

CSR Manifest – 18th European Corporate Governance

We do not advocate singularity of purpose. Single purpose finds echoes in phrases such as ‘common objectives’, ‘unity of vision’ and ‘shared values’. The effect of unanimity is that it crowds out curiosity, inhibits debate, and fosters ‘groupthink’. We believe, however, in the critical role of imagination and initiative in organizations.

Many strategic decisions would be better made by general consensus than by an elite

The power of markets to stimulate entrepreneurship, while recognized in inter-firm rivalry, is less likely to be advocated within the firm itself. The competitive process, if applied within the firm itself, is usually rejected on the grounds that it would inhibit cooperation, ignite turf wars, and inflict chaos upon the organization. Increasingly there is evidence that hybrid organizations, mixing elements of hierarchy and internal-market processes, are a viable option. Chaos can be in the eye of the beholder. A strongly managed firm typically feels like an ordered society from the vantage point of those in command, but to those under their command, it can seem arbitrary, unpredictable and impulsive.

Business can be the major provider of solutions for the crisis we face

‘We have been talking about sustainable development for over 40 years – but what progress have we made? Poverty has not been eradicated, inequity has grown, hunger and malnutrition still kills a child every 6 seconds. Not to mention the threats of climate change. Time is unfolding in a society-shaping toxic mix of economic crisis, social unrest and severe climate change. Sustainable business solutions can only create change at the speed and scale required, if regulations provide the right incentives to break the lock of business as usual. So close cooperation with governments is a must.’ Peter Bakker

Emotional engagement is crucial

Journeys of exploration, particularly visits to voluntary organizations working with disadvantaged clients and communities, bring out the social instinct in groups. A team spirit develops and a desire to collaborate in the pursuit of shared goals is a natural outcome. When, with colleagues, we show our emotions and share our feelings, our common humanity shows through and we find ourselves communicating in a more open, sincere and candid manner. These moments of trust, once experienced, are never forgotten. They are the building blocks of ‘social capital formation’ within the firm.

All major breakthroughs come from mavericks and nonconformists

Many innovators have been close to dismissal earlier in their careers. They were violating the party line, working during office hours and private time on ideas in which they and nobody else believed. Gradually their position became untenable. But when the insubordination eventually turns out to be successful, the public opinion changes completely. The concept is supported by everybody, is considered as a proof of company courage and farsightedness, incorporated in the strategy. A falsification of history takes place. The best strategy is rationalization after the event. For a company to survive and prosper through innovation, it has no choice but to place multiple bets. There must be a pipeline of experiments, many of which may be small, needing few resources and perhaps opening up quite limited market opportunities if they succeed.

We want to change the way in which modern organizations define their ends and design their means. Our belief is that the blend of scientific thinking and market organization that characterizes the open societies of the world today, will propel the world to ever-increasing levels of human achievement, prosperity and personal fulfilment.