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When in November I gave five options (below) to a meeting of UK company directors from a number of different business sectors, without any prior briefing, I was fascinated that they unanimously plumped for the fourth: take voluntary action above the law in the knowledge that it is good for long term business

Companies should:

1. Maximise financial performance regardless of social/environmental laws
2. Meet social/environmental laws but do nothing voluntarily
3. Take voluntary action above the law only when there is a direct business benefit

David wishes

- all CEOs give an explanation of how and why sustainability and responsible business principles are integrated for every investor relations briefing and analyst roadshow;
- boards get oversight of their companies' responsible business commitment.
- Sustainability and 'business in society' is included in every executive development programme commissioned by companies from corporate universities or business schools;
- marketing directors sign up for and implement the responsible marketplace principles developed under the auspices of the UK's Business in the Community;
- chief economists of each of the major Australian investment banks agree to produce their own analysis of how commitment to responsible business and sustainability could lead to competitive advantage;
- every ASX-200 company commits to complete the corporate responsibility index run by the St.James's Ethics Centre next year – and agree to publish their submissions;
- over the next three years, each ASX-200 company board agrees to conduct – at least annually – a discussion of how sustainability is affecting their strategy – and vice-versa;
- all invited Australian companies complete the Carbon Disclosure Project questionnaire and ask their first tier suppliers to do likewise;
- all member companies incorporate environmental and social issues in their purchasing specification, and provide online suppliers' 'knowledge interchanges' to facilitate supply chain adoption of responsible business practices.

4. Take voluntary action above the law in the knowledge that it is good for long term business

5. Make a major contribution to society and environment regardless of the cost.

My mini-poll was of course informal and unscientific. The global consulting firm, McKinsey & Co, published a rather more formal survey of business leaders across the world in 2006 and again in 2007 which showed that more than four out of five respondents (84 per cent) agree that generating high returns for investors should be accompanied by broader contributions to the public good—for example, providing good jobs, making philanthropic donations and going beyond legal requirements to minimise pollution and other negative effects of business. Only one in six agrees with the thesis, famously advanced by Milton Friedman, that high returns should be a corporation's sole focus.

Is there a tipping-point on business attitudes to how to treat their environmental and social impacts? In the immortal words of the *Little Britain* comedienne: "yes but, no but, maybe!"

Another McKinsey survey – published in July 2007 for the UN Global Compact and this time confined only to CEOs of companies that had signed the Compact – found a substantial performance gap between what the CEOs themselves thought their companies should do to embed corporate responsibility versus what the same CEOs believed their own companies were doing.

While many more businesses may be recognising the growing relevance of sustainability and responsibility, it is still all too often a bolt on to business operations rather than built-in to business purpose and strategy. It is still too often associated with risk minimisation rather than opportunity maximisation. With a decisive change of government in Australia in the Federal election, and a commitment by the new Rudd government to sign Kyoto, there is an opportunity for some exciting developments in Australian business attitudes and behaviour.

Prof. David Grayson CBE is the director of the Doughty Centre for Corporate Responsibility at the Cranfield School of Management in the UK and a regular visitor to Australia.