

Leadership and Transformation

What is really going on in the hearts and minds of leaders of the sustainability movement?

Executive Panel

Thursday, November 5, 2009 – 8:45 - 9:30am

Speakers

- >> **Elyse Allen**, President and CEO, GE Canada
- >> **Roger Dickhout**, CEO, Pineridge Foods
- >> **David Labistour**, CEO, Mountain Equipment Co-op
- >> **Pietro Satriano**, President, LoyaltyOne Canada

Key Messages

- >> The heart of CSR is finding the win-win.
- >> Leaders must have the ability to develop and articulate a leadership vision to inspire multiple stakeholders.

Worth Repeating

“To be successful, it is about engaging the mind; imagination without discipline is chaos.”

- Elyse Allan, President & CEO, GE Canada

“CSR is driven by intention. It depends on one’s paradigm in an aggressive bottom-line focused environment. It begins with the basic law of nature: love thy neighbour.”

- David Labistour, CEO, Mountain Equipment Co-op

Summary

This session highlighted the unique CSR perspectives of each participating CEO, with all speakers providing their approaches to engaging the hearts and minds of stakeholders.

David Labistour of Mountain Equipment Co-op asserted that the highest priority task for CSR practitioners is to engage CEOs, whose job it is to work with their Board of Directors. At MEC, these senior leaders view ‘impact’ differently than a bank or oil company. “When considering the internal and external impacts of business, the world quickly becomes very complex. Unless we can embrace these impacts, we will lose the future,” he warned.

“We are informed by a 50-year view. Financial, social and environmental liability must be wrapped into one. We must maintain a long-term view, while also being flexible and robust to short-term market forces. To change business as we know it, we must work behind the scenes with strategic partners to bring new modes of thought to evaluate our direct impact,” Labistour said. He also argued that it is essential to know what your leadership vision is and make sure employees share this vision. MEC rewards its staff with social, economic and environmental benefits – the key to MEC’s transformational business strategy.

Transformational Corporate Social Responsibility

Interestingly, Elyse Allen of GE Canada had similar sentiments about the CSR landscape as well as a real sense of urgency for organized action. She told the GE story, as it related to the nuts and bolts of CSR, and also touched on how far the company has come since she joined it in the 1980s:

“Leaders must have the ability to develop and articulate a leadership vision to inspire multiple stakeholders. We seek that value in the people that are attracted to the company. Every year employees must sign a document that embodies the beliefs of the GE family, of responsible citizenship. CSR is not only one of GE's core values, CSR is at the heart of the company - it is a shared understanding that to be a great company we have to be a great company. Therefore, our CSR strategy is integral to the business strategy. These two things are not separate. We want to make money and make it ethically. But how do we engage the mind after we move the heart?”

Further insights from Allen included:

- CSR starts with rigorous compliance with financial and legal rules. That is why compliance has to be built into the design and strategy of the core of your business. Companies shouldn't just comply with the minimum standards, but instead be taking the rules to the next level to set a global standard.
- GE's ethical standards go above and beyond formal requirements. There is a culture of employee volunteerism and corporate philanthropy.
- CSR means contributing to the public policy dialogue. High ethical standards, which were once dismissed, are now being seen as driving the company.

Roger Dickhout of Pineridge Foods believes that CSR is driven by intention. He suggested questions that leaders should be asking themselves in framing their CSR strategy. “What are your personal values and aspirations for CSR or will this be just another corporate program? Are you leading by principles with a long-term focus or are you focused on the short-term or medium-term? Is CSR driven by your personal values or is it being thrust on you? The immediate environment might be hostile to what you want to do. So companies need to have an intention that is sustained. Life Cycle Analysis is a great tool to understand your impacts on the environment,” said Dickhout.

Pietro Satriano of LoyaltyOne Canada suggested that the driving force of sustainability at his company is employee engagement. He noted that CSR could be a top-down or bottom-up approach, depending on the organization and sustainability initiative. Satriano believes these actions have impacts: if the workforce is engaged it creates a strong competitive advantage, where sustainability and the bottom-line are something to strive for internally and externally.