

Global Responsibility

The GRLI Partner Magazine



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GLOBALLY RESPONSIBLE LEADERSHIP
INITIATIVE



Dear Reader,

It's 2013 and this edition of Global Responsibility has a fascinating blend of articles. Two elder statesmen of the sustainable business community both call for the strengthening of the inner dimension that is at the heart of responsible leadership. The wisdom of Anthony Sampson and Izeusse Dias Braga from business is matched by the clarion call of Philippe de Woot's book on leadership now translated into English and Henri-Claude de Bettignies' opening contribution to our new though leadership booklet series, Reflections.

And then we look back on three major events of 2012 including the GRLI General Assembly in Stellenbosch viewed from the perspective of Young Ambassadors Brigitte Roediger and Charline Collard who took part and host Arnold Smit combines with senior advisor Nick Ellerby to paint a picture from their lenses. The consensus that this was our best ever meeting was widely shared amongst the two hundred or so who took part.

Our work on developing the next generation of responsible leaders is especially focused now on supporting management education to implement the 50+20 Agenda we launched at Rio+20 in June last year. John North shares insights from that launch.

2013 will see the GRLI meeting at ESSEC in Paris June 6-8 and at CENTRUM in Lima, Peru 6-8 November. We look forward to seeing you there.

Mark Drewell

CEO of the Globally Responsible Leadership Initiative (mark.drewell@gqli.org)



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The GRLI Partner Magazine N° 8**

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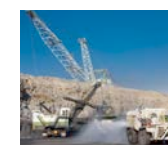
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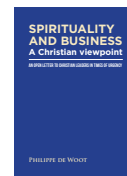
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RESPONSIBILITY, LEADERSHIP AND THE GR LI

ANTHONY SAMPSON

For the last 16 years of my financial services career – up until the beginning of 2007- I worked at the forefront of environmental and corporate responsibility management and reporting. I was a practitioner pushing for greater responsibility inside the corporate bubble. I felt part of a vibrant movement for change, well connected with others similarly engaged.

As a practitioner on the inside, one believes that a little positive difference is being achieved incrementally each day. Outside of the bubble, one realises how very little - if any - of that effort (and its effect) comes across to the ordinary man in the street.

After I had left and was no longer applying my shoulder to the corporate responsibility wheel, the world I once worked in began to look different. This difference was later greatly accentuated by unexpected ensuing events.

I watched the astounding turmoil in the business and responsibility worlds in the years that followed 2007 and I found the picture simultaneously riveting and awful. I had the feeling that I had walked out of a house, shut the door, walked some distance away and then heard a terrible explosion behind me.

The global financial collapse exposed huge weaknesses in the financial and corporate worlds and it has rightly turned the spotlight of public scrutiny on to corporate behaviour and on to its seeming absence of responsibility. Contributory factors to the collapse included failures of leadership, folies de grandeur and behaviour distorted by greed feeding off a rampantly overgrown sense of entitlement. The financial crisis was as much one of moral failure as one of gross financial ineptitude and incompetence.



By contrast, in the late 60s, early 70s, when I started my career, I entered a business world in which corporates offered a product or service and sought a fair price in return. The relative modesty of those days was also reflected in comparatively restrained executive salaries. One did not hear much talk then of corporate morality or responsibility, but despite the lack of use of such words, much business practice was then inherently more moral than it is today. In the City, those were still largely the days of "My word is my bond".

In sharp contrast, the business world today, viewed from the outside, often comes across as a ravenous all-consuming beast with no other purpose in view than growth for its own sake – to grow and retain profit.

Corporates with shareholders are to some extent answerable to the market. Increasingly, they find themselves required to make a display of responsibility and it is true that they count amongst their numbers

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You cannot enforce responsibility, you have to want it for its own sake.

people who are completely committed to the values of responsibility they espouse. However, all too often in recent years, it is abject failure of responsibility at leader level, which has exposed the shallow depth of such publicly espoused values.

When the public see a business whose behaviour is so clearly marked by the nakedness of greed for growth of profit, it does no good to seek to deflect attention by gamely holding up the sadly thin strips of a responsibility programme. Meanwhile private equity companies and the businesses they control seem, with few exceptions, to feel no need of responsibility programmes and, by their focus and actions, acknowledge no other purpose than to grow – capital and income.

In today's world, from the outside looking in, it seems that business starts with the idea of generating as much profit as possible and then thinks what product or service might be offered/tailored to achieve such profit. Corporate activity seems a mere means to the end of maximizing profit where once the business activity itself used to be the primary end, with profit as a necessary byproduct.

As for what is now deemed moral or right, it seems to be that it is whatever you can get away with: you pay yourself as much as you can get away with; you pay as little tax as you can get away with; you charge as much as you can get away with and you offer for it as little as you can get away with.

This distorted outlook currently finds reflection in the debate in the UK over the morality of tax avoidance. Payment of corporate tax may be viewed as a subscription in return for the shelter of an ordered community in which to operate.

However, for some corporates tax planning is better described as tax avoidance, which involves seeking any means to avoid paying tax due on income in the country in which the income is gained. Global intra-group structures are created to shunt profits and losses and ownership of product from point to point around the group so as to minimize the amount of tax paid.

Accountancy firms maintain large departments of specialists whose sole purpose in life is to advise and consult on this morally questionable activity. Even elastic sophistry can construct only the thinnest and barest defence for tax avoidance, since it works against the interest of society and is therefore the antithesis of responsible behaviour.

Businesses have huge impact and influence and should feel a sense of the responsibility their very weight and presence gives them. Like an elephant in a china shop, they need to be careful how they move to avoid unintended damage.

Leaders condition the behaviours of their business. You cannot enforce responsibility, you have to want it for its own sake. Therefore it is crucial that business leaders develop the right sort of consciousness and sense of responsibility.

Being responsible means being accountable - to our company, to our colleagues, to the community in which we operate. Above all, it also means being accountable to ourselves.

The best monitor of performance is an active conscience. It is more effective than any external auditor. The best moral guide is an active internal compass. No one knows



our weaknesses and failings any better than we do when we are being honest with ourselves.

An active conscience and moral compass are grown from within, but like all growing things they must be nurtured and encouraged. This why the GR LI is so important and well-placed to bring positive influence to bear.

The GR LI is a much needed initiative. It seeks to instil, foster and grow a sense of responsibility in the individual, within future leaders.

Responsible leaders grow responsible companies. If leaders do the right thing and are seen and known to do so, then the company as a whole will also do the right thing.

It might well be seen as a daunting task to seek to change the very heart of leadership. It is daunting but it is also most necessary, since business has such enormous weight in the world.

The GR LI has a noble objective. It also has a well-considered map and method. It has principled and committed participants and it also has my best wishes for the future.

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Anthony Sampson: After two decades in marketing and business systems in NatWest, Sampson was appointed Environment manager for NatWest International Businesses in 1991 he created and developed NatWest's environmental management and reporting system. Chaired a Brussels-funded project to develop financial version of EMAS and also the production of UK's MCI occupational environmental management standards. Joined Aviva in 1997 and introduced a global CSR management and reporting system. Chaired: a UNEP working group on environmental management and reporting; the ACORN Trust, developing environmental accreditation for SMEs; the UK Forum of UN Global Compact signatories. Retired since 2007, Anthony is a thinker and writer, giving occasional talks.

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GLOBALLY RESPONSIBLE POLITICAL LEADERSHIP.....

WHO NEEDS IT?

IZEUSSE DIAS BRAGA JUNIOR

Reflections from a senior GRLI business leader on why and how the GRLI can assist in addressing the deficit in political leadership

On announcing the failure of the majority of countries in tackling and resolving the serious social and environmental questions of the world in which we live – with special emphasis on the developing countries – the then Secretary-General of the UNO, Mr Kofi Annan, proposed a pact to the CEOs of companies present at the meetings of the World Economic Forum in 1999, in Davos, Switzerland. He declared that “companies should be part of the solution of the problems related to the process of globalization”.

The principal motivation presented at the time was that *“There are many positive ways for business to make a difference in the lives of the poor – not through philanthropy, though that is also very important, but through initiatives that, over time, will help to build new markets.”*

Within this opportunity, the member companies proposed nine principles organised around themes relating to Human Rights, Employment Conditions and Protection of the Environment was proposed. The expectation was that respect for these principles would be an important condition in strengthening citizenship in the communities where they operate, and as a consequence bring an improvement in the living conditions and purchasing power of their inhabitants.

A few years later, Mr Annan invited the CEOs of the companies which had adhered to the Global Compact to a meeting in New York at the UN headquarters and five hundred corporate leaders responded to the call to debate the creation of a 10th Principle – the unrestricted combat of bribery and corruption.

In this meeting, we heard from a director of one of the most important energy companies in the world that “globalization had produced many more losers than winners” and that “corruption is the most important enemy of business”.

Five years after the creation of the Global Compact, another inspiration from Annan entered the public discourse as he said:

“Without a leadership that can lead the processes within organizations, the Millennium Goals and the future of the Global Compact are compromised. We need a system that can educate and train globally responsible leaders, who are able to understand and implement the management processes of social and environmental issues without compromising the profitability of their organizations”.

This proposal illustrated the paramount necessity of educating corporate leaders according to a new perspective. With this perspective, they would be able to understand the importance of the Global Compact proposals, and begin to lead the processes within their organizations towards an effective contribution to achieve the integration of economic, social and environmental aims, as opposed to the merely financial view of the world and the short-term practices presently recognized as harmful.

This global perspective informed the establishment of the GRLI and continues to drive the organisations that are part of it as they seek to develop processes and to influence more and more organizations to train and motivate their leaders, at all levels, to be able to contribute increasingly to the precepts of sustainability.

We want our organizations to have long lives and develop sustainable businesses and processes. This will bring as a consequence, a healthier environment, and fairer social conditions, allied with compatible economic/financial results. The great challenges we have to face in developing countries is the gulf that exists between the attitudes of globally responsible leaders in a business environment and the attitude of those responsible for defining the manner in which the results of economic activity will be invested. This translates into taxes, duties and royalties in the public sphere (political leadership).

It is lamentable to report that in my extensive travels around the world I have observed that in the majority of developing countries, the level of education and commitment to ethics of a significant proportion of our political class – taking a wider view – is very low. This has contributed to continuing corruption, resulting in the tragic combination of bad quality investments and diversion of public funds.

We would mention only as examples two questions that have been afflicting societies in developing countries for decades:

- the first issue is low quality primary and secondary teaching.

For decades we have seen examples of those countries that have managed to overcome the inertia of underdevelopment, by investing heavily in quality public education. The conclusion that this is a path for all to follow is obvious and yet we have not managed in so many countries, to put this approach into practice.

Looking at some indicators on education and employment in Brazil for example, published by the



National Survey by Domestic Sampling (PNAD/2011), we can observe the complexity of the situation:

- Brazil still has 12.9 million illiterate inhabitants (8.6% of the population); more than 60% of them are over 50;
- only 6.6 million Brazilians have studied at university (73.2% of whom in the private universities);
- 19.2 million people over the age of 10 have studied for less than one year or have no education whatsoever;
- in 2011, only 77.4% of children aged 4 and 5 were in school; 1.3 million children were not in crèches;
- employed manual labour has only 8.4 years of study on average;
- only 12.5% of employees have completed university studies; secondary education has been completed by a further 46.8% of employees; primary education only by 10.7%;

It is important to remember that only four or five decades ago, basic public education (primary and secondary) in Brazil was of excellent quality, but has not managed to maintain the standard.

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it is not sufficient to have responsible global leaders only in the corporate environment. We also need to have globally responsible leaders in politics.

- **the second issue** is a worldwide problem whose solution demands a mutual effort from public authorities and the productive economy. It is to reduce the brutal and unacceptable waste of food which does not reach those who need it through lack of logistics. In the case of Brazil, more than 26 million tons of food is thrown away (10% is lost in the field, 50% while transporting and handling it, and more than 30% in the supply centres). This quantity would serve to feed 19 million people; many more than the 13 million Brazilians who still go to sleep hungry, according to recent statistics.

By wasting less than the world average, we would economize on drinking water, energy, arable land, work and fertilizers, thereby generate an important contribution to the sustainability of the planet on which we live. We would reduce the so-called "necessity" to increase food production by 70% in order to feed the projected 9 billion humans we will have by 2050. (According to the UN - FAO, there are presently 870 million people who go to sleep hungry every day yet by eliminating waste in the value chain we could feed one billion people).

Both of these issue have a common solution. To address them we urgently need to create quality public administration, focused on possible solutions for the real problems we live with and that we all know how to

resolve. However, we lack the political will to tackle them and provide long-term sustainable solutions.

Accordingly, it is not sufficient to have responsible global leaders only in the corporate environment. We also need to have globally responsible leaders in politics, who know how to generate and administer public-private partnerships aimed at organizing mutual efforts to give potential to the solutions for our common problems.

We know that many large companies have been committed to doing their part for decades; investing in the economic, social and environmental aspects, and thereby fulfilling their role in contributing to make the proposals of Mr Kofi Annan reality. Here are some key statistics for Brazilian energy corporation Petrobras:

- in the last three years it has invested the equivalent of US\$ 1 billion in contributions to society (social, environmental and cultural & sporting projects);
- it gives priority to projects aiming at the generation of incomes and employment, the protection of watercourses and defending the rights of children and adolescents;
- it promotes the public selection of projects taking the advice of specialists from Brazilian society;
- it goes much further than Brazilian laws demand, aiming at creating the conditions to change the status quo in the social and environmental fields;
- more than 18 million Brazilians will be benefited by the projects supported by Petrobras;

Beside such corporate efforts to generate effective contributions to tackle and resolve the social and environmental problems nearby their operational areas, it is fundamental that they **complementary to the actions of public authorities** to resolve these questions.

And if anyone thinks that these questions will not be resolved quickly due to a lack of resources, it is important to remember that presently in Brazil, we enjoy conditions similar to those that Norway had in its favour 35 years ago, when we announced large scale discoveries of oil in areas off the coast of five Brazilian states, below the salt layer existing there.

Fifteen years ago, following the end of the monopoly exercised by Petrobras for more than four decades, the Brazilian energy sector opened up and there are currently 75 companies authorized by the National Oil Agency (ANP) to explore and produce oil and gas in the country.

At the moment, Petrobras alone, which produces more than two million barrels of oil equivalent per day, pays over to the treasury the equivalent of US\$ 53 billion per year; in less than a decade, by more than doubling its production, it will be able to generate more than US\$ 120 billion in taxes annually for the country.

As a purely mathematical exercise, and imagining conservatively that the other 74 companies will be producing only half of what Petrobras produces, we could estimate, on the low side, that the Brazilian oil and gas sector alone will be generating the equivalent of US\$ 180 billion per year in taxes by the end of the decade (that is 500 million dollars every single day).

This will create the financial conditions for Brazil to become a "new Norway" in Latin America. This will only happen IF the benefits generated by the oil industry over the next 20 or 30 years are transferred to Brazilian society.

For this to happen, Brazil needs politicians who adopt the attitude of favouring the search for solutions to the problems afflicting the country and do not waste this extraordinary once-off opportunity.

The challenge is to bring about radical change in Brazil's economic, social and environmental conditions, given that the necessary resources will surely continue to be generated by the corporate and working classes of our country.

It is therefore critical to focus efforts in creating responsible political leaders. This is true at all levels from the national to the local where innumerable communities will begin to receive resources coming from the exploration and production of oil (royalties) many times higher than their ordinary continuing tax revenues. Brazil must define in which way this wealth is best invested to generate present and future benefits for those communities.

When this starts to happen, it will possibly no longer be necessary to expect companies to be involved to such an extent in social, environmental and cultural sponsorship actions, given that society will be organized to define the policies and will hold the resources necessary to carry out the projects considered as priority.

For all of the questions raised here, I believe that we should begin to consider seriously the possibility of finding ways for the political class to participate in the processes of study and training in the GRLI.

Such work can be initiated under the GRLI's Communities of Responsible Action (CoRAs), through which the GRLI joins forces with the enlightened section of the communities where they act, for the definition of

priorities, the joint evaluation of the range of actions to be carried out in possible public-private partnerships, generating opportunities for everyone.

The GRLI work methodology developed by the Dom Cabral Foundation and Petrobras University that has been utilized for expanding the GRLI's impact in Latin America and the Caribbean (Brazil, Costa Rica, Colombia and Uruguay) could be highly useful in this process. It was the subject of the article in Global Responsibility Magazine, June 2011 (pages 21-27) – Developing Corporations of the 21st Century and Communities of Responsible Action in Latin America – could be highly useful in this process.

Globally Responsible **POLITICAL** Leadership..... we certainly do need it!

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13 million Brazilians still go to sleep hungry, according to recent statistics...

50+20 reporting back from RIO+20

John North

With reflections from Derick de Jongh, Mark Drewell and Paul Shrivastava



In Global Responsibility's January 2012 issue we shared a preview of the 50+20 launch and related activities for the RIO+20 United Nations Conference on Sustainable Development.

6 months after RIO+20 took place it is relatively safe to say that the unveiling of the 50+20 vision, and subsequent active engagement with the implementation priorities outlined therein, was a definite highlight at a busy but otherwise forgettable Summit.

The 3rd Global Forum for Responsible Management Education that took place as part of the United Nations Global Compact RIO+20 Corporate Sustainability Forum, offered a perfect platform for the 50+20 launch as it convened more than 300 Deans, Directors and representatives from Business Schools and companies. This group was the first to view the 50+20 short film "There's no Planet B", while copies of "The 50+20 Agenda: Management Education for the World" that was smuggled into the "paperless" event were soon clutched by most participants who were eager to learn more about the 50+20 vision.

Judging by positive comments received as recently as January 2013 during an Academy of Management Conference, the 50+20 launch left a lasting impression with attendees of the 3rd Global Forum in Rio de Janeiro.

Even more encouraging and telling than positive feedback is the real action and momentum seen around implementation of priority projects identified within the 50+20 Agenda. These actions are focussed mainly in the critical area of Faculty Development and Training and announcements via the 50+20 and GRLI newsletter will be reaching you shortly.

Mark Drewell reflects on RIO+20

Overall I left Rio depressed by the slow pace of change and the way so many well-meaning people appear trapped by the logic of the system in which we all work.

Insofar the 50+20 work is concerned a couple of positive things stood out in my memory: The first was an extraordinary day spent at the People's Summit where we set up a "pop-up" business school with a circle of the "recycled" benches providing a space for discussions on all sorts of issues with local people and activists from around the world.

The second was holding a collaboratory discussion on the Greenpeace Rainbow Warrior. Imagine talking about how management education and business can help in their campaign to cease all deforestation in the amazon on the deck of the world's most famous activist ship while heavily armed Brazilian security police patrol around you in high speed assault craft ready to respond if the Greenpeace team "do anything to cause trouble"!

About the 50+20 vision

For those who have not followed this initiative closely we should mention that the 50+20 vision was developed collaboratively over the course of 18 months through a series of consultative workshops, retreats and meetings across 5 continents with contributions from more than 100 thought leaders and academics.

In order to create a world where all citizens live well and within the limits of the planet, 50+20 urges action toward a different kind of society with a revised economic





framework that is celebrated for its contribution to society and the world. Equally, businesses will need to become intimately involved in this transformation by accepting challenges and responsibilities beyond short-term economic performance.

Providing management education for the world, according to the 50+20 Agenda, involves three fundamental roles:

1. educating and developing globally responsible leaders,
2. enabling business organizations to serve the common good, and
3. engaging in the transformation of business and the economy.

The 50+20 Agenda booklet also showcases a number of “Emerging Benchmarks”; these are examples of institutions setting new and relevant standards indicative of a collaborative rather than competitive approach. “Emerging Benchmarks” was also the title of the 50+20 mobile exhibit and prototyping platform where “Management Education for the World” was demonstrated during RIO+20.

The exhibit consisted of artistically designed and decorated two-seater benches, commissioned from artists around the globe and constructed from reclaimed materials. When arranged in a learning circle the benches are symbolic of a commitment to reclaim management education for the world, and provide a physical metaphor for the collaboratory: a concept central to the 50+20 vision.

Implementation priorities

The 50+20 Agenda foresees a process of engagement with the following implementation priorities:

- Faculty training and development: A successful implementation of the vision depends most critically on faculty developing a passion for teaching, learning and discovery. Equally, faculty should be at ease with transdisciplinary approaches, multi-stakeholder engagements and with engaging in public discourses – which would require different types of training and development programs.

Derick de Jongh reflects on Responsible Management Education and RIO+20

In short, I'm disappointed, frustrated, even annoyed. While the merry-go-round of mutual congratulations continue the world is going to pieces – just as it had been the last time the world gathered in Rio.

We witnessed yet another anonymous procession of academics on a formal stage, quietly perching in single square aluminium and leather trim seats. We gamely watched the obligatory exchange of smiles, handshakes, a few token good news stories. Facts are rattled off, case studies blurted out, followed by automatic applause. There is a general feeling of comfort, of satisfaction. After all, we are a small community, an alliance amongst friends.

And yet nothing seems to have changed. We are card players hunched over a table, while the casino burns around us.

During the recess we speculated what would have happened had we brought a real outsider on to the stage – a no-nonsense economist – a representative from the old guard, perhaps even Keynes himself. Chances are that he would have laughed at our at our little gathering, dismissing our efforts as pipe dreams, the shrill yet ineffectual complaints from a few rabble rousers who evidently understand nothing of reality. Simply put, a few case studies listed in a glossy brochure will not change the current system of short-term profit .

Why are we still discussing our burning world? How did we resort to this cliché of circulatory speeches? How can a crisis of such magnitude be addressed in such comfortable terms? Just how bad do things need to get before the discussions cease, to be replaced by unified and sustained collaboration?

- Creating prototypes of the vision: Setting up a variety of prototypes dedicated to one or several aspects of the vision allows testing of how the new roles of management education can be interpreted and translated into action. The collaboratory plays a central role in many of these prototypes, both in their creation and incubation phase, as well as in shaping new forms of education, research and platforms for public engagement.
- Orienting research toward the common good: Encouraging the development of collaborative research

centers dedicated to transdisciplinary approaches, new future-oriented research methods, as well as new incentives and measures for researchers.

- **New measures for management education:** Implementing the vision requires different incentives and measures of success. Management education organizations requires alternate evaluation and ranking tools, such as new criteria for assessing the value and impact of research, and evaluation of criteria for measuring faculty contributions to society.
- **Celebrating excellence:** An important engine to drive change is to create recognition and awards for successfully living the three roles of the vision. New projects, transformation on an institutional level as well as initiatives and engagements by faculty need to be widely communicated – and praised.
- **Professionalizing the management of schools:** Management education providers are challenged to evolve towards professional management, supported by leadership that is experienced in change management and transformative organizational processes. Many existing senior leaders have not enjoyed appropriate exposure or training to successfully lead the change needed to accomplish such a transformation.

Looking ahead

Launching the 50+20 Agenda and Film at RIO+20 was only the start of a process. More recently we completed the manuscript of the 50+20 book as well as the documentary on our escapades during RIO+20. During quarter 1 of 2013 a number of exciting projects are

being announced that focus on the implementation priorities outlined.

Ultimately the implementation of such an ambitious vision will only come about through the realisation of individuals and organisations that each of us own the responsibility to create the change we seek.

Please keep in mind that the 50+20 vision is an open-source project. No-one holds the patent to put it into production. It is up to you, me, we, indeed "all of us" to make it a reality.

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Paul Shrivastava reflects on RIO+20

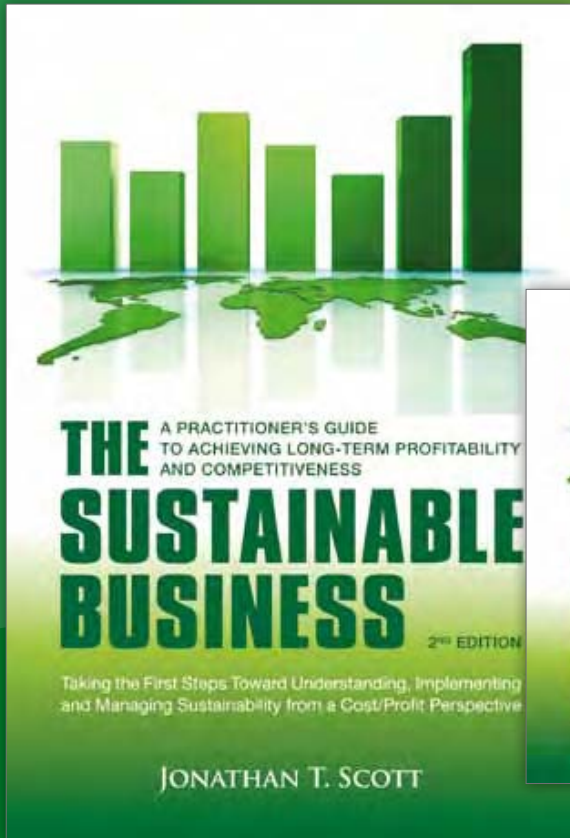
Rio+20 did not solve our long standing and urgent sustainability problems, but it gave me hope that plenty of meaningful conversations and actions are afoot. While I am restless for more action, and see what is being currently done as too little and too late, I returned from RIO+20 with a sense of optimism, eager to push harder on our collective sustainability agenda.

Most UN summits on sustainability held over the past two decades were dominated by politicians, or scientists, or lawyers. Not so at Rio+20. At this meeting there was no doubt that business and economic issues dominated. It was all about the green economy, sustainable enterprise, environmental technologies, and triple bottom line. The overwhelming presence of business at Rio+20 can be seen both as danger and opportunity. Dangerous because sustainability is a multi-stakeholder issue that requires collaborative solutions. Having business and corporations dominate the discussion can detract from reaching implementable solutions. But it is the opportunity that business involvement brings that I want to focus on.

Businesses realize sustainability is a critical issue for their long term prosperity. They were willing to send representatives to discuss a wide array of issues, such as, human rights, water, energy, climate, agriculture, food, finance, social development, urbanization, and education. It is not often that businesses devote serious attention to many of these topics. These topics go well beyond the typical CSR (corporate social responsibility) mandate of companies. So their willingness to debate these issues opens opportunities for stretching corporate commitments to sustainability.

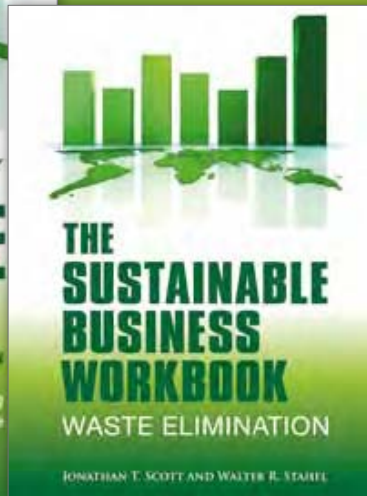
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Research you can use

It's the process stupid

Mark Drewell's exploration of our obsession with the economy was first published in for Planet B Magazine

Bill Clinton's 1992 election campaign brought the phrase 'It's the economy stupid' into our global lexicon as his team recognized that delivering economic growth was the key message for the electorate at that time. Since then, this idea has become entrenched across political parties throughout the world as the focal point of the political agenda. On the surface this seems reasonable. A simple mathematical truth: growth = jobs = re-election.

So how do you achieve this? Well it seems you get a class of professional politicians together with professional (invariably neo-liberal) economists and "leaders" of big (and often predominantly financial) corporations and together they work out what needs to be done and what can be done.

There is an old saying in England that if all you have is a mallet, everything looks like a nail. And for this assembly of mallet-wielders playing the political game, there is indeed only one box of nails. The nails are cut public spending, refinance the financial sector and pray.

This is the only plan but it is not working and it won't work.

So what do we do instead?

The key lies in a new kind of bottom-up political approach in which we co-create solutions which emerge as a result of facilitated processes.

Such processes both open up new answers and the will to embrace them and act on them. They can and do put people back at the heart of everything. People and not organisations. People and not customers or consumers. People and not voters.

There are many examples of this emerging across the world. They are invariably viral in nature and poorly understood (if not totally ignored) by established elites.

The transition movement is just one such example (www.transitionnetworks.org). They represent a return to much older traditions of democracy than the adversarial, party-based systems dominant in most nation states. These traditions involve people getting together and seeking a way forward through dialogue in which the voices of all have something to offer. Such processes can

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The key lies in a new kind of bottom-up political approach

and do place love, justice and community above efficiency and returns. Such processes can allow spiritual wisdom to stand alongside the merchant's perspective. They allow the wonders of nature to command centre stage in the decision-making process. They allow the cries of those who suffer to be heard and take priority over the clink of the champagne glasses at bankers bonus time.

Different processes produce different futures. People acting in community are needed to replace professional politicians, corporate lobbyists and neo-liberal economists in the centre stage. Imagine a bottom-up process where we move forward into a co-created future through dialogue, the search for wisdom and the engagement of people everywhere.

Such an approach stands at the centre of a move towards a socially just and environmentally sustainable future. Those of us who have experienced deep societal transformation such as the end of apartheid in South Africa know it is both possible and perhaps necessary.

Imagine how a parliament filled with members chosen by communities of people for their commitment to listening, their desire for wisdom and ability to co-create operating in facilitated processes would be a very different place to the world of sound-bite top-down manifesto-driven party politics.

It is the process stupid, not the economy which matters.

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Africa Leads & 13th General Assembly of GRLI Stellenbosch, South Africa, November 2012

Nick Ellerby & Dr. Arnold Smit



In attempting to capture the richness and flavour of the GRLI gathering and Africa Leads 2012 our narrative is supported by individual contributors from among those who participated in the global gathering.

This story begins late in November as partners, ambassadors and contributors arrived at the glorious setting of Spier Wine Estate, in Stellenbosch, South Africa, on an unexpectedly warm day as spring turned to summer. From the outset there was a difference in the air. Not just about being in a beautiful and demanding country that is full of contrasts and paradoxes, but an event itself bringing together different threads creating a whole new experience for those participating, an event called Africa Leads.

Africa Leads aimed to be a collaborative learning, research and engagement opportunity in partnership with the Globally Responsible Leadership Initiative (GRLI) and hosted by the University of Stellenbosch Business School and the University of Pretoria Albert Luthuli Centre for Responsible Leadership.

When asked to describe the GRLI, we say it is a community, an advanced laboratory, a foundation and increasingly a movement. Our gatherings ... contain all of these aspects which combine in our work together to develop a new generation of globally responsible leaders. It is the heart of our mission. It is our *raison d'être*, it is the reason why we take time out of busy schedules and travel the world, why we meet, talk, connect and share our hopes, our frustrations, our successes and our failures. We meet to gather new knowledge, to reconnect with old friends and meet new fellow travellers, to recharge, forge alliances and work together on collaborative projects and re-examine our own work and learn from each other.

Mark Drewell, CEO, GRLI, Stuttgart,

The programme comprised four interwoven on-going processes:

- The 13th General Assembly of the Globally Responsible Leadership Initiative
- Sustainability Collaboratories where businesses, business school thinkers and other stakeholders convene to bridge the sustainability gap.
- The 2nd International Conference on Responsible Leadership of the University of Pretoria Albert Luthuli



Centre for Responsible Leadership (followed by a PhD Colloquium)

- The GRLI Young Ambassadors programme convening 80 participants aged 18 to 30.

Each interdependently, aimed to progress the overall objectives of the GRLI, and represent major initiatives in developing the next generation of Globally Responsible Leadership, a process that began for many of the early GRLI partners in 2004.

The start of each aspect was staggered over 24 hours with the initial Getting Up To Speed session for the GRLI beginning on Sunday afternoon. The plenary introduced potential collaborations such as the research options with GOLDEN, and encouraged on-going initiatives to transform business schools harnessed by 50+20 agenda. The session was fired up by Doug Heel leading a hands on physical experience to assist in harnessing in oneself the untapped resources and potency for being present and focussed.

Following the plenary, there was clustering into working groups for those with responsibilities for the effective delivery of aspects of the overall event. For instance, six South African facilitators, passionate about the

prescheduled 'learning visits', were matched with six GRLI partners, to ensure the participants gained the optimum learning possible through engagement and questions. They met with Jill Bogie and



Michelle van Reenen the tireless visit co-ordinators, to consider how to bring passion, disruption and questions to bring more of the whole person to the learning process.

A new flow of arrivals appeared as more participants joined for the start of the Africa Leads 2012 programme. During the evening plenary the hosts and the GRLI Board welcomed us all. Frik Landman, USB, one of the key hosts, opened the event recounting his recent learnings from the Drucker Conference, and called for us to work with the tougher challenges, rather than simply the areas where there is already focus and answers. Michael Powell, Chairman of the GRL Foundation, welcomed the participants and partners, and raised the idea of this being

an African Century perhaps more so than one marked by Asia. Michael also extended the appreciation to Heidi Newton-King, COO at Spier for their excellent services and hospitality. Mark Drewell, CEO of the GRLI, was the affirming and relaxed holding force throughout the whole event.

Then began the open space approach to bidding for time and participation. Each person who had something offer, whether a new initiative, daring idea, research paper, learning from action, stood up and spoke to their topic. Then we each indicated what attracted us and from this, rather wonderfully, emerged an itinerary for the breakout sessions that took place throughout the gathering. At times confusing, chaotic, but essentially calling for us to act, take responsibility for what we each wanted, and to work with the whole – fantastic... and it worked.



The evening programme also provided time for industry collaborations to get going. Africa Leads created space for participants from general business, financial services, the extractive industries and management education to work together on actionable solutions.

An Early Start to our Journey

Considering the familiar low turnout for breakfast plenaries, it was a tribute to the participants, and the quality of food, that most people were enjoying breakfast just after 7 am.

Nick Ellerby spoke on 'globally responsible leadership and the whole person journey' identifying the applied stages of a transformative process, and calling for a re-balancing of thinking, feeling and willing in our business practice. With quotes from Learning for Tomorrow, GRLI Whole Person Learning Manual and the recently launched, Steps to an Ecology of Soul, the session reminded us of our original impulse, values and the guiding principles of our work.

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Each learning journey was a narrative of innovation, creativity, sustainability, passion for change, commitment not to being the best in the world, but for doing the best for the world.

Impact on my practice...

Put simply, I was inspired... by hearing loud and clear the call for a new kind of leadership in business... by the connections and relationships that resulted from sharing our business' journey of whole person learning and deep culture change... and most of all by the absolute passion and resolve of Eve Annecke, Director of the Sustainability Institute. She said, "it take lots of small hinges to swing a big door". My first 'hinge' was winning the auction for the 50+20 bench. Relocated from South Africa to Yorkshire; to the pathway between our Taylors tea and coffee factory and our Bettys Bakery, it will stand as a symbol of connectedness, the GRLI and my own commitment to Act Now.

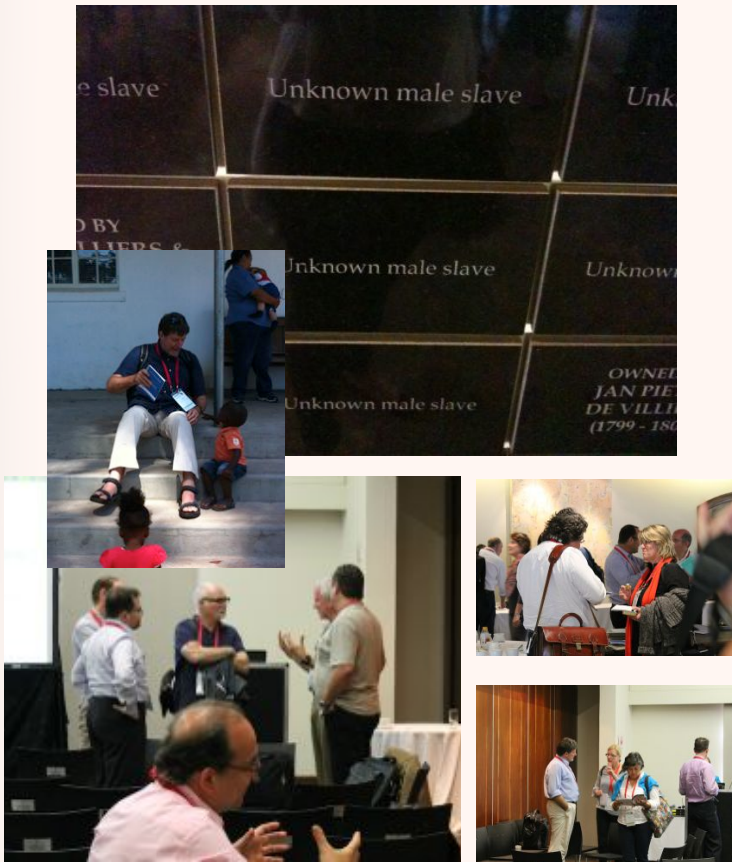
Mary Godfrey, Group Executive Team, Bettys and Taylors Group

The session also set the process for finding a speaking partner to encourage reflective practice, not only through the visits but throughout the whole time together.

This marked the beginning of some of the most inspirational 'seeing is believing' sessions of the time in South Africa. These included: exploring with Eve Annecke the Sustainability Institute, their transition work and commitments to ecological practice moved some to new forms of activism; a walk on the Spier Estate with its commitment to sustainability across both the wine producing and hospitality dimensions of its business; seeing the immense changes at Solms Delta that go way beyond what anyone would think of in terms of a wine estate, bringing about alternative approaches to health, education, housing and wellbeing, and their honouring of

the biographies of both employees and owners, making visible hidden histories; experiencing Villiera Estate, a family run winery with a strong focus on biodiversity, conservation and renewable energy; engaging with Capitec, a recently established and very successful retail bank with its focus on providing banking services to the previously unbanked market and sustaining a business model servicing customers in the lower income market; listening with admiration to the stories of hope of a school principal and a young tour guide from Kayamandi, a township just outside of Stellenbosch. It was also this particular learning event that reminded us about the realities in the South Africa of today, namely that the visit to Kayamandi had to be changed to a conversation at Spier as a result of unrest in the township over service delivery complaints from the side of the community.





Each learning journey was a narrative of innovation, creativity, sustainability, passion for change, commitment not to being the best in the world, but for doing the best for the world.

Back to Spier and storying telling was a theme in many of the keynotes.

Piet Naude asked the question, 'Sustainability, what fundamental shifts are required of 21st Century Leadership?' There was a call for developing three forms of intelligent leadership, ecological, imaginative and ethical.

In the evening, during a 'cooking for each other' supper, the GRLI Young Ambassadors joined the gathering. They had focussed on their own questions during the first day and our time together brought a further vibrancy, flurry of networking, challenging questions and a recognition that some of the inquiring relationships being formed might last a lifetime. Many ambassadors are in MBA programmes, others are in business organisations seeking to develop what is best for the world, some are engaged in political and civil society.

One year ago the GRLI partners watched a TED presentation by 'Mac' MacCarthy, Director at Embercombe, talking about the Children' Fire, but that evening, under the stars, we met him in person. Mac talked of leadership and the courage to act, and through his own resonant stories, the audience realised he was a living embodiment of what he was talking about. He was being the change he wanted to see.

The next day, we began with Pierre Tapie, focussing on 'Contradictory forces governing virtues and vices among Business Education' using global research highlighting student and faculty perspectives and issues for the future.

Between a full day of breakout sessions, we met Thomas Maak who told the emerging story of new kinds of businesses that he termed Integrative, highlighting a paradigm shift in what motivates and engages companies that operate from a business model as if people and planet really matter.

As the reader will recognise, it is only possible to offer a surface sense of the richness of the dialogue held within the breakout sessions, so to give an indication of the themes, some of the titles may suffice. As well as emerging issues and questions, there was sustaining what we have already made commitments to.

Amidst the seminars and workshops on what is being learned and achieved, there were both exploratory and advanced sessions covering the transformation of business schools, based on the 50+20 Agenda; offering participants a hands on approach to learning tools, such as the GRLI Grid; learning about deep cultural change and business transformation from the story of the Bettys & Taylors Group; and considering the possibilities in the "Big Science, Engaged Scholarship" research approach of GOLDEN.

- The 2nd International Conference on Responsible Leadership pulled us into the reflective space of academics and practitioners that are doing valuable work on themes such as
- Leadership and accountability, covering the space of governance, integrated reporting and transitioning strategies for sustainability and resilience
- Leadership and ethics, considering how to foster an ethos hope and a culture of responsibility
- The theory of responsible leadership, as the phenomenon is studied at individual, institutional and collective level

- Africa's homegrown leadership and sustainability paradigms, reflecting on whether and how it might be different from other regions in the world
- Responsible management education, exploring approaches that change the perspective from "being the best in the world" to "being the best for the world."

Despite being another long day the Gala evening was a stunning array of presentations, music and even an auction of one of the unique Rio benches to raise money for the work of the GRLI Ambassadors. The Ambassadors rounded off the night with a visual message of their own thoughts and passions around global impact.

The following day the GRLI partners gathered in the aftermath of Africa Leads to make sense of what had emerged for them and the commitments of the partners for the next phase of the work of the GRLI. Greg, once again, lead us through a physical 'wake up' call as to how we can lead with our whole selves in making change and moving forward, individually and together.

We were reminded about the ingredients of all we are working on, and the foundations of our practice as a change community.

Back to the Future

Since 2005 when the first GRLI do-tank co-created a Call to Engagement, published for a UN meeting in New York, establishing a framework for Developing the Next Generation of Globally Responsible Leadership, the partners have driven an approach that Thinks BIG, STARTS small, and ACTS NOW, and alongside that approach there has been a sustaining community of partners, friends and fierce peers.

In 2005, Globally Responsible Leadership was defined and a new term emerged, one that today represents more than the individual meaning of each word, but a lodestar for tomorrow, and a growing movement of engaged partners and networks.

By 2006, our action agenda focussed on:

- **Concept development** - encouraging and building a body of knowledge on GRL including, executive doctorate on CGR, deepening understanding and meaning of GRL, and refining and developing an applied research agenda.
- **Execution** - developing globally responsible learning activities, including seeking to influence change in business schools, faculty development through content shaping and developing pedagogy, design and testing of different forms of learning, piloting new



On reflection...

There is a lot to say about this new GRLI experience in South Africa. The learning journey to Solms Delta will be remembered as one example of what individual's passion can achieve in a process of healing from the past and root the present by exploring an history that is common to black, coloured and white citizens.

I went to Spier with an objective in mind: what concrete actions would emerge that implement the 50+20 Agenda. To my great satisfaction, three of the six implementation priorities suggested have been addressed with collective actions taking off. The "Africa Leads" programme was successfully launched as a regional collaboratory. A co-creation movement has already started in view of developing a global doctoral programme. The alliance with GOLDEN paves the way to orienting research toward the common good. And, although at a very embryonic stage, there are a number of enthusiastic young ambassadors who are ready to be challenged and participate in the creation of prototypes of the vision.

For sure, November 2012 GRLI General Assembly has seen a vibrant global community sharing an ambitious vision but ready to act small and now.

Liliana Petrella, EFMD, GRLI Board Member

In practice...

When working with others, I am exposed to things I may never see or hear, and the more I become inclusive as a leader, the better the outcome. Hence a key component adding considerable success in virtually every situation, is collaborative leadership. It not only challenges thinking and practice, it also brings diversity. In collaborative leadership relationships, new ideas and perspectives lead to something unique. I believe in a realignment of politics that goes beyond political parties, and incorporates civil society as a whole. Collaborative leadership addresses this aspect.

A couple of other aspects that have stayed with me, include the VUCA world concept: understanding that the world is volatile, uncertain, complex and ambiguous, one that is rapidly changing. I also liked the simple definition for Leadership: Direction, Alignment and Commitment. A shift occurred for me when I recognised I need to understand myself better in order to understand others. Like Nelson Mandela said, "you can't change society unless you change yourself". I wish to equip people who want to do good with the required skills to do better.

Reagen Allen, South Africa, GR LI Ambassador

leadership programmes within business, supporting the learning stream of the UN Global Compact.

- **Advocacy** - promoting the goals and actions of the initiative, including communicating the thinking, sharing ideas and practice, networking, internalising within our own organisations.

Since then there have been stronger and deeper steps towards achieving our objectives through multi-partner approaches. Each in its own way has been a clarion to

challenge dominant ways of thinking and practice when it comes to developing the next generation of globally responsible leadership. Each has invited a further step, often into unknown or less navigated territory. Each has offered tentative, sometimes radical possibilities as well as demanding more of each of us, and those organisations we work within.

There are projects and initiatives being undertaken across the planet, people striving to develop the next generation of leaders and leadership to be the best for the future. The community of GR LI partners is three times the size it was and many individuals and their organisations continue to work at an edge blending the ingredients for genuine sustainability through responsible leadership development.

For those new to the territory, one idea that emerged from Africa Leads is to create a global directory, a guide to who is doing what, where, and how, which helps people and organisations to make more informed choices about engagement.

It is these small ideas with big impact that aim to scale ongoing action for responsible leadership for Africa and the rest of the world. Africa Leads, the event, was designed to be the seed for a long term commitment to collaborative action for responsible leadership on the African continent. As the GR LI moves on to its 14th General Assembly in Paris in June 2013, it is our hope that the flavour of what happened in South Africa will inspire further possibilities for like-hearted and like-minded action.

FOR MORE INFORMATION:

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

<http://www.africleads.org.za/>

<http://www.usb.ac.za/>

<http://www.oasishumanrelations.org.uk/>

<http://www.spier.co.za/>

<http://goldenforsustainability.org/>

<http://50plus20.org/>

<http://www.oasishumanrelations.org.uk/resources/books>

<http://www.sustainabilityinstitute.net/about/overview>

<http://www.solms-delta.co.za/>

Albert Luthuli Center for Responsible Leadership: <http://web.up.ac.za/default.aspx?ipkCategoryID=10099>

Nelson Mandela Metropolitan University: <http://www.nmmu.ac.za>

GR LI Ambassadors: <http://www.grli.org/index.php/focus-areas/grli-ambassadors>

Douglas Heel: <http://www.be-activated.com/>

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Understanding the value of sustainability delivers better decision-making and improved returns

Deirdre Lingenfelder



Sustainable development has been an integral part of Anglo American’s strategy for many years. Now the company plans to quantify the financial and non-financial value of sustainability factors as a key part of its mining project decision-making process.

Anglo American is one of the world’s largest mining companies focusing on platinum group metals, diamonds, copper, nickel, iron ore, metallurgical and thermal coal. Having long recognised that to be the global leader in responsible sustainable mining requires total commitment, the company places sustainability at the heart of every aspect of our business. The most recent demonstration of these deep-held beliefs is that the company has made it mandatory for sustainability not only to be considered but also, in time, to be quantified at every stage of the project development process.

This will inform decision making to deliver projects in the pipeline with better confidence, improved quality and increased long-term value. Anglo American sees this integrated approach as being the best way to mitigate the social, environmental, health and safety risks inherent in mining and to maximise the opportunities for delivering value for stakeholders. The days when sustainable development was seen simply as a cost with no value are long gone. For Anglo American, creating financial value for shareholders depends on managing sustainable development risks and opportunities effectively and delivering broader benefits to the many stakeholders close to its operations.

As a company that extracts a non-renewable resource, Anglo American believes it has a duty to be especially vigilant in ensuring that it mines responsibly, engenders trust and delivers a fair share of the benefits during the time of its operations to host governments and



communities, leaving them with a firm foundation for a sustainable future.

Delivering on commitments

It is this belief that makes sustainable development integral to Anglo American strategy of becoming the leading mining company and investment, partner and employer of choice. The company has identified a number of commitments that are key to delivering on this strategy:

- Operational excellence – realising exceptional operational value by managing safety and sustainable development risks and identifying value-creating opportunities

- Zero Harm – creating and instilling a company and industry culture that protects people from harm and improves their health and well-being
- Climate change – enabling operations and local communities to address and adapt to the causes and effects of climate change
- Water security – providing water security for our operations and the communities where we operate
- Community health – facilitating tangible health improvements in local communities and a positive influence on health in developing countries
- Benefiting communities – enabling sustainable economic and social development of communities where we operate.

These commitments recognise that delivery of the company’s strategy is dependent on a diverse and complex mix of factors including its ability to cost-effectively access the required resources for mining (particularly water and energy), the positive relationships with its host communities and governments and its ability to attract and retain a skilled, healthy and committed workforce.

To ensure it delivers on these commitments, Anglo American has set ambitious targets and made significant progress in recent years. The company has improved its own safety, health and environmental performance and instigated a wide range of initiatives around the world such as: enterprise development schemes which create and sustain employment in South Africa; a community infrastructure scheme in Queensland, Australia; and programmes to reduce the vulnerability of local populations to sexually transmitted infections, including HIV/AIDS, in South Africa and Brazil. Many such programmes are collaborations with organisations as Anglo American understands the power of partnering with business, civil society bodies, NGOs, research organisations and governments.

Recognising that sustainability is not a simple ‘add on’ but requires a ‘cradle to grave’ approach, several years ago Anglo American started to look across the full life cycle

of its mines. To ensure that sustainability is considered at every stage of a mine’s life, the company introduced a set of mandatory performance requirements (The Anglo American Ways) that now govern its safety, social, people development, occupational health, environment, and projects activities in relation to sustainable development. These ‘ways’ are a set of standards and systems to ensure that during exploration, building and planning, operation, and closure (the four key phases of a mine) the company considers its impact on people, communities and the environment.

Improving project decision making

When it comes to potential new mines, it is the Anglo American Project Way that defines the rigorous approach used to evaluate and manage its diverse projects around the globe. In 2011, it was recognised that there were opportunities to further enhance this process by incorporating a defined approach for more fully valuing sustainable development issues – particularly in financial terms.

This is increasingly important as the company’s capacity to deliver on its commitments is set against the backdrop of shifting technical, social and geopolitical forces. The 21st century is seeing more difficult access for new mineral resources, increasing demand from rapidly expanding economies such as India and China, continuing social inequality in many countries, and greater competition for technical skills. These challenges are further compounded by the changing nature of society’s expectations of business. Low levels of trust in business in general, and the historically poor reputation of high-impact industries in particular, is prompting increased scrutiny and greater regulation of commercial activities – and the need for greater transparency and accountability.

In particular, Anglo American’s mining activities touch a spectrum of major sustainability issues which individually have enormous potential to derail the most carefully thought-out financial and engineering models. Consideration of these issues as part of the decision-making process at the start of a mining project is critical as it enables the risk to be fully understood and managed from the start.



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the company has taken the bold step of measuring the potential range of financial and non-financial value that can be created or eroded due to sustainability challenges and opportunities over the life of a mine



So the company has taken the bold step of measuring the potential range of financial and non-financial value that can be created or eroded due to sustainability challenges and opportunities over the life of a mine.

To do this it is incorporating a new Sustainability Valuation Approach (SVA) into the 'Projects Way'. As one of the first mining companies to attempt to quantify sustainable development in projects using such an approach, Anglo American has recognised that sustainable development issues are playing an increasingly important role in the profitability of its assets.

In the past, the company found that projects had stalled or been delayed due to sustainability issues, such as environmental licences not being granted or community opposition to a project. The latter not only has a local effect, it can also cause reputational damage which delays or even prevents the organisation from gaining permits on other projects in different parts of the world. These types of issues were identified at early stages of projects in the past, but the financial impact of potential risks was not quantified. By placing a financial value on sustainability factors, as well as more common non-financial measures, project teams gain a far better understanding of the value at stake associated with key project decisions. This early understanding of the potential impact of different options enables better decision-making when considering the best options for designing a mine project.

Building SVA into its integrated approach to sustainable development, enables Anglo American to ensure that it considers and is responsive to the needs and interests of society, its people and the environment, and importantly that it identifies and addresses the material sustainability risks and opportunities that impact its capacity to create value.

Placing a financial value on sustainability

So how does SVA work? The approach enables sustainable development value drivers to be identified across the life of a mine – including the supply and distribution chains – in the early stages of a project, as well as the potential impact that these will have on key project decisions. For each option the potential Net Present Value (NPV), or 'value at stake' range, can be calculated. (NPV is a mathematical formula used in investment evaluations to analyse the profitability of an investment or project.)

This value at stake differs from the financial information traditionally included in the cash flows of a project's financial model as it is typically less certain than estimates, for example, for the cost of machinery or labour. It also differs from the qualitative risk descriptions that are traditionally presented for consideration in project investment proposal decisions but are not quantified financially. It is a quantitative measure of the potential range of financial value at risk, which is calculated on the basis of assumptions. This range of financial value at risk is combined with non-quantitative data in order to determine the true value at stake of different potential options. Value at stake calculations can be done for all key project decisions, including the likes of tailings dam location, water supply options and energy supply.

The company has developed a four-step methodology for SVA which entails: understanding the project context; generating the options, factoring in sustainability issues for selected key project decisions; quantifying the value at stake; and communicating the choices. The assessment includes consideration of nine key 'value drivers' relating to: water; greenhouse gas emissions; energy; climate change adaptation; biodiversity; land stewardship and waste; safety; health, and licence to operate.

The approach has been applied to a small number of new projects over the last year to test and refine the approach. These were selected in different geographies, with diverse cultures and with different sustainable development issues and financial models, for example a copper mine in Peru and platinum and thermal coal mines in South Africa. These pilots demonstrated that the value of sustainability could be measured and that the process of applying this structured four-step methodology added value to the project process.

What was clearly illustrated was the dramatic effect that placing a value on sustainable development considerations can have on the NPV of a particular project. The pilots highlighted that the most attractive options, from a purely traditional positive NPV perspective, may become the least attractive option when the value of sustainability is included. By simply adding the value of sustainability considerations, a far better understanding of which option will deliver the best outcome in the long term was gained.

In the past Anglo American, like many mining companies, may not have applied the same level of rigour to analysing sustainable development as it did technical and commercial factors but the new approach will bring a new level of detail. Understanding and valuing sustainability factors on projects from the outset will have a major impact on the company's investment decisions and ultimately a project's speed of return and commercial success. This will not only ensure an intelligent and properly considered regard for all stakeholders but also that shareholder value is maximised over the long term.

Piloting the process for better results

A project team involved in assessing the extension of an existing mine considered safety and sustainability as well as technical and commercial factors using the new SVA approach. This helped to identify and determine the best expansion options.

The team identified seven potential footprints and investigated these assuming an assigned energy option. All environmental and social factors in and around the project area were identified and mapped. Representatives

from different disciplines involved in the project attended a workshop to discuss and assess the options. A net present value (NPV) was calculated for each footprint option, quantifying the net loss to the environment by assigning monetary values to determine the loss to water courses (rivers, streams, wetlands) and agricultural land. Potential delays in the granting of environmental permits by authorities were also factored into the different NPVs, using best-, likely- and worst-case scenarios. Other factors included were: production days lost as a result of potential flooding; possible carbon taxes; and affected maize yields and prices for nearby areas.

The outcome was more detailed information on the different scenarios which enabled the project team to choose the option with the highest value and least risk of failure so ensuring the best outcome in the long term.

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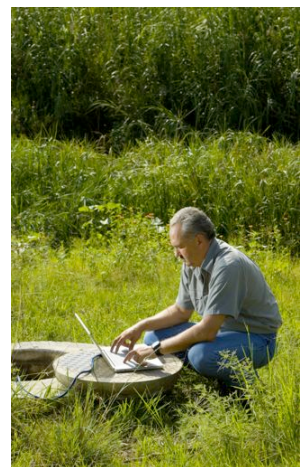
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Taking Responsibility for my own future

Charline Collard

My Experience as a Young GRLI Ambassador at the GRLI General Assembly in Stellenbosch, South Africa (18th November – 21st November 2012) and the GRLI Ambassadors Society at Anglia Ruskin University, UK

My journey started in October last year when Jonathan Smith, my lecturer of International Leadership sent me a link to participate to the GRLI Young Ambassador competition: Africa Leads, Responsible Leadership for Africa and the World. I was asked to write a 1,000 words commenting on the following question:

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How would you rethink or redefine your understanding of the concept “leadership” if its ultimate aim is to become the best FOR rather than the best IN the world? Illustrate how this new concept could ensure meaningful progress using an example from your community or region.

You can read my answer on our Blog and see the videos of other Ambassadors worldwide on the Africa Leads Website

I was one of the winners of the competition and the prize was an all expenses-paid conference including accommodation, meals and participation.

It was three intensive days where more than sixty Young Ambassadors from thirteen countries gathered together with members of the GRLI from Business and learning institutions at the Spier Hotel in Stellenbosch near Cape Town. Stellenbosch is the centre of the South-African wine industry. I met anthropologists, businessmen, heads of business schools, politicians and engaged in fascinating conversations with them about leadership, impact of



migration, self and identity, common good, economics, systemic thinking and Africa.

The facilitators from the Centre for Creative Leadership's Leadership beyond boundaries team were wonderful. Their skill is in unlocking human potential through leadership and we worked towards the following three main objectives:

- Learn about making globally responsible decisions
- Promote knowledge of self for a better society
- Think systemically about the challenges future leaders will face

From this I learned that leadership starts within you. Understanding in depth or holistically what is our inner core or life principles is crucial to living in harmony, communicate and understand others. We all know our inner cores very early in life. But then the system helps us forget about them so we fit into the “mould”... I would like to quote John North (2012), associate of the Albert Luthuli Centre for Responsible Leadership at the University of Pretoria in South Africa, who illustrates this very well:

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As a result of being a GRLI Ambassador, I will never forget my life principles to act as a responsible human being.

Before students or managers can embark on becoming capable leaders they must take a close look at themselves and carefully consider what they find (warts and all). Leaders need to identify their inner core, or higher self, which can help guide them through turbulent periods. An integration of body, mind, heart and soul is an important pathway to strengthening such an inner connection.

J.North

I believe that this world needs a new economic and social system in which many new social organisations can be created to decrease unemployment and promote sustainability.

As a result of being a GRLI Ambassador, I will never forget my life principles to act as a responsible human being. I realised that as much as other can have an impact on me; I also leave a print of myself in others. So if we all live in respect of the common good, we can change the world, even if we start with baby steps... Remember: "When spider webs unite, they can tie up a lion!" (Ethiopian proverb)

After October I talked so much about the GRLI around Anglia Ruskin that by December 2012 I had recruited enough members to set up the GRLI Ambassadors Society at the University. We have been meeting every week to discuss ethics, corporate responsibility, what GRLI is and how we can act towards the common good. As a result so far, and thanks also to GRLI CEO's Mark

Drewell's visit on 10th December 2012, the Dean of our Business School asked to meet the Ambassadors on 11th February 2013 to listen to what we have to say on how we would like to see the Business School engage further into management development for the world. This year, the objectives of the society will be to carry on the discussions during our drop-in sessions, raise money to allow as many Ambassadors as possible to go and attend the next GRLI conferences in Paris in June and Peru in November as well as any other events linked to responsible leadership and sustainability. We are also planning to meet local responsible companies to share with us their visions and way of working as well as working together with the fair trade and sustainable societies. We have a Facebook page for local events and global discussions.

FOR MORE INFORMATIONS

Blog: <http://myopenvoice.com/grlianglia>

Africa leads's Website: <http://www.africleads.org.za/2012conf/young-ambassadors-event.html>

CCL: <http://www.ccl.org>

Facebook: Anglia Ruskin Ambassadors Chapter: <http://www.facebook.com/pages/GRLI-Ambassadors-Anglia-Ruskin-University/551522501531347>

GRLI Ambassadors: <http://www.facebook.com/groups/590630321113/>

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GRLI PARTNER PROFILE

Oulu Business School and the Martti Ahtisaari Institute - Business and Economics studies in the Arctic region

Sauli Sohlo

“Oulu – Finland – Nordic countries – High-tech – Dark - Freezing – Where was it again?”

This is a typical line of thought, when meeting someone around the world and starting a discussion. Yes, Oulu really is the far north. Just think about the fact that you only have to drive a little more than 100km and you are already approaching the Arctic Circle. And yes, it can be pretty cold during the winter; and we are few and far between, since Finland is one of the most scarcely populated countries in Europe.

Of course, to balance the cold and dark winter; there are warm and luminous summers. If during winter everyone turns inside to themselves, family and friends, during summertime we turn to the outside, looking for new friends and experiences.

Under these circumstances and natural conditions, it's a good idea to rather be in good terms with others rather than at odds with everyone. When it's minus 30 degrees celcius outside and you are in trouble and in need of help, it's better to have many friends than enemies. It's also a good idea to help out someone in need - they might really need it, you know. It's also a good idea to exercise responsibility in one's actions, regardless of what your role is at work, home or leisure. The Finns have learned this these truths by heart in the course of history. They are ingredients deeply embedded in the way people behave and organizations function.



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Are leadership qualities something that can be taught and learned?

Is the idea of Responsible Leadership then also a built-in character for the people in the north? Does responsibility at the level of an individual then translate into an ability to encourage responsibility in others as well?

It's difficult to say, but at least it feels natural to be part of organizations like GRLI, where these ideas are not only thought of and discussed, but also as well as practiced.

To the facts then... The University of Oulu and Oulu Business School

The University of Oulu was founded in 1958, as a multidisciplinary research based university. This was at the time when Finland was still recovering from the aftermath of the Second World War, and the heavy toll that it took especially on the northern and eastern parts of the country. At that time, Oulu had 50 000 inhabitants, and the city was about to experience a transition period from a heavy industry-based economy into a region with a greater variety of industries ranging from high-tech to services and heavy industry.

Today, the city of Oulu is the Capital of the North, with 200 000 inhabitants. The city is especially well known for its highly developed ICT sector, and has lately received extensive international recognition. It has been for example nominated amongst the Top 7 Intelligent Communities in the world. Oulu is also home for a large number of active young people, of which one good indicator is that the 10th most active big fitness center in the world is located in Oulu (fitness center Hukka). Take that for a small city!

The University of Oulu plays a major role in all aspects of city life, with 16 000 students and 3000 employees, being one of the largest universities in Finland. It is an international research-based university with an exceptionally wide academic base comprising six faculties: Education, Humanities, Medicine, Technology, Science, and Oulu Business School. The University has been



ranked several times as one of the best five hundred universities in the world.

The history of Oulu Business School OBS dates originally back to the early years of the university. Economics as a discipline was established at the University of Oulu in 1959 and business subjects were introduced in 1991. OBS gained the status of an independent unit in 2000, and became one of the six faculties in the University. Since 2000, OBS has experienced rapid growth and today has 1 500 students and 100 employees.

Vision, Mission and Values in action

OBS renewed its mission, vision and values statement during 2011-2012. This process, which involved all key stakeholders, led to a compact, yet distinguishable and action-oriented guidelines for operation. The new statements are fully in line with the fundamental principles of GRLI, and provide a good basis for an active membership in the organization:

OBS Mission: We generate business competencies in cooperation with the scientific community, business partners and the larger society. We strive to develop expertise, and foster the development of leadership qualities in our students. Through our actions and global mindset, we participate in the development of the economy, especially in Northern **Finland**.

OBS Vision : As part of the University of Oulu, we aspire to be an international, multidisciplinary, research based business school.

OBS Values: In all our activities we follow the fundamental values of expertise, responsibility to self and others, and a pioneering spirit.

It was interesting to note that some of the most active discussions during the process were questions around the issues of "leadership", as well as the value statement concerning "responsibility to self and others". An especially fruitful discussion concentrated on the theme of leadership. Are leadership qualities something that can be taught and learned? Can they only be learned through experience? Can we really say that business studies prepare for good leadership qualities? What actually is and how do we define leadership, or more importantly, responsible leadership. Whereas perhaps there are no simple answers to these questions, one important outcome was that there was not a single stakeholder that would have wanted to leave out the element of "fostering the development of leadership qualities in our students".

Another long discussion was related to the issues of exercising responsibility to self as well as others. This was considered a very crucial feature in our education practices, as well as a fundamental value throughout our



country's history. A common understanding amongst stakeholders was that carrying responsibility to both self and others is a quality that can be fostered during studies in many ways, by e.g. exposing students to learning situations, in which it's impossible for them to succeed without taking responsibility for also another person's progress.

Martti Ahtisaari Institute: Internationalisation, global business and economics

The Martti Ahtisaari Institute of Global Business and Economics was founded with the support of Finland's former President, Nobel Laureate Martti Ahtisaari in the spring of 2008. The institute's main role is to support and boost the internationalization processes of OBS, as well as to run research and education activities in the area of global business and economics.

The Institute's focus coincides naturally with the central issues of President Ahtisaari's career, such as the various development challenges inherent in developing a networking and global economy. President Ahtisaari originally graduated as a teacher from the University of

Oulu in 1959, and he is also an Honorary Doctor of the University. President Martti Ahtisaari was awarded the 2008 Nobel Peace Prize.

The Institute currently hosts three international English-language Master's Programmes at Oulu Business School, with more than 100 students. These programmes provide education for business and economics professionals from around the globe, as well as from northern Finland. In addition, the Institute has two MBA programmes, an Executive MBA programme and an international Full-time MBA programme.

In 2012 we also launched the Martti Ahtisaari International Doctoral Programme, and selected the first six students.

The current research activities of the Institute focus on the challenges that companies face while operating in the global arena. These include growth and development, good corporate governance, as well as the functioning of global energy markets. The fundamental aim of the research activities is to produce new knowledge of the functioning of global economies, and to support the development of growth companies especially in northern Finland.

The Institute serves the surrounding community and stakeholders also for instance by organizing a Top Level Seminar Series since 2010. The keynote speakers have included President Martti Ahtisaari, the current President of Finland Sauli Niinistö, EU Commissioner Olli Rehn, as well as chairman Antti Herlin and CEO Matti Alahuhta of KONE Corporation. The purpose of the seminar series is to bring together representatives of business and industry as well as universities to discuss the challenges presented by global business and global economy, and to create new aspects and tools for the purpose of developing northern Finnish economy.

From thoughts to action – the NESU Conference as a discussion forum for our young students

The students of OBS are ever more interested in issues concerning sustainable business, responsible leadership and management, as well as the management of NGO's and not-for-profit organizations. These topics appear nowadays often in the titles and contents of Bachelor's and Master's theses.

The students are active also in various international networks. One example is NESU (Nordiska Ekonomiska Studerandes Union, The Student Union for Nordic Business Students). The young NESU leaders in OBS wanted to invite their Nordic colleagues to Oulu for the autumn annual conference of 2012. The students organized the conference under the title "Responsible Management – The Way to Success" and the Martti

Ahtisaari Institute acted as the main supporting partner. Large businesses as well as SME's were invited to host workshops and discuss the topic of responsible management from different angles, with MA Institute's doctoral candidate Anne Keränen setting the scene for the week with an introductory opening into the themes. The invited companies included large ones like Nordea Group (the largest banking/finance company in Northern Europe), local SME's like softwarehouse Codemate, as well as the Finnish Association of Business School Graduates (SEFE) all of which hosted case sessions and discussions around the topic.

Right from the start, it was clear that the topics were of utmost interest to students, leading the 60 participating business and economics students from different counties actively discussing them until late night during the whole week.

We in Oulu Business School and the Martti Ahtisaari Institute, through our activities and active partnership with GR LI, participate in the positive and constructive development of Responsible Leadership practices in business and society.

FOR MORE INFORMATION

www.oulubusinessschool.fi
<http://www oulu.fi/english/>
www oulu.ouka.fi/english
www.intelligentcommunity.org
www.hukka.net
<http://www.topuniversities.com/institution/university-oulu>
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The Necessary Transition Conference 2012

Karen Brindley

The global sustainability community met in Brisbane, Australia, 26-28 September 2012. It was an event full of inspiring presentations, passionate debates and a plethora of ideas on the subject of The Necessary Transition to a Sustainable Enterprise Economy.

The gathering considered the many transitions taking place: from high to low carbon economies, from gross inequality to egalitarianism, from massive human rights abuses to socially just societies, and from high corruption to societies with high social cohesion and integrity.

Over 130 national and international delegates, who gathered to hear leading international researchers and practitioners share their knowledge and expertise, and offered answers to many of the pressing questions that must be addressed in the journey towards a sustainable enterprise economy. Topics were diverse and covered management education; through to leadership in Africa; and sustainability in the mining industry.

The keynote speakers addressed the theme of sustainability from all angles: a community approach by Eve Annecke of Stellenbosch University's Sustainability Institute; a broad economic perspective exploring the idea of socio-metabolic transformations from Mark Swilling, also of Stellenbosch University; Sara Parkin, from Forum for the Future, spoke of improving the resilience of our systems – ecosystems, economic

systems and social systems; Steve Killelea, founding director of The Global Peace Index spoke on the fundamental significance of peace in human flourishing; and Bill Champion, Managing Director of Rio Tinto Coal Australia gave an industry perspective on how they earn their license to operate.

Day one took the form of a Research Symposium and provided an opportunity for academics from across the globe to share new research on a variety of topics related to the overall conference theme. The day included work-in-progress academic paper presentations, as well as ideas, reports and research from United Nations groups working in Australia. The day concluded with an overview of the GOLDEN for Sustainability Research project.

Day two incorporated the second annual Australia New Zealand PRME network forum and provided an opportunity to hear from leading experts on new initiatives and ideas in responsible management education. The forum included three keynote presentations: Alice Cope, a representative from the United Nations Global Compact, Steve Killelea AM, Founder of the Global Peace Index and Executive Chairman of the Institute for Economics and Peace, and Eve Annecke, Founding Director of the Sustainability Institute, and co-founder of the Lynedoch Eco-Village, South Africa.



The day was facilitated by Professor Michael Powell, PVC (Business) Griffith University, and Chairman of the Board of Trustees of the Globally Responsible Leadership Initiative.

Alice Cope spoke about the outcomes of the Rio +20 conference and the 3rd Global PRME Forum. This PRME focussed session raised the need for a paradigm shift in the heart of the assumptions on which business is done. Alice called for coherence through curriculum, research and training and for change agents to

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There should be a shift in higher education for the common good and “for the world”.



of the 50+20 Report and discussion took place over how current business schools do not question the dominant economic paradigm, and that 50+20 envisions a different way of teaching managers. Mark argued there should be a shift in higher education for the common good and “for the world”. The workshop got people up and moving, clearing tables out of the way so a circle could be formed to encourage participation and discussion.

meaningful work, serving others, being in nature and love. Eve’s parting words left the audience thoughtful and hopeful, for both personal learning and for the future of management education. She said, “Living as if it matters, we might just be able to see that it does.”

Mark responded by saying that “little local initiatives”, such as those occurring within the eco-village, are the ways in which the global transition is being made. “This is a bottom-up revolution that is not confronting the status quo – it’s ignoring it and often therefore invisible to those in power in the current system.” He said.

The day ended with a decision to establish a PRME Australasian group. The next Australia New Zealand PRME network forum will be hosted by Waikato Management School, New Zealand, in August 2013.

The first keynote on day three was by Professor Mark Swilling, Programme Coordinator of Sustainable Development in the School of Public Leadership, University of Stellenbosch and Academic Director of the Sustainability Institute. He has also co-authored a book with Eve Annecke titled “Just Transitions: explorations of sustainability in an unfair world.” (United Nations University Press, 2012).

Mark focused on a range of interesting contemporary issues including the decline of natural resources, the concept of decoupling, and the need for rethinking transition and the role of the State. In realising these challenges, Mark proposed a new form of transition, called the ‘epochal

Mark also took part in a discussion panel following the impassioned keynote address from Eve Annecke, Founding Director of the Sustainability Institute, Stellenbosch (South Africa), co-founder of the Lynedoch Eco-Village (South Africa) and co-author of *Just Transitions* (2012). Her speech titled *Reflections on a decade of learning at the Sustainability Institute* captured the audience, who were silent as Eve described her personal journey that took her to create a place where learning encapsulates all the senses. The Sustainability Institute encourages holistic learning and the students are active participants in the running of the institute with morning chores including cleaning, gardening, and helping out at the on-site crèche. The sound of children is consistent throughout the students learning and the integration of children into the learning environment is natural to Eve and gives a fresh perspective on education. Eve believes that education is extremely important and how we do education is critical. Some of the answers to the necessary transition for Eve are; being in the community, learning something new for the joy of it, doing

motivate and enable each other to embrace sustainability.

Steve Killelea offered insights into the fundamental significance of peace in human flourishing. He suggested that peace was a prerequisite for solving the challenges of global society, and that education may be the key intervention point to ensure action does in fact take place. The benefits of using peace metrics in business analysis were also discussed.

Mark Drewell, CEO of GRLI, lead a workshop titled *GRLI Report – 50:20 Management Education for the World*. Mark gave an overview



transitions', which requires socio-metabolic transformations at all levels. Mark concluded with the comment "The problem is that economists don't know how to spell sustainability."

Day three's keynote presentation was given by Rio Tinto Coal Australia's managing director, Bill Champion, on How do we justify our business and earn our license to operate? Mr Champion spoke about the company's sustainable, emissions-reducing initiatives, both for internal operations and for their overarching business direction. His acknowledgement of climate change and the causal role of human



activity was a well-received yet unconventional stance from a resource industry representative.

Mark Drewell convened a break-out session on Creating Global Citizens and Responsible Leadership. This session explored the question of what type of world we wanted to co-create as global citizens and through responsible leadership. It offered optimism for the opportunity to "fundamentally re-think everything". The three presentations explored different ways for ensuring that societies do not fall into the same traps of development, pointing to the significant role of creativity and innovation. They raised questions such as what is the society that we are aspiring to? and significantly, what are the possibilities for leapfrogging societal stages, particularly those that are not sustainable. Two of the presentations were given by Fellows from the AusAID funded African Leadership in Development and

Enterprise Program and raised the question of whether Africa has the grit-and-guts to effect the changes it needs.

Mark also took part in a discussion panel following the keynote address by Sara Parkin titled Occupation or action: more or less than the sum of their parts? Sara Parkin (OBE) is the Founder-Director of Forum for the Future and Chair of the Richard Sandbrook Trust, UK. Sara raised a series of questions: what do we mean by transition? What can we learn from past strategies? Why hasn't there been any change in 40 years? Sara identified that the road to transition should start by working



on what the new model would look like (not theories) and explain what a sustainable world would be like. Sustainability, she said, needs to reclaim back some of its language by using the words and saying what it means.

Mark Drewell stated that many people are already living in a way that doesn't fit the paradigm of consumption. He also brought up the notion of transfer of power from vertical to horizontal across the world and global commons.

On the previous evening Sara stepped in as an after dinner speaker. Despite the lack of a microphone, softly spoken Sara gave an engaging and energising speech covering a brief history of her past, including 40 years of sustainable development and change, to the ideas behind her latest book *The Positive Deviant: Sustainability Leadership in a Perverse World* (Earthscan, 2010).

"It's so much easier to get to where we want to go if we start from where we want to end up"- Sara Parkin.

The conference was a multidisciplinary collaboration, in which everything from the food menu to the table decorations were in line with the theme of *The Necessary Transition*. Art was incorporated into the three-day event, with Queensland College of Art post-graduate students displaying unique pieces based on the conference theme. The Queensland Conservatorium of Music was also involved, with guitar and jazz ensembles providing perfect



background music to the conversation that continued after the conference and during our evening functions.

The conference was organised by the Asia Pacific Centre for Sustainable Enterprise, of Griffith University, Australia with Centre Director Malcolm McIntosh acting as Conference Chair. The conference was part of larger ongoing project – *The Necessary Transition* – which will incorporate a book and a special edition of the *Journal of Corporate Citizenship* (both out in 2013).

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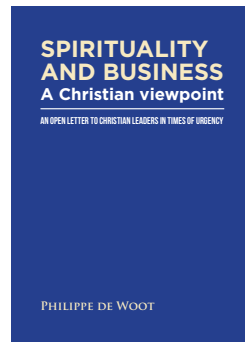
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BOOK REVIEW

In this article GRLI Ambassador Charline Collard reviews the newly-published English language edition of *Spirituality and Business: A Christian viewpoint; Open letter to Christian business leaders in time of emergency* by Philippe de Woot. Philippe is the GRLI's Senior Scientific Advisor and eminence gris in the world of Academia, Management and Corporate Global Responsibility.

In this book the author openly criticizes the flaws of the current economic system and its contradictions with Christian values. He explores what corporate global responsibility is and how it can initiate the debate on the Common Good for sustainable development. All aspects of the subject are tackled in detail and Professor de Woot expounds how the spiritual leadership framework can benefit our economy and human development. Analysing this all through the lens of a Christian perspective makes the exploration even more interesting and challenging. Furthermore, the bibliography is a good reference source for anybody interested in digging further into the topic.

Philippe de Woot articulates that companies can be the bearers of change for a responsible approach to the economy if they deeply understand "ethics". To do so, he argues they need to allow their culture to evolve: they should not use values as "means" or "tools" but rather as "ends" and visions. He encourages companies to create an "ethical space", to eliminate "lobbying" and create debate on what is needed for the 21st century together with all the stakeholders (governments, suppliers, environment, employees at all levels, civil society). In 2009, Benedict XVI wrote in his encyclical *Caritas in veritate*: "It is a requirement of justice and charity to want the Common Good." The author states that companies should be the new "hoppers" and "believers" who will take action towards the Common Good rather than "optimists" who believe that things will happen by themselves thanks to a free market. He defines companies responsibilities as being: entrepreneurs to create a better system, ethical leaders to give meaning to the work place and respect humanitarian values, and statesmen to reconcile economics with politics to define the Common Good. This "cultural evolution" would lead to a "political culture" of business that would therefore "regain their civic dimension" where the main purpose of an economy is to foster human development. This process can help to deal with the complexity of unexpected and wicked problems. Many examples of corporates that have started to integrate this process are mentioned in the book.



The book demonstrates that many current socio-economic and political issues could be transformed into solutions for Mankind within Christian principles. This approach to sustainability describes how Man, selected by God the Creator to carry on his creative work has a responsibility to give to the world a truly civilized perspective where all humans can live with "dignity". The Bible's extracts quoted by Professor de Woot emphasize the universal truth that Mankind cannot survive without regard for the environment and all species on this planet, including his own.

Any person who has received a Christian education shares the same values of love, respect, sharing with others and "integrity". But integrity or being honest is not enough to prove ourselves to be ethical and responsible citizens. To be truly ethical, mankind should be able to "commit" by action. Historically Christianity has represented the western culture, so it is only fair that the author addresses his book to Christian leaders. Hence two main questions are being asked: How can you live and work according to your religious principles in a system with conflicting values? Will you be able to transfer your faith from home to the work place and influence change towards a better economic system that would foster human development?

Philippe de Woot is challenging Christian leaders and executives to step up to their responsibilities to move from a cold material world of management, short-term profit, free markets and growth for its own sake, where power is about "domination". The calling is to bring about a new age in our humanisation process where democracy is about true dialogue for the Common Good through ethical leadership, freedom, love and peace, where power would exist to serve.

Spirituality and Business: A Christian viewpoint; Open letter to Christian business leaders in time of emergency by Philippe de Woot is published by GSE Research and available at www.greenleaf-publishing.com/spirituality

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YOUNG AMBASSADORS @ AFRICA LEADS 2012: A WEB OF INTERACTION

BRIGITTE ROEDIGER

Summary: Young Ambassadors @ Africa Leads led by facilitator, Steadman Harrison, offered insights from the CCL Leadership Challenge Initiative and GRLI GRID framework, to develop individual and collective actions toward globally responsible leadership amongst the new generation of globally responsible leaders.

How did Young Ambassadors @ Africa Leads get started?

During 2011, the Globally Responsible Leadership Initiative (GRLI) extended their annual conference by two days to have an interactive dialogue with international students. This was the first Young Ambassadors get together, named Student World Dialogue @ Daimler and was held in Stuttgart, Germany with 125 international students attending.

As a Part Time MBA student, I was privileged to be accepted into this conference to represent my business school, University of Stellenbosch Business School (USB) and needless to say had the time of my life! I left with a multitude of international friends, whom I still stay in regular contact with because of our likeminded mentality and shared interests. Furthermore, I cemented my knowledge and understanding of how to incorporate being a globally responsible leader into my daily life.

I was excited when I found out that the location for the next GRLI AGM was announced as my hometown Stellenbosch, South Africa. I was even more excited when I was asked if I could organise and host the second GRLI Young Ambassadors get together, named Africa Leads. I wanted to be a part of establishing an on-going network amongst the next generation of international leaders. I believed that participants would take a deeper understanding of the leadership skills within themselves (as did I from my experience) and that it would better develop both their individual and their collective actions required towards a globally responsible society. And so I accepted.

Where do we stay, where do we meet and who are we?

We welcomed more 60 students from 13 countries (China, Congo, England, Finland, India, Latvia, Malawi, Moldova, Mozambique, Netherlands, South Africa, Sweden and United States of America) for three days in November at Young Ambassadors @ Africa Leads 2012. Delegates stayed at the luxurious Spier Hotel, situated on one of the oldest wine farms in South Africa and convened at the Sustainability Institute (SI) just down the road.

The SI was the ideal venue as it is an international living and learning centre surrounded by mountains and rooted in an agricultural community needing to break free from its racial past. It provided the space for delegates to explore an approach for creating a more globally responsible society.

Steadman Harrison and his team of facilitators from the Centre for Creative Leadership (CCL) played an integral part in the Young Ambassadors @ Africa Leads 2012. CCL is a top ranked, global provider of executive education that accelerates strategy and business results by unlocking leadership potential of individuals and organisations. They are well-connected and strongly affiliated to the Globally Responsible Leadership Initiative (GRLI) and therefore chosen for facilitation.

Delegates received a working booklet that covered the "Leadership Essentials" of adult learning as well as the GRLI Grid booklet. Both of these assess the role of leadership in the context of an individual, organisation, community and planet and this outlined the framework for the two days.

How did we connect under the African stars?

Young Ambassadors @ Africa Leads kicked off on the Sunday night with a formal welcome from Dr Arnold Smit, Executive of Centre for Business in Society at USB-Executive Development and Uwe Steinwender,

Senior Manager at Daimler Corporate Academy. The evening allowed delegates to interact and meet one another prior to the actual conference beginning on Monday. Facilitator Ryan Findley mentioned that often at events we realise “how small the world really is” as frequently you either know someone through someone or you have common interests. To explore this, we created a “web of interaction” on the wall where we would link ourselves to one another once we discovered a mutual connection. This was an excellent ice breaker as delegates were instantly relating and constantly talking to different people.

We decided to integrate the Monday and the Tuesday night activities with both Africa Leads attendants and Young Ambassadors attendants to provide enough time to have meaningful introductions between the two generations. Following the successful theme of cooking together in Stuttgart, we continued the tradition on Monday night where everyone had to braai (South African word for barbeque) their food together. It immediately created connections and should become a tradition going forward. The evening ended off with a touching story telling from Mac McCarthy around a bonfire under the African stars.

The Gala Dinner and farewell on Tuesday evening gave people the opportunity to dress up (some traditionally) and to build on the relationships formed the previous night. The Young Ambassadors had a 20 minute “stage time” as part of the agenda to voice their views, thoughts and opinions of the world from a future leader generation perspective. The idea of what to do during this time was solely left to the participants to come to a consensus. This in itself provided interesting conversations, challenges and a guaranteed learning curve in democracy! The young ambassadors wanted to do a video as it was something tangible that could leave a legacy. It was put together in less than an hour and showed the direction, alignment and commitment of the new generation of responsible leaders. Well worth the three hours of debating what to do!

What did we spend our hours discussing?

Steadman invited delegates to be selfish over the two days as seldom does one have the time to reflect and learn from experiences. The morning session of the first day was about learning who you are and who you really are. This was done through a multitude of activities starting with a game of Visual Explorer. Delegates had to choose an image from a selection of cards in silence and then share with each other what they saw, what was upfront and obvious and then invite others to say what you might not have seen and



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what is the connection to leadership. Building on from this was the second activity about setting direction, creating alignment and building commitment (DAC) as the three tasks of effective leadership.

With both leader and leadership tools understood, ambassadors completed their social identity map that left a ghostly silence in the room. This allowed delegates to explore deeply within and identify the traits that were given to them, that were chosen and what their core capabilities were. This later tied in with the concept of the life tree and knowing what your branches, trunk and roots are.

After the tea break, delegates were challenged to rank themselves between 1 and 10 as to how open they were to talk about their selves to another person. Furthermore, one had to reflect why it is that you are that way? Trust goes up as your sincerity goes up and one had to question what it was that made you fearful and not open up. The higher the candour, the higher the learning became a guiding mantra for the two days.

Later in the day, we discussed the values that a leader possesses. This was done by sorting through a deck of cards and dividing values / traits / beliefs into categories of never, seldom, sometimes and always valued. It was agreed that collaboration, responsibility, balance, wisdom, community, competence, love and integrity were always valued in a leader, with seven of the eight groups mentioning integrity as the most valuable characteristic.

With day one behind us and understanding the individual and organisational part of leadership, day two commenced with the community and planet aspects. The concept of VUCA was briefly mentioned. The VUCA forces are Volatility, Uncertainty, Complexity and Ambiguity and are what constantly changes the nature of our world and therefore impacts how leaders also need to adapt and change.

The changing nature of the world was the introduction to boundary spanning leadership. Boundaries are classed into five categories. These are Hierarchy (the vertical constraint of where you are and what your rank and power is), Horizontal (created silos within the grouping), Stakeholder Engagement (outside the grouping and includes all interested parties), Demographics (gender, race, ethnicity, religion, family, age) and Geography (location, location, location). We discussed the pros and cons of each of these and when voting took place majority agreed that the easiest boundary to overcome was Geography. However, the one that we needed to attend to the most was voted as Stakeholder Engagement closely followed by Horizontal and Demographic boundaries.

Before addressing the need for change, the current and future state of the world were deliberated. From a young ambassador's perspective, the current state of the world was described as one with broken education, irresponsible leadership and unfair distribution of resources. Leaders resist change, the culture is about power and control where people work to benefit themselves and do not include others in decision making.

The desired future state is one where success means that we have a shared vision, make collaborative decisions, embrace change and genuinely care about each other. Leaders are transparent who balance human-nature relationships in a politically and economically stable environment where human rights, freedom and personal growth are upheld.

The two days concluded by asking the young ambassadors to write their own "job description" as to how they can contribute in shifting the world from its current state to their desired state. This was summarised as creating global representation for change and responsible leadership. Roles and responsibilities included active participation and citizenship, developing social projects, sharing the vision and empowering the new generation of leaders by having collaborative relationship with the GRLI. Requirements and prerequisites included the willing to learn, ability to critically think, passion for global knowledge and being open minded to challenges and change.



What do the delegates say about the conference?

Distinguishing between leader and leadership made Lerato Molisana understand her position in society in terms of the part she can play on a daily basis. She adds the following, "based on my core beliefs (highlighted from my social identity map) and the direction I want my life to take (highlighted by my life tree) I know my role in society. I see how I'm going to help others get ahead because I now have a clear plan for the future".

Lisa Rothkegel adds to the dynamic of change when she comments that if you wish to affect change, don't just force it upon people, make sure you approach it strategically and talk to the right people, to get them excited about change.

Deidre Kruger succinctly captured the two day leadership process as her key learning during the event. She says, "Initially I didn't understand why we had to fill in the social identity map because I couldn't see its relation to leadership, but now everything is much clearer. In order to become a globally responsible leader you need to know who you are. Although it seemed like an easy exercise, I must say that it was very challenging to fill in the core characteristics. For this reason I believe that change starts with me, because if I don't know myself I would not be able to set a good example and educate others".

MORE INFORMATION

You can view the **video made by the GRLI Young Ambassadors at Africa Leads** at http://www.youtube.com/watch?v=nV7Ve_jzqO8
And the **GRLI Young Ambassadors applications** at <http://www.africaleads.org.za/2012conf/young-ambassadors-event.html>

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REFLECTIONS

In January 2013 the GRLI launched a new Thought Leadership series under the title **Reflections**.

Reflections is designed to fill the gap between the (relative) inaccessibility of traditional academic papers and the sound-bite logic of media articles. The series provides space for thought leaders to develop arguments to sufficient depth to allow for rigour whilst maintaining the language, layout and clarity needed to reach a wide audience. The subject arena is transdisciplinary and encompasses business, management education and society with an explicit agenda of deep change.

The inaugural edition of the series sees Professor Henri-Claude de Bettignies of INSEAD and CEIBS provide his perspectives on the global challenges and potential solutions under the title **“Developing Responsible Leaders: Who is Responsible?”**

The second edition “Reflections on Management Education” by Dr. Wilfried Vanhonacker has also gone to press.

This article provides some pointers to the rich insights contained in Henri-Claude de Bettignies comprehensive review of the global leadership landscape.

Henri-Claude de Bettignies exploration of the mess we are in is succinct and articulate. Describing trust as a lost commodity, he notes that for the first time a loss of trust in business has not been accompanied by a counterbalancing increase in trust in government.

Digging into this paradox, he concludes it is linked to a polycrisis in the global system and with it, the social contract between society and its political and economic leadership.

The analysis is stark, relentless and reinforced by data sufficient to fill the boots of any quantitative analyst.

The picture that emerges is one of leadership does not act in service of the Common Good. His diagnosis ends with this thought: “If unemployment is the cancer of our society, we should be reminded that cancer dies with the system it has invaded.”



Turning to solutions de Bettignies explores the gamut of what we have done so far in terms of regulations, laws, norms and standards, corporate social responsibility, codes, training, the ethics thrust, whistleblowing and so on. He concludes that while it all adds something, it's not enough.

So what is?

His answer to this question is a challenge to those who ride the gravy train of success in first class seats as he says: “The bottom line is that responsibility for creating and developing a corporation's ethical compass lies squarely on the shoulders of its leaders. They are the role models; the ones who set the tone, project and make sense of organization values, and pull the others along with them.”

His call for action is unequivocal and takes us well beyond the incrementalist logic to “... re-wire the mindset behind the way we conceive corporations, govern them and manage them.”

What is in this new mindset? De Bettignies identifies five dimensions: Awareness, Vision, Imagination, Responsibility and Action. He says that each of them must be explored by the leader at the three levels of The Person, The Firm and The Society.

The strength of his analysis is contained in the specific recommendations he offers in this 5x3 picture. If you are engaged in this arena, you need to read it in full to extract the applied value out of each element.

Where are these elements to be applied? In de Bettignies conclusion he comments that while the development of this kind of leadership is a lifelong journey for every individual, there are key touchpoints on the road: in families and schools where the "parental-educational experience is the internalization of a golden rule: "to care for the other"." and in universities and specifically business school. Again the interested reader who is committed to taking action for change is invited to read his thought directly in order to consider how and where to act in this context.

His closing paragraph is powerful and uplifting:

"Who knows? Perhaps the multiform crisis we are experiencing today will serve as the ignition, the spark that will begin developing this new breed of leaders – men and women deeply concerned for society and future generations, all of them fully in possession of the five dimensions I mentioned earlier. These responsible leaders will articulate their behavior on three simple principles that education and experience will have rooted in their minds: know yourself, care for the other, create your future. "Know yourself", for you are your own

best resource for making your life what you would like it to be. "Care for the other", for from the very day of your birth you have been dependent on others – society will remind you of this interdependence all your life. "Create your future", because this earth of ours is the place where you will be living for the short time allotted to you – and maybe, just maybe, in that time you can make a difference to the world."

Developing responsible leaders: who is responsible? is a powerful and provoking exposition from one of the world's most highly regarded academic thinkers and doers in the arena of business, ethics and management. It proves there is no substitute for a quality of thinking combined with a powerful capacity to listen and reflect from the rich experience of having worked with leaders across the world for decades.

I hope you will read it and then, take action for having done so.

Reviewed by Mark Drewell, CEO of the GRLI

Developing responsible leaders: who is responsible?
Can be downloaded
www.grli.org

The GRI Global Partnership





Globally Responsible Leadership Initiative

developing a next generation of globally responsible leaders

ABOUT Globally Responsible Leadership Initiative (www.grli.org)

The Globally Responsible Leadership Initiative (GRLI) is a worldwide partnership of companies and business schools/learning organisations working together in a laboratory of change to develop a next generation of globally responsible leaders. The GRLI engages in thought leadership, advocacy and projects to achieve measurable impact. Founded in 2004 by EFMD and the UN Global Compact, today it comprises 76 partner (member) organisations who join based on their commitment to transforming leadership development. It is a member organization, a foundation, an advanced laboratory and a movement.

Over the past years the GRLI has developed the concept of global responsibility as a higher order of responsibility beyond CSR and catalysed the creation of two new academic journals (*Journal of Global Responsibility* and *The Sustainability, Accounting, Management and Policy Journal*). Its current work includes a framework to measure global responsibility (The GRID) which has been successfully tested in a number of organisations.

Current projects and activities include faculty development, the establishment of a worldwide network of local Councils for Leadership, Business Summits, Academic Conferences, research into the Corporation of the 21st Century, a young ambassadors programme, blueprinting the business school of the 21st century (50+ 20 Management Education for the World). The GRLI meets twice per year in General Assemblies hosted by a member partner.

The GRLI is Sponsored by



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

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