

### **SUSTAINABILITY, LEADERSHIP AND THE NEED FOR A STORY<sup>1</sup>**

One of the more interesting philosophical debates among those with an interest in sustainability pits what I will call the reformers against the revolutionaries. Let me explain. The reformers believe that while there may be a few genuinely bad companies out there, it is absolutely possible to reform the majority and weave sustainability into day-to-day business. The revolutionaries, as the name suggests, are skeptical (or worse) about the corporation and believe we must forge a bold new future with new types of social and commercial enterprise.

I thought of this recently as I read Janet McFarland's useful column in the *Globe and Mail*, "The corporate call for integrity seems little more than lip service". You see, I have long placed myself in the reformer's camp. In fact, I have been quick to defend the majority of corporations and have suggested that the Achilles heel of the sustainability movement is its too frequent insistence on seizing the moral high ground and preaching to the converted. What about the other 80 or 90%? While I'm not yet ready to declare myself a revolutionary, Ms. McFarland's column gave me pause and reminded me that my reformation argument rests on an important assumption about corporate leadership that is too often ignored or overlooked. Put simply, unless and until corporate boards and the CEOs they hire accept responsibility for the behavior of their firms, our ability to institute reforms that foster sustainability will be gravely compromised.

In the lingering fallout from the collapse of Enron, Adelphia, WorldCom and others (will the ripples from this story never cease?); CEO ignorance is becoming a trendy excuse and defense tactic. And so it is that Ken Lay, at once both notorious and pathetic as the fallen chief of Enron, can claim that he knew nothing about the financial transactions and accounting practices that ultimately sunk his company. Further, he can protest that his personal wealth has been "diminished" to some \$20 million and that he is therefore also a "victim".

---

<sup>1</sup> First written and posted online ([www.abbottstrategies.com](http://www.abbottstrategies.com)) in 2005. Revised and expanded for this publication.

What is going on here? What do such claims of ignorance say about how we should think about and measure CEOs? I respectfully submit that the fundamental measure of a CEO is his or her ability to lead. But what, ultimately does this mean and what is the narrative, the story leaders should craft to galvanize their employees and other stakeholders?

In business, as in so much of life today, we emphasize outcomes in thinking about leadership – increased sales, reduced costs, shareholder value, and so on. We also, it must be said, value power and charisma and associate this with leadership. Our implicit or explicit evaluation of corporate leaders and our apparent willingness to worship at the cult of celebrity leaders (think Donald Trump) only reinforces this view. The methods through which outcomes are achieved, however, has tended to receive rather less attention. In particular, the moral principles that underpin the ideology of leaders are a subject that cries out for discussion and debate.

If we are interested in creating genuine financial and social wealth or well being, if we are interested in sustainability or social responsibility, why wouldn't we see the imperative of exploring the moral dimension of boards and CEOs? As Ms. McFarland aptly put it, morality "is not endlessly flexible". More broadly, Miles Little, Director and Founder of the Centre for Values, Ethics and the Law in Medicine at the University of Sydney, reminds us that merely thinking about leadership in the instrumental sense of being the means through which followers achieve a particular interest (shareholder value comes to mind) is to focus too narrowly on *"the kind of leadership that can have an ideological base without necessarily having a moral one. Leadership without a moral basis is almost always potentially disastrous."*

The news is not all bad. Just as Camus generously and wisely noted that in a time of pestilence there are more things to admire in men than to despise, I passionately believe that there are many more good companies than bad. I further believe that more and more companies and organizations are thinking about the moral dimension of governance. Viewed in this light, sustainability or social responsibility can become an emergent property of doing business or exercising leader-

ship. Canada is especially fortunate in this regard. The most recent KPMG – Ipsos Reid ranking of Canadian corporations noted that the two companies which score highest for corporate governance, RBC Financial Group and BCE Inc., also top the social responsibility rankings. RBC also happens to be Canada's most respected corporation overall.

And what might all of this mean for my ultimate desire of framing sustainability properly? It's about leadership, to be sure, the ability to catalyze individuals to work as a team in pursuit of something bigger than themselves, but it is also more than that. It is about remembering the power of stories.

Robert Altman's wonderfully cynical film about the movie business, *The Player*, contains an essential truth about stories that advocates of sustainability would do well to remember. In the film, the central character is asked why a particular screenplay wasn't filmed. He says it lacked certain qualities necessary to make a commercially successful movie. There is a pause. He expands on his answer. He says up, as opposed to down; happy as opposed to sad; hopeful as opposed to desperate; and a happy ending...especially a happy ending. His point is that while all people like stories; *most* people like stories that offer hope – and a happy ending. Stories in which good triumphs over evil. Stories propelled by an engaging and entertaining narrative – the route to the happy ending matters.

Now consider the way in which the sustainability “story” has been told. Is it any wonder the majority of people have tuned out? So many of the efforts to get more people “living like they plan on staying” read and sound like a mother trying to coax her kids to eat vegetables – this may not taste good, but it's good for you! We can do better. We need to do better.

Lest readers wonder if I've forgotten about those relatively well-known individuals, cities and organizations that are brokering novel collaborations and incubating new sustainable business models and technologies, I'm *not* talking here about the relatively thin edge of real leaders who are blazing a trail in support of a story that is at once uniquely their own and supportive of the communities of which they are a part. Instead, I'm talking about “the other 80%”, the large clot

of individuals, cities and organizations whose behavior must change if society is ever to approach a relationship with the Earth that can be called sustainable.

The complex patterns of interaction that characterize biological and human systems doubtless cry out for new ideas, technologies and collaborations, but what is most needed is a new story. And that story is not about making people aware of the true costs of energy, to take a topical example, or pointing out that non-carbon alternatives to gasoline are available that won't cramp anyone's style. This is subtext. The real story is about home – the places we live, and our relationships with others. The real story is about how we give meaning and value to the idea of home. Ted Chamberlin makes this point beautifully in his protean book, *If This Is Your Land, Where Are Your Stories?*

Except for the idea of a creator, there is no idea quite as bewildering as the idea of home, nor one that causes as many conflicts...Can one land ever really be home to more than one people? To native and newcomer, for instance? Or to Arab and Jew, Hutu and Tutsi, Albanian and Kosovar, Turk and Kurd? Can the world ever be home to all of us? I think so. But not until we have reimagined Them and Us.

Throughout history humans have divided the world and its peoples into friend and foe, them and us – with catastrophic results. And we continue to do so today, and not simply at a national or international scale. Look closely at any city, or indeed at any organization, and you will see the separation of people into distinct camps, cliques, or tribes. One of the most important things we lose through this separation is an awareness and appreciation for other people's stories and the lessons they might hold:

Other people's stories are as varied as the landscapes and languages of the world; and the storytelling traditions to which they belong tell the different truths of religion and science, of history and the arts. They tell people where they came from, and why they are here; how to live, and

sometimes how to die. They come in many different forms, from creation stories to constitutions, from southern epics and northern sagas to native American tales and African praise songs, and from nursery rhymes and national anthems to myths and mathematics.

So, how to move forward? How to write the kind of story the sustainability cause needs? The answer will not be found in the usual places. Which is to say that benchmarking studies, stakeholder engagement exercises, and business case development – all tools of the trade for most sustainability efforts – must be viewed as accents and nuance. They enrich the narrative, but they are not the narrative. Just as special effects never make up for a lack of plot in a movie. Should we talk to people and create business cases to support an argument for sustainability? Yes, but we should recognize the limits of such an approach. To paraphrase the business strategist, Gary Hamel, customers are notoriously lacking in foresight – they often don't know they want something until it is thrust upon them. We therefore need to forge a story about sustainability that hasn't been told yet (or told well). We need to shape a compelling vision of the future, and sell that vision with the kind of passion, money and marketing savvy that Hollywood sells movies. We need to convince people through the art of storytelling that this vision is worth fighting for. And it's okay if the story seems strange – this is what will first take hold of us (and others) and make us believe it.

Nothing happens without first a dream. My dream is a world in which human society lives in a more sustainable relationship with the Earth, and with each other. To get there, we need leadership, but we also, crucially, need to write a new story – a story about the future and what can be done now to secure it. We also need to sell this story in ways that heretofore have been overlooked by the sustainability community. We have a great cause; what we lack is a story to grow the constituency of supporters for that cause.