

Last year's Rio+20 UN summit may have been something of a disappointment but there were still some significant and positive outcomes say **Anthony Buono, Jean-Christophe Careron** and **Matthew Gitsham**

Moving on from Rio

An aerial night photograph of Rio de Janeiro, Brazil. The city's lights are visible against the dark landscape, with the bay and mountains in the background. The sky is a deep blue with some clouds. The text 'Moving on from Rio' is overlaid in a large, yellow, sans-serif font.



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A little over a year ago, roughly 50,000 people – government leaders, corporate executives and civil society groups including NGOs, youth movements and higher education institutes – travelled to Rio de Janeiro in Brazil for the largest UN summit ever organised, the Rio+20 UN Conference on Sustainable Development.

Given the gravity of the social and environmental challenges that were raised during the summit – as well as the promise of real change – there was considerable disappointment, almost to the point of dismay, that government leaders failed to reach any significant agreement.

Kumi Naidoo, the international executive director for Greenpeace International, referred to the Conference as “a failure of epic proportions”. The Pew Charitable Trusts, a global research, public policy and environmental organisation, noted that as a “once-in-a-decade meeting with so much at stake, it was a far cry from a success”. Even UN Secretary General Ban Ki-Moon lamented that Rio + 20 had “not lived up to the measurement of the challenge”.

But one outcome of the summit – the agreement to develop a set of global Sustainable Development Goals to guide policy and strategy among governments, the private sector and civil society over the next two decades – may with time come to be seen as an important milestone.

These goals, which are likely to include specific global targets on such areas as nutrition, education, gender equality, health, energy and climate, have enormously important implications for business – and for business schools.

Such goals can be significant. The noted economist Jeffrey Sachs has argued that while efforts to agree to legally binding deals between governments on global issues typically fall well short of expectations, non-binding goals have actually proved to be powerful enablers of change.

They bring much-needed co-ordination to coalitions of the willing and enable unconventional partnerships of governments, NGOs and businesses to sidestep those who want to prevent change.

In retrospect, Rio + 20 may also ultimately be seen as demonstrating the fact that it is no longer just government leaders who need to agree on policy. Indeed, an important result from the Rio summit is the ambition of the partnerships that have emerged between the private sector and civil society.



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A sizeable and growing proportion of business leaders have recognised that the forces shaping today's world are requiring them to play a completely different kind of role on the world stage.

In the substantial consultations that have been taking place over the past year business leaders such as Unilever's Paul Polman, Nestlé's Peter Brabeck, Pepsi's Indra Nooji, DSM's Feika Sijbesma, GSK's Andrew Witty and numerous others from businesses small and large around the world have been pushing to make the Sustainable Development Goals as ambitious as possible.

These leaders grasp that addressing today's global challenges – helping everyone improve their quality of life at the same time as respecting planetary boundaries – means working in partnership with unusual bedfellows.

These initiatives could ultimately transform the way key markets work, with a growing awareness that it is not only the right thing to do but that it can also be highly profitable.

Research from Ashridge Business School's partnership with the International Business Leaders Forum indicates that we have quite a different view of the role of the business leader compared with that of a generation ago.

Business leaders today must have a more nuanced understanding of the major societal forces shaping our world in addition to a genuine personal passion for running a profitable business by serving the interests of wider society. Helping to address societal challenges through core business activities is becoming the primary means by which these individuals and their organisations can create value and is at the heart of their leadership role.

In the run up to Rio+20, chief executives of some of the world's most influential companies sent a clear message to business schools in a UN report, *Leadership in a Rapidly Changing World*.

Because of their central role in shaping how business leaders think and act business schools are crucial to ensuring that today's (and especially tomorrow's) leaders are equipped for the new kind of role they need to play on the world stage.

That message has been reinforced over the past year. In New York at the recent UN Global Compact Leaders' Summit, business leaders put forward their own proposals for how to maximise business's contribution to the Sustainable Development Goals. At their heart was a call to business schools to reform curricula to develop informed, committed and skilled business leaders who can lead companies to more sustainable outcomes.

Three hundred representatives of the world's business schools gathered at Rio+20 as part of the UN Global Compact's Principles for Responsible Management Education (PRME) initiative. They have acknowledged this call to action and have already reached a number of ambitious agreements themselves.

Indeed, the UN Secretary General singled out higher education in his report to the UN General Assembly following the summit, noting "the Higher Education Sustainability Initiative attracted hundreds of endorsers and commitments from 250 universities in about 50 countries. This initiative is transformative, global in reach and could reach thousands of graduates from universities and business schools".

Business school leaders at Rio+20 asked for help in leading the kind of curriculum and cultural change required within their schools. This was aimed at the people who do so much to shape how business schools work – from governments and business leaders to the people who oversee business school rankings and accreditations.

EFMD, one of the three main accrediting bodies for business schools globally, has significantly updated its EQUIS accreditation standards to place sustainability and responsibility at its core, as important as internationalisation and corporate partnerships. This decision is a transformative lever for change, and is likely to have significant influence in accelerating change in management education in the years to come.

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PRME Champions provide similar leadership within business schools as the UN Global Compact's LEAD initiative in which 56 prominent multinational corporations are taking the lead in advancing corporate sustainability as a universal norm

In addition, one of the two main rankings for business schools globally has started ranking business schools on the quality of their MBA programme's emphasis on sustainable development.

Business schools have started organising themselves to work more effectively for systemic change by creating regional chapters and a global champions group within the PRME initiative.

Modelled on the UN Global Compact's LEAD initiative, in which 56 prominent multinational corporations are taking the lead in advancing corporate sustainability as a universal norm, the PRME Champions are intended to provide similar leadership within business schools.

A new partnership of universities and UN agencies has launched the Platform for Sustainability Performance in Education to provide a reliable, transparent and comparable reporting and assessment tool for improving sustainable performance in higher education institutions. And a tool for assessing the sustainability related knowledge of students – in essence a *Sustainability Literacy Assessment* – is being launched.

Good progress on a number of fronts. Nevertheless, there is still much more that needs to be done. Business school deans and faculty need to keep up the hard work of change, ensuring their important role in helping address global priorities and contributing to the public good. This is seen as a central part of their mission. And they need help.

Governments need to support this cultural change through the incentives embedded in funding and assessment frameworks for higher education.

Business leaders need to give an even louder voice to their demands for a different kind of business graduate and make this clear in the way they recruit MBAs and purchase executive education.

And other accrediting bodies and rankings providers must also support business schools by assessing how well schools are educating today's and tomorrow's business leaders to be able to play their role in addressing our global challenges.



Significant change is indeed occurring but it is still only a fraction of the world's business leaders who are currently engaging in this new kind of leadership. A much larger proportion are still operating with an outmoded blueprint of what today's leaders and companies need to be

Management education will clearly have a central role to play in achieving the Post-2015 Sustainable Development Goals. It is a key building block in the architecture. And it is becoming increasingly clear that doing this well means that our business leaders must get involved in activities that require different skill sets.

Significant change is indeed occurring but it is still only a fraction of the world's business leaders who are currently engaging in this new kind of leadership. A much larger proportion are still operating with an outmoded blueprint of what today's leaders and companies need to be. It is also an open question as to how the final set of Sustainable Development Goals will be received by the business community and how business executives and leaders from other parts of society will influence each other as we move towards implementation.

We renew our call, to governments, to business leaders, to international accreditations and rankings, and to business school deans and faculty to work together to facilitate the change we all want to see – to create the future we want.

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