

Review for AMED O&P Journal, March 2003

Building Tomorrow's Company – A guide to sustainable business, Philip Sadler, Kogan Page, 2002.

If you are concerned with business in society and organisations worth working for, this book may be for you. It is a book that informs - because it is the result of research - enlightens and gives an encouraging and hopeful view. It is accessible, wisely balanced, comprehensive. Hence it is likely to be useful to a wide variety of people including business leaders, consultants and students.

Business is embarked upon a journey towards fully embracing inclusiveness and corporate responsibility as central strategic issues. The pressures grow daily. A book that demonstrates, with convincing evidence, that it makes business sense to do so, is valuable. It also provides a wealth of information about the extent to which this is happening both here and in the USA. Often we are not sufficiently aware of the good news that provides support for further steps.

One of the milestones in this journey was the influential RSA Inquiry into the Nature of Tomorrow's Company, in 1995, (owing its birth to the RSA Living Systems Group, which continues to meet), supported by the CEOs of many well known companies. This was followed 2 years later by the formation of the Centre for Tomorrow's Company to continue research and the promotion of inclusive leadership.

The Introduction revisits the story of this report, summarises the research on which it is based and its conclusions about what leads to sustainable competitive success and defines inclusive leadership.

Part 1 describes the changing business environment, the New Economy, what characterises it and the emerging importance of sustainability, fresh perspectives on investment, governance issues and gives examples of best practice.

Part 2 gives an account of how business is responding to these issues, including a shift from an exclusive focus on shareholder value to new emphasis on purpose and values, a stakeholder approach, inclusive reporting and relating this to executive compensation; and finally the emerging concept of a license to operate. Further examples of best practice are given.

Part 3 describes the emergence of transformational (as opposed to transactional) and inclusive leadership and inclusive organisations. All good cause for hopefulness for cynics whose experience leads them to think the situation is largely bleak. Perhaps we need to acknowledge that our espoused aspirations often exceed our practice – at least we are trying. This is not unusual in human affairs.

The final chapter, importantly, acknowledges the limits to corporate action. Recent events and the growing literature demonstrate the need to reform of global institutions,

regulate free market capitalism, including financial markets, and the essential role of government, both national and global. Trouble is that both are arguably still too much under the influence of big business. Meanwhile, it will remain difficult for business leaders, wishing to adopt a more inclusive and responsible approach, to survive in such a globally competitive, unstable and unregulated global system.

Clearly, there is not a level playing field so far as so called developing and especially under developed countries are concerned. Apart from ethical considerations, the stability that civilisation and business requires cannot exist whilst there are such extreme disparities of wealth both within countries and in the world. These differences have become hugely more extreme since 1978 which was the most equal year in terms of the ratio of top and bottom incomes.

Reflecting on the book, I think both Meg Wheatley and Fritjof Capra provide complementary insights into how organisations adapt and transform and the kind of leadership that is most likely to be sustainable in such complex and unpredictable world. The relatively sanguine view presented by Philip's excellent book may be counterbalanced by reading George Monbiot's *Captive State*; Noreena Hertz's *The Silent Takeover: Global Capitalism and the Death of Democracy*; Rabbi Michael Lerner's, *A New Bottom Line*, unpublished paper, 2001, The TIKKUN COMMUNITY, www.tikkun.org and Rodney Shakespeare and Canon Peter Challen's *Seven Steps to Justice*, New European Publications Limited.

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