

Consultation Findings

Globalisation - Transformation - Engagement - Sustainability

In a rapidly expanding global economy, there are growing tensions regarding the power of business in terms of economic, social and environmental impact and in terms of sharing leadership to create a more just and sustainable world. These tensions are growing out of a broader transformation crossing economic, political, and social institutions – expanding capital markets, pressure for ethical behavior from increasingly skeptical consumers, the civil backlash against the disparate outcomes of globalisation, the rapid growth and speed of global communications, and the suspicion that business is becoming too powerful and meddling with the historical terrain of federal and international governing bodies.

This is particularly sensitive in the operations of international companies in the developing world. The cross-Canada consultations of this research determined that in the course of their day to day operations in the developing world, companies interviewed are increasingly seeking ways to further improve economic and social conditions within their spheres of influence - building infrastructures, transferring technology and providing services required for citizen participation and democratic development. Critical to this process is the practice of engaging stakeholders – local communities, employees, business partners, governments, clients, NGO's and others affected by the company - in corporate decision-making. Investment in stakeholder engagement is expected to deliver returns of sustainable value creation across the societal, economic and environmental dimensions, benefiting the company, the community, and the developing country.

Where Companies Agreed

The Business Case: Sustainability is Good for Business

In principle, the Canadian companies interviewed universally agree that consideration of the optimal balance of economic, social and environmental contributions and respective impact of a company is good for business and ultimately enhances shareholder value. Companies acknowledge increasing recognition that the best means of determining the value-maximizing balance of this 'triple bottom line' or 'sustainability' is through stakeholder engagement: stakeholder involvement in decision making and solutions implementation, in accountability and in reporting. There is also agreement that a demonstrated commitment to stakeholder engagement and sustainable development practices will increasingly have a direct impact on future business opportunities, attracting and retaining quality senior management and employees, attracting investors and financial institutions, building stakeholder relationships, competitive advantage, corporate reputation and shareholder value.