



# A global mission

Take a group of business executives from companies based in North America, Asia and Europe. Add a number of human rights and environmental activists. Put them in a room and ask them for their vision of 'tomorrow's global company'. What would you expect?

Tomorrow's Company is a business-led think-tank. Unlike other think-tanks, the reports it publishes represent the voice of those who lead or are close to major businesses. This gives great authority to its reports.

To appreciate this influence look at the UK's 2006 Companies Act, with its redefinition of the duties of directors based on the 'enlightened shareholder value' approach. This can be traced straight back to the recommendations first developed ten years earlier in the 1995 Tomorrow's Company report.

After a decade of work in the UK, Tomorrow's Company has started to tackle issues of business leadership and governance on a global scale.

In 2006 it drew together a team of leaders from ABB, Alcan, Anglo American, Amnesty International Business Group, BP, Dr. Reddy's, Ford, the International Institute for Sustainable Development, Infosys Technologies, KPMG, Leader's Quest, McKinsey, Standard Chartered, SUEZ, and

## Mark Goyder

SustainAbility. It challenged them in particular to look at the role of global businesses in society.

The process was thorough. Fifty-five interviews around the world with CEOs and experts. Sixteen consultations, from Mumbai to Paris, from Beijing to New York. Ten inquiry team meetings, representing nearly 500 person hours of work by people who between them accounted for over 400 years of business experience.

Inevitably, such a team had their differences, not always along a line separating business from civil society. But they all agreed on their findings. Their opening statement is unexpected.

'We all believe that for companies to succeed into the future they must play a greater role in contributing to solving the problems that society faces, including environmental degradation, poverty and the abuse of human rights.'

This led them to choose the areas where companies needed to work across boundaries, in collaboration.

The report reaffirms its commitment to a strong market economy.

From the very beginning the inquiry

team sets out its belief that global companies can be a force for good and are uniquely placed to deliver the practical solutions that are urgently required.

This report does not say 'the purpose of business is to create shareholder value'. It says the purpose of a global company is 'to provide ever better goods and services in a way that is profitable, ethical, and respects the environment, individuals and the communities in which it operates'. Having started off expressing a strong belief in the market economy, it warns that 'the world is going through a period of unprecedented change [...] it is becoming clear that the current frameworks in which the market operates are leading to unsustainable outcomes.'

This is a remarkable and unexpected statement for a group of business leaders to make, and it is one of great significance to legislators.

Everyone in business would readily agree that the market is a potent force for innovation and development, but for this inquiry team the debate has now moved beyond that simple expression of confidence in the market.

The market, left to its own devices, is something of an unguided missile. It is excellent at delivering what consumers want today to meet their individual needs. But it does not necessarily deliver what those same consum-

