

KEY FINDINGS

A World in Trust - Leadership and Corporate Responsibility © Echo Research and International Business Leaders Forum 11

Despite the decelerating effect of the recession on business, and various systemic issues, many organisations are holding fast in their commitment to sustainability as a business imperative.

In the interviews conducted for A World in Trust, leaders tell us that they face challenges that call for their and their people's strongest determination and ingenuity. But equally they feel pride in the great distance they have advanced down the corporate responsibility road over the last 10 to 15 years.

A core finding is that leaders see a major benefit of sustainable behaviour to be its capacity to inspire trust. Trust across society is becoming recognised as a bedrock of good interaction, whether corporate, personal or national. The very methodology of sustainability revolves around the transparency and accountability that typify trusting relationships.

Enthusiasm comes through in the report for a growing body of evidence that the pursuit of sustainability sparks innovation. As markets call for products and services that conform with higher ethical and environmental criteria, inventiveness flourishes. CR, far from being a drain on funds or misplaced corporate 'niceness', is delivering a payback to the best managed balance sheets.

There are multiple object lessons here too. Unconventional steps, gambles even, are being taken by some companies to give themselves a standout sustainability profile. Ways of maintaining the momentum of CR internally by enthusing teams are being investigated. Some are wrestling with keeping pace with stakeholder expectations, especially the Facebook generation. People are preoccupied with the business discipline of showing and measuring impact, and, where this proves difficult, recalibrating the tools of measurement. Many are focused on how their corporate antennae pick up signals from external stakeholders, including the all-important faint but crucial pointers to change.

Nothing is problem-free. There are pointers to where companies face challenges and would benefit from exchanges of experience or pooled expertise. Among these are:

- Geopolitical challenges, especially in the emerging economies
- International competitors with lower standards of responsibility putting responsible companies at a disadvantage
- Tougher legislative challenges, and at the same time examples of disinterested or remote governments
- Leaders reluctant to lead from the front on corporate responsibility because it does not always offer the smoothest path.

A key part of our report is about issues and opportunities approaching from over the horizon. Peering into a crystal ball, the opinion leaders we interviewed see:

- Greater technical competition in the marketplace for optimal sustainable solutions
- The natural environment as a fulcrum on which the future is balanced
- Natural resources and raw materials coming under price pressure, but paradoxically spurring inventiveness
- Partnering and partnerships across NGOs, public sector and competitors driving far-reaching innovative solutions to the wider benefit of civil society and the environment.

Faced with these many challenges and opportunities, companies are positioning themselves as major forces for positive change, indeed to the point where sustainability is being welcomed as a listing requirement for public companies.