14th Workshop on Corporate Governance

# call for papers: TRACK Fspecial track on responsible board leadership

Proposals are requested for papers to be delivered at a special track that will form part of the European Institute for Advanced Studies in Management’s 14th Workshop on Corporate Governance, scheduled to take place in Brussels on November 6th and 7th, 2017.

**This track addresses some of the core challenges of our time: the purpose of business, the value of corporate governance and the need to address global and local challenges in an integrated way, while recognising at the same time the complexity brought about by digital technologies that are blurring the boundaries between the physical and the virtual worlds.**

Selected papers will be included in a publication of the ICfCG, to be published early in 2018.

### Background

Given increasing concerns about issues such as globalization, unemployment, inequality, conflict and climate change, there is new interest in discussions about the role of business in society. Over the last few years, discussions about the purpose of business have shifted from a narrow focus on the operational level (e.g. what can an individual company do to improve ethical performance?) to a broader focus on values and corporate responsibility at the systemic level (e.g. what conditions are required to enable companies to improve ethical performance?).

In 2016 the World Economic Forum articulated the characteristics of the Fourth Industrial Revolution, which forms part of the context within which global companies operate. In the words of Prof Klaus Schwab, founder and executive chairman of the World Economic Forum, the Fourth Industrial Revolution is “characterized by a range of new technologies that are fusing the physical, digital and biological worlds, impacting all disciplines, economies and industries, and even challenging ideas about what it means to be human”[[1]](#footnote-1).

Also in 2016, a World Economic Forum white paper[[2]](#footnote-2) was published that explore the links between value and values, profit and purpose. The authors argue as follows: “the concepts of prosperity and shared value highlight the convergence between value and values, and purpose and profit. Clearly not everyone will agree, but having an inclusive, long-term perspective to ensure the planet’s survival is gaining momentum. In crude terms, this often reduces to a debate about the business case versus the moral one: do organizations act only in their own self-interest, or also because it is the right thing to do? Enlightened self-interest sometimes becomes the default choice to avoid committing to one or the other; however, it often fails to address the fundamental ethical issues at stake”.

According to Howell and Buckup: “to shape the impact of technological change we must clarify what matters most, in what balance, with what trade-offs. We must face problems for which there are no simple and painless answers. Technical challenges match well with a thought-out, detailed plan, and this gives us comfort. Adaptive challenges require novel solutions, but until we discover them our future readiness will rely upon greater resilience and agility”[[3]](#footnote-3).

The theme of the World Economic Forum’s 2017 annual meeting was “Responsive and Responsible Leadership”. Arguing in favour of inclusive development and equitable growth the Forum stated the following: “Collaborative efforts in the 20th century yielded the norms, policies and institutions that collectively served as a protective system until today. It is imperative that we again shape such systems through more inclusive development efforts. Enhanced international cooperation and earnest multicultural dialogue are critical to advancing innovations for greater societal impact”[[4]](#footnote-4).

The term “glocal” describes the ability to combine global integration with local responsiveness in a balanced, legitimate and effective way. The potential tension between global and local found expression in the work of Tom Donaldson and Tom Dunfee (Integrative Social Contracts Theory[[5]](#footnote-5)), with specific reference to the terms hypernorms and moral free space. More recently Donaldson and Walsh proposed a theory of business[[6]](#footnote-6), where the distinction between value for a single firm and value for business in general is introduced.

From a governance perspective, a shift in emphasis over recent years has resulted in boards understanding their *combined* responsibility for direction and control, as opposed to a narrow focus on compliance. Both Hilb[[7]](#footnote-7) and Garratt[[8]](#footnote-8) have made important contributions in this regard. Hilb’s New Corporate Governance framework and Garratt’s Learning Board framework have assisted a more sophisticated understanding of the different dimensions and complexities of corporate governance. Hilb’s work integrates the interests of shareholders, customers, employees and the public, while Garratt’s framework highlights the four tasks of directors: policy formulation and foresight, strategic thinking, supervising management and ensuring accountability. In a forthcoming contribution, Garratt discusses the need for continuous learning from four main governance players: directors, owners, regulators and legislators.[[9]](#footnote-9)

**To submit to the workshop, please see the link on the main web site.
A decision will be communicated to authors by July 31st, 2017.

To be considered for inclusion in the ICfCG publication, full written papers should be submitted by November 30th, 2017. Technical guidelines will be communicated to authors whose abstracts are accepted.**

### Project team and contact information

The project team for the ICfCG Theme of the Year 2017 is:

* Daniel Malan, portfolio partner of ICfCG, University of Stellenbosch Business School (project chairperson)
* Lee Howell, portfolio partner of ICfCG and member of the executive committee of the World Economic Forum

More information about the International Center for Corporate Governance is available at [www.icfcg.org](http://www.icfcg.org)

If you have any questions, please contact Daniel Malan (daniel.malan@usb.ac.za).

1. <https://www.weforum.org/about/the-fourth-industrial-revolution-by-klaus-schwab>, accessed 7 March 2017. [↑](#footnote-ref-1)
2. Malan, D. (lead author) et al, 2016. *Values and the Fourth Industrial Revolution: Connecting the Dots between Value, Values, Profit and Purpose*. Geneva: World Economic Forum. Available at <https://www.weforum.org/whitepapers/values-and-the-fourth-industrial-revolution-connecting-the-dots-between-value-values-profit-and-purpose> [↑](#footnote-ref-2)
3. <https://www.weforum.org/agenda/2016/06/leadership-challenges-of-the-fourth-industrial-revolution>, accessed 7 March 2017. [↑](#footnote-ref-3)
4. <http://www3.weforum.org/docs/WEF_AM17_Overview.pdf>, accessed 7 March 2017. [↑](#footnote-ref-4)
5. Donaldson, T. & Dunfee, T. 1999. *Ties That Bind: A Social Contracts Approach to Business Ethics*. Boston: Harvard Business School Press. [↑](#footnote-ref-5)
6. Donaldson, T. & Walsh, J. 2015. Toward a theory of business. *Research in Organizational Behavior*, 35, 181 – 207. [↑](#footnote-ref-6)
7. Hilb, M. 2016. *New Corporate Governance: Successful Board Management Tools*. Heidelberg: Springer. [↑](#footnote-ref-7)
8. Garratt, B. 2010. *The Fish Rots from the Head: Developing Effective Board Directors*. London: Profile Books. [↑](#footnote-ref-8)
9. Garratt, B. 2017 (forthcoming, to be published on 1 May 2017). *Stop The Rot:  Reframing Governance for Directors and Politicians*. London: Greenleaf Publishing. [↑](#footnote-ref-9)