

## Summary: Globally Responsible Leadership – A Call for Engagement

### **Business and business education for a better world**

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The challenges facing humankind are large, undeniable and global. Economic, social, environmental inequalities abound and are increasing. Businesses are among the most influential institutions worldwide. They have a tremendous opportunity to shape a better world for existing and future generations. Business schools and centres for leadership learning can play a pivotal role, alongside business, in developing the present and future leaders required to ensure that business is a force for good.

### **The Globally Responsible Leadership Initiative**

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In 2004, united by a shared commitment to the development of globally responsible leaders, senior representatives from twenty one companies, business schools and centres for leadership learning formed a unique working partnership, the Globally Responsible Leadership Initiative. This report describes the key recommendations emanating from their dialogue.

### **The leadership challenges**

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Globally responsible leaders at all organisational levels face four key challenges. First, they should think and act in a global context. Second, they should broaden their corporate purpose to reflect accountability to society around the globe. Third, they should put ethics at the centre of their thoughts, words and deeds. Fourth, they - and all business schools and centres for leadership learning - should transform their business education to give corporate global responsibility the centrality it deserves.

### **Re-defining the purpose of business**

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The new global business context requires a definition of business that encompasses corporate aspirations, responsibilities and activities in realistic and contemporary terms that go beyond purely financially focused explanations. *The purpose of the globally responsible business is to create economic and societal progress in a globally responsible and sustainable way.*

### **Globally responsible leadership**

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The leadership required now and in the future can be described as globally responsible leadership. This is *the global exercise of ethical, values-based leadership in the pursuit of economic and societal progress and sustainable development*. It is based on a fundamental understanding of the interconnectedness of the world and recognition of the need for economic and societal and environmental advancement. It also requires the vision and courage to place decision making and management practice in a global context.

### **Ethical principles**

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Decisions made by globally responsible leaders rely both on their awareness of principles and regulations and on the development of their inner dimension and their personal conscience. These characteristics can be informed and developed through dialogue and debate. Guiding principles that establish a starting point for globally responsible leadership include: *fairness; freedom; honesty; humanity; tolerance; transparency; responsibility and solidarity; and sustainability*. These are not fixed ethical points but need to be constantly refined and developed.

## **Transforming the business**

Key action areas through which corporate global responsibility can be nurtured and developed include:

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- tuning into the societal and environmental business context;
- overcoming key organisational, regulatory and societal barriers to change;
- developing stakeholder engagement skills such as careful listening and the ability to engage in dialogue;
- transforming the culture of the firm by changing attitudes and behaviours;
- understanding the purpose of change;
- designing change management processes; and,
- rewarding globally responsible behaviour through improved performance measures and systems.

## **Transforming business education**

All learning institutions need to make corporate global responsibility their responsibility. Change can be driven by inspiring, involving, influencing and interconnecting with internal and external stakeholders. Globally responsible behaviour must be internalised within the conduct and activities of the organisation. Business education should also be broadened to reflect the global business environment and the knowledge, skills and attributes required of the globally responsible business leader. Corporate global responsibility issues need to be integrated across the business school curriculum, not just in stand-alone courses. Curricula for both degree and executive programmes need to be enriched by topics such as:

- analysis of political, social, intellectual, technological and environmental trends;
- analysis of existing ethical codes and study of successful implementation of organisational ethical codes and principles;
- the development of globally responsible leader-linked attributes and behaviours (such as integrity, empathy, compassion, dialogue and self-awareness);
- cross cultural understanding and language skills;
- social and environmental accounting and reporting; and,
- sustainable business practices.

Last but not least, a range of innovative approaches to pedagogy and learning needs to be tested and utilised which engage more of the whole person in the learning experience.

## **A call for engagement**

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

## **[www.globallyresponsibleleaders.net](http://www.globallyresponsibleleaders.net)**

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