

# Review of United Nations Global Compact LEAD Pilot Phase

## January 2011-December 2012

### January 2013



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Business in Society



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In association with:  
Eindhoven University of Technology

# Review of Global Compact LEAD pilot phase: January 2011-December 2012

## Executive Summary

### Context

The United Nations Global Compact was launched in 2000 in response to then UN Secretary-General Kofi Annan's call to business leaders to work with the UN to "initiate a global compact of shared values and principles, which will give a human face to the global market." Over the past 12 years, the Compact has sought to mainstream universal principles into business practice around the world and catalyse action in support of UN goals. From an initial group of 44 companies at the launch in 2000, it now has over 7000 participating signatories around the world from the private sector. Although multiple collaborative platforms for corporate sustainability now exist, each with particular strengths, the UN Global Compact remains the largest and most globally comprehensive, and the only such initiative directly connected with the United Nations.

To challenge and support leading companies in reaching higher levels of corporate sustainability performance, Global Compact LEAD was launched in January 2011 as a leadership platform within the Global Compact. LEAD has been designed for companies with a strong history of engagement with the UN Global Compact, as demonstrated either at the global level through their involvement in the Global Compact's six global working groups and *Caring for Climate* and *CEO Water Mandate* initiatives, or at the local level through their engagement in the Global Compact Local Networks that are present in over 100 countries. LEAD has been built around a commitment by participating companies to move forward with implementation of the Blueprint for Corporate Sustainability Leadership to further advance corporate sustainability as a universal norm.

The Blueprint, which was launched at the Global Compact Leaders' Summit in 2010, identifies criteria for leadership practice in three distinct but overlapping dimensions:

- Implementing the Ten Principles of the Global Compact into Strategies and Operations;
- Taking Action in Support of Broader UN Goals; and
- Engaging with the UN Global Compact.

It also identifies a crucial overlay with four cross-cutting components:

- CEO Commitment and Leadership
- Board Adoption and Oversight
- Stakeholder Engagement
- Transparency and Disclosure

Participating companies commit to certain actions by joining LEAD:

- Implementing the Blueprint for Corporate Sustainability Leadership
- Leading the Global Compact with strong engagement at the local and global levels
- Submitting a Communication on Progress (COP) at the Advanced Level of the Global Compact's Differentiation Programme.
- Sharing their learnings and outcomes with the broader group of 7000 UN Global Compact participants.

Participating companies make an annual financial contribution to support the activity of the LEAD platform.

LEAD launched in January 2011 with 55 participating Global Compact signatory companies, with a commitment to a review at the conclusion of a two year pilot phase. This document constitutes a summary of the conclusions of that review.

## ***The review***

The LEAD steering committee agreed the following objectives for the review:

- To assess the impact that the Global Compact LEAD initiative has had during its two year pilot phase in 2011 and 2012
- To provide evidence-backed suggestions for further development of the Global Compact LEAD initiative from 2013 onwards

A sub-group of the LEAD steering committee then worked with the Global Compact's initiative for partnership with business schools, the Principles for Responsible Management Education (PRME), to identify a global network of business schools to conduct the review.

PRME selected the Academy of Business in Society (EABIS), a PRME co-convenor, and Ashridge Business School, a PRME signatory to coordinate the review. The research to inform the review was conducted by the following partnership of business schools:

- Ashridge Business School (UK),
- American University of Cairo (Egypt),
- Beijing Normal University (China),
- Bentley University (USA)
- Fundação Dom Cabral (Brazil),
- IESE Business School (Spain),
- ISTUD Business School (Italy),
- Korean University Business School (Korea),
- University of Stellenbosch Business School (South Africa),
- St Petersburg University Graduate School of Management (Russia),
- TiasNimbas Business School (Netherlands),

The research involved a combination of one-to-one semi-structured interviews, a quantitative online survey, participant observation and documentary analysis.

All 55 participating companies in the LEAD initiative were invited to take part in an interview, and 41 were able to make time for this during the available period between October to December 2012. 47 of the 55 companies also completed the online survey during the same period. Interviews were also conducted with a number of members of the Global Compact Office, and individuals at other organisations that had had a connection with the LEAD initiative. A full list of interviewees is provided at Appendix 1.

In addition to in-depth engagement with the Global Compact Office, researchers also conducted ethnographic research as participant observers at LEAD symposia in Berlin in November 2011 and New York in November 2012, the LEAD Luncheon Meeting at Davos in January 2012, and the Rio+20 Corporate Sustainability Forum in Rio de Janeiro June 2012.

A literature review of prior learning and thinking on how to understand and assess success in multi-stakeholder collaborative platforms informed this research.

## **Key findings**

The creation of LEAD was an experiment, deliberately designed as a pilot to be reviewed after two years. At the conclusion of the first two years it is clearly the view of most companies participating that the Global Compact benefits from having a leadership platform within the initiative, and that LEAD should continue in some shape or form beyond its two year pilot phase.

Different participating companies have valued different things, but the following have consistently emerged as particularly valued:

- The opportunity the LEAD platform has offered to strengthen relationships and connections between their companies and the broader UN system of different funds, agencies and programmes,
- The networking, sharing and learning between the different LEAD companies that has occurred through their involvement in the LEAD priority workstreams, taskforces and symposia,
- The external recognition of their company as a leader on corporate sustainability that being a LEAD participant confers,
- The role LEAD participation has played in helping catalyse further change within their own organisations, particularly in relation to the value of the Blueprint for Corporate Sustainability Leadership.
- The individualised assistance they have received from the Global Compact Office,

To succeed in its next phase, the review identified the following priorities for LEAD.

- **Strengthen mechanisms for business to systematically engage with the UN system.** There was wide agreement that one of the most valuable aspects of their participation in the LEAD platform to date was the opportunity to strengthen relationships and connections between their companies and the broader UN system. To succeed in its next phase LEAD needs to build on what it has already achieved so far to achieve a step-change in strengthening mechanisms for business to engage more systematically and formally with the UN system.
- **Lead change in the rest of the Global Compact.** A core aspiration of the LEAD platform is for participating companies to work collectively to provide leadership for the rest of the Global Compact. In its next phase LEAD companies need to place this objective at the core of their strategic priorities for how they are going to work together, developing a plan for how they will maximize their ability to lead change among the other 7000 Global Compact companies and, in doing so, how they will work with Global Compact Local Networks to achieve this.
- **Better management of LEAD workstreams, with clearer and more action-oriented objectives.** LEAD companies have valued the work of LEAD's priority workstreams and taskforces, but to succeed in LEAD's next phase, workstreams require better management and must be more target-focused and action-oriented.
- **Foster higher levels of participation and be clear about how adding value.** There has been a high degree of participation and involvement by LEAD companies in the various activities that have taken place in the first two years, and many participants spoke of the value of the networking, sharing and learning that has occurred between the different LEAD companies. However, there was

wide agreement that to succeed in its next phase, the degree of participation by member companies needed to increase and deepen. A number of suggestions have been identified to help address some of the more practical barriers to greater participation, but in addition, for levels of participation to grow, there is also a need for a sharper focus on activities that clearly add value for participating companies:

- For some participants that could include more attention given to **creating the conditions for deeper relationships between LEAD companies to develop**
  - For others it means a strict focus on leveraging the unique strengths of the Global Compact as a convening platform – its global reach, the UN connection, its legitimacy – to ensure it **complements rather than duplicates the activities of other collaborative platforms.**
  - For many participants headquartered in developing countries there is a desire that **more companies from under-represented regions** join the initiative.
- **Improve key processes, and review number and capability of individuals supporting LEAD activities within the Global Compact Office.** As LEAD moves from being a pilot to enter a more mature phase, it needs to develop better processes for involving all participating companies in developing the priorities for a medium-term workplan, and address concerns about how funding is allocated and with what impact. And both the number and capability of individuals supporting LEAD activities within the Global Compact Office need to be reviewed.

Finally, in light of decisions made regarding the above issues, it may be necessary to review the minimum criteria for LEAD participation.

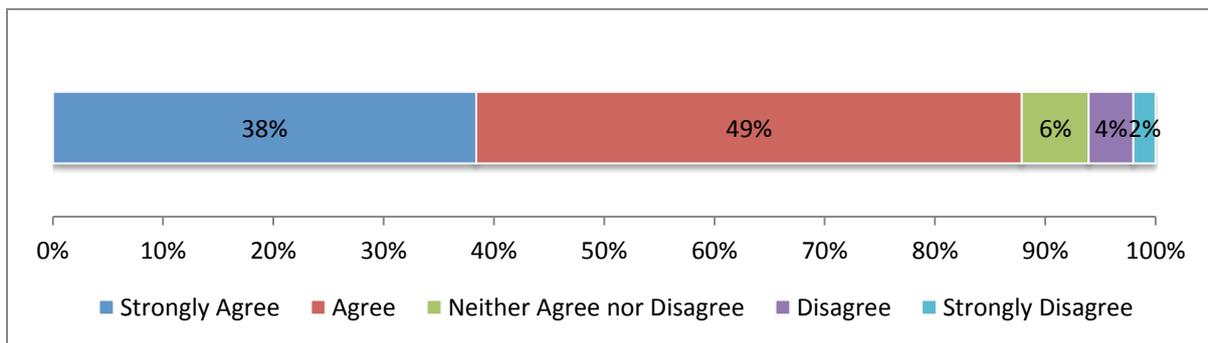
## 1. Successfully laying the foundations: A necessary and valuable platform for leading systemic change

The creation of LEAD as a leadership platform within the Global Compact to aid with the process of leading systemic change was an experiment, deliberately designed as a pilot to be reviewed after two years.

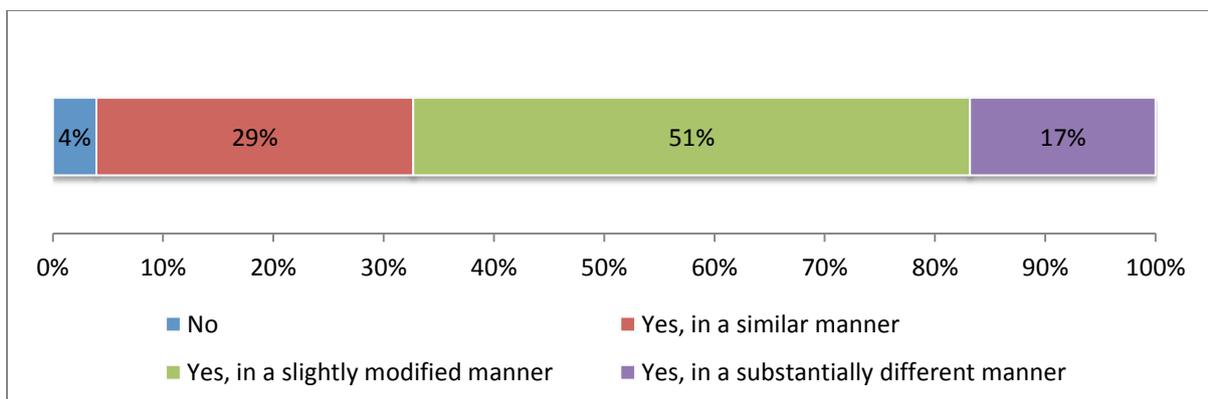
At the conclusion of the first two years it is clearly the view of most companies participating that the Global Compact benefits from having a leadership platform within the initiative, and that LEAD should continue beyond its two year pilot phase.

87% of the 47 companies that completed the online survey believe that the UN Global Compact benefits from having a leadership platform within the initiative, and 96% believe it should continue beyond its two year pilot phase.

**Figure 1: The UN Global Compact benefits from having a leadership platform within the initiative:**



**Figure 2: Should Global Compact LEAD continue beyond its two year pilot phase?**



### 1.1 Initial expectations

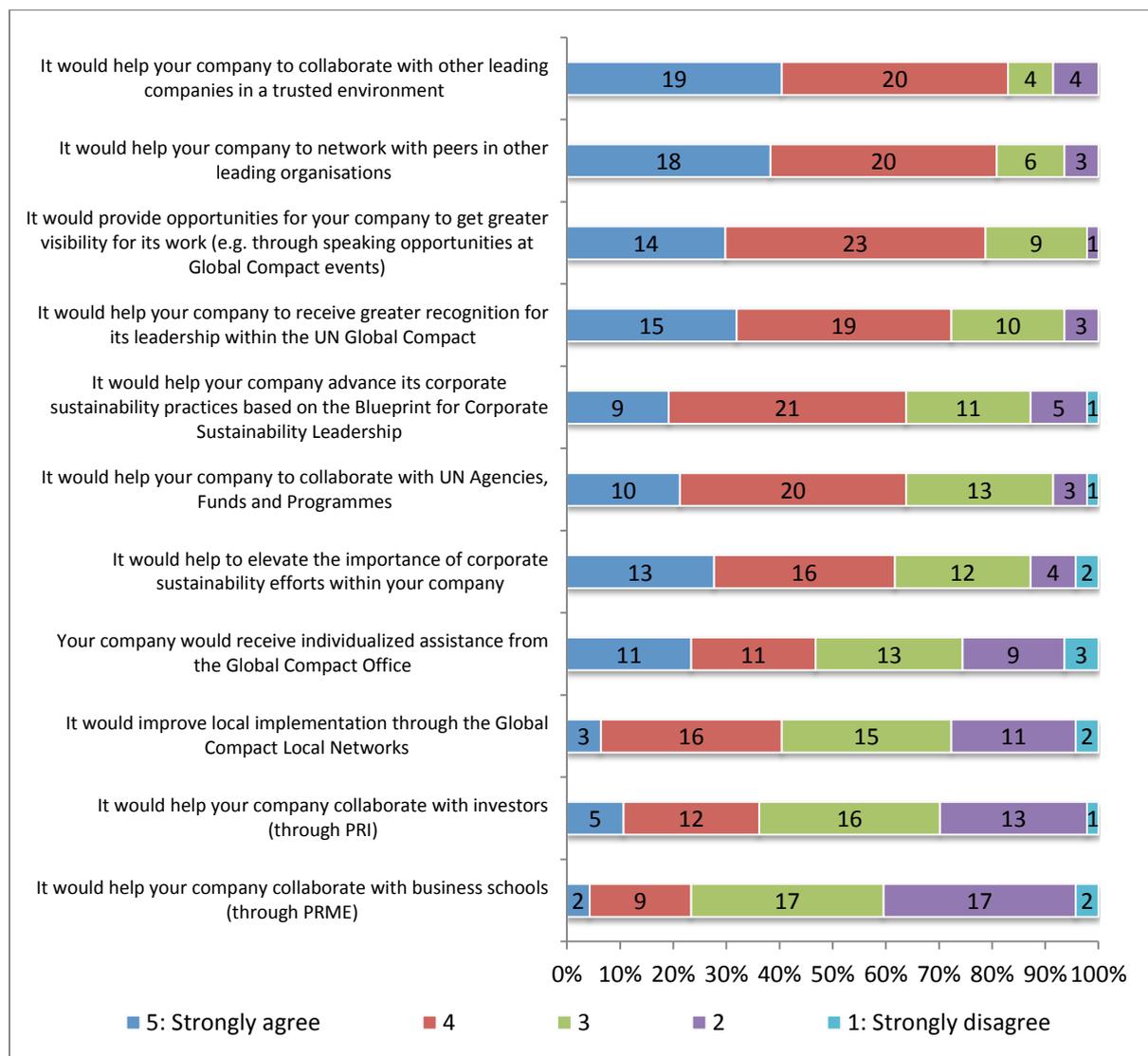
There was wide variation among participating companies regarding their expectations of the LEAD initiative, what it might achieve and how they might derive value from it.

At its launch, there were particularly high expectations around networking and collaborating with other companies, and also receiving recognition and visibility for their company’s leadership position – over 70% of the 47 companies that responded to the online survey had expectations in all these areas.

For two thirds of responding companies, there were also expectations around both aiding collaboration with the wider UN system, and the role LEAD would play in helping advance their company’s own sustainability performance – both in general and with specific reference to the Blueprint for Corporate Sustainability Leadership.

Fewer than half had specific expectations regarding individualised assistance, improving local implementation through Global Compact Local Networks, and collaboration with investors and business schools through the Global Compact’s PRI and PRME initiatives.

**Figure 3: When your company joined Global Compact LEAD, what were its expectations for the new leadership initiative?**



## 1.2 How has LEAD delivered in its first two years?

For many participants, LEAD has delivered satisfactorily against expectations in a wide variety of areas. Participating companies had realistic expectations that the pilot phase would be a learning experience where the multi-stakeholder platform would be establishing itself and that therefore some things would work out better than others during the process of experimentation and learning.

There is strong consensus that LEAD needs to build on what it has learnt from the pilot phase in order to succeed in its ambition of being a platform for advancing corporate sustainability leadership and systemic change, but also confidence that good foundations have been laid.

A surprising pattern that emerged through the interviews was the wide spectrum of diverse experiences that different companies have had within LEAD. There was no clear pattern that all companies agreed that the initiative had got some things right and other things wrong, rather that different companies had different quality experiences – while some companies had excellent experiences, whether it be of networking, engagement with the UN system, or individualised assistance, other companies reported frustrations in exactly the same areas.

Overall, while noting this varied pattern of satisfaction with the experience of the first two years, the following five areas consistently emerged as particularly valued by LEAD companies:

- The opportunity the LEAD platform has offered to strengthen relationships and connections between their companies and the broader UN system of different funds, agencies and programmes.
- The networking, sharing and learning between the different LEAD companies that has occurred through their involvement in the LEAD priority workstreams, taskforces and symposia.
- The external recognition of their company as a leader on corporate sustainability that being a LEAD participant confers.
- The role LEAD participation has played in helping catalyse further change within their own organisations, particularly in relation to the value of the Blueprint for Corporate Sustainability Leadership.
- The individualised assistance they have received from the Global Compact Office.

There was strong consensus that, in order to succeed in its ambition of being a platform for advancing corporate sustainability leadership and systemic change, LEAD needs to build on its learning from the pilot phase to achieve a step-change in its performance in the following five areas.

- Build on the current good work on UN engagement to further strengthen mechanisms for business to engage more systematically with the UN system.
- Lead change in the the rest of the Global Compact .
- Better management of LEAD workstreams, with clearer and more action-oriented objectives.
- Foster higher levels of participation and be clear about how adding value (eg complementing, relationship building, growing participants in under-represented regions).
- Improve governance, and review number and capability of individuals supporting LEAD activities within the Global Compact Office.

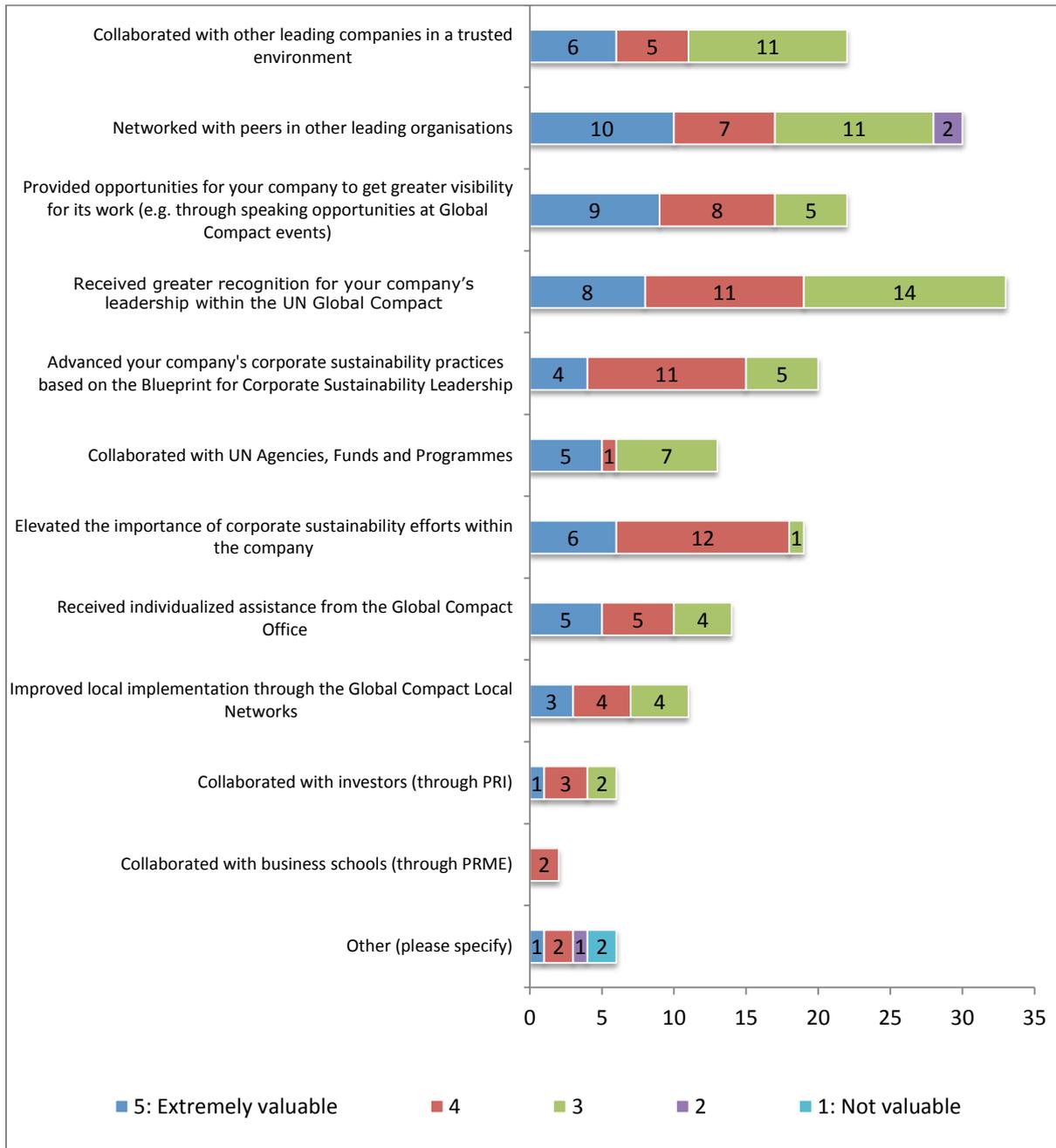
Each of these areas is discussed in more detail on pages that follow.

It is important to note that two of the 47 responding companies stated in the survey that they did not believe LEAD should continue beyond its two year pilot phase, and eight stated that it should continue, but in a substantially different manner.

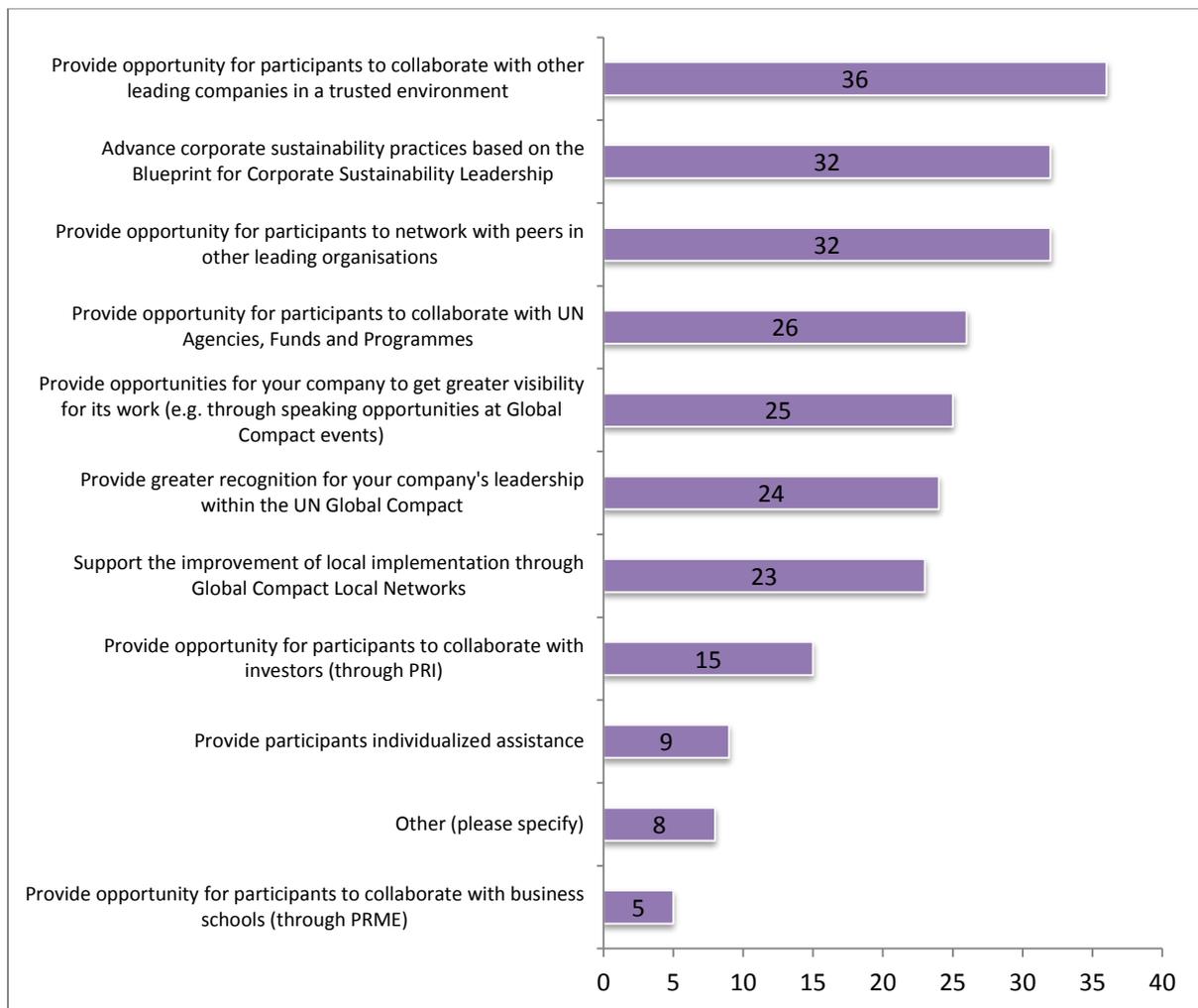
One of the companies that argued LEAD should not continue argued that the Global Compact did need a leadership platform, but that LEAD was the wrong model. Their perception was that LEAD was a 'closed club', where there was not enough transparency about the basis on which companies were invited to participate by the Global Compact Office. They argued LEAD should be discontinued and replaced with a much looser framework, where companies themselves should be able to decide whether they were ready to step up into a leadership position. The other company argued that their conclusion was that a leadership platform was not required, and the resources invested in LEAD would be better invested in other initiatives like Global Compact Local Networks.

Those that argued LEAD should continue but in a substantially different manner all made suggestions in support of the step-change in performance that LEAD needed to make as articulated above, but aside from this did not suggest any further more radical changes to the LEAD model.

**Figure 4: Which of the following choices describe your company’s experience in Global Compact LEAD? (And how valuable was each experience to your company?)**



**Figure 5: Which of the following should be top priorities for LEAD in the future?**



Number of companies identifying item within their top five priorities for LEAD in the future.

### **1.3 Areas particularly valued by LEAD companies during the two year pilot phase:**

#### **1.3.1 Strengthening relationships and connections between LEAD companies and the broader UN system of different funds, agencies and programmes**

One of the most widely expressed views about where participants had derived value from participating in LEAD was the opportunity for engagement with the broader UN system of different funds, agencies and programmes.

Additionally, five companies specifically described the value they derived from the opportunities for senior level engagement and relationship building, the personal involvement of the UN Secretary General, his willingness to make his time available for engaging with LEAD companies, and the opportunities for LEAD companies' CEOs and other c-suite office holders to meet and engage both with the Secretary General and with the heads of different UN agencies, funds and programmes.

64% of companies responding to the survey indicated that helping their company collaborate with UN Agencies, funds and programmes was among their expectations when joining the initiative. 28% - 13 companies - indicated that this had been their experience. 55% - 26 companies - said providing opportunities for LEAD companies to collaborate with UN Agencies, funds and programmes was among their top five priorities for LEAD in the future.

Many stressed that this connection with the UN system was one of the most uniquely valuable features of the LEAD platform vis-à-vis other collaborative platforms for corporate sustainability.

### **1.3.2 Networking, sharing and learning between the different LEAD companies**

Networking, sharing and learning between different LEAD companies was consistently mentioned as one of the most valuable aspects of participating in LEAD during its first two years. Many companies talked about both the learning they derived from the sharing of experiences in a trusting environment, and also the value and confidence they derived in understanding where they were ahead of, comparable to, and behind other leading companies.

81% of companies responding to the survey indicated that helping their company to network with peers in other leading companies was among their expectations when joining the initiative. 64% – 30 companies – indicated that this had been their experience. 68% – 32 companies – said providing opportunities to network with peers in other leading companies was among their top five priorities for LEAD in the future.

This aspect of LEAD wasn't universally valuable for all. For some companies most advanced in sustainability and engaged longest, their existing networks are very strong anyway, and they already participate in multiple collaborative platforms which provide opportunities for sharing and learning. These companies valued the networking opportunities of LEAD much less as they had access to this elsewhere. But for other companies less engaged in other networks, this learning and sharing was extremely valuable. Even for those that were extensively engaged in other networks, the uniquely global nature of the LEAD platform, and the opportunity to strengthen relationships and share learning with companies headquartered in emerging markets was particularly valued.

In addition to networking and sharing, a number of LEAD companies are also keen for deeper partnerships and collaboration to develop between small groups of LEAD companies. There has been some exploration of this during the pilot phase, but no specific business partnerships have yet emerged. Creating the conditions for deeper relationships between LEAD companies to develop is explored in more detail in section 2.4.2.

### **1.3.3 External recognition as a leader on corporate sustainability**

Many companies signalled that the external recognition of their company as a leader on corporate sustainability that being a LEAD participant confers was very highly valued, although not the primary reason they were participating in LEAD.

Again there was a spectrum of views. Recognition and visibility were not particularly valued among those companies that were already well known for taking a proactive stance on corporate sustainability leadership, but for others that felt that they had a long heritage of sustainability leadership, but did not have a public profile to match, the recognition implied in the invitation to join LEAD was welcome and a source of pride.

72% of companies responding to the survey indicated that among their expectations when joining the initiative was that it might help their company receive greater recognition for its leadership within the UN Global Compact, and 79% said they expected it to provide opportunities for their company to get greater visibility for its work, for example through speaking opportunities at Global Compact events.

70% – 33 companies – indicated that receiving greater recognition for their leadership within the UN Global Compact had been their experience. 47% – 22 companies – said that participating in LEAD had provided opportunities for their company to get greater visibility for its work through speaking opportunities and other means.

51% – 24 companies – said helping their company receive greater recognition for its leadership within the UN Global Compact was among their top five priorities for LEAD in the future. 53% – 25 companies – said providing opportunities for their company to get greater visibility for its work through speaking opportunities and other means was among their top five priorities for LEAD in the future.

This suggests that this area is perhaps, while still important, slightly less of a priority in future as it has been in the past.

### **1.3.4 Catalysing further change within their own organisations**

The value of LEAD in helping catalyse change within their own organisations was noted as important by a number of participating companies.

62% of companies responding to the survey indicated that among their expectations when joining the initiative was that it might help elevate the importance of corporate sustainability efforts within their company, and 64% said they expected it to help their company advance their corporate sustainability practices based on the Blueprint for Corporate Sustainability.

40% – 19 companies – indicated that participation in LEAD had helped elevate the importance of corporate sustainability efforts within their company. 43% – 20 companies – said that participating in LEAD had helped their company advance their corporate sustainability practices based on the Blueprint for Corporate Sustainability.

68% – 32 companies – said advancing corporate sustainability practices based on the Blueprint for Corporate Sustainability was among their top five priorities for LEAD in the future.

A number of specific comments were made during the interviews. One person argued that the external recognition that came with being invited to join a leadership initiative like LEAD in itself helped catalyse change within the organisation. Another commented that the opportunity to involve colleagues from within their organisation in taskforces and workstreams was a great learning opportunity for these colleagues and therefore helped in the process of change internally in that way.

Many also commented on the value of the Blueprint for Corporate Sustainability Leadership. One interviewee, for example, argued that while many different consultancies put forward their own models of what corporate sustainability leadership should look like, there was value having a definitive view of what an institution like the United Nations thought leadership should look like. Having this kind of definitive view was very helpful in shaping conversations within the organisation and building consensus internally about what activities the organisation should be prioritising.

It is interesting to note that some companies find that the opportunity to involve colleagues from their business in the work of taskforces and workstreams can be a valuable learning opportunity for those colleagues, and in that way, play a small role in the process of internal change within those organisations. LEAD could build on this by proactively encouraging companies to involve wider numbers of individuals in different workstreams on the basis that it could help with the process of learning and change within their organisations. However, those facilitating taskforces and workstreams will also need to address points raised in section 2.3 that for some LEAD companies, the management of taskforces and workstreams will need to be improved before they would consider inviting their colleagues to participate.

### **1.3.5. Individualised assistance from the Global Compact Office**

At its launch, it was promoted that one of the key benefits of participating in LEAD was the offer of a higher level of individualised assistance from individuals in the Global Compact Office, which could range from brokering relationships with key experts and stakeholders within different Global Compact initiatives, the PRI, PRME and the wider UN system, to more practical support, perhaps relating to submission of COP report for example.

In the interviews, many comments were made stressing how much participants appreciated the support and commitment of the individuals supporting them within the Global Compact Office. Words like "Professional", "Helpful", "Responsive", "Collaborative", "Supportive", "Attentive" and "Listening" were all used many times. Two interviewees conversely reported unsatisfactory support from the individuals supporting LEAD in the Global Compact Office.

Survey responses suggest that, while clearly valued by some, individualised assistance was not viewed as such an important aspect of LEAD as other aspects. 47% of companies responding to the survey – fewer than half – indicated that receiving individualised assistance from the Global Compact Office was among their expectations when joining the initiative. 30% – 14 companies – indicated that this had been their experience. 19% – only 9 companies – said providing individualised assistance was among their top five priorities for LEAD in the future.

It should be noted, however, that individualised assistance is likely to be a necessary ingredient in achieving most if not all of the other priorities participating companies have identified among their top priorities.

## 2. Priorities for LEAD to address to succeed in the next phase:

There was strong consensus that LEAD needed to build on its learning from the pilot phase to achieve a radical shift in its performance in the following five areas in order to succeed in its ambition of being a platform for advancing corporate sustainability leadership and systemic change.

### 2.1 Strengthen mechanisms for business to systematically engage with the UN system

There was wide agreement that one of the most valuable aspects of their participation in LEAD was the opportunity to strengthen relationships between their companies and the broader UN system. To succeed in its next phase, LEAD needs to build on what has already achieved to accomplish a step-change in strengthening mechanisms for business to engage more systematically and formally with the UN system.

55% – 26 companies – said providing opportunities for LEAD companies to collaborate with UN Agencies, funds and programmes was among their top five priorities for LEAD in the future. This view was echoed across the interviews conducted, but a sizable number of interviewees argued that LEAD shouldn't just incrementally build on the good work it was doing on strengthening connections between the private sector and the UN system, but needs to achieve a radical shift in the way the private sector engages with the United Nations. Some of the specific priorities articulated included:

- Develop mechanisms for the private sector to participate in the United Nations more formally and systematically, to help shape its policy focus. *"Create a real system for the private sector to collaborate and provide input, not just the ad hoc and informal approach that has developed so far."*
- More structured opportunities for chief executives to have a voice in the UN process, for example as part of the annual United Nations General Assembly.
- The role of LEAD in facilitating the private sector to have a voice in the development of the Millennium Development Goals post-2015 framework was recognized as a promising first step in the right direction, but the development of more permanent mechanisms for engagement should be the goal.
- It was also argued that the LEAD platform in its next phase needed to create much more structured pushing within the UN system for different UN agencies, funds and programmes to engage with business as well as the other way around.

However, while LEAD is already significantly influencing the relationship between the private sector and the UN system, both for example through the work of the partnerships taskforce, and the anticipated work in 2013 around the post-2015 framework, it is likely that the Global Compact Office will also have to work to manage expectations among LEAD companies about the barriers to achieving this kind of step-change being advocated, as at its heart this perhaps implies a fundamental change in the nature of the UN from an inter-governmental body to something much broader.

Finally, while existing opportunities created through LEAD for chief executives and other senior executives to engage with the UN Secretary General and heads of UN agencies, funds and programmes were valued, another clear learning from the pilot phase was that getting the 'choreography' of these meetings right is crucial. Over the first two years there have been many instances where these meetings have been extremely well organized with very positive outcomes, but also instances that have not worked so well, which has jeopardized support for the whole endeavor. For example, the opportunity for chief executives to meet with the UN Secretary General and heads of UN agencies at the LEAD Luncheon in Davos has been highly valued, but some lamented that the meeting structure has often meant chief executives have only one short opportunity to speak, and the chance for more meaningful exchange and dialogue has not been realized.

## 2.2 Lead change in the rest of the Global Compact

A core aspiration of the LEAD platform is for participating companies to work collectively to provide leadership for the rest of the Global Compact. Many participating companies articulated the view that this aspect of the LEAD platform had not been advanced far enough during the pilot phase and that in its next phase LEAD companies need to place this objective at the core of their strategic priorities for how they are going to work together. It was also recognized that responsibility for this should not be expected to lie with the Global Compact Office, but that participating companies should volunteer to form a taskforce or workstream to invest the time to properly develop a plan for how they will maximize their ability to lead change among the other 7000 Global Compact companies.

It was also recognized that the role of Global Compact Local Networks was core to this, and that such a workstream would need to focus on how LEAD can best relate with and partner with Local Networks in order for this goal to be achieved.

Experience of the connection between LEAD and the Local Networks during the first two years has been mixed. Many companies welcomed the opportunities to engage colleagues from subsidiaries based in other regions in the events of Local Networks in those regions, although noted that during the pilot phase this activity had thus far amounted to little more than initial relationship building through attending a local event, and would need to go further in the next phase. Some argued that it should be an explicit expectation that companies involved in LEAD workstreams and taskforces should proactively promote the outcomes of their work through relevant Local Networks.

40% of companies responding to the survey indicated that improving local implementation through Global Compact Local Networks was among their expectations when joining the initiative. 23% – 11 companies – indicated that this had been their experience. 49% – 23 companies – said supporting the improvement of local implementation through Local Networks was among their top five priorities for LEAD in the future.

However, among a small number of participating companies, strong frustration about the relationship between LEAD and the Local Networks was voiced, linked in part to funding and competition for resources. In particular, of the two participants arguing LEAD should not continue beyond its pilot phase, one interviewee argued that the resources currently invested in LEAD would be better to be entirely redirected and invested in strengthening Local Networks instead.

More broadly, it was certainly the view that getting the relationship right with Local Networks was at the core of how LEAD engaged with its role of leading change among the wide community of Global Compact signatory companies.

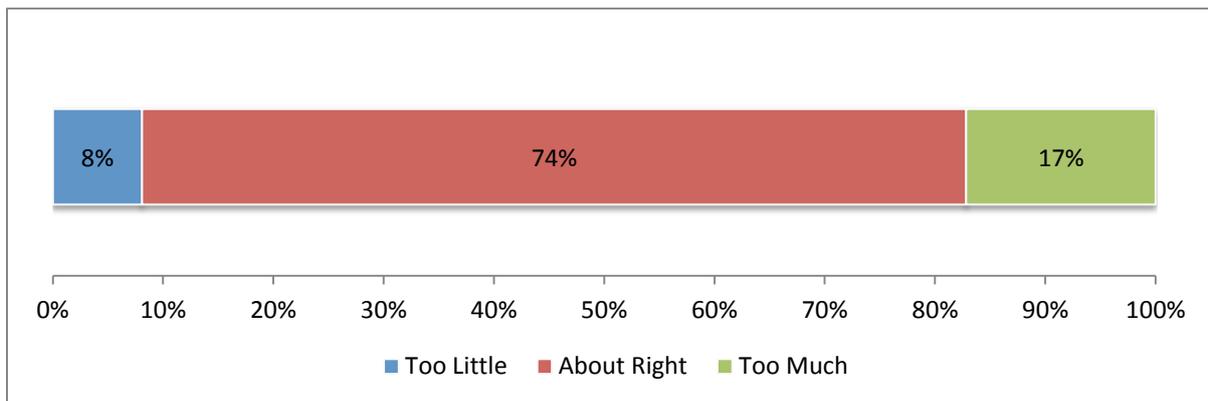
Finally, the view was also expressed that leading change across the whole of the Global Compact should also involve clarifying and strengthening the influence of LEAD companies on the overall policy direction of the Global Compact. Specifically it was argued by some that, while LEAD already increasingly has an informal influence over the policy direction of the Global Compact Office, the relationship between LEAD and the Global Compact Board should be strengthened and formalized, perhaps with LEAD given a formal advisory role to the Global Compact Board, with the chance to help shape decisions and priorities. The view was voiced that some activities pursued by the Global Compact were more value-adding for participating companies than others, and LEAD could play a valuable role in both putting forward ideas and also giving feedback on which ideas were valuable and which were not necessarily a good use of resources. And this kind of advisory role should be played on a formal basis rather than informal basis.

### 2.3 Better management of LEAD workstreams, with clearer and more action-oriented objectives

LEAD companies have valued the work of LEAD's priority workstreams and taskforces, but for LEAD to succeed in its next phase, there is a requirement that workstreams are better managed and more target-focused and action-oriented.

Overall, LEAD companies believe the number of activities now taking place within the LEAD platform is about right. Around three quarters of the LEAD companies responding to the survey indicated this was their view.

**Figure 6: The number of LEAD activities is:**



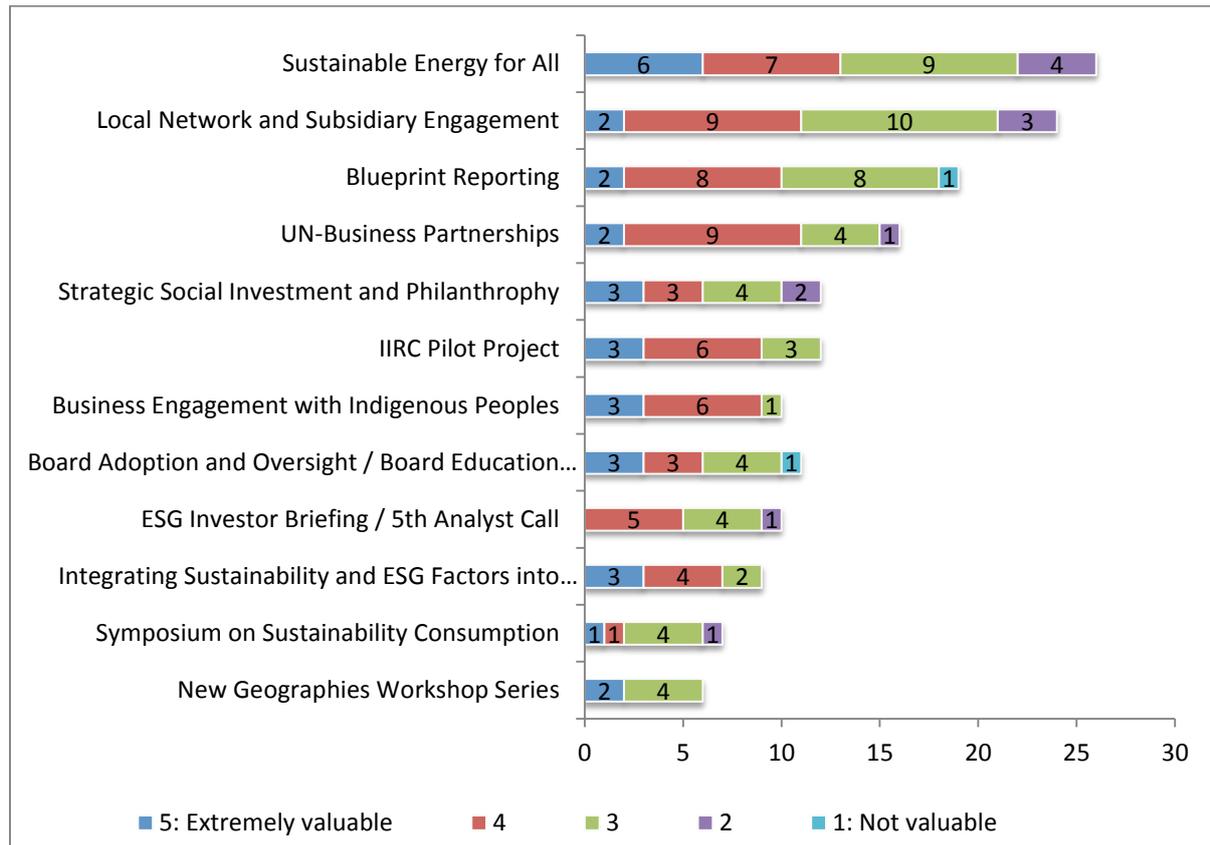
This is an area where clear learning has already occurred during the pilot phase. One of the core principles intended to guide LEAD at its launch in January 2011 was that its agenda, and decisions about which activities it pursued, should be led by the participating companies. As such, the criteria for whether any proposed activity should go ahead was whether there were a critical number of LEAD companies that wanted it to happen. However, this approach led initially to a much larger number of workstreams and taskforces than had been originally anticipated, and a view was reached within the steering committee that the number of activities needed to be reduced, with revised criteria developed to guide decision-making regarding which ideas should be pursued and which not. The Terms of Reference of the steering committee were amended to reflect this, and the steering committee now looks to pursue ideas that clearly link with advancing specific aspects of the Blueprint for Corporate Sustainability, and which are cross-cutting in focus, rather than issue-specific.

Some workstreams and taskforces have had far more participating companies engaged than others. For nearly all workstreams and taskforces at least half of the companies involved found the experience valuable or extremely valuable.

Although LEAD companies are now largely content that the number of activities is about right, there is a clear demand that in LEAD's next phase workstreams are better managed and more target-focused and action-oriented.

A large number of interviewees stressed that one of the weaknesses, from their point of view, of the way the workstreams had been managed was that there had not been enough clarity at the outset around the specific objectives of the programme of work of the different taskforces and workstreams.

**Figure 7: Which of the following LEAD priority workstreams and taskforces has your company engaged with? How valuable was this work to your company?**



A linked concern was that more pro-active management and assertive facilitation of the group conversations was required. Many participants spoke of long apparently aimless conference calls, where the objective of bringing people together and the end goal desired was unclear, and different participants on the call spoke too long without assertive enough facilitation to interrupt people and keep focus. One interviewee for example noted they were hesitant to involve certain colleagues directly in the work of the workstreams because of this pattern *"Where the aspiration is to involve more senior people, you need a tighter brief, you can't try and engage them using this sort of style"*. Comparisons were made with other situations in their organisations, and other collaborative platforms that companies participated in, where they believed the quality of facilitation to be better and something LEAD should emulate.

Some argued that perhaps one solution might be for workstreams to be smaller groups for improved working, and that they involve only genuinely committed companies within them – for some there was a sense that some participating companies were contributing much more to the taskforce's work than others.

To an extent, some of this concern is perhaps a little unfair. It is widely argued that to be successful in the long term, multi-stakeholder collaborative platforms need to make time and space for exploratory conversations, which may sometimes be experienced as aimless, rather than rushing straight to firm and fixed objectives. Experimentation needs to be at the core, and this requires patience.<sup>1</sup> And regarding the concern that some companies were contributing much more to the workstreams than others, equally the view was expressed in many interviews that certain companies really valued the learning

<sup>1</sup> See Waddell, S. (2007). *Societal learning and change*. Sheffield, UK; Greenleaf.

from hearing other companies share their stories in these taskforces, and felt some embarrassment that they were less advanced and so therefore there was less they could share in return.

Nevertheless, there are clearly useful steps that the platform can take to improve the quality of management and facilitation of the workstreams. More can be done to both contract at the outset around mutually valuable objectives and aspirations regarding outcomes, as well as simultaneously stressing the potential value to be gained from what may superficially appear to be aimless conversations as appropriate. Furthermore not only is there a wide body of learning available to workstream facilitators on how to facilitate well, but there is also now an emerging body of learning on how to facilitate well in a virtual context, where an emphasis on getting a few simple details right can vastly improve outcomes.<sup>2</sup>

Finally, LEAD companies also believed that for the platform to succeed in the next phase, the work of the taskforces needed to go beyond publishing collections of case studies illustrating pioneering new activities, with high profile launch events, to more rigorous piloting and implementation of new practices, backed up with a proper evaluation of impact.

It is also worth commenting on the links between LEAD and the PRI and PRME initiatives at this point. Although the value of the potential links with both investors and business schools were stressed among the opportunities available at the outset of LEAD in January 2011, only around a third of companies responding to the survey indicated helping their company collaborate with investors through PRI was among their expectations from the initiative, and only around a quarter that helping their company collaborate with business schools through PRME was among their expectations. Only six companies said that over the first two years they had collaborated with investors through PRI and only two that they had collaborated with business schools through PRME. 15 companies – 32% of those responding to the survey – said collaborating with investors through PRI was among their top five priorities for LEAD in the future. Five companies – 11% of those responding to the survey – said collaborating with business schools through PRME was among their top five priorities for LEAD in the future.

While it would appear, therefore, that both of these areas are a low priority for LEAD companies, during the interviews many companies stressed the value of the investor collaboration workstream (which was work that had been conducted in partnership with PRI) and argued that it was important for this to continue in the next phase.

Additionally, there were a number of interviewees who argued that stronger links with business schools could add value to the taskforces and workstreams in two specific ways. Firstly, working through PRME, academics researching in the areas of focus of the different workstreams should be identified and invited to contribute to discussion and learning. Secondly, linking to the request that the workstreams move to more rigorous piloting and implementation of ideas with 'closed loop' learning through more formal evaluation and impact assessment, it was noted that PRME schools would make useful partners to support such learning through evaluation and impact assessment. There appears to be little visibility among LEAD companies of the potentially crucial role of business school partnerships in the talent and leadership development required for making corporate sustainability leadership a reality. However, this may change in the near future as more LEAD companies begin piloting the LEAD-PRME Board Education Programme.

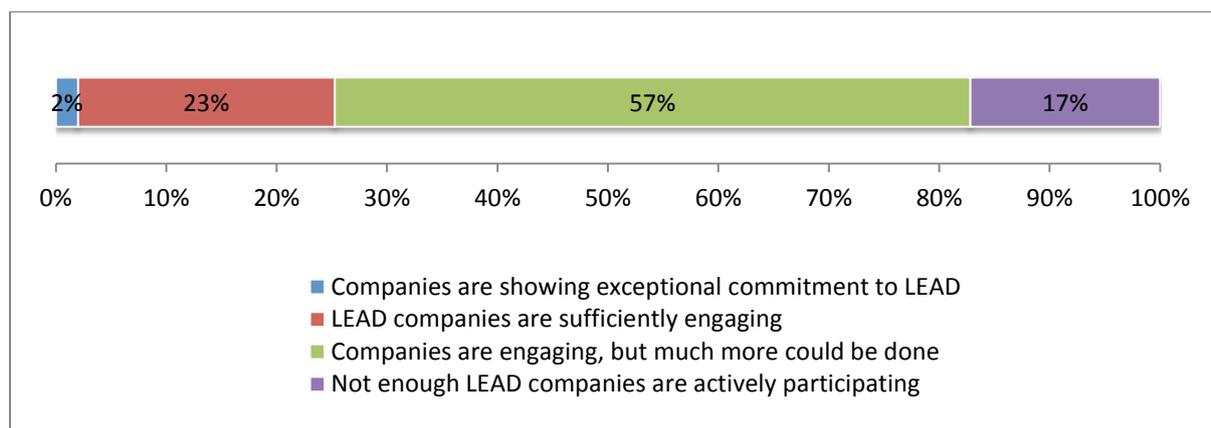
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<sup>2</sup> See Caulat, G. (2012). *Virtual Leadership: Learning to lead differently*. Oxfordshire, UK; Libri.

## 2.4 Foster higher levels of participation and be clear about how adding value

There has been a high degree of participation and involvement by LEAD companies in the various activities that have taken place in the first two years, and many participants spoke of the value of the networking, sharing and learning that has occurred between the different LEAD companies. However, there was wide agreement that to succeed in its next phase, the degree of participation by member companies needs to increase and deepen. Only one respondent to the survey believed companies are showing exceptional commitment to LEAD, and only 23% believed LEAD companies are engaging sufficiently. 57% of companies, by comparison, indicated that, while companies were engaging, much more could be done, and 17% believe that not enough LEAD companies are actively participating.

**Figure 8: What is your impression of the participation level of companies in Global Compact LEAD?**



A number of suggestions have been identified to help address some of the more practical barriers to greater participation, but in addition, for levels of participation to grow, there is also a more fundamental need for a clearer focus on activities that clearly add value for participating companies.

In terms of practical actions suggested by companies that could help overcome barriers and improve participation, the following were mentioned (although it should be noted that some of these do appear somewhat contradictory):

- Many noted that conducting the work of taskforces via conference calls was challenging. Some suggested that each taskforce should at least have its first meeting as a face-to-face meeting, so that participants could meet each other properly and have a higher quality engagement. Better conference call etiquette and virtual facilitation skills would also help – people talked of noisy phone lines, it being difficult to hear people, and different accents and speed of speaking all combining to make it hard to maintain concentration. This set of experiences combined to make it difficult to motivate people to participate more. Simple improvements to facilitation could make an important difference, such as stressing the need to mute lines when not speaking, taking the call in a quiet place, taking breaks as appropriate during the call, and so on.
- Some also argued that more frequent face-to-face meetings in general would help improve levels of involvement and participation, such as an annual 'business meeting'. Conversely though, others argued that part of the challenge in driving higher participation was the global nature of the initiative, and the difficulty of accessing travel budgets and being able to make time for travel for face-to-face meetings when they did occur. Holding fewer meetings in New York City and more in other regions around the world, to share the travel burden, was

suggested. More advance notice of meetings could also help improve ability to participate.

- In a similar vein, some suggested quarterly update calls be organised, as a way of keeping companies more in the loop and LEAD more front of mind, although even here the global challenge was apparent, as it was requested that more sensitivity be shown to people based in Asia when setting the time of phone calls.
- A number of companies suggested that a much clearer roadmap of the different activities available to get involved in would be helpful in making it easier for them to understand and make decisions about what they could participate in. Such a roadmap should give clearer visibility of which companies and individuals were already participating, what the process and requirements were, who the key individual to speak with was, for example.
- Some argued that those supporting LEAD activities within the Global Compact Office needed to be more proactive and even aggressive at getting their attention – email overload meant that more than an email was required to get their attention. Others argued for more sensitivity from the Global Compact Office, less of a sense that the Global Compact was the centre of the universe, and more recognition of the multiple demands on their time.
- There was also recognition that the way different companies were structured and resourced themselves also made a difference to their ability to participate, and a suggestion was made that it would be a useful exercise to review this variation in detail, with a particular focus on those that were organised in such a way as to maximise participation, with this learning shared among all members to help them think about how they could restructure to improve their ability to participate.

However, alongside these practical barriers to greater participation and suggestions as to how they might be overcome, for some organisations there is a more fundamental issue: some organisations are not putting the time into participation because they are not clear enough about the value of doing so, vis-à-vis other priorities and demands on their time.

To succeed in its next phase, LEAD needs to be crystal clear on the value of proposed activities from the company point of view. And once clear on how proposed activities do add value, don't forget to articulate clearly this value proposition at every opportunity. This is not a task that falls solely to the Global Compact Office – companies proposing different activities and workstreams also need to be able to step up and take the case for participation to their peers, articulating clearly how participation could be worth their time. The case for the value of participation must be sound, and continuously made at every step.

Three specific ways in which LEAD could add more value for participating companies were raised:

#### **2.4.1. A strict focus on leveraging the unique strengths of LEAD, to complement rather than duplicate**

A sizeable proportion of participating LEAD companies are active in multiple collaborative platforms: the World Economic Forum and the World Business Council for Sustainable Development were named many times for example, as well as numerous sector-specific and issue-specific platforms. Many companies argued that to maximise value, maximise participation and maximise impact, LEAD needs to keep a strict focus on leveraging the unique strengths of the Global Compact as a convening platform – its global reach, the UN connection, its legitimacy – to ensure it complements rather than duplicates the activities of other collaborative platforms.

From the point of view of participating companies, it is deeply frustrating when different multi-stakeholder platforms are competing for their time to advance similar initiatives.

LEAD needs to be sensitive to where it can uniquely add value and avoid just duplicating what others are already doing better. These areas of global reach, UN connection and legitimacy were mentioned specifically a number of times as where LEAD can most uniquely add value.

This pattern of overlapping initiatives was a frustrating problem for leading companies even before LEAD was established – and many argued that one way LEAD could specifically add value would be to leverage its legitimacy and leadership and convening power to attempt to proactively bring some coordination, collaboration and alignment between the multiple platforms, initiatives and standards developing around particular issues.

#### **2.4.2. Creating the conditions for deeper relationships between LEAD companies to develop**

For a number of participating companies, one area raised that could specifically offer value and therefore increase participation is more energy being put into creating the conditions for deeper relationships between LEAD companies to develop, in the hope that greater in-depth collaboration and business partnerships will emerge as a result. While many companies already have strong relationships with each other through other networks and platforms, there are many companies in LEAD that do not participate in other platforms to the same extent, and this area would be particularly valued by them.

Networking, sharing and learning between different LEAD companies was consistently mentioned as one of the most valuable aspects of participating in LEAD during its first two years. However, many also talked about how more active collaboration with other LEAD companies had been very high among their expectations at the outset of LEAD, and much less had been achieved in practice here.

83% of companies responding to the survey indicated that helping their company collaborate with other leading companies in a trusted environment was among their expectations when joining the initiative. 47% – 22 companies – indicated that this had been their experience. 77% – 36 companies – said providing opportunities to collaborate with leading companies in a trusted environment was among their top five priorities for LEAD in the future.

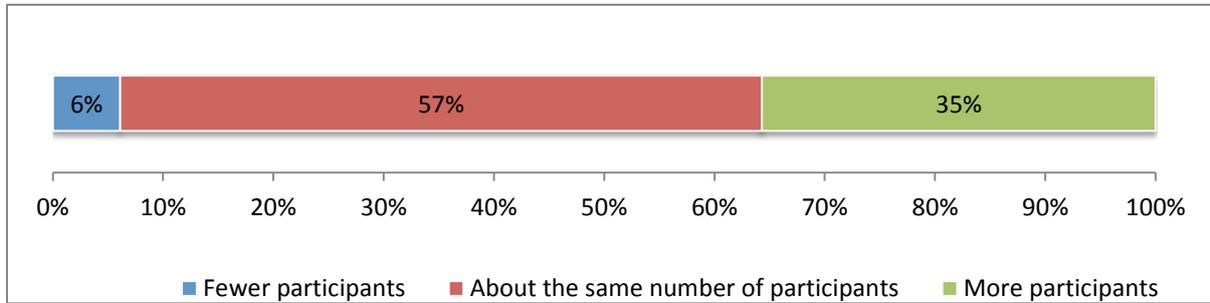
It is clear that during the pilot phase, the conditions have been created for networking, sharing and learning in a trusted environment have been effectively created. But for more structured and sophisticated collaboration and partnerships to emerge requires more. Rather than attempt to foster this through just facilitating appropriate introductions, participating companies argued that in its next phase, LEAD needed to build on the networking opportunities it had already created and place more emphasis on how it could facilitate stronger and deeper relationships between participating companies, on the assumption that deeper collaboration and partnership could emerge from stronger, more trusting relationships.

Some simple ways to approach this could be advanced in LEAD's next phase. In facilitating face-to-face and virtual meetings, place more emphasis on relationships between participants: more time on individuals introducing themselves, more time in informal situations, relating to each other on a personal as well as corporate level. And more frequent, action-oriented meetings of smaller groups – creating chances to work together in ways that relationships will be deepened.

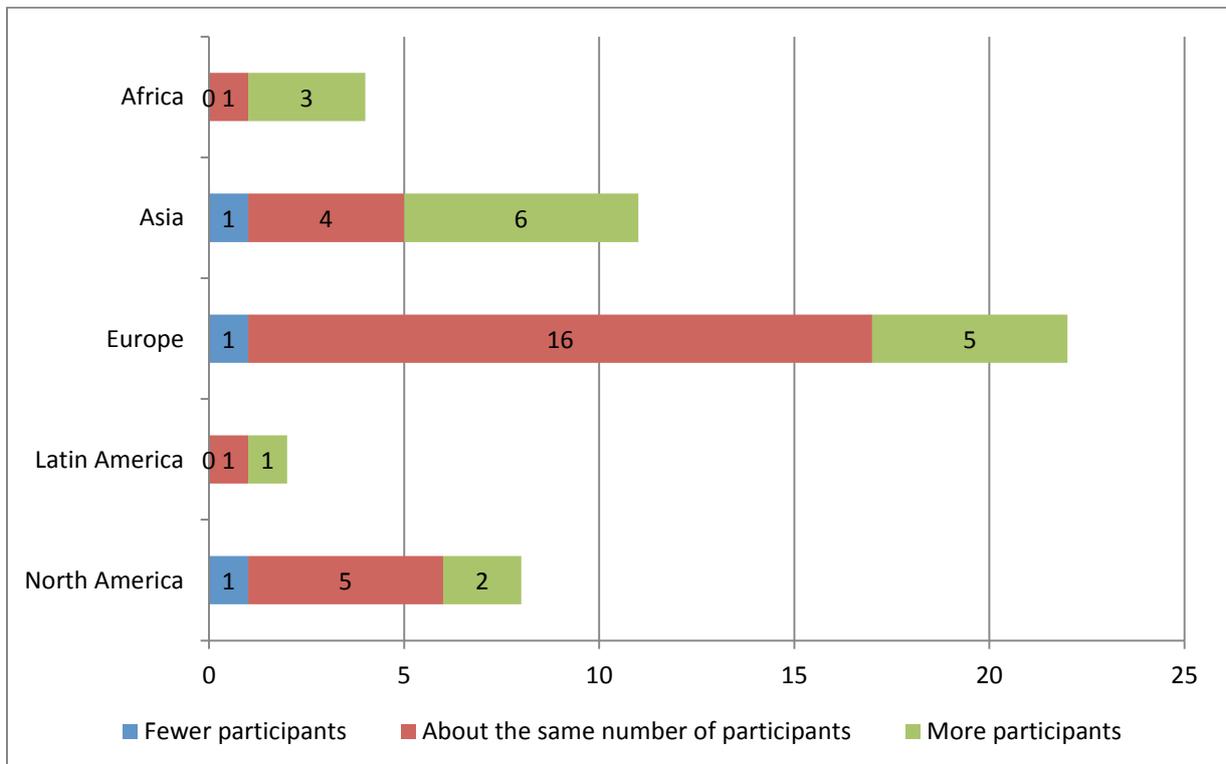
### 2.4.3. Increase number of participating companies in under-represented regions

Although overall, more than half the companies responding to the survey believe the initiative has about the right number of companies involved, many headquartered in developing countries expressed the view during interviews that more companies from these regions joining the initiative would increase its value for them, and thus help them prioritise the time to participate more.

**Figure 9: Currently, there are 55 companies in LEAD. To be an effective leadership platform within UN Global Compact, LEAD should have:**



**Figure 10: Currently, there are 55 companies in LEAD. To be an effective leadership platform within UN Global Compact, LEAD should have:**



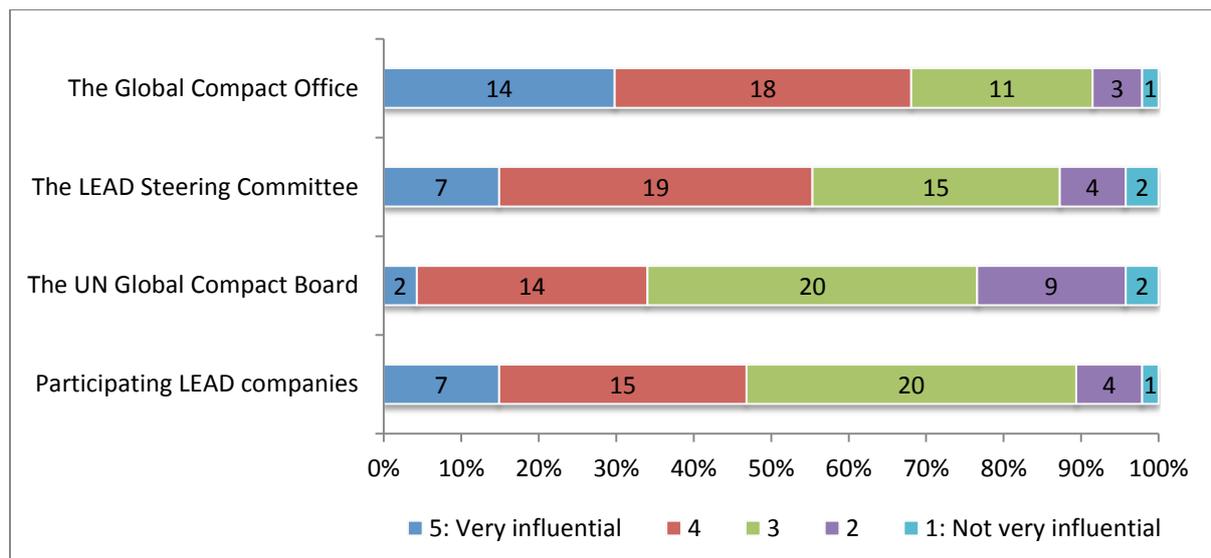
## 2.5 Improve governance, and review number and capability of individuals supporting LEAD activities within the Global Compact Office

As LEAD moves from being a pilot to enter a more mature phase, it needs to strengthen its own mechanisms for governance, both developing better processes for involving all participating companies in developing the priorities for a medium-term workplan, and improving transparency regarding how funding is allocated and with what impact. And both the number and capability of individuals supporting LEAD activities within the Global Compact Office need to be reviewed.

### *Priority-setting and decision-making*

Overall, almost as many see LEAD’s direction being shaped as much by the LEAD steering committee as by the Global Compact Office.

**Figure 11: Which entities have been influential in setting LEAD priorities?**



This is an area where there has been learning and development over the course of the pilot phase. In the early stages of the pilot phase, many participating companies felt the direction of the initiative was too strongly shaped by the Global Compact Office *"They define the issues, than ask for our input, rather than involving us in defining the issues in the first place"*.

But equally, those supporting LEAD activities within the Global Compact Office expressed frustration that initially it had been more challenging than they had anticipated to encourage participating companies get more involved and engaged in shaping LEAD’s agenda. As processes have evolved over the course of the pilot phase, this situation has improved, with the steering committee in particular beginning to play a much clearer leadership role within the initiative, following a change to its Terms of Reference specifically to address this concern. Many participating companies are much more content now, as a result of the steering committee playing this role.

However, a number of participating companies argued that it is critical to improve processes for priority-setting further, and made three specific recommendations:

- Develop a proper 3-5 year workplan of planned activities, based on real engagement with all participating companies, not just the steering committee.
- Develop a rigorous system of engagement on what work gets done, with better mechanisms for engaging all participating companies on setting priorities and

agreeing an overall workplan. Examples were given of effective mechanisms that were in use within other initiatives, like for example the World Business Council for Sustainable Development, where all members get circulated a scorecard where they have to rank priorities and the potential value of proposed activities.

- Formalise responsibility for steering committee members to canvas and represent the views of other companies within the steering committee process systematically. This has begun to happen during the pilot phase in a limited way, with one steering committee member organising a meeting with other companies based in its home country before and after steering committee meetings, to ensure a wider perspective is brought to decision-making. This practice should be broadened and formalised.

### *Allocation of funding*

To succeed in its next phase, LEAD needs to address specific concerns regarding how funding is allocated and with what impact.

The level of financial contribution from participating companies to the initiative is substantial. LEAD funding is managed through the Global Compact Foundation, and oversight is provided by the Board of the Global Compact Foundation. However, there is a clear demand from LEAD companies that for the health and success and collective ownership of the initiative, it is necessary that all participating companies know more about how the money is spent, in whose interests the money is spent, and what is achieved as a result.

Acting on this is important for building and maintaining trust, countering some lingering cynicism among a small number of companies that the LEAD concept was only ever about raising funds for the wider Global Compact, and also countering concern that workstreams are not sufficiently outcome-focused.

A recent revision to the LEAD Terms of Reference will enable all non-staff related expenditures related to all LEAD activities to be shared with LEAD companies as of January 2013. LEAD should monitor sentiment regarding allocation of funding to see whether it improves as a result of this change. LEAD should also consider acting on suggestions to conduct impact assessment and evaluation of the outcomes of taskforces and workstreams.

### *Number and capability of individuals supporting LEAD activities within the Global Compact Office*

As noted in section 1.3.5, the quality of individualised assistance provided by those individuals within the Global Compact Office supporting LEAD activities was very highly valued by most participating companies, with a small number of exceptions. However, to succeed in its next phase, both the number and capability of individuals supporting LEAD activities within the Global Compact Office need to be reviewed.

A number of interviewees argued that the LEAD initiative is under-resourced for what it is trying to achieve, and requires more people to support its work. Some interviewees argued that workstreams required more people supporting them, others argued each company should have its own dedicated key account manager and better-resourced individual attention.

Some companies also expressed the view that the conclusion of the pilot phase was also the right time to review the overall set of capabilities of those individuals within the Global Compact Office supporting LEAD activities, and whether this was appropriate to what the initiative required to succeed in its next phase.

Specifically, it was argued that LEAD would really benefit from having more individuals supporting it with senior level business experience. Also, stronger face-to-face and virtual facilitation skills are required among those coordinating workstreams. Ambitions for building stronger mechanisms for engagement with the wider UN system also require more individuals supporting the initiative with senior level experience and personal connections across the wider UN system.

*"To run such an initiative with such a scale of budget requires a different order of experience and capability. WBCSD [The World Business Council for Sustainable Development] has people with more senior backgrounds, much more business experience. It also has many more people, even though the price tag is less."*

### 3. Minimum criteria

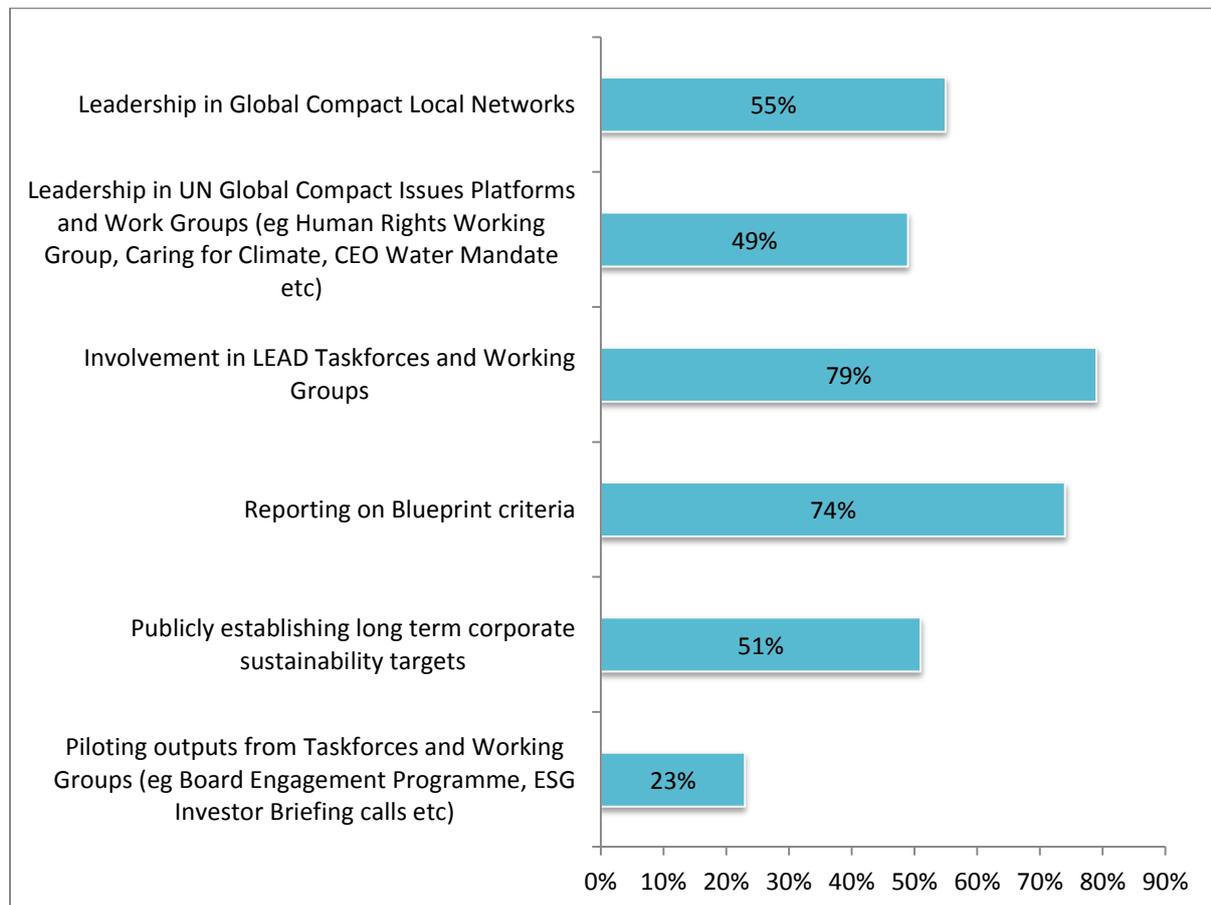
In light of decisions made regarding the above issues, it may be necessary to review the minimum criteria for LEAD participation. The first four items in Figure 12 below are already minimum criteria for LEAD participation. The final two are not currently minimum criteria, but were included in the survey questions to explore levels of support for adding them in future.

Survey responses here suggest some tensions to be resolved.

Firstly, there is strong support that minimum criteria include 'Involvement in LEAD Taskforces and Working Groups', and 'Reporting on Blueprint Criteria'. However, only a little more than half – 55% - support 'Leadership in Global Compact Local Networks' remaining as a minimum criteria, even though, as discussed above, leading change in the rest of the Global Compact is identified by participating companies as one of the key areas where LEAD needs to make a step-change in performance.

Secondly, fewer than a quarter of participating companies support adding as a minimum criteria 'Piloting outputs from Taskforces and Working Groups', even though, again as discussed above, going beyond publications and launch events to rigorous piloting of outputs from Taskforces and Working Groups, with impact assessment to help capture and share learning, is identified by participating companies as one of the key means for both improving the value of the Taskforces and Working Groups, and helping lead change in the rest of the Global Compact.

**Figure 12: The minimum criteria for LEAD participation should include:**



#### 4. Conclusion

The creation of LEAD was an experiment, deliberately designed as a pilot to be reviewed after two years. At the conclusion of the first two years it is clearly the view of most companies participating that the Global Compact benefits from having a leadership platform within the initiative, and that LEAD should continue in some shape or form beyond its two year pilot phase.

Different participating companies have valued different things, but a number of aspects have consistently emerged as particularly valued. Looking forward there is strong consensus that, in order to succeed in its ambition of being a platform for advancing corporate sustainability leadership and systemic change, LEAD needs to build on its learning from the pilot phase to achieve a step-change in five key areas.

<b>Aspects particularly valued so far:</b>	<b>Priorities to be addressed to succeed in the next phase:</b>
<ul style="list-style-type: none"> <li>• The opportunity the LEAD platform has offered to strengthen relationships and connections between their companies and the broader UN system of different funds, agencies and programmes,</li> <li>• The networking, sharing and learning between the different LEAD companies that has occurred through their involvement in the LEAD priority workstreams, taskforces and symposia,</li> <li>• The external recognition of their company as a leader on corporate sustainability that being a LEAD participant confers,</li> <li>• The role LEAD participation has played in helping catalyse further change within their own organisations, particularly in relation to the value of the Blueprint for Corporate Sustainability Leadership,</li> <li>• The individualised assistance they have received from the Global Compact Office.</li> </ul>	<ul style="list-style-type: none"> <li>• Build on current good work on UN engagement to further strengthen mechanisms for business to engage more systematically with the UN system</li> <li>• Lead change in the rest of the Global Compact</li> <li>• Better management of LEAD workstreams, with clearer and more action-oriented objectives</li> <li>• Foster higher levels of participation and be clear about how adding value (eg complementing, relationship building, growing participants in under-represented regions)</li> <li>• Improve governance, and review number and capability of individuals supporting LEAD activities within the Global Compact Office</li> </ul>

The outcomes of this review indicate that LEAD is following a fairly normal pattern for newly-established multi-stakeholder collaborative platforms, where intense energy needs to be invested in relationship-building and trust-building initially, in order for quality working relationships to be developed that lead to valued achievements. The emerging literature on multi-stakeholder collaborative platforms<sup>3</sup> suggests that the following are among the issues and questions that initiatives like LEAD need to get right:

- Is the purpose of initiative clear and broadly understood among all participants?
- Are participants clear about benefit gained from involvement?
- Are participants content with governance processes?
- Are funds allocated transparently?
- Is leadership well distributed, and not dominated by particular groups?
- Do norms that are adopted embody the objectives of initiative, but are not so burdensome that they discourage adoption?
- Is the initiative broadly viewed to have legitimacy?
- Are both intangible relationship building and tangible action valued?
- Is there a sufficient critical mass of key stakeholders participating?
- Is there mutual accountability?
- Is there a recognition that experimentation should be at core, which requires patience?
- Is information shared openly with good dialogue?

Many of these aspects LEAD is already addressing well, and others have been identified through this review as key priorities to address in order for LEAD to succeed in its ambition of being a platform for advancing corporate sustainability leadership and systemic change.

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<sup>3</sup> See for example:

Abbott, K. (2012). Engaging the public and the private in global sustainability governance. *International Affairs*, 3, 543-564.

Barrientos, S. et al (2006). *The ETI code of labour practice: Do workers really benefit? Report on the ETI Impact Assessment*, Institute of Development Studies; University of Sussex.

McKinsey & Company. (2004). *Assessing the Global Compact's Impact*.

Rasche, A. (2009). A necessary supplement: What the United Nations Global Compact is and is not. *Business & Society*, 48(4), 511-537.

Rasche, A. (2009). Toward a model to compare and analyze accountability standards – The case of the UN Global Compact. *Corporate Social Responsibility and Environment Management*, 16, 192-205.

Araki, L. et al (2012). *Review of best practices for multi-stakeholder initiatives: Recommendations for GIFT, the Global Institute for Fiscal Transparency*. Henry M. Jackson School of International Studies.

Waddell, S. (2007). *Societal learning and change*. Sheffield, UK; Greenleaf.

Zadek, S. (2007). *Collaborative governance: The new multilateralism for the 21<sup>st</sup> Century*. AccountAbility.

## Appendix 1: Method

The LEAD steering committee agreed the following objectives for the review:

- To assess the impact that the Global Compact LEAD initiative has had during its two year pilot phase in 2011 and 2012
- To provide evidence-backed suggestions for further development of the Global Compact LEAD initiative from 2013 onwards

The LEAD steering committee then worked with the Global Compact's initiative for partnership with business schools, the Principles for Responsible Management Education (PRME), to identify a global network of business schools to conduct the review.

PRME selected the Academy of Business in Society (EABIS), a PRME co-convenor, and Ashridge Business School, a PRME signatory to coordinate the review. The research to inform the review was conducted by the following partnership of business schools:

- Ashridge Business School (UK),
- American University of Cairo (Egypt),
- Beijing Normal University (China),
- Bentley University (USA)
- Fundação Dom Cabral (Brazil),
- IESE Business School (Spain),
- ISTUD Business School (Italy),
- Korean University Business School (Korea),
- University of Stellenbosch Business School (South Africa),
- St Petersburg University Graduate School of Management (Russia),
- TiasNimbas Business School (Netherlands),

The research involved a combination of one-to-one semi-structured interviews, a quantitative online survey, participant observation and documentary analysis.

All 55 participating companies in the LEAD initiative were invited to take part in an interview, and 41 were able to make time for this during the available period between October to December 2012. 47 of the 55 companies also completed the online survey during the same period. All persons completing the survey were required to answer all questions

	<b>Interview completed?</b>	<b>Survey completed?</b>
Latin America	2 of 2	2 of 2
North America	7 of 9	8 of 9
Western Europe	20 of 25	20 of 25
Central and Eastern Europe and CIS	2 of 2	2 of 2
Middle East and North Africa	1 of 2	2 of 2
Sub-Saharan Africa	1 of 2	2 of 2
China	5 of 5	5 of 5
Rest of Asia	3 of 8	6 of 8
	41 of 55	47 of 55

Interviews were also conducted with a number of members of the Global Compact Office, and individuals at other organisations that had had a connection with the LEAD initiative.

In addition to in-depth engagement with the Global Compact Office, researchers also conducted ethnographic research as participant observers at LEAD symposia in Berlin in November 2011 and New York in November 2012, the LEAD Luncheon Meeting at Davos in January 2012, and the Rio+20 Corporate Sustainability Forum in Rio de Janeiro June 2012. A literature review of prior learning and thinking on how to understand and assess success in multi-stakeholder collaborative platforms informed this research.

## Individuals from LEAD companies that participated in an interview:

A.P. Moller - Maersk	Lena Serpa
Accenture	Lisa Neuberger
Acciona	Juan Ramon Silva
ARM Holdings plc	Dominic Vergine
AVIVA plc	David Schofield
Bayer AG	Dagmar Jost
BBVA, S.A.	Tomas Conde
BMW AG	Alexander Nick
China Development Bank	Sun Xuchen
China Minmetals Corporation	Xie Weijun
China Ocean Shipping Group - COSCO	Pan Deng
China Petroleum and Chemical Corporation	Wang Zhiyin
Daimler AG	Jessica Altschul
Deutsche Telekom AG	Louis Neves
Empresa de Energia de Bogota	Elizabeth Melo Acevedo
Endesa, S.A.	Angel Fraile
Enel	Roberta Pinamonti
ENI	Sabina Ratti
Eskom	Siven Naidoo
Great River Corporation	Eleanor Chan
Heineken N.V.	Vera Zandbergen
Infosys Technologies Ltd	Aruna Newton
Intel Corporation	Richard Hall
KPMG International	Simon Appleby
Nestle S.A.	Christian Frutiger
Netafim	Naty Barak
Novartis International AG	Klaus Leisinger
Novozymes	Stefan Maard
PricewaterhouseCoopers International	Jeff Senne
Royal Dutch Shell plc	Andrew Vickers
Sakhalin Energy Investment Company Ltd.	Natalia Gonchar
SK Telecom	JeeHye Park
Symantec Corporation	Lora Phillips
System Capital Management	Jock Mendoza-Wilson
Takeda Pharmaceutical Company Limited	Koichi Kaneda
Teck Resources	Carmen Turner
Telefonica S.A.	Belen Izquierdo Sans
The Coca-Cola Company	Marika McCauley Sine
Unilever	Miguel Veiga Pestana
Vale	Ana Bezerra and Aline Bastos
Vestas Wind Systems A/S	Michael Minch-Dixon and Malin Stavvind

## Other individuals interviewed:

Global Compact Office	Georg Kell	Melissa Powell
	Gavin Power	Carrie Hall
	Ole Hansen	Ursula Wynhoven
	Nessa Whelan	Jerome Lavigne-Delville
PRI	Danielle Chesebrough	
PRME	Jonas Haertle	Andreas Rasche (Copenhagen Business School)
BSR	Laura Gitman	

**LEAD companies that completed the online survey:**

A.P. Moller - Maersk  
Accenture  
Acciona  
ARM Holdings plc  
AVIVA plc  
Bayer AG  
BBVA, S.A.  
BMW AG  
China Development Bank  
China Minmetals Corporation  
China Ocean Shipping Group - COSCO  
China Petroleum and Chemical Corporation  
Daimler AG  
Deutsche Telekom AG  
Empresa de Energia de Bogota  
Endesa, S.A.  
Enel  
ENI  
Eskom  
Fuji Xerox Company Ltd.  
Great River Corporation  
Heineken N.V.  
Infosys Technologies Ltd  
Intel Corporation  
KPMG International  
Mansour Manufacturing & Distribution  
Netafim  
Newmont Mining Corp  
Novozymes  
Oando Plc  
PT. Martina Berto Tbk, Martha Tilaar  
PricewaterhouseCoopers International  
Rosy Blue  
Royal Dutch Shell plc  
Sakhalin Energy Investment Company Ltd.  
SK Telecom  
Sumitomo Chemical Company, Limited  
Symantec Corporation  
System Capital Management  
Takeda Pharmaceutical Company Limited  
Teck Resources  
Telefonica S.A.  
The Coca-Cola Company  
Total  
Unilever  
Vale  
Vestas Wind Systems A/S

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