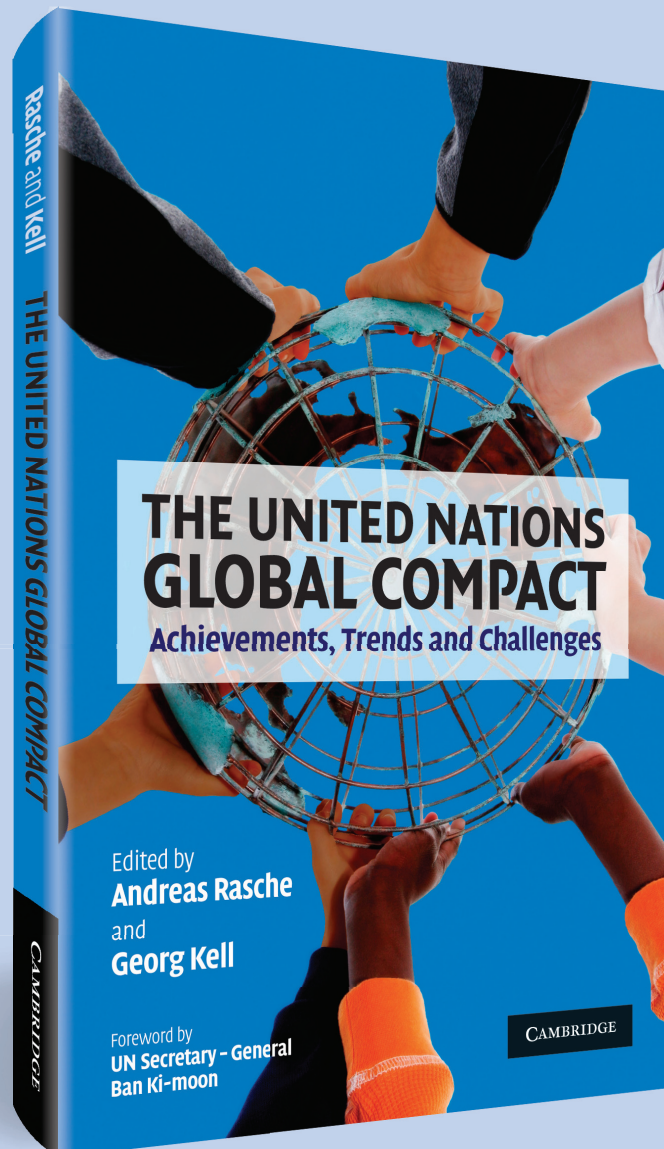
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Achievements, Trends and Challenges

Edited by **Andreas Rasche,**  
**Georg Kell**

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The recent and ongoing global financial crisis placed a magnifying glass on the business leadership responsible for steering our major corporations. In addition, there has been a call on business to help solve, as opposed to complicate, the challenges of sustainable development, again highlighting the need for developing the next generation of business leaders. The questions confronting business leadership and its role in a changing environment invariably turns to debates about the relevance, design and output of Business Schools, some of which are openly criticised by academics and business alike. It should not come as a surprise however that a question mark is being placed over the aims, methods and outcomes achieved by Business Schools seeing as their blueprint was conceived during the latter stages of the second industrial revolution and their motives and methods not beyond reproach. Some would argue that nothing less than drastic re-purposing and redesign will ensure that the Business School of the future regains its relevance and legitimacy.

Within the GRLI there is also a growing sense of urgency to reform Business Schools, and that a more revolutionary approach in doing so, or as some would argue a “metamorphoses” is needed. At the 8<sup>th</sup> GRLI General Assembly in 2009 in Bordeaux France, the need was formally registered to create “laboratories” where



# Educating the next generation of Business Leaders: Schools of Business for the 21<sup>st</sup> Century (SB21)

JOHN NORTH & DERICK DE JONGH

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**SB21 will only differentiate itself from the current blueprint of business school education if it delivers and activates a next generation of responsible business leaders. Such graduates will need to take a broader view of the role and responsibilities of business in shaping sustainable societies**

radically different ideas and approaches around Business School design and teaching could be tested, prototyped and even taken into “production.” The intention was to setup a positive constructive “space” for GRLI partners to develop and launch so-called “blue sky” initiatives. As these discussions progressed it became evident that the GRLI could start by developing a blueprint for Schools of Business in the 21<sup>st</sup> century, SB21 in short. SB21 would meet the demand from 21<sup>st</sup> century corporations for business leaders that will shape and serve a more sustainable and equitable society. The modes and methods of 20<sup>th</sup> century business school education had clearly reached its sell-by-date and a new blueprint would guide the design of 21<sup>st</sup> century business education.

A number of baseline assumptions regarding traditional mainstream business schools as well as future demands on business school models drive the initial work of SB21. These assumptions include:

- The principles of scientific management theory in the tradition of Frederick Taylor focus on the need for efficiency, mass production, a high growth economy, and short-term ROI for stockholders. The shortcomings of such theory are being revealed in today’s world of customisation, pursuit of effectiveness, no growth or negative growth, and the need for long-term value creation for multiple stakeholders and society.
- Traditional business schools delivers graduates with a narrow focus trained as specialists and functional managers who generally lack the knowledge, attitudes and belief systems to take a broader view of the responsibilities of business.
- Traditional business schools have also failed to accept their responsibility regarding the educational models that have developed a generation of MBAs at least partially responsible for the recent market failures.
- The crisis of climate change, a rapid decline of biodiversity and general lack of environmental sustainability will place increasing pressure on business leadership to help solve problems that would traditionally have been classified as “external” to business.
- There has been a failure on the side of business to account for externalities created by ‘business as usual’ in the cost of their operations or their pricing models.

• A new generation of business students are seeking alternative forms of education that include a focus on values and social good, not just economic ends. As work on SB21 progresses the core assumptions and limitations of the project will be re-visited regularly. Drawing up a blueprint for SB21 will require a fundamental challenge of all the ‘sacred cows’ of business education – no stone should be left unturned.

#### **Schools of Business Leadership for the 21st Century (SB21)**

Against this backdrop a small group of GRLI members met in Brussels during September 2010 to reflect on the role and shape of Business Schools in today’s world and to start envisioning what the business school of the future should look like. The participants recognised that their own modes of thinking are potentially products of the current dominant educational paradigm and that a radical departure from the current model will require review at every level and aspect of business school design. Four of the major elements of a Business School, namely Faculty, Pedagogy, Curriculum and Research were chosen for the first outline of the Schools of Business for the 21st century (SB21) project.

In its current form SB21 is an initiative built around the notion that future society and the corporation of the future in particular, will require and demand a “different type” of business leader, educated and developed by a “different type” of business school. Such a business leader will be equipped to deal with the clear and present challenges of equitable and sustainable development, which the current system of business school education is simply not designed or equipped to deliver.

The first iteration of SB21 will manifest as a working report and presentation outlining the vision of SB21, presenting working propositions under the four design elements, ultimately calling on all interested GRLI partners (corporate and educational) to contribute to this open design initiative.

#### **Leadership, Entrepreneurship and Statesmanship**

SB21 will only differentiate itself from the current blueprint of business school education if it delivers and

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The main ethical question for our time is to choose what kind of world we want to build together with the immense resources we have at our disposal. It will be imperative for the business school of the future to develop responsible leaders and not only efficient managers

activates a next generation of responsible business leaders. Such graduates will need to take a broader view of the role and responsibilities of business in shaping sustainable societies. To that end SB21 takes an approach to business education that goes beyond the development of management skill but rather to develop Responsible Leadership, Entrepreneurship for the common good and Statesmanship.

Leadership and responsible leadership specifically imply the grounding of actions in a system of values, which recognise societal interdependence and long-term sustainable development. If the firm wishes to lend meaning to its actions, if it wants to give a purpose to economic progress by aligning it to societal progress, ethics are essential to enlighten tough choices and guide behaviour. The main ethical question for our time is to choose what kind of world we want to build together with the immense resources we have at our disposal. It will be imperative for the business school of the future to develop responsible leaders and not only efficient managers.

Entrepreneurial actions are defined in terms of initiative, dynamism, and innovation. We have to come back to the core of entrepreneurial action, which is creativity in a *real* world of goods and services, as opposed to a logic of purely financial speculation. Whilst the primary purpose of the firm is to contribute to overall well-being through economic progress, shareholder value is but one of several measures of progress and performance. A revised concept of progress will allow us to identify the specific contribution that a firm makes to society – the function that it alone is capable of fulfilling, and that differentiates it from other organisations, such as government, unions, universities, NGOs and so on. This will also force us to take a more holistic perspective on what it means to act in an entrepreneurial way. One can therefore argue for entrepreneurial actions desired by the common good.

Corporate statesmanship is about the organisation as an active contributor to societal well-being and evolution. The responsible firm accepts an open debate whenever its actions can have major social consequences. New types of dialogue, which include representatives of civil

society, (such as NGOs, universities, religious organisations) and international institutions, need to be added to the discussion with social partners and governments. Such an approach must obviously go beyond the national framework. The responsible company pro-actively participates in preparing and implementing the necessary new global rules in collaboration with all stakeholders. This includes attentive listening and contributing to the public debate. It is in this sense that responsible leaders must develop a new capacity for statesmanship.

### The way forward

Currently a core group of GRLI members are contributing to the initial design principles that underpin the pedagogy, faculty, curriculum and research elements of SB21. In time more elements will be added and ideally many more voices will contribute to this initiative. The team actively working on SB21 at the moment includes:

- Core team: Derick de Jongh, Mark Drewell, Phillippe de Woot, Liliana Petrella, Tavis Jules and John North
- Research: Carol Adams
- Pedagogy: Dennis Hanno,
- Curriculum: John Mooney, Peggy Cunningham
- Faculty: Jose Pereyra, Mark Esposito
- Business Plan: Mathias Falkenstein

During the next GRLI Conference and General Assembly (Melbourne, 28 February to 4 March) a number of discussions and design sessions will be hosted where all interested parties are welcome to get actively involved in this project.

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# Courageous Conversations: A collection of interviews and reflections on responsible leadership by South African captains of industry

MICHAEL AVERY



During the last decade we have witnessed a deeply concerning proliferation of corporate scandals both locally and abroad ranging from Enron, Bre-X and BAE Systems to CorpCapital, Fidentia and food cartels, to name a few. Concurrently, the world is facing an unprecedented list of game-changing challenges that will force dramatic shifts in the status quo. Climate change, peak oil, a greater demand for social accountability and a worldwide struggle to stabilise the global economy are at the forefront of these challenges.

These challenges will stretch and strain the mettle of the men and women who are tasked with steering companies and societies through hitherto unseen territory. And at the centre of the discourse that revolves around these challenges is the issue of responsible leadership. What characteristics and tools will the leaders of the future need in their armoury to successfully navigate through the myriad problems facing our planet?

*Courageous Conversations*, a new book launched in November 2010 by the University of Pretoria's Faculty of Economic and Management Sciences, Centre for Responsible Leadership attempts to answer the question of what will be required of the South Africa's future corporate leaders.

The qualitative study of responsible leadership in South Africa has been crying out for a book that stitches together the disparate narratives of those men and women who have spent the better part of their lives in the corporate trenches and coal faces of the country's largest companies and distill those into areas of dissonance and convergence to better to understand leadership.

*Courageous Conversations* is the brainchild of Professor Derick de Jongh, who is Director in the Faculty's Centre for Responsible Leadership. He is as passionate about leadership, and the dynamic role it has to play in reshaping our society, as most of the

Pretoria citizenry are about their local sports teams, the Blue Bulls (rugby) and Mamelodi Sundowns (football).

De Jongh joined academic life fairly recently. Prior to joining academia, his 13-year banking career focused largely on human resource development and ultimately with a specialization in corporate strategy and strategic market positioning of the bank in the so-called emerging market.

His move to academia was spurred by a deep and personal realization that the private sector in South Africa was dismally failing in critically reflecting on the purpose of business and more specifically the role of business in society.

"The need for business leaders in South Africa to engage in the topic of responsible leadership is timely," explains De Jongh. "There is general consensus among leaders in business, governments and civil society that the world is experiencing a moral deficit. Furthermore, trust in leaders worldwide has declined significantly. As long ago as 2005 Harvard University found that more than 75 percent of Americans believe their leaders are out of touch with society and more than 70 percent believe America is facing a leadership crisis. Since then, the world has seen unprecedented corporate failures involving names, such as, Enron and Worldcom and, more recently, Lehman Brothers, AGI and General Motors Corporation. Most notably, the recent BP oil spill disaster in the Gulf of Mexico raised serious concerns among business leaders and increasingly from the "man on the street" who demands answers from the very leaders who, not so long ago, received international awards as good corporate citizens. Society has reached a turning point and business leaders are being asked to step up to the bar to defend their actions."

*Courageous Conversations* takes the form of 14 hour-long interviews with a select group of

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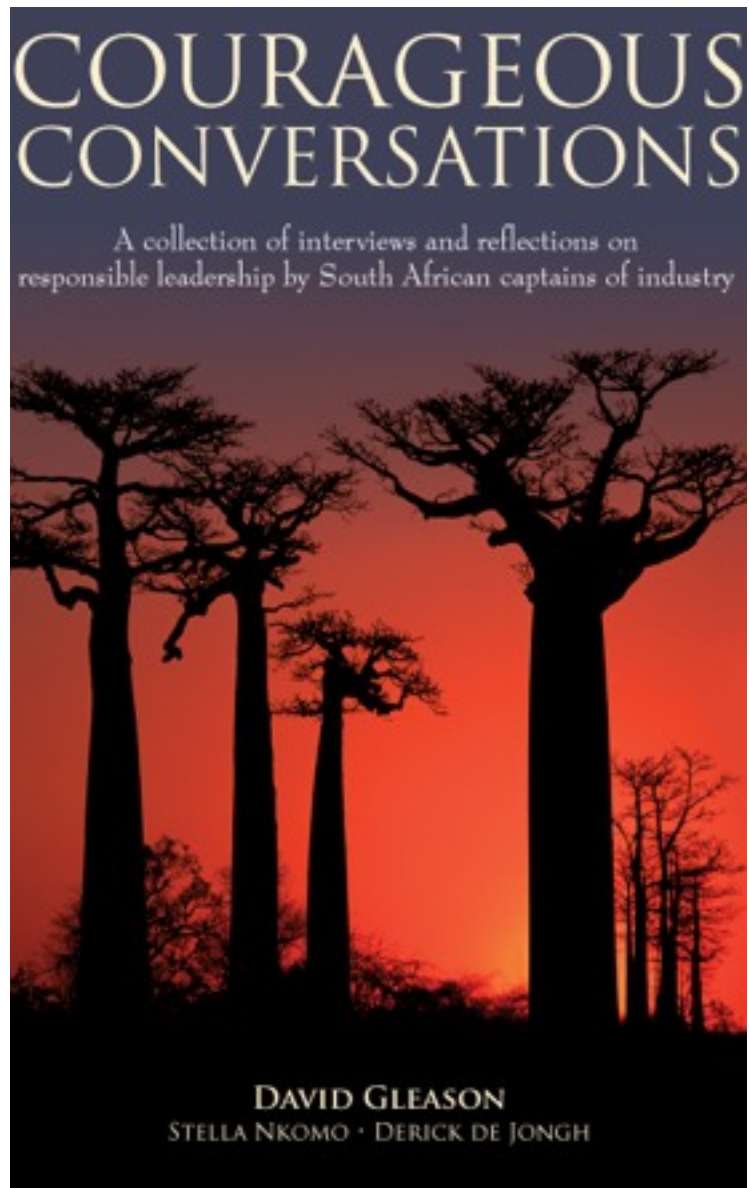
## *Courageous Conversations* takes the form of 14 hour-long interviews with a select group of current and former CEOs that reflect the South African Diasporas

current and former CEOs that reflect the South African Diasporas. The interviews were conducted by well-known financial journalist David Gleason, and it is clear from listening to the CD that accompanies the book that Gleason strikes a rapport with the candidates that allows for frank and often brutal examination of past successes and failures.

“The form of the interviews was essentially similar, though the questions and debate adopted a different format with each of the 14 guests,” says Gleason. “Each interview was then transcribed and the transcript was then subjected to subediting to provide an easily read document, though every effort was made to ensure that the essential message of each sentence was unchanged” according to Gleason.

Gleason further adds that “the interviews were then examined by me and by Professor Stella Nkomo. Working separately, we derived our personal assessments of the critical elements delivered by each guest. In my case, this is called *From my window*, and Stella Nkomo has titled hers *A scholarly reflection*. In order to ensure balance these essays were written blind, that is without any discussion between us, and we only saw what the other had determined as being essential, and why, when each chapter was completed.”

In looking back over the range of the interviews and the perspectives introduced by the 15 selected guests, it is hard not to be persuaded of the collective power of these individuals and the quite extraordinary contributions each makes to the life and wellbeing of South Africa. *Courageous Conversations* is a refreshing, honest and welcome contribution to the field of responsible leadership and must be read by all who have ambitions to achieve high office.




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# GIVING VOICE TO VALUES: An Innovative Approach to Values-Driven Leadership

MARY C. GENTILE



image courtesy: photos.com

The calls for more responsible leadership and a re-dedication to integrity and ethics in business practices have never been louder or more widespread than they are today. Corporate executives have been expressing this commitment and dedicated business educators have been labouring in this arena for decades. Yet, we still are greeted on a regular basis by monumental failures of monitoring, governance, risk management and personal integrity in the business domain. Sometimes our efforts begin to feel futile and we know from numerous studies that one of the greatest barriers to standing up for one's beliefs in the workplace is a sense of futility.

It was this particular marriage of the felt need for responsible leadership and the growing sense of futility experienced and expressed by business practitioners and graduate business students that led to the development of the *Giving Voice To Values* (GVV) approach to thinking and acting on our values. At its heart, this curriculum and pedagogy is simply a different way of thinking about business ethics and a shift in the questions we ask, in business education, in corporate training, and in our own decision-making.

The Aspen Institute was the incubator and, along with Yale School of Management, founding partner for the development and launch of *Giving Voice To Values*; it is now based at, and funded, by Babson College where it is well-suited to that school's emphasis upon action-orientation and innovation. The global aspiration and reach of GVV has been made possible by these institutions' commitment to contribute to the development of values-driven leadership well beyond their own halls and walls.

## From Voice to Values

Instead of focusing our time in business classrooms, corporate training programs or even personal

deliberation on the question – “What is the right thing to do?” – the GVV approach asks and helps to answer the questions – “What if I knew what I believed the right thing to do was in a particular business situation? How could I get it done? What could I say and do? How could I be effective?”

GVV is about building a moral competence that makes the ethical path appear less daunting and more feasible. It is this simple shift from “thou shalt not” to “can do!” that gives this approach its power and its appeal. The curriculum itself is built upon stories of actual business practitioners at all levels of the firm, from entry-level to C-suite, and based upon research from the fields of management, social psychology, cognitive sciences and ethics. The GVV approach is based on a set of explicitly named “Starting Assumptions” that appeal to that part of ourselves which would like to act on our values but feels doubt about whether we could be effective when we do. In this way, rather than working against our baser impulses, GVV advocates that we work with our most positive aspirations, borrowing energy and momentum from them.

Although the material itself – spanning several hundred pages of exercises, readings, case scenarios, and teaching plans – are available on line for free to educators at [www.GivingVoiceToValues.org](http://www.GivingVoiceToValues.org). What differentiate the GVV approaches and methods from others approaches out there are that they are built around five distinctive features:

1. **Action Orientation:** A focus on how a manager raises values-based issues in an effective manner — what he/she needs to do to be heard and how to correct an existing course of action when necessary.
2. **Positive Examples:** Emphasis upon analysis of times when people have found ways to voice and thereby implement their values in the workplace.



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GVV is about building a moral competence that makes the ethical path appear less daunting and more feasible. It is this simple shift from “thou shalt not” to “can do!” that gives this approach its power and its appeal

3. Self-Knowledge and Alignment with Values: The importance of self-assessment and a focus on individual strengths when looking for a way to align one’s individual sense of purpose and that of the organisation.
4. Pre-Scripting and Action Planning: Opportunities to construct and practice responses to frequently heard reasons and rationales for *not* acting on one’s values.
5. Peer Coaching: Practice in providing constructive peer feedback and coaching in crafting effective values-driven strategies.

This simple but powerful shift in focus has attracted a great deal of attention and experimentation. The GVV curriculum has been piloted in well over 100 reported institutions – business schools and organisations – on six continents to date, and there are many more unreported. The approach has been featured in *The Financial Times*, *Harvard Business Review* (twice), *Stanford Social Innovation Review*, *strategy+business*, *BizEd*, and many other outlets. Yale University Press has recently published *Giving Voice To Values: How To Speak Your Mind When You Know What’s Right*.

Increasingly faculty from around the world and from various functional areas (e.g. accounting, corporate governance, economics, etc.) are stepping up to collaborate with the GVV initiative to develop additional region-specific and function-specific materials. Faculty in India and China, for example, are developing GVV materials set in their countries and addressing culturally relevant questions. Faculty in Corporate Governance, Management, Economics, Accounting and so on are partnering to develop GVV materials that allow them to bring this work into the entire core curriculum – not just the ethics classes. It is one of the advantages of the GVV approach that the scripts and action plans developed must use the

language and the tools of the functional area in which the values conflict is situated, as opposed to the language of philosophy. This makes the material more appropriate for non-ethics faculty and corporate trainers to use and most importantly, more relevant for actual application in the workplace. Increasingly faculty are also conducting both qualitative and quantitative research to better understand and assess the impact of this approach to developing values-driven leaders.

Although most people want to bring their whole selves and their truest values to work, experience and research demonstrate that values conflicts will undoubtedly occur during the course of a person’s career — those times when what we believe and want to accomplish seems in opposition to the demands of clients, peers, bosses and/or our organizations. Focused on emerging leaders in the corporate sector, the GVV curriculum helps people build and practice the understanding and skills they need to recognize, speak and act on their values when these conflicts arise.

*Giving Voice to Values* holds the promise to transform the foundational assumptions upon which the teaching of business ethics is based, and importantly, to equip future business leaders to not only know what is right — but how to make it happen.

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#### FURTHER INFORMATION

[www.GivingVoiceToValues.org](http://www.GivingVoiceToValues.org)  
[www.GivingVoiceToValuesTheBook.com](http://www.GivingVoiceToValuesTheBook.com)

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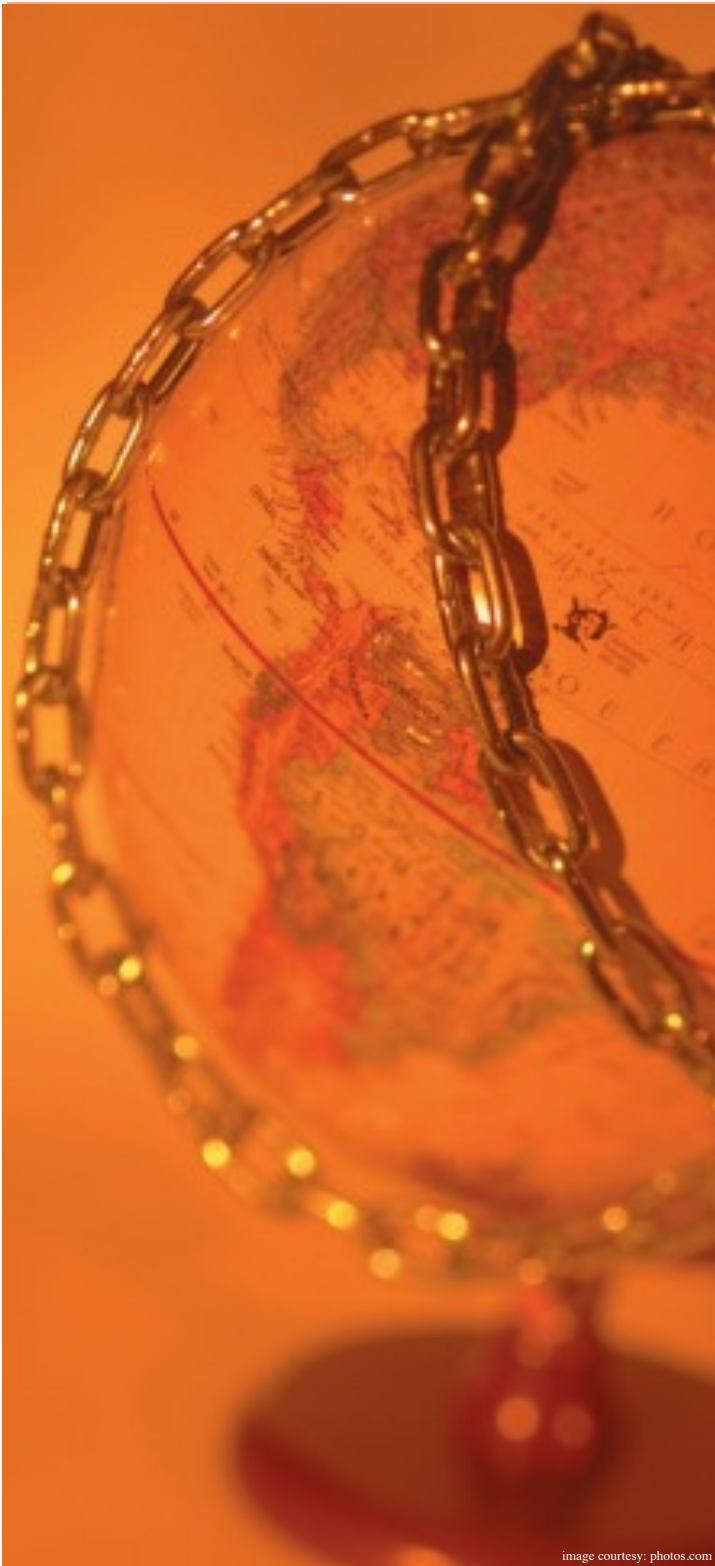


image courtesy: photos.com

In today's corporate environment a large number of companies are racing towards the highest possible marks on goodwill and Corporate Social Responsibility (CSR) initiatives with little attention being paid to the phenomenon outside of its commoditised boundary of philanthropic good behaviour. Newspapers are filled with notable initiatives tending to show a corporate world in action, ready to address the most challenging issues and proudly wearing a visible CSR hat.

In this regard, CSR has gone beyond the old philanthropy of the past. It has moved from a conceptual dimension towards embracing a much broader definition where significant donations towards good causes are transcended. Today, CSR has come to signify an enlarged role of the organisation (beyond seasonal tastes), to the proliferation of best working practices within the spectrum of the firm's activities.

Thus, these firms' engagement in their local communities – a sense of collective value versus individual value and capacity to stand for an evolved uniqueness (price strategy, employee relations, internal marketing) synthesised into communal, economic and environmental dimensions. Professors Michael Porter and Claas van der Linde<sup>1</sup> identified this concept 15 years ago, when they presented the idea of the “green and competitive,” which was then transformed, thanks to some diligent smart adjustments, to the concept of the “Green Company.”

Today, CSR has become the new strategy on how the science of risk taking and risk managing converges into a new paradigm of maximization of benefits (namely economic, social and environmental) while preserving an aggressive minimization of the risks.<sup>2</sup> But are we really seeing this?

While the above shift in thinking and acting may be considered a given, the fundamental idea behind and around CSR is related to the assumption or thesis that business entities have an obligation to work for social betterment<sup>3</sup> while Wood's work (1991)<sup>4</sup> concentrates on the fact that that “business and society are interwoven rather than distinct entities.” Therefore, just as organisations are expected to behave in certain ways, so too societies at large have clear and sound expectation for appropriate business conduct and outcomes. This

# Corporate Social Responsibility: Isn't it an Environmental Paradox?

MARK ESPOSITO

concept of “interwoven” entities should serve the dialogue regarding to the role of the environment in the corporate agendas of today’s enterprises. To the extent we believe the environment is an externality (irrespective of whether we call it resource or issue), we will look at the interaction with this latter concept from a strategic, rather than an organic perspective.

Indeed, the separation among the various entities inhibits, the “operationalisation” and/or concretisation of any CSR principles, which still remain largely hypothetical and unrelated to more observable fieldwork on how organisations implement these principles into their practical *modus operandi*.

So can we close this gap and finally move into a true action plan, where environment, society and economics do exist and co-exist out of the same originating paradigm and breath the same air – almost as if they are Siamese twins? To find a first attempt to close this incongruity of ‘thought’ versus ‘action,’ we need to look more closely to Davis’s (1973)<sup>5</sup> original ideas of corporate responsibilities that were timidly announced a few years before Archie Carroll drew the CSR map creating today’s core ideals about CSR.

Davis (1973) mentions that “it is the firm's obligation to evaluate in its decision-making processes the effects of its decisions on the external social system in a manner that will accomplish social benefits along with the traditional economic gains which the firm seeks”(pp. 312-313).

Thus, a quite progressive statement is produced during that period, identifying both the concepts of Business and Society as part of a relational sphere, common to both terms. This can be considered as the first prototype in the history of the literature on “*Business IN Society*”, as we commonly refer to it, nowadays.

This implication may also be, one of the reason why the Copenhagen Climate Conference in 2009 did not foster the results we were all hoping to see, since the summit was about the identification of a legal framework of reference, rather than an actual framework of reference causing the results to be scarce. The complexity of providing a clear and given definition of CSR is also where the level of confusion expands to a level of inaction. The creation of a multitude of definitions,

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**Today, CSR has become the new strategy on how the science of risk taking and risk managing converges into a new paradigm of maximization of benefits**

evidences, approaches and methodologies have expanded the acceptance of the need for CSR while diluting the efficacy and consistency of its definitional power. Definitions vary drastically, from CSR being about the capacity to build for sustainable livelihoods; to those who see the harmonisation of cultural differences as its true message; to the creation of new business opportunities through the utilisation of better qualified and educated employees; to the establishment of a healthy relationship between companies and government; to the conversion of the societal input, aimed at placing the corporate output back into society. This maze of definitions is perhaps the root cause of our inability to really move forward. Organisations and societies spend their time agreeing on concepts, which then become labels, which will then become products, which will then become reports, audits, indexes, which will create a categorisation of a given activity within specifics. We cheat ourselves when we call it “quality assurance.” Our societies should spend more time developing the relationship with the various components of our “living” systems, which comprise under the same value chains, humans, society and environment as part of one and only one composite.

The creation of Corporate Social Responsibility as a programmatic agenda has unfortunately generated, in many cases, a sense of immobilization, which equals irresponsibility of action.

Our need to move further and to aspire to those indicators of higher social performance, community capital and poverty reduction, is the first attempt to truly establish a working relationship with the environment. The sooner we will be able to look at the sustainability of humans, from a positive integrated mission and perspective the sooner we will be able to give our planet that attention that is needed to create a real difference versus the “media eventful” difference we still put forward today.

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# Searching for Indicators of Globally Responsible Leadership

JOHN ALEXANDER





The concept of globally responsible leadership (GRL), while relatively new, has flourished in recent years. In essence, GRL is what leaders and their organisations need to be thinking and doing on behalf of a more just, ethical, and sustainable world—even as these leaders must also promote the narrower mission, values, and economic well-being of their own organisations. Efforts have been made in recent years to operationalize this admittedly lofty and vague definition. In its Call for Engagement, for example, the Globally Responsible Leadership Initiative (GRLI) outlined eight guiding principles that are highly correlated with GRL: Fairness, Freedom, Honesty, Humanity, Responsibility and Solidarity, Sustainable Development, Tolerance, and Transparency. Professor Thomas Maak, among others, has advanced similar concepts in association with GRL. While these principles are very useful in defining the framework for considering GRL, they do not tell us what truly globally responsible leaders (and their teams and organisations) would actually be thinking, saying, and doing if they reached this perfect state – or even approximated it. In other words, what should be the indicators of GRL? What would we look for in such a situation, and how would we know GRL is really being enacted on a daily basis? How would we measure progress?

Considering the abstract, almost utopian terms typically associated with GRL, such an assignment seems daunting. Add to it the fact that few if any leaders and organisations today are actually behaving in this manner; that live examples are few and far between; and that GRL will likely be interpreted differently in different industries, societies, and cultures; and the task becomes even more difficult. Nonetheless, a working group within GRLI recently began such a journey. Because without tangible indicators of what GRL would look like – even if we're talking five or ten years from now – then we will lack a road map of how to find evidence of GRL, much less of how to get there. After all, pursuit of GRL is itself a journey. With very few exceptions, no leader or organisation has arrived at this higher developmental stage. Yet the arguments for striving to get there are both compelling and urgent.

The GRLI working group on indicators first met at the June 2010 GRLI General Assembly at Babson College in Boston. As might be expected from such a diverse group of academics and business practitioners, a list of 20+ different

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**Honesty, or integrity, or ethical behaviour is at the core of being globally responsible. If a leader does not act with integrity in his or her thinking and decision-making – does not try, in essence, to do the right thing every time – then all the other qualities on the list fall by the wayside**

indicators was generated. The items on this list drew from the original eight principles, but also expanded on them. In time, the group was able to boil down the original list to only six potential indicators.

In fact, some members of the working group resisted the notion of even having a list (or at least publishing one), since such lists can be perfunctory and can actually defer the hard work of defining what it is we're really talking about – especially in light of differences of culture, society, industry sector, and individual and organisational readiness to entertain the concepts being discussed.

However, it is instructive to consider how one might go about creating an indicator of GRL that is useful and measurable. What would be the steps one would go through? Let's take one GRL indicator that is likely to show up at the top of any list – honesty. Honesty, or integrity, or ethical behaviour is at the core of being globally responsible. If a leader does not act with integrity in his or her thinking and decision-making – does not try, in essence, to do the right thing every time – then all the other qualities on the list fall by the wayside. Why? Because without integrity, a leader ultimately cannot lead. He or she will lose the trust of followers and stakeholders, and without that trust (unless we're talking of a dictator) the leader is totally discredited.

So now let's explore what indicators of integrity might look like in the context of not just leadership, but globally responsible leadership. For when we talk of globally responsible leadership, we're talking of a higher order of leadership – leadership that takes into account all the various stakeholders of the firm on a highly visible, fast-changing global stage, and with even less room for error than ordinary leadership. Starting with the individual leader, here are three of these more sophisticated sub-indicators we might look for:

- Evidence that the leader has thought deeply on this subject. That is, he or she has spent time reflecting upon his or her own values, the values of the firm or organisation, and the ethical choices presented to them by diverse stakeholders and by the needs of the larger society of which they are part. This need for

systemic, holistic, values-based thinking on the leader's part is critical and is likely to be repeated throughout all of the various indicators of GRL. If a leader is not fully aware of his or her own moral compass, the opportunities for ethical missteps are greatly magnified. In addition, the leader should have contemplated the extent to which his or her own deeply-held values are aligned with the values of the organisation, the stakeholders, and the society – and the consequences if those values are misaligned.

- Evidence that the leader has consulted with a wide variety of stakeholders and communicated to them his perspective on difficult ethical decisions. By consulting openly with others, the leader builds in checks on his or her own moral compass while gaining valuable perspectives. By communicating her perspective, the leader broadcasts the rationale for her decision and thereby builds trust and support. This procedure does not guarantee that the leader's decision is ethically sound or uncontroversial. But at least the consumers of the decision and other interested stakeholders will have a deeper understanding of why the leader has made their choice and will show respect for it.
- Evidence that the leader has demonstrated moral courage in making decisions. Leaders make countless decisions every day. Most of them are technical or noncontroversial in nature. However, leadership's true test comes when a decision must be made not between right and wrong, but right and right – and when vocal constituencies are advocating all sides of the debate. These decisions are the hardest, and the ones where the leader's examined values play out in real time, often on a large, public stage. An example of such a decision is when the leader is required to sacrifice short-term gain, such as immediate profit or market share, for long-term growth, such as investment in innovation or hiring or environmental protection. There is no easy answer, no ideal solution. Moral courage

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None of these measures is easy or inexpensive in terms of time or financial resources. But becoming a globally responsible leader – like becoming a global leader before it – is a developmental process requiring commitments of time, energy and resources

occurs when a leader faces such a decision and – after appropriate consultation, deliberation, and communication – makes a choice that may anger a key constituency, create internal disruption, or require extraordinary effort to implement. Moral courage is also demonstrated when, as inevitably happens, the leader makes a mistake, must own up to it, and shows how he or she has learned from it and will avoid making the same mistake in the future.

These three sub-indicators of leading with integrity may seem straightforward. But they are enormously difficult to practice in real time and consistently over time.

Global leaders are under tremendous pressure to make decisions hurriedly, in private, and with only parochial, short-term interests in mind. Yet, if they are to think and act with integrity in a globally responsible way, they must take many more factors into account. They must seek to resolve dilemmas with diverse stakeholders such that none of the most important factors are neglected. And integrity is one of only several key indicators of globally responsible leadership; there are more, and they overlap and interact with one another to add to the complexity of the task.

One question begged in this short analysis is this: Even if we thought a globally responsible leader could be provisionally identified, what tools would we need to do to verify, as objectively as possible, that these qualities existed in this person? Mere opinion or hearsay will not do. Again, there are multiple ways to approach this question. One obvious tactic would be to interview the leader and gather information about her. But then we would be relying only on the leader's self-opinion, which can be skewed. Another, more difficult approach would be for a skilled, outside consultant to observe the leader in a variety of situations over time, using a checklist of some of the qualities and behaviours outlined earlier in this article. The concept of the ombudsman used in some industries – for example, in the role of government watchdogs in the U.S. and Europe – comes to mind and could be adapted to this purpose. Yet, another tactic would be to use a combination of stakeholder surveys and interviews to evaluate how they think the leader is doing. For example, the Center for Creative Leadership

has developed an employee survey to determine how well an organisation is living up to the principles and promises of globally responsible leadership, including a section on “ethical actions.”

None of these measures is easy or inexpensive in terms of time or financial resources. But becoming a globally responsible leader – like becoming a global leader before it – is a developmental process requiring commitments of time, energy and resources. Among the other questions begged in this article is what it means for an organisation, and not just its leader or leaders, to act in a globally responsible manner. But in order for an organisation to behave this way consistently, the leader or leaders must be showing the way and making it happen. One of the most consistent characteristics of organisations that have put these issues front and center is the hands-on involvement of top management. Without that commitment, most such efforts are bound to fall short.

Over the next several months, the GR LI working group will continue its deliberations. Its goal is not only to identify those indicators it believes are most closely correlated with GRL – going beyond creation of another “list” – but also to outline a process that a leader (and eventually his or her organisation) can use as a guide to bring those indicators to life and enact them in meaningful, impactful ways.

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# *The Whole Person Learning Manual*

By

**BRYCE TAYLOR**

*Whole person learning sees the human being as existing in a network of relationships, interconnecting arrangements and interdependent systems. We are born incomplete and unfinished. The human individual is unique and unrepeatable. I need you to become me. I need you to become you in order for me to also become me. We need each other to become more than we currently are. Persons are persons only in so far as they are persons in relationship.*

*Now available online from GRLI Press at*

*<http://www.grli.org/wpl>*

# CSR 'Fatigue' and China's Performance

Henri-Claude de Bettignies

China, recently ranked as the second largest economy in the world, is legitimately proud. In the late 1970s, China was still an under-developed country devastated by a turbulent century that included a Cultural Revolution (1966—1976) and having to feed over 1.2 billion poor people. Today, China is coming close to recovering the might it had 300 years ago as the leading economy in the world. In Europe, China's stunning recovery – with a growth rate of over 9 percent for the past three decades – seems to have nurtured more fear than understanding and more skeptical assessment and criticisms than admiration. However, at a time when we are searching for ways to cope with the human drama of the rich-poor gap between nations, China's renaissance, this lifting from poverty of over 300 million people in 30 years, should be acknowledged. And we should be keen to discover the lessons it could teach us. No other country in history has ever been confronted by such a formidable challenge: Managing 1.3 billion people, with such diversity, across such large territory.

The quick growth, the obvious developmental progress (particularly in the coastal cities), has unavoidably generated a number of the same negative externalities that Europe and the U.S.A experienced during the early phases of their industrialization. Whether they are manifested in terms of environmental deterioration (e.g. pollution and resource shortages), economic inefficiency (e.g. transparency and bribery), workers' protection (e.g. mining accidents and migrant workers' conditions), income gap (regionally or urban-rural), intellectual property (e.g. piracy and fake goods), product safety (e.g. milk and pharmaceutical products),



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and issues arising from human rights, the government has defined its priorities while being fully aware of these negative externalities. Yet China is actively committed to searching for pragmatic remedies and solutions. Who could pretend to give lessons to leaders of a country confronted simultaneously by so many formidable challenges? Who is unable to see the fast dynamics of the “transition,” of the transformation already achieved?

Observing the Chinese reality through Western eyes gives us a very mixed picture of the developmental achievements to date. There are many examples, which illustrate that responsibility in the Chinese context is in short supply within the administration (corruption), in enterprises (taking shortcuts in terms of workers’ protection or the environment) and in the media. In fact, the heavy hand of the government realises that a flurry of regulations – though necessary to progressively develop the rule of law and a level playing field – will be insufficient to solve the many problems it faces. It needs the cooperation of business and the support of the emerging civil society. Legislation and regulations are of little effectiveness if – far from Beijing – they are not implemented.

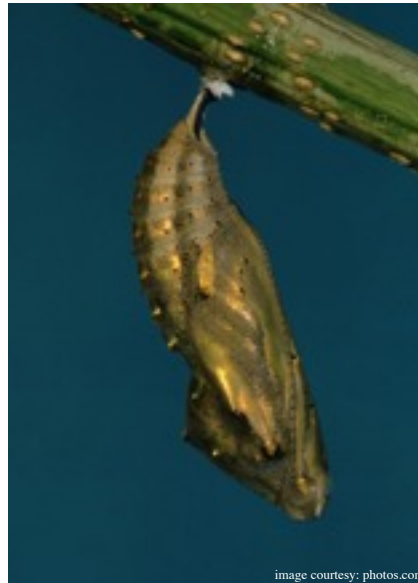


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The promotion of the “responsibility” dimension in China is embodied in the concept of “the harmonious society,” a government slogan that articulates a new way of defining development to alleviate some of its negative externalities and elicit support from the emerging civil society. In fact, Corporate Social Responsibility (CSR), a concept introduced in China in the late 1990s, has been promoted through a number of forums, conferences, symposiums and workshops over the last few years, to the point where today we hear of “CSR fatigue.” The state-owned enterprises (SOEs) have taken the lead in implementing a CSR approach – under strong regulatory pressure from SASAC<sup>1</sup> – while MOFCOM<sup>2</sup> and other government agencies put pressure on private corporations (and the few MNCs that are laggards). However, as we observe worldwide, government regulations are often insufficient to induce change in corporate behaviour, as the law is not effectively and systematically applied – and has loopholes. Meanwhile, the corporate creativity to stretch it, or go around it, seems to be limitless. *Voluntary* corporate participation is necessary, and we can observe – along with the progressive use of codes of conduct (often eliciting skepticism in their application) – the slowly growing participation of SOEs in the United Nations Global Compact (218 members in China in 2010). SOEs are also increasingly participating in other voluntary organisations, such as, The Caux Roundtable,<sup>3</sup> even if it often remains

more a public relations effort than a genuine commitment embedded in the corporate culture in order to live through these Principles. The visible Chinese curiosity, now encouraged by the government, for ISO 26000 is also positive and a good symptom of the attitude change toward international norms.

While the SOEs, under the government’s direction, demonstrate their willingness to call on CSR to enhance their image, small and medium size enterprises (SME) are, as in many European countries, more reluctant to take the CSR road. CSR is often misunderstood in China, particularly by SMEs, and is perceived primarily as corporate philanthropy and we hear arguments such as: “It is just a fashion, a gimmick;” “It does not pay, but costs a lot;” “Good only for big companies, but I am small and the competition is so strong, I can’t afford it;” “My competitors do not give a damn about CSR, why should I shoot myself in the foot.” If CSR still elicits skepticism it is often because of a lack of understanding of a stakeholder approach, a lack of internalisation of the responsibility dimension, a lack of awareness of the contribution CSR can make to competitiveness and reputation, and brand building to provide competitive advantage.

Chinese companies will have no choice but to enhance their commitment to responsible competitiveness, as



pressure will grow. The concerns for CSR will increase for a variety of reasons besides the regulatory pressures and the government agencies' requests for compliance. For instance, large Chinese companies will learn through their international operations – from examples given by “some” MNCs in China, from monitoring by NGOs, from the additional transparency required by foreign partners or foreign clients (along the supply chain), and from public criticism in cases of accidents attributed to obvious lack of responsibility. As CSR initiatives start from the top, and as the top-down approach is more embedded in Chinese enterprises, any attempt to embed CSR into Chinese's corporate culture will have to come from business leaders, “responsible” business leaders, more than from bottom-up whistle blowers.

In such situations, business schools will have a critical role to play. As they groom future generations of leaders (in their MBA programmes), as they train middle managers (in executive education), and as they try to enlighten top executives (in their CEOs and in top executives programmes) they have a significant contribution to make in developing a mindset conducive to responsibility – including “social responsibility.” Through their research programmes – by funding projects aimed at better understanding the obstacles to the development of CSR in China and facilitating factors that could be leveraged to

enhance awareness of the strategic dimension of social responsibility – they will play the useful role that society expects of them.<sup>4</sup> In China, where the powerful hand of the government tries to control the hand of a dynamic market, entrepreneurs and business leaders are tempted to buyout the former (the government) to more freely grab opportunities of the latter (the dynamic market). If, through their research and teaching, business schools in China are able to develop a leader's mindset that integrates responsibility as the lens through which the environment, the society, and governance (ESG) are perceived and decisions made, then they would have fulfilled their role – not only for the benefit of China but also for the whole world. Indeed, Chinese leaders' behaviour will have an impact far beyond their country – increasingly so, as China's interdependence with the rest of the world is bound to grow

significantly. The sustainability of the Chinese performance will also be linked to the responsibility of corporate and individual behaviour outside the country. The “sustainability” objective – and survival necessity – will become a dependent variable, conditioned by responsibility beyond borders of geography and time. The road will be long, but the visible change is in the right direction.

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# What does Globally Responsible Leadership mean to me?

Christina Trott

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There has been a big green wave washing over most of the corporations worldwide. Everyone wants to be sustainable, green or even blue. Is this a trend or just a gimmick? NO! It is an urgent need! The fact is that we currently have an unequal distribution of resources on our planet, which leads to a lot of problems and challenges for all humans. Currently, 20 percent of the world's population, the majority of whom lives in the richest countries, consumes 86 percent of the planet's resources. Why are people still starving when we have enough food for everyone in this world? What causes and could prevent economic crisis? What are the implications of these and other issues on humankind? What are the responsibilities of big corporations, business leaders, employees, and every one of us? These are but a few questions that are important to me as a student, employee, daughter, friend – or simply as a human being.

Sometimes these questions lead to a depression and I suddenly feel small. But, I am convinced that there are ways to come into action and take responsibility as a globally responsible leader. In my opinion, a globally responsible leader does not have to work for an international company in a leadership position. Every one of us is a globally responsible leader and has responsibility for or to something.

Below, I will further expand on the role of a globally responsible leader (GRL) and what globally responsible leadership means to me. First, I present my own definition of globally responsible leadership. Second, I specify the different elements included in my definition by considering the impact of this definition upon society and on our planet. Finally, I conclude with an example of how I try to take action as a globally responsible leader in my life.

The Globally Responsible Leadership Initiative (GRLI) defines responsible leadership as being “based on a fundamental understanding of the interconnectedness of the world and recognition of the need for economic and societal and environmental advancement. It also requires the vision and courage to place decision making and management practice in a global context.”<sup>3</sup> Subsequently, after careful reflection, I found my own definition of what it means to be a globally responsible leader in Spring 2009. At this time I was an intern in the China branch office of Daimler Corporate Academy in Beijing. My supervisor, Mr. Uwe Steinwender, the Daimler representative to GRLI, based at the Daimler headquarters in Germany, was asking all his employees about their understanding of GRL. I define globally responsible leadership as a holistic approach to operate in an economically, socially and environmentally sustainable manner whilst

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I define globally responsible leadership as a holistic approach to operate in an economically, socially and environmentally sustainable manner whilst balancing the interests of diverse stakeholders and taking active responsibility as a global leader



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balancing the interests of diverse stakeholders and taking active responsibility as a global leader.

### Holistic approach

A holistic approach means to me that we do not only use our mental intelligence (IQ), but also access our emotional (EQ) and spiritual intelligence (SQ). This concept is based on the Lassalle-Institute-Model,<sup>4</sup> which provides an integral framework for the practice of daily leadership. The model consists of three modules divided into three specific parts, which are all related to each other: (a) the three forms of intelligence, (b) three models of being and (c) three levels of acting.

Mental intelligence is what we probably use most of the time and what most likely causes the majority of problems we face today. We are conditioned through our family, society and education system from early childhood to behave in specific ways that are supposed to be appropriate for a specific situation. The problem is we usually unconsciously believe that our behaviour within this framework is right. This perception could lead to a deficit of self-reflection. But the ability to reflect



consciously by ourselves differentiates us from other creatures and is an essential ability of human kind. Emotional intelligence means the ability to be in relationship with oneself and with others. Spiritual intelligence is the consciousness about the interconnectedness of everything and the ability to be aware of the unity among the diversity of being. According to Lynton humans also poses Cultural Intelligence (CQ). CQ concerns the ability to feel one's way into another context without judging too quickly. Curiosity and openness are the major components for CQ.<sup>5</sup> While using all forms of our intelligences I am convinced that we can be more effective in dealing with global leadership issues. Every one of us is well prepared with all the different forms of intelligence. The only thing is that we often feel forced to act like someone we ought to be. To overcome this driving force we need courage to leave our comfort zone to be what we really are.

#### Interests of diverse stakeholders: Economic, social and environmental sustainability

While leaving our comfort zone we also broaden our consciousness about the world's challenges and our impact on different levels – the micro- level, meso-level and macro-level. These different levels include economic, social and environment aspects, which we have to take into consideration to create a sustainable world for future generations. Sustainability not only refers to the environment, but also embraces the legal, financial, economic, industrial, social and behavioural aspects. Therefore, we are facing highly complex challenges. The International Institute for Sustainable Development provides a variation of the Brundtland definition stating that “for the business enterprise, sustainable development means adopting business strategies and activities that meet the needs of the enterprise

and its stakeholders today while protecting, sustaining and enhancing the human and natural resources that will be needed in the future.”<sup>6</sup>

As Giselle Weybrecht argues the world's problems are also those of businesses since environmental, economic and social issues affects the way business operates as well as its employees, communities of operations, consumers, the sources of their materials.<sup>7</sup> In the business context, it means that we should aim at sustainable development at all levels. Since we are responsible for ourselves at the micro-level, we can take responsibility while putting ethics at the centre of our thoughts, words and deeds.<sup>8</sup> Acting on the meso-level means leaders are aware that their interaction with others will influence them. On a macro-level a business leader has the consciousness about the self-organizing mechanisms of different systems, e.g. humanity and globalization.



### Balancing the interests of diverse stakeholders is not contrary to shareholder value, but is a part of it

Balancing the interests of diverse stakeholders is not contrary to shareholder value, but is a part of it. It is not about either or, but more about as well as. For business it means that it is not only about generating profit, but also about

creating the appropriate balance and interaction between social equity (people), environment protection (planet) and Economic Development (profit). Therefore, the “main goal of business is to develop new and innovative goods and services that generate economic growth while delivering important benefits to society.”<sup>9</sup>

#### Actively taking responsibility as a global leader

Everyone can be a globally responsible leader since we are all equipped with everything that we need. The challenge is how to come into action and have an impact as a globally responsible leader on all three levels. At the micro-level a globally responsible leader can start with oneself, can be a role model for others while living in a self-defined sustainable way. The definition depends on every individual and needs self-reflection, open-mindedness, inspiration, courage and time. Furthermore, it is a journey to become a globally responsible leader and not a final destination. I want to share with you how I am trying to become a more a globally responsible leader. Hence, I strive to...

1. ... avoid comparing myself and my life to others.
2. ... avoid negative thoughts of things I cannot control. Instead, I can influence the present moment.
3. ... be clear about my personal values and try to integrate them in my life.
4. ... be an active player instead of a passive victim.
5. ... take unconditional responsibility for my behaviour and the choices I make.

The last two points above are very important to me. As Fred Kofman's concept of “Conscious Business”<sup>10</sup> notes, I cannot be not responsible. Even if I ignore to respond, it is a response for which I should take accountability. Therefore, everyone has the ability to respond, but for sure it is easier to be the passive



victim instead of making active choices.

One of the important leadership challenges in my business environment at the meso-level is transforming business education in order to give corporate global responsibility the centrality it deserves.<sup>11</sup> With the enlarged consciousness of what is needed today and in the future, globally responsible leaders will have the power to transform business education and therefore influence the development of a next generation of globally responsible (business) leaders. The transformation of business education can be considered from different perspectives. One is a transformation of the conceptual level in cooperation with business schools and institutions, corporations, non-profit organisations. The other

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As a globally responsible leader we can encourage others to understand differences and appreciate the diversity within the unit

perspective is on an individual, behavioural level. That means that hierarchies need to be considered in a way that younger and older generations, women and men, different nationalities, will mutually learn from each

other in dialogues. As a globally responsible leader we can encourage others to understand differences and appreciate the diversity within the unity. My approach is that I try to...

6. ... listen carefully to others, even to the unspoken words and observe without judging
7. ... give something good to others every day, e.g., a smile or a friendly word.
8. ... spend time with different people of different ages, nationalities, social background, etc.
9. ... learn from others, lead and be led by others depending on the situation.
10. ... avoid the words *must*, *have to* and even *should*, because I want to encourage others to make their own choices.

Taking the perspective on the macro-level, globally responsible leaders are aware of their impact on the whole system, the planet earth, as part of humanity, which I personally consider an organism. It indicates that globally responsible leaders consider themselves as global citizens without only thinking in terms of national borders. It does not mean we have to travel around the world to become a global citizen. It is a question of choice. We often live in the illusion of separateness, but as a global citizen we are aware of the interconnectedness of everything. This can, for example, be achieved through ...

11. ... treating others always the way you want to be treated.
12. ... economising your usage of resources and trying to reflect what you really need.
13. ... trying to live consciously and see the similarities with others, no matter where you are.
14. ... being courageous and integrating your emotional, spiritual and cultural intelligences.

15. ... trying different forms of meditation, e.g., Zen meditation.

All the above-mentioned proposals are not necessarily guidelines or requirements to become a globally responsible leader. They are just the personal principles I try to follow, even if it is not always easy to apply. But it is probably a life-long journey, not a final destination, and everyone can at least start with oneself.

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# What does it mean to be a responsible manager?

Zenaida Pereira

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As a leader in our world today, the most important attribute we need is the courage to take on responsibility. We can be given accountability, we can be given authority but we cannot be given responsibility. It should be dependent on what we do and how we perform rather than as a given power. Leadership is the ability to change the future and bring hope. For Mahatma Gandhi, to be able to take charge and create a path we should remember that success should not be at a very high cost but should be humane.

Responsibility is the ability or authority to act or decide on one's own. This occurs at various levels. We can act or take up responsibility at an individual level, whereby we are aware and accountable for our own actions. This is the base from which the same mentality can be taken forward to a team, group and then across organisations. It is best illustrated through the quote, "for the nation's rise and fall every citizen has a responsibility."



image courtesy: [www.pastmuncher.co.uk](http://www.pastmuncher.co.uk)

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**In brief, responsible leadership will mean that those in a position of authority will have to take interest in the well-being of the group rather than themselves**

The current scenario in the world, however, seems to be contrary to the above ideal and goal. As Mahatma Gandhi noted “there is enough water for human need but not for human greed.” As a responsible manager in the world today, one needs to make tough calls and not succumb to the greed and apathy enveloping us. The problems we face are manifested in the various headlines we read in the papers daily. Every day, articles appear that clearly illustrate the magnitude of our impact on the world around us – be it the financial crisis that affected millions around the world, the war on terror and its repercussions or even the humanitarian and health issues that frequent our lives. The stark reality is that everyone’s lives are greatly affected by the consequences of human greed.

An important aspect for me personally is the problem of climate change. The resultant effects are creating havoc and disrupting human lives. With the potential of further chaos and destruction looming ahead, climate change has become perhaps the single most important and complex international issue. This year I was honoured to receive the GRLI Scholarship to study in the IESEG International Summer Academy 2010 at the IESEG School of Management, Paris – La Défense. The summer academy, represented by students from nations worldwide, gave me a firsthand experience of many international cultures and beliefs. The interactions with my peers gave me an insight about the various thought processes in various nations. These insights supported my assumption that the awareness of global warming worldwide is quite high, but we as individuals are still quite indifferent to it.

A huge gap exists between awareness and action, and the need of the hour is to bridge the gap between the two. Human influence is the main cause of global warming, through neglect on the parts of governments, businesses and mankind. Most of us have become selfish and have been absorbed by our own greed. We hardly ever bother about the repercussions of our actions. In the quest for development we continue to destroy life around us.



We the youth of today have to take responsible actions to secure our future. It took more than 20 years to broadly accept that mankind is causing climate change through the emission of carbon dioxide (CO<sub>2</sub>). In light of this, it is not surprising that discussion about potential solutions to fight global warming concentrate on technical measures instead of a fundamental change of our attitude to life in general and to the environment in particular. St Francis of Assisi states we should “start by doing what is necessary, then what is possible and suddenly you are doing the impossible.” It is high time that we act and implement some measures to curb the menace. We have already lost a significant amount of time, and by the time the authorities create formal processes it may be too late.

A common misconception is that individual efforts do not count. On the contrary, an individual’s smart choices can make a significant impact on global climate change. I have initiated a beginning at the individual level by becoming more conscious of my actions and taking several easy steps to play my part, thereby setting an example for others around me to follow.

Steps such as “Reduce Reuse Recycle” are the easiest ways to combat global warming. For example, recycling paper will use old paper to make new paper and uses 30 to 50 percent less energy than making new paper from trees. Pollution is also reduced by 95 percent when used paper is made into new sheets plus it saves a number of trees. Choosing public transport or carpooling over personal vehicle usage, reducing energy consumption, opting for environmentally friendly or biodegradable products are simple ways and means of personal contribution. I would like to encourage people to calculate their carbon footprints and find out where and how they may reduce it. Once a problem is defined, the solutions can more easily be found. Today people are being bombarded by information about climate change from various media. They have become cynical and jaded and have every right to be, the carbon footprint calculation gives them the objectivity to understand their individual contribution it will help provide achievable targets and thus bring about a change.

Working towards minimizing and solving global warming will not only preserve the planet but would also help us as individuals to lead a more sustainable life. Dealing with this matter will enable us to gauge our role in the system and provide further insights on how

to manage future development properly to prevent such occurrences.

An increasing perception is that businesses will have to take a greater involvement in environmental affairs, especially in developed markets. As a trend for the future it is important to note the widespread responsibilities with which that managers will have to deal.

Keeping this in mind, as young managers and future leaders, it is important to develop a holistic view of the world around us. To develop thinking that goes beyond our own periphery for the global family. In brief, responsible leadership will mean that those in a position of authority will have to take interest in the well-being of the group rather than themselves. To understand the cause-and-effect relationship of all of our actions and resultant consequences. To try to increase the total positive potential impact and decrease the negative. This will enable us to guide and create relevant policies wherever we go and to act as agents of change, shifting practices and mindsets as we go along.

The process of responsible management starts with becoming aware of the world around us -- seeking information about events from various angles and sources to get the whole picture. This should be followed by trying to understand the factors responsible for these circumstances. Action based on this will result in better decision making, as the groundwork would involve a comprehensive review. Nothing is complete without follow up and reflection to constantly gauge the effect.

The main point of being responsible managers is to make a start, and that can only come from within. So take up the

mantle and begin the process of creating a responsibility driven, conscious management style. Al Gore notes, “we have everything we need to get started, with the possible exception of the will to act. That’s a renewable resource. Let’s renew it.”

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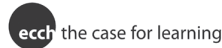
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# Corporate Global Responsibility

Philippe de Woot

## 1 A crisis of meaning: Should Prometheus Be Bound?

We are facing a deep systemic crisis that is not only economic or financial but a crisis of meaning. Our system<sup>1</sup> has many outstanding qualities but, globalised and deregulated, it clearly shows its limits, its ambiguities and its dangers. A competitive market economy has many advantages: creativity, productivity, growth potential, and flexibility. Entrepreneurship and innovation are at the heart of this system. If one were to observe successful firms over a period of five to ten years it could be seen that not a single one had failed to adapt, transform or renew itself. Each one would have evolved and innovated, be it in terms of its products, markets, procedures or organisation, marking its actions as dynamic and creative.

Under the spur of competition and technical evolution, the successful firm is not content simply to produce and distribute its goods and services. It constantly renews them and seeks to evolve to create the new. Initiative and creativity form the pivot of its undertaking. In the market economy the firm is the agent of economic and technical evolution.

Aeschylus has made Prometheus the entrepreneur of the first Neolithic revolution. He transmitted to mankind “fire which liberates, spring of creativity, mastery of all the arts, infinite way forward.” This Titan has all the characteristics of an entrepreneur: he *sees* the progress that fire will bring to mortals; he takes the *risk* of stealing it from the gods; he has the *energy* to do it and to convince humankind to make use of it. Other myths transform entrepreneurs into heroes and gods, it is the case for Odysseus and Jason, (the marketing men of Greek myths), for Hephaistos (Vulcan), the god of fire and metalcraft who makes tools, arms and jewellery, for Hercules, developer of infrastructure and even for Icarus, the failed undertaker. The creators of material progress are Titans, heroes and gods. We should always remember that and preserve the mechanisms of creativity and entrepreneurship so highly praised by those ancient myths. They are at the heart of the *raison*

*d'être* of the modern corporation. But at the same time, those heroes and gods are cursed. Prometheus is chained on a rock, and each morning an eagle comes to prey on his liver. Hephaistos is lame and deceived by his wife Aphrodite. Odysseus is forbidden to return to his home and condemned to constant wandering. Jason's wife kills their children. Why are they cursed? Across the centuries this question is close to our present interrogation: can *ephemeral human beings* become masters of technical progress without securing its purpose and submitting it to a larger vision of the common good? This is a question that in various forms has been asked throughout history.

For a long time it has been presumed that the actions of the firm automatically serve the common good, thanks to the virtues of the market and its famous “invisible hand”. Today, this link is becoming much less clear. Globalisation, the growth of the techno-sciences and the lack of worldwide regulation empowers firms to act to an extent that is without precedent. They exercise this power according to their own criteria: profitability, competitiveness and the race for market share. In the absence of global rules, this logic has become dominant and imposed on us a development model whose only purpose is its own effectiveness and dynamism. Led solely by instrumental logic, the model is ambiguous and paradoxical. At the same time as producing more wealth than ever and ensuring unprecedented growth, it pollutes, excludes, and encourages domination, social injustice and destruction; it promotes a desperate race that no longer has any visible purpose or *raison d'être*. Our present development model has shown a continuous ability to be creative while progressively blurring its automatic link with global Common Good and escaping our capacity to regulate it. Clothed in the respectability of the dynamism and efficiency of a world opened up to trade, globalisation conceals a radical ideology. This neo-liberal ideology is underpinned by a set of simplistic and limited concepts that are directed too exclusively at trusting the market to develop the planet and mistrusting almost viscerally public intervention and regulations.

The more an ideology dominates the weaker the political debate. Progressively we have replaced values by this ideology imposed by “The Washington Consensus” – market fundamentalism, shareholder value, self-regulation by the invisible hand. At a global level our system has been decoupled from politics and ethics and works more and more in an ethical and a political void. The functioning of such a model deprived of ethical and political orientations produces unwanted systemic effects that economists call “externalities.” Let us cite a few of them.

### **Acceleration**

The pace of economic and technical change is accelerating as a result of global competition. We have embarked on a race whose speed is dictated by the dynamism of firms and the competitive game. The pace is often faster than that of change in political, civic and institutional society. This time lag increases the danger of inequality, exclusion, unemployment and social breakdown: the system begins to crush people. By increasing pollution, the acceleration of growth also endangers the future of the planet. Many scientists see there a deadly threat for human kind. The financial sector tends to escape any form of control, and crises are becoming more frequent and more severe.

### **Market orientation**

More and more exclusively firms and the ‘invisible hand’ of the market are directing economic and technical progress. For example, firms accumulate a growing volume of knowledge resources thanks to their enormous efforts in research and development. They are the ones that decide on the type of research they will do and, because of this, the nature of the new products and services they will offer to consumers. Of course this is based on market indications, which one might think is the best way to direct resources. But this is only partly true: the invisible hand only serves the creditworthy as its criteria are exclusively commercial and financial. Consider pharmaceutical firms before Bill Gates generous donation (and even now): because the financial returns would be too low few of them give priority to research on drugs designed to treat illnesses in poor

countries (orphan drugs); rather they invest considerable amount of money in studying the problems of obesity and impotence in rich countries. More important still is the geographic orientation of development. It too mostly depends on the market games. When profitability dominates, the force of the market economy is naturally directed at profitable regions. Inequality has grown and poverty remains widespread. Although they can increase wealth, the market and the invisible hand are incapable of ensuring equitable distribution. The mechanisms of redistribution put in place by states do not exist at the global level and inequality continues to grow.

### **Invasion of the non-commercial world**

Here we are speaking of the introduction into the market of goods that arise from a common inheritance or from sectors that have collective stakes: health, humanitarianism, peace, culture, education, and security. The growing invasion of these private and not completely marketable areas poses a key question: What type of society do we want to create? Is it what will emerge from a democratic debate on the common good, or is it what the law of the market, competition and the powerful advertising machines required by modern marketing will impose on us? This question applies to many areas, especially in the cultural and scientific sectors, where the line between private action and public service is particularly blurred.

### **Behavioural deviations**

They include excesses, lies and trickery. They are often induced by the dominance of financial markets that often favours speculation over entrepreneurship. Beside financial trickery deviations might bear on the product: product deception has been specially visible and scandalous in the case of tobacco industry. For 50 years firms in this sector have conspired to conceal the life-threatening and addictive nature of their product. Deviations might also imply the way companies treat their staff, pollute the environment or corrupt foreign government. Most of the time, they are a consequence of a formidable competitive pressure. But they are also the result of human weakness, hubris and excess. An illustration of this defect is provided by the rewards,

sometimes outrageous, given to executives. Realism obliges us to recall that those deviations are not new and that we do not live in a perfect world. One could suggest that, to the extent that the system is poorly regulated and the spirit of speculation is dominant, there is a risk that the defects will broaden and behavioural deviations will increase. The risk is all the greater when the instrumental logic that tends to make profit an end in itself does not offer alternative values and aims that will allow people to resist the temptation of money. In a turbulent and harsh world, scandals risk enticing the legitimacy of our model and the social harmony to make it work.

For all these reasons, our development model is becoming unsustainable. If we do not reform it we risk growing imbalances and unprecedented catastrophes. The system is going off course. Its acceleration is threatening the planet and destabilizing its inhabitants. Excessive market orientation is leaving the weakest by the roadside. The law of the market is permeating everything. Audience ratings and advertising are dictating our lifestyle, education and culture. The world of finance and the spirit of speculation are contaminating economic activity and encouraging excesses, with ever worsening consequences. To close our eyes is to confine ourselves to the single thought which is unworthy of a citizen. To make no effort to remedy it smacks of irresponsibility, the egoism of the well-off or the hypocrisy of the cynics. Can any firm that claims to be responsible bury its head in the sand in the face of these deviations and threats? On the pretext of an economic logic that has been imposed upon it, can it refuse to enter resolutely into an ethical and political debate with a view to transforming the system?

Why has Prometheus been bound? This question arising from the past reasserts itself with intensity today.

Prometheus: 'I have cured the mortals of the pangs of death'.

The Oceanides: 'And what remedy did you find for them?'

Prometheus: 'A blindfold over their eyes'.

The old dies, the new does not yet see the day. In this interregnum monsters rise up (Gramsci).

How can we be ethical in a system, which is not?

How can we act justly in a system that is unjust?

We must have the courage to question the system itself and the dogmas that make it seem legitimate: efficiency of the markets, disconnection between economics and politics, shareholder value as the ultimate goal and measure.

Our model has become ambivalent and paradoxical. Never in the history of mankind have we created so much wealth but poverty continues to grip so many throughout the world. Never has our scientific understanding been so great but our planet so threatened. We have invented effective political institutions such as the nation state and democracy but today the ways and means of development are beyond their control and on another plan altogether.

Without an in-depth adaptation our model runs the risk of becoming unsustainable and losing its moral and political legitimacy. We are progressively sliding towards folly and barbarity. The deviations of our system are a form of madness. As Erasmus put it, "there is a lunacy that the

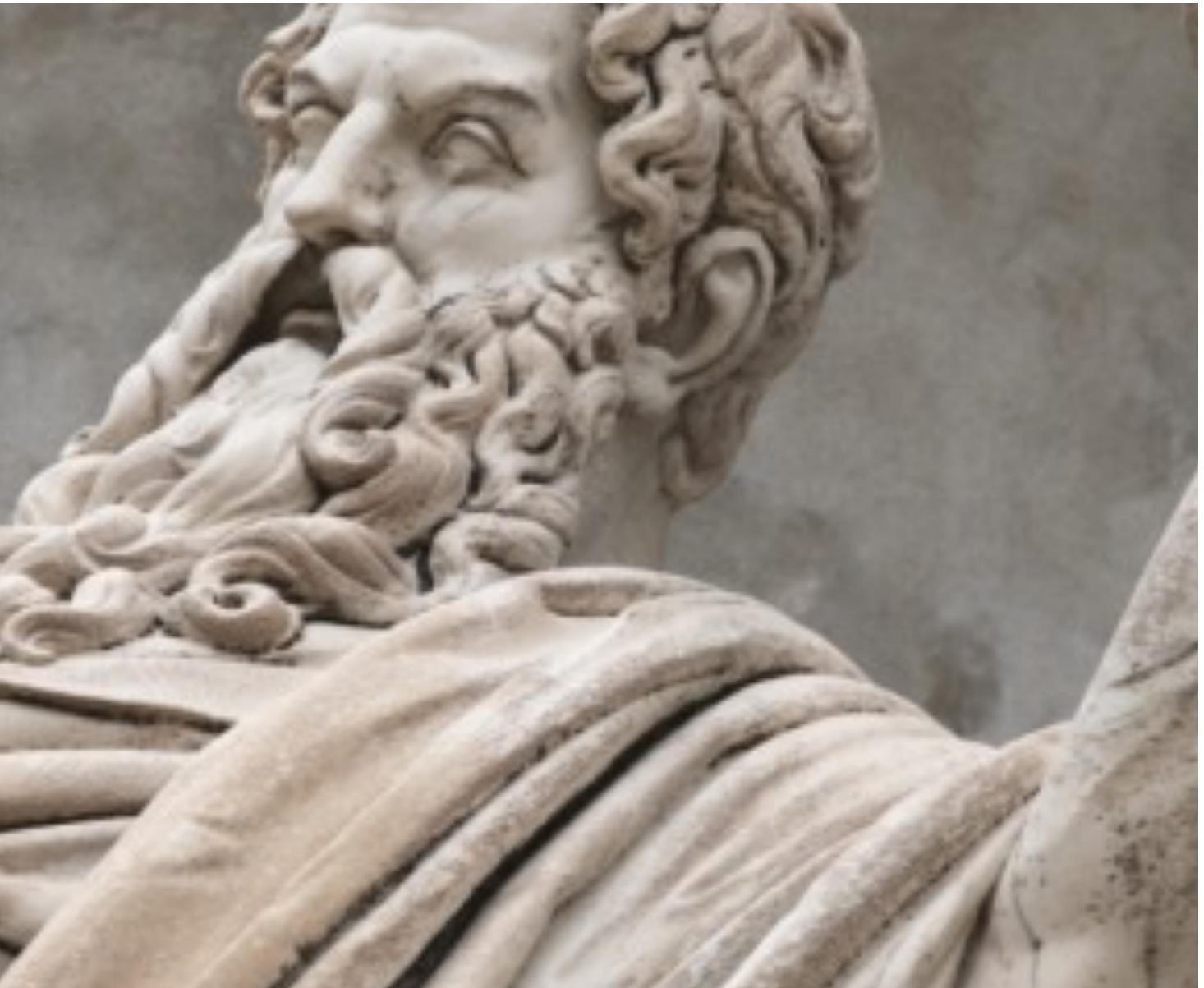


Furies unleash from Hell, every time that they send in their serpents and inflame the hearts of mortals with war and the unquenchable thirst for gold... The other madness is nothing like it... It emerges every time that a gentle illusion frees the soul from its painful cares." We have arrived at a decisive moment: it is still possible to reform and fundamentally improve things. Let us not fail!

## 2 A paradigm shift: Humanizing Globalization

### Metamorphosis

This concept as developed by Edgar Morin might be useful to understand the type of transformation we need. A metamorphosis is as radical as a revolution but, contrary to revolution, it preserves what was good in the previous situation. For a caterpillar becoming a butterfly is a radical experience but it saves what is essential for life and durability (only butterflies can lay the eggs of the next generation!). Another concept, which is very close, is "metanoia." It is an in-depth conversion of the mind and the soul, "a renewed spirit and a renewed earth." We should dare to build a new and creative vision that will enable us to be pulled by the future rather than being



pushed by the past. But if there is a sense of what is real... there must be something that one might call the sense of the possible... a flight of fancy, a will to build, a conscious utopia which, far from fearing reality, treats it simply as a task and a perpetual reinvention (Robert Musil).

The goal is to give back to economics its political and ethical dimensions. This type of transformation will not be the result of a plan or a prefabricated blueprint: It will result from a collective process based on individual conversions, debates, confrontations, conflicts and compromises. For this type of global change there is no “silver bullet.” Therefore individual and collective commitments and responsible leadership are of the essence. Of course the corporate world is a key actor but it is not the only one. Governments, labour unions, universities and other educational institutions, medias, NGOs and civil society have all a role to play. The transformation will come from a convergence of efforts and will be a difficult, hard and tough journey. The first

priority is to get this process started. In this paper I will limit my remarks to one actor: the business firm.

#### **A new corporate culture**

Many companies are beginning to care about environment, human rights, transparency and dialogue with civil society. Many initiatives have been launched: UN Global Compact, Globally Responsible Leadership Initiative (GRLI), World Business Council for Sustainable Development, CSR Europe, etc. Are they sufficient and are they going far enough and fast enough to face the 21<sup>st</sup> century challenges? Exchanging “good practices” is not enough. Window dressing, wishful thinking, rhetorical platitudes will not do either. The firm can play a decisive role in sustainable development, but that presupposes a much more profound transformation than most business leaders imagine. There can be no sustainable development unless the firm broadens its *raison d'être* and abandons the conventional wisdom, which has resulted in one-dimensional thinking and locked the firm into a logic of means rather than ends. The firm will only become responsible if it transforms its culture by adopting new ethical values and engaging in political debate with the



new players in the globalizing world. The required changes demand profound reflection and go well beyond a new coat for an old system. If the movement for social responsibility just sticks new labels onto old practices it will not be taken seriously; if it puts old wine into new bottles it will be reduced to a public relations operation. The movement will only be credible if it renews the concept of enterprise and reassesses its role in the construction of our shared future.

### **Entrepreneurship and creativity for economic and societal progress**

“The social responsibility of the firm is to maximize profit for the shareholder.” This famous statement by Milton Friedman has profoundly influenced neo-liberal thought. Today we must try to escape this restricted view. We have seen that entrepreneurial actions are defined in terms of initiative, dynamism and innovation. Successful companies through their creativity assume a Promethean role. Economic and technical progress provides the cornerstone of reflections on the purpose of economic action. It is time to re-focus the *raison d'être*

(*purpose*) of the firm on this concept of progress, which is at the heart of its action. This concept allows us, much better than the concept of profit, to identify the specific contribution that the firm makes to society, the function that it alone is capable of fulfilling and that differentiates it from other organizations, such as government, unions, universities, NGOs and so on. If one wishes to give meaning and purpose to the actions of firms one must think about the concept of progress and about the limits of material progress without purpose. That will lead us to try to answer the key-following questions: Economic and technical progress For who? For what? How?

The answers to these questions are by nature political and ethical and will allow us to re-locate economics in a perspective of common good. Setting out the aims and purpose of economic progress involves fitting this progress into the greater totality of human progress. Economics is only a part of the whole and it cannot dominate human society by imposing its restricted vision of progress. Other forms of progress exist in the domains of culture, society, politics, spirituality,



education and so on. While economic progress may encourage some of them, it does not cover the whole field of human progress. We have also seen that deviations of the current system can cause regression and lead to negative or even destructive situations. We must cease to assert that to respond to global challenges we have only to place our faith in technical ingenuity and market indications. We must cease to claim that there is a quasi-automatic convergence between economic creativity and the global development of humanity. The firm will only become responsible if it subscribes to an all-embracing view of human progress and sustainable development. It is in this perspective that GRLI2 suggests to formulate the purpose of the globally responsible business in the following terms: “create economic and societal progress in a globally and sustainable way.”

### **Leadership and ethics of the future**

By wishing to be responsible, the firm is engaging in an ethical approach. Those which say they are responsible will respond through their actions to a system of values that outlines a concept of man, society and the future. If the firm wishes to lend meaning to its actions, if it wants to give a purpose to economic progress by fitting it to human progress, ethics are essential to enlighten choices

and guide behaviour. We once again pose the question of whether one can conform to ethics while participating in a system that has none. The true leader has to be able to articulate the values of collective action and thereby to give its moral and political legitimacy.

Do ethics come down to integrity? We know that the market economy and capitalism are based on trust and respect for the rules of the game. If these disappear the system disintegrates. Here is a question of integrity that ensures respect for norms: truth, openness, honesty, etc. But these are not enough. Ethics are our values, our moral convictions that govern the difference between what we perceive as good and what we perceive as evil, or more subtly, between better and worse. But ethics are not restricted to convictions and values. They also concern our actions and their consequences. Ethics are incarnated in action, and in this sense they constitute a commitment. This is where they become concrete. Enlightened by convictions, the ethics of responsibility take into account not only behaviour but also the consequences of decisions and actions. “Ethics start at the first cry of human suffering” (Feuerbach, 2001) at the moment when one confronts others. It prevents us from being indifferent to others’ suffering, especially if it is we who have caused it.

We must go further still and take responsibility for the future. The main ethical question for our time is to choose what kind of world we want to build together with the immense resources we master. Located in the march of time, men are historical beings and their actions build the world. They are responsible for the future and the society they create. This responsibility becomes all the greater as their creativity and powers grow. As we have seen, this is the case with the firm and the economic and technical system it drives.

The traditional ethics based on proximity and simultaneity is insufficient because they are restricted to the presence of neighbours and the immediate consequences of actions. Science, technology and globalization have posed totally new questions and forced to look beyond this narrow framework. Who is our neighbour today? Is it a passer-by, someone we meet casually or someone we know personally? Or is it a person that our economic action can exclude, alienate or destroy a person whose very existence is threatened by a system that pollutes the planet and promote an unprecedented acceleration of techno-science with no visible purpose? Is it not necessary to broaden our responsibilities and ethical concerns to include a collective suffering that is being made unbearable by deviations and excesses of our development model?

To refuse to integrate ethics into the functioning of the firm on the pretext that the economy has its own logic amounts to locking oneself into an instrumental approach (the market ideology) and depriving the firm of its social legitimacy. Ethics are not restricted to convictions or values. To refuse the duty to transform our system under the pretext that it is not possible is a denial of our moral duty. First of all, power over economic and technical resources conveys on us an obligation of using it in a responsible way. Secondly, ethics does not confine itself to an individual conversion. It concerns also the type of world we want to create

together with our formidable capabilities. Ethics implies a commitment to humanize our system and to build a better world. It addresses not only to individual relationships but also political structures.

### Statesmanship and societal debate

This involves a dialogue with new actors in a globalizing world. By enlarging its political culture, the responsible company accepts a debate whenever its actions can have major social consequences. New types of dialogue, which include new representatives of civil society, (such as NGOs, universities, religions) and international institutions, will be added to the old type of discussion with social partners and governments. Such an approach must obviously go beyond the national framework. Today it is beginning to take shape in the international and regional institutions, and companies can play an important role. UN Global Compact is an example on the worldwide level. The EU Multi-Stakeholder Forum on Corporate Responsibility is another example on the regional level. The conditions and rhythm of change will be determined by active cooperation with the public authorities. Broadened consultation will provide a powerful means of escaping the dominant narrow market ideology and 'de-enclaving' our economic model by opening it up to the great problems and aspirations of our age.

A major cultural change will consist in substituting real democratic debate to lobbying aimed at making sectorial interests prevail on a broader view of public interest. In many cases lobbying is a way of exercising political power. When we speak of power, those who hold it modestly lower their gaze. For them it conjures up leadership, management and direction. But the raw reality of power-ambition, conquest, intrigue and *Raison d'Etat* – is not revealed. It is as though it is a distasteful topic, one that is indecent and dangerous. Human beings do not like to talk about their passions. Often they use their power to defend the model that they serve to drive, and they lack the will to make it evolve, thereby abdicating their responsibility as citizens. This is why there is so much inertia in the system.

“Several nevertheless...were very clever people in their profession; they possessed full knowledge of all details of administration...but as for the great science of government, which teaches an understanding of the general movement of society, a judgment of what happens in the minds of the masses and a foresight of what will result from it, they were as new to it as the people themselves...Their minds were therefore fixed on the point of view that had been reached by their fathers.”(Tocqueville)

Voluntary transformation is necessary, but will not be sufficient to improve the system. We also need political will translated into laws and a new world governance. Rather than hinder this public intervention? The responsible company will pro-actively participate in preparing and implementing the necessary new global rules. In this sense responsible leaders must develop a new capacity for statesmanship.

This cultural transformation could at long last give back to economics its ethical and political dimensions. By

playing a pioneering role in the metamorphosis of our system, we could give light and inspiration to many decision takers that are striving to bring economic progress to mankind and to improve the lot of human beings.

Where is the Life we have lost in living?  
Where is the wisdom we have lost in knowledge?  
Where is the knowledge we have lost in information?  
(T.S. Eliot)

In an information society is it not a nice program to come back to real knowledge, to wisdom and to life?  
The life of love, compassion and solidarity.

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#### FURTHER INFORMATION

This speech was presented at the 2<sup>nd</sup> Worldly Leadership Summit, 6-7 September 2010, hosted by Leadership Trust © Worldly Leadership Summit 2010  
<http://www.worldlyleadership.org.uk/summit.php>

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#### REFERENCES

<sup>1</sup> Philippe de Woot, *Should Prometheus Be Bound? Corporate Global Responsibility*, London, Palgrave Macmillan, 2005 and 2009, p. 221

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# Call for papers



## Sustainability Accounting, Management and Policy Journal



*Sustainability Accounting, Management and Policy Journal* (SAMPJ) is an exciting new title launched by Emerald in 2010. SAMPJ aims to find practical and policy solutions to improve the social and environmental sustainability

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Research you can use

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# Globally Responsible Leadership Initiative

*developing a next generation of globally responsible leaders*

## A Call for Action

GRLI believes that business schools should focus on educating the whole person as entrepreneurs, leaders and corporate statesmen. Leadership is the art of motivating, communicating, empowering and convincing people to accept a new vision of sustainable development and the necessary change that this implies. Realising the urgency with which a failing system needs to be adapted to human needs in a globalised economy, we will: (i) Enhance the change factors that will help us to implement a more sustainable development model; (ii) Embed the appropriate values and behaviours in our strategies and management practices; (iii) Aim to develop pedagogies and curricula which will enable the development of a globally responsible leadership; and (iv) Exchange innovations, good practices and cases in business and education, and share them with our partners and the wider public through the development of learning platforms for critical and constructive dialogue. The GRLI Call for Action aims at re-enforcing the strengths of our entrepreneurial system while correcting its defects and the financial excesses of the system. We strive to achieve this through enhancing **global responsibility** at all levels.

## A Call for Engagement

Our vision of the future is of a world where leaders contribute to the creation of economic and societal progress in a globally responsible and sustainable way. Our goal is to develop the current and future generation of globally responsible leaders through a global network of companies and learning institutions. Coordinated through EFMD and with the support of the UN Global Compact, the Globally Responsible Leadership Initiative will reach its goal by taking action throughout the world on issues of new business practices and learning approaches, advocacy and concept development. Partnership in the Initiative offers an opportunity to participate in creating a new generation of globally responsible leaders and to be a catalyst for changed values and practices regarding corporate global responsibility.

Already, we are witnessing the emergence of a group of people with awareness and attitudes of corporate global responsibility. This portends a tipping point, the development of a critical mass with a genuinely global view and the skills and appetite to change things for the better. Work with us to ensure that this becomes a reality.

## The Founding Partners

### EFMD

EFMD is an international membership organisation, based in Brussels, Belgium. With more than 700 member organisations from academia, business, public service and consultancy in 83 countries, EFMD provides a unique forum for information, research, networking and debate on innovation and best practice in management development. EFMD is recognised globally as an accreditation body of quality in management education and has established accreditation services for business schools and business school programmes, corporate universities and technology-enhanced learning programmes. For more information, please visit [www.efmd.org](http://www.efmd.org)



### The UN Global Compact

Launched by the former United Nations Secretary-General Kofi Annan in 2000, the UN Global Compact brings business together with UN agencies, labour, civil society and governments to advance universal principles in the areas of human rights, labour, environment and anti-corruption. With over 3300 participating companies from more than 80 countries, it is the world's largest voluntary corporate citizenship initiative. For more information, please visit [www.unglobalcompact.org](http://www.unglobalcompact.org)



**For more information on the GRLI, please contact us at:**

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