NEWS ARTICLE

The development of leaders able to respond to climate change and sustainability challenges

The role of business schools

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Abstract

Purpose – This paper seeks to discuss the role of business academics and business schools in the development of leaders able to respond to climate change and sustainability challenges.

Design/methodology/approach – The paper captures contributions made during a panel discussion at the First Academic Symposium on Leadership for Climate Change and Sustainability held at La Trobe University, Melbourne in February 2011. The Symposium preceded the 10th General Assembly of the Globally Responsible Leadership Initiative (GRLI) held in Melbourne and the authors are from GRLI partner organisations.

Findings – There is a pressing need for business schools to focus on the development of personal and leadership skills, to draw staff from outside the traditional business disciplines and to reflect the gender and race diversity of the population in which they are located. The change required in business education to develop leaders who can respond to climate change and sustainability challenges is as significant as the changes needed to the way businesses operate.

Practical implications – The paper identifies changes required in business leadership and outlines key elements of change needed in business education. It assists business school leaders in articulating the business case for business schools to address these issues and navigate potential barriers.

Originality/value – The paper brings together the views of five professors from a different disciplinary background (accounting, critical management, organisational behaviour, organisational design and sociology) with leadership positions in business schools and universities.

Keywords Business schools, Climate change, Globally Responsible Leadership Initiative, Leadership, Sustainability

Paper type General review

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Background

The importance of leadership in addressing and responding to the climate change and sustainability challenges of our times is readily apparent in politics, business, the public sector and everyday life. A number of organisations are working to address these issues in business (including the United Nations Global Compact and the Global Reporting Initiative) and in education (including the Globally Responsible Leadership Initiative (GRLI) and the Principles of Responsible Management Education). Our universities have all made a commitment to the Principles of Responsible Management Education and are partners of the GRLI sharing a common goal to respond to a call for more responsible business leadership through the education they provide (Adams and Petrella's (2010) account of the links between these organisations and the United Nations Global Compact.)

What is responsible leadership?

Addressing the pressing climate change and sustainability issues we face requires working together in new ways through: multi-stakeholder partnerships, engaging with stakeholders, multi-disciplinary research and working across functions in an organisation. Responsible leadership is more than just obeying sustainability regulations, complying with the law, being honest and being successful without cheating too much. Responsible leadership, as the GRLI sees it, is leadership that understands the value of, and need for, collective action to achieve economic progress and societal well-being and to act according to that understanding.

This means a lot more than just cooperating with others through networks, alliances or, within organisations, in project groups and teams. It requires a thorough analysis of how economic, financial, political and value systems interact to produce this economic progress whilst maintaining societal well-being. Such an analysis generates difficult questions for individuals as well as organisations around how to balance or demonstrate a convergence between local shareholder concerns (or single stakeholder concerns) with the larger societal issue of making a true contribution. The shareholder model too readily conceives of organisations as isolated entities, existing independently of other organisations and of society.

We reject the traditional command and control paradigm of leadership that has dominated leadership thinking since Machiavelli wrote *The Prince* in 1514. In a world facing unprecedented societal challenges (including climate change, poverty divide, and limited resources) the traditional methods of top down directing, supervision and control do not work (if they ever did). Paradigms of command and control are aimed at compliance – making employees follow the rules – to eliminate uncertainty and manage change top down in a more or less predictable manner. In contrast, our organisations need people who can innovate, think critically and who are self-aware. Long-term sustainable solutions require commitment of all the actors involved. Generating this commitment requires quite a different leadership approach.

Leadership and followership are always intertwined, neither leader nor follower roles are equated with positions in the hierarchy anymore. Showing leadership and taking up a leadership role is a response to perceived difference between our values on the one hand, and what exists in the current organisational or societal setting. Any compelling difference between what is seen in reality and what one stands for, motivates leaders to take action.

Leaders able to address climate change and sustainability challenges need to be bold to take action – addressing the problems, the human race faces requires change to everything we do. The leaders that business schools develop need to have the courage to engage in introspection and to be self-aware; to know what they, and the organisations, they work for truly stand for; and to have a vision of a world they would like to contribute to. They need courage to commit to this new leadership paradigm and transform the organisational behaviours and structures of today. Transformation requires speaking up and remaining true to oneself in settings in which leadership is mostly still equated with position in the hierarchy.

Challenges to business academics and business schools in the development of responsible leaders
In considering the role of business academics in the development of business leaders able to respond to climate change and sustainability challenges, we need to address the question: "What forms of expertise and knowledge do business academics and the future leaders they teach need to acquire?" Here, we mention three of these challenges, all of which have in common the importance of engaging critically with boundaries and relationships (Lamont and Molnar, 2002).

First, we need to question, what constitutes the boundaries of an organisation or the corporation. We need to recognise that business corporations have links and relationships with a wide range of other organisations, with governments and with communities, and we need to provide education that enables leaders not only to be able to identify this, but to act on it. We need to accelerate the shift away from thinking of corporate executives as serving only, or even primarily, their shareholders and broaden the range of stakeholders that business leaders acknowledge as important. Traditional boundaries need to be challenged and new forms of cross-organisational relationships and partnerships created so that organisations add social, environmental and economic value to a broad range of stakeholders (Campbell, 2007).

Second, we need to be better at creating a capacity within and among business leaders for critical self-reflection, and for giving voice to values, values reflective of whole of society needs. We strive for forms of education that provide managers with the tools and skills to reflect critically on their actions and on their decision-making processes, and then to be able to act on those reflections. Engaging with the concept of reflexivity, as used by a range of sociologists including Bourdieu and Waquant (1992) and Giddens (1991), managers need to be able to stand back from their every day practice, analyse what is going on, and question their own taken-for-granted assumptions. We want to empower them to ask: what is the connection between a decision I will make and the values I hold? This involves recognition on the part of managers that their position in an organisation carries with it certain taken-for-granted assumptions about what is of value and about what are appropriate ways to act. Decision making is not a neutral or value free process, but always involves forms of power, often located within organisational hierarchies and which reproduce organisational boundaries and have social and environmental impacts.

Against this context of power relations in organisations, an important critical question about/for leaders is: just who is doing the leading within an organisation? Which social groups dominate leadership roles and positions? How well do organisations, especially at leadership levels, represent the gender, ethnicity and race

profiles of the wider societies in which they operate? Which group's values frame, and thus "lead", the rhetorical construction of climate change and sustainability as issues for organisations to respond to? As widely noted in the management and organisation studies literature, the leadership profiles of many top corporations are dominated by white men, with women and racial and ethnic minorities consistently hitting a myriad of glass ceilings during their career paths (Ashcraft, 2009). In most corporations organisational cultures tend to be reflective of white, masculine values. These characteristics create monovocal or monochromatic organisations that lack a diversity of perspective. Without such diversity, leaders will continue to construct the notions of, and responses to, climate change and sustainability from the purview of the privileged, and overlook the competing interests and epistemic diversity that surrounds these social issues. Responsible leadership requires diversity of perspective and of knowledge, especially on climate change, the effects of which are impacting social groups in highly variegated ways according to gender, class and race.

The challenge of critical self-reflection should not, however, solely be reserved for our students. Business academics too must reflect on what we do, by clarifying our worldview and the values and interests that underpin our own understandings of climate change and sustainability, and our approaches to educating about them (Khurana, 2007). What is our purpose? What are our goals? How do we envisage business education? In the context of climate change and sustainability challenges, what is our responsibility as educators? Too often, business academics' scientific pretensions and/or aspirations leave little appreciation of the historical, social and cultural nature of the endeavours of research, teaching and learning. Our research interests, our research paradigms, our pedagogical approaches and teaching methods, are all products of history and culture, and are thus value-laden and "interested". Moreover, just as corporations are often sites of limited social diversity, especially at leadership and senior management levels, so too are many universities. The critical self-reflection of academics must also include inspection of the structures and cultures of the institutions in which they themselves work, especially in terms of a range of social relations including, but not limited to, gender and race.

Third, we need to consider the role of critical social sciences in management education, for example, by mobilising CW Mills' (1959) notion of the sociological imagination, a process through which we consider the relationships between the individual and broader social processes. In the context of business education, this requires business academics to show future leaders that, to be a leader is to be a person who is acting in specific contexts at any one moment, but where those contexts are shaped by broader societal processes. The crucial point here is to provide forms of education that show that what managers do is fundamentally social, and is shaped by social boundaries, social relations, and power (as noted above). Business leaders do not operate in isolation, and do not exercise purely technical skills. They are involved in a set of socially created practices. At the same time, the central position of business organisations in capitalist societies puts future business leaders in a powerful position to challenge and break down existing boundaries, whether at the level of the organisation or of ideas, that restrict the capacity of organisations to respond to the challenges of climate change and sustainability.

The role of critical social sciences in management education could also be expounded by asking future business leaders to consider questions about the ends, and not just

the means, of leadership activities. We should ask: Leadership for what ends? Sustainability of what and for whom? A critical social scientific view of much corporate social responsibility speak, and of the notion of the co-construction of shared value between corporations and their stakeholders, would hold that these activities fulfil a conservative social function (Hanlon, 2008). That is to say, whilst on the surface these discourses may appear to offer evidence of the changing function of business and of progressive developments in the shareholder model, a more critical view would see them as enabling the capitalist system to carry on without radical challenge, or a radical re-imagination of the basis of economy and society. For some, they could be viewed as forms of corporate apologism aimed at diverting public attention and debate away from profound questions of structural inequality and systemic change (Hanlon and Fleming, 2009). Above all, this critical social scientific perspective, often associated with neo-Marxist and other contemporary variants of critical theory, demands that academics encourage students to "socialise" their education, not least by asking radical questions about the systemic underpinnings and outcomes of capitalism.

The latter perspectives are, needless to say, especially confronting for business academics and for business schools. But teaching for responsible leadership cannot just move half-way along a critical trajectory and stop. That is to say, it should not content itself only by engaging students in ways to improve the means for accumulating capital. A socially responsible account of climate change and sustainability also requires that responsible leadership in business and elsewhere grapples with the tough questions and challenges of systemic inequality, and of social ends.

The business case for business schools to address these issues and the obstacles to doing so

There is a strong argument for business schools going down this path that relates to their customer base and the demands it makes for relevant business education and research that addresses real world problems in the "here and now." It is not only that employers and students are increasingly demanding that business education addresses global problems of poverty, climate change, environmental sustainability and life style, but also that the research and policy issues increasingly pose "wicked" problems for which there are no simple answers. They involve multiple interests, diverse discourses, and divergent value priorities.

There is a significant call from industry and employers for graduates who can think for themselves, who have analytical capability, and can communicate their views effectively. Employers are recognising that transformations in the next few decades require different skills and new knowledge and business schools are increasingly seeking to develop programs that develop the critical thinking skills of their students. These include some top US business schools such as those at Stanford and Yale. The opportunity is there for business schools to leverage this demand for critical thinking to engage students in the kind of reflective consideration and analysis we call for.

The barriers to progressing down this path are several. For one thing, students may well favour a "critical" education in theory but in practice seek out an education which they believe will improve their employment prospects. The challenge for governments, employers and universities is to recognise and communicate to students

that the skills we identified are valued in the workplace. Embedding critical thinking and an understanding of business-society interaction in the regular, "bread and butter" curriculum can be facilitated by a clear articulation of the value proposition from business school leaders, facilitated by course review, approval and accreditation processes. Business school (and business) leaders must "give voice to values" in their own backyard, and to be prepared to be challenged across the range of decisions and actions. This is not always a comfortable place to be but is, perhaps, a necessary place if truly responsible leadership is to be developed in business schools. It is much easier to achieve if the approach is consistent with overall university approach and values. The GRLI provides a "laboratory" for academics and business leaders to work together to develop new approaches.

Conclusion
In thinking about the role that business academics can play in the development of leaders able to respond to climate change and sustainability issues, there is a pressing need to develop, in future leaders, the skills and values required to engage critically and in a transformative manner with the boundaries and relationships that they interact with in their everyday practice. This means challenging ourselves too to practice self-awareness and acknowledge the values and adopt the approaches which will lead to the transformations needed if people are to continue to live on this planet. Recognising and encouraging diversity in leadership is essential to ensuring that solutions to these pressing global issues serve the interests of our society and organisations broadly.

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