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Quarterly

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Sofia Appelgren

Leading in an Inclusive Way for a Socially Sustainable Future

In 2008, as I gazed upon my 10-week-old child, I made a profound choice. I decided to delve deeper into the intricacies of our global society, to question the biases that stem from birthright and privilege. I pondered, why do we judge before we truly understand? What can we learn beyond the confines of societal norms and the teachings of our education? What is a product of fear? I asked myself “How on earth are we going to live together in peace thanks to our differences...”

Our world is filled with irrationalities that defy logic and hinder progress towards the society we envision. To effect meaningful change, we must think globally and act locally, shifting individual behaviours one step at a time.

With this burning curiosity I embarked on a remarkable journey with nothing more than commitment and engagement to start with. In 2008, I laid the foundation for my first venture with a purpose – to spread knowledge, expand boundaries, raise awareness about diversity and inclusion issues, and provide a platform for people to connect. It was a journey that would require time, unwavering commitment, and an unyielding dedication to making a positive impact. And it has taken me to over 20 countries over the last 15 years, to societies and communities where people are treated unfairly, without privileges and support to have the equal and fair prerequisites in the labour market as the norm. We have learnt a lot...

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time. It will not be a quick fix, but it is doable. And we are experiencing a big shift at the moment. Never before have so many organizations embraced DEI and never before are so many leaders actively working on finding their purpose to drive a meaningful change far beyond the company that they are responsible for. This is a really positive sign.

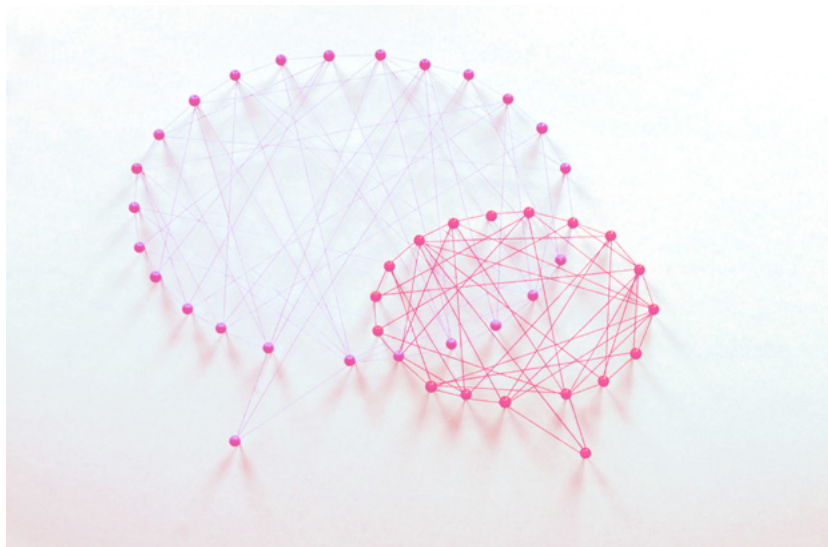
In this journey, collaboration is paramount. It takes collective action, the strength of many voices, and the creation of platforms for those voices to be heard. It takes many positive voices to balance one negative, and an incredible determination to be that positive voice that never falters.

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To move forward effectively, we must unite colleagues, customers, suppliers, and stakeholders with a shared purpose and agree on the betterment of our world, our communities, and our businesses. To bring a company onboard on this journey we need:

- **A Shared Vision:** craft a shared vision embodying sustainability as a core value, a vision that provides the company with a clear northern star which will help keep the work on the right path. The energy company Vattenfall, has a clear vision, engaging all the executive management, with a rolling D&I officer position in the executive team this, keeps the shared vision living through the various business areas within the company.
- **Open Communication:** foster open dialogue, where every voice is heard and ideas flow freely, all voices, Stena Metall, the recycling company, have during 2023 started up a new cross-functional multi-country inclusion and diversity group to do just this. Lifting the voices of the company with the CEO listening actively to pave the way for the change which matters.

- **Inclusive Leadership:** embrace diversity and inclusivity in leadership. Volvo Cars' 375+ leaders trained in inclusive Leadership from 2017-2020. Both formal and informal leaders, developing and practising inclusion in the everyday makes substantial change. Giving these leaders tools helps to further the impact.
- **Education and Awareness:** invest in continuous education and awareness campaigns. Deloitte Sweden has ongoing DEI training throughout the various business areas which started with the their own CEO joining the "CEOs for D&I" program in 2021 – training covers areas such as the basics of DEI, inclusive recruitment, cultural awareness, etc as just some examples of how Deloitte is raising knowledge which is in turn leading to change. Also, Ingka Group, IKEA's holding company, has been working hard to build competences internally to better understand biases and how they affect business processes. Over 3,000 leaders have so far taken their unconscious bias training and Ingka Group are committed to having 70% of all leaders complete it by the end of the fiscal year. To date, over 700 senior leaders have completed DEI training, starting with group management, then followed by country and function management teams across key Ingka Group markets.
- **Transparency:** share information on sustainability goals openly and widely, let everyone feel them and enjoin them to do their part. Axel Johnson, the



family-owned company, has shared their D&I goals both internally amongst the group and externally, to both inspire others and hold themselves accountable. This paired with their inclusion survey to measure progress is providing the transparency needed.

- **Collaboration Platforms:** create platforms for collaboration and learn from others, we grow together by sharing knowledge. Collaboration platforms are hugely scaleable, the one we operate has around 2000 people a year participating in it. It is a mentorship platform that shares knowledge regarding norms, unconscious bias and organizational culture. Mentors get access to the platform and lots of ways to exchange experiences as well as their

Be the support and change by reaching out and engage in the societies in which you operate (ACT local)

journey with mentees. The results have included increased job opportunities for mentees who have previously struggled to find a job; more empathy and a deeper understanding of those who struggle; and more ideas on how to act more inclusively; it is also a tool for the organizations to pick up and highlight role models and new learning to increase the overall inclusion in the workplace.

- **Incentives and Recognition:** reward sustainability efforts, highlight role models, for example many of the companies and universities working with mentorship that we know, do storytelling about their mentorship journeys, inspiring others to also be a mentor and highlight their efforts internally.
- **Long-term Commitment:** demonstrate unwavering dedication. Send signals that “this is here to stay”. In 2021 Cevian, an active ownership investment firm, released a statement on incorporating ESG metrics into the senior management compensation plans for European public companies. Improving companies ESG performance and situation is a clear and important source of long-term value creation.

- **Goal-Setting and Monitoring:** set clear, measurable sustainability goals. “What gets measured gets done”, for example, Axel Johnson have Diversity and Inclusion goals that affect all the companies that they own. These are long-term and it have had a huge effect on cultural mindsets, with impact being seen in the actions taken and results such as innovation and talent attraction. When you know it’s a “diverse friendly company” there is also potential to be yourself which increases the chances of higher wellbeing and performance.
- **Product Innovation:** invest in sustainable product development through diversity and with an inclusive mindset. For example, innovative companies that have embraced more diverse thinking and can access a broader market reach in their research experience more valuable testing results.
- **Local Community Engagement:** engage with local communities and build partnerships that benefit both parties. Listen to community concerns, contribute positively to local development, and involve them in sustainable initiatives. Be the support and change by reaching out and engage in the societies in which you operate (ACT local), The organizational partners we have worked with have, through community engagement, been able to find well-educated foreign-born

academics who had skill sets far above their current job roles, that they can bring onto their staff. They have also enabled under-privileged youth to overcome barriers to further studies and so enter the job market and engage in the wider culture. Clearly it is not only the Partners that benefit from this; by supporting next generation employees to be more included, but also the whole of society can benefit with this kind of support and inclusion, creating the right initial conditions for more to enter meaningful work.

- **Advocacy and Policy Support:** advocate for sustainability-friendly policies at local, national, and global levels that supports your community to grow. A group put together by the Swedish government that I was privileged to be part of, has been discussing how the Swedish public sector can better cooperate with companies and NGOs for better longterm results. The true objective is to continuously learn from each other and support each other to lower barriers for a common purpose.

The approach aligns with the social dimension of ESG, which emphasizes a company’s social responsibility, diversity, inclusion, and community engagement. Here is how to connect those elements:

- **Diversity and Inclusion:** create a strategy that aligns with the ESG “S” with a clear vision and goals that promote diversity and inclusion both within companies and in society through programs that aim to support vulnerable or underrepresented groups while bringing the company to a new level of awareness and purpose.
- **Skills and Talent Development:** harness the skills and talents of underrepresented groups, such as immigrants and refugees.
- **Networking and Collaboration:** facilitate connections between universities, researchers, companies and social movements through different platforms such as network meetings, podcasts, seminars, or annual symposia. It enables companies to engage with communities, address social issues, and contribute positively to society, thereby fulfilling their social responsibilities.

Some Examples from Practice

In-House Training Inclusion and Diversity Initiatives:

We have created dedicated training programs to build awareness among employees. This not only benefits employees but also aligns with ESG’s social dimension by promoting a diverse and inclusive workplace.

Internship Programs: SEB, Sweden’s largest bank, has created internship programs that allow immigrants and refugees to gain work experience in Swedish companies. The internships are connected with Sweden’s

Harness the skills and talents of underrepresented groups, such as immigrants and refugees.



largest mentorship program for people with foreign background who lack a job that match their qualifications. This creates not only valuable opportunities for immigrants but also helps companies tap into a diverse talent pool, aligning with the social aspect of the “S” in ESG.

Cross-Sector Partnerships: Axel Johnson supports community development and social movements, supporting initiatives that address social issues such as education, integration, or poverty alleviation. It is a great way for companies to leverage their resources and their influence to support social causes.

Advocacy and Awareness: it is also important to advocate for policies and practices that promote diversity and inclusion in the corporate world, to raise awareness about the importance of social sustainability and the role of businesses in contributing to positive social change.

When the CEO of Deloitte or Head of Strategy at AB Volvo are mentors to people who fight for a job but lack the crucial networks and knowledge of the local labour market, it sends signals of engagement and commitment. When an entire HR department decides to broaden their talent pipeline by becoming aware through addressing unconscious biases and norms, and challenge their processes, it will give more of the company's talent a better chance to reach the job they are looking for. When leaders act more inclusively it leads to innovation, because internally more people feel 'seen and heard' and dare to raise their voice and feel safe. When an investor starts to set up clear requirements on how their potential investment should serve to take on a social responsibility and approach DEI, we will start moving the needle. When the CEOs in our designed program "CEOs for D&I" decided to give space to DEI, they found a personal purpose to drive the "S" and it truly made a difference.

The mission for our organizations is to create transparency about social inequities and to build trust. When new generations with an awareness of DEI benefits enter the labour market, it strengthens not only the requirements of sustainable reporting (CSRD¹) it also heals an ever more divided world that currently gives us less chance "to be the change we wish to see". Let's be inspired by the "social entrepreneurship world" where empathy and purpose are at the heart of what drives us. Imagine every company embracing the "S" in a genuine way. It would address unhealthy societal tensions and make for a much better world for more people.

We often repeat the old African saying in our workplace, "If you want to go fast, go alone; if you want to go far, go together". In unity and collaboration, we hold the power to shape a sustainable future, one where our actions today lay the foundation for a brighter tomorrow.

Sofia Appelgren is the founder and boardmember of Mitt Liv AB and the Mitt Live Foundation, two social enterprises that work for an inclusive society and a job market that values diversity. She holds Board positions with impact investor, Destination Invest Gothenburg AB and the NGO, Engineers without Borders. (www.mittliv.com/se)

1 Corporate Sustainability Reporting Directive (CSRD) and the interlinked European Sustainability Reporting Standards (ESRS) Read about it in the EU website: <https://tinyurl.com/y69tmuw7>



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