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# The 'New Responsibility Paradigm': Implications for Strategic Competitiveness

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Competitiveness redefined.



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STRATEGIES GROUP LLC



## The New 'Responsibility Paradigm'

*Implications for Strategic Competitiveness*

**World Future Society - Annual Conference**

*Futurist Lecture Series*

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Boston, MA



## Express (Sanity) Check Out



# RESPONSIBILITY

YOU ARE RESPONSIBLE FOR SPILLS  
(YOU, NOT US. YOU.)





## Nothing slick about irresponsibility...



*(Courtesy of Newsweek)*



# Breach of the Social Contract

## *Gallery of Deception, Disillusionment, Duplicity, Debauchery*

### LEADERSHIP & ETHICS

- Martha Stewart/ImClone
- Walmart, Microsoft
- Chinese toxic milk scandal
- Brown & Williamson (Jeffrey Wigand)
- American Red Cross
- Mary Kay Letourneau
- Toyota
- West Virginia Mine Explosion
- Goldman Sachs

### FINANCIAL MISMANAGEMENT

- Enron/Ken Lay
- WorldCom/Bernie Ebbers
- Tyco/Dennis Kozlowski
- Arthur Andersen
- S & L Collapse
- Corporate malfeasance (2002)
- Wall Street meltdown (2008)
- Bernie Madoff
- Head Start

### POLITICAL

- Bush v. Gore
- No "sex with that woman"
- Watergate
- Abscam
- Keating Five
- Illinois Governors Roy Barnes & Rod Blagojevich
- Congressman Mark Foley
- Senator Larry Craig



# Breach of the Social Contract

## *Gallery of Deception, Disillusionment, Duplicity, Debauchery*

### PUBLIC POLICY

- "Mission Accomplished"
- FEMA
- Iran-Contra
- Teri Shaivo
- Campaign Finance Reform
- Don't Ask, Don't Tell
- South Africa/Apartheid
- Rwandan Genocide
- Crisis in Darfur
- PG&E Gas Explosion, San Bruno, CA

### NATURAL DISASTERS

- Katrina
- Three Mile Island
- Love Canal
- Union Carbide/Bhopal
- Exxon Valdez
- Chernobyl
- Sandoz spill/Rhine in Basel
- PB/Deep Water Horizon spill

### HYPOCRISY

- Leona Helmsley
- Catholic Church
- Ted Haggard, Jimmy Swaggart, Jim & Tammy Bakker, Richard Roberts
- Tiger Woods
- George Rekers
- Hewlett-Packard CEO Mark Hurd
- Bishop Eddie Long





# Meltdown Mood Swing

## Ten Consumer Macro Trends Emerging in 2009

(Annual Trends Report - Natural Marketing Institute)

Overarching theme: *“Recalibration”*  
Consumers seeking a *“middle way”* - revising lifestyles to reflect  
*“comfort, safety, sustainability, and moderation”*

**Big changes through small steps**

**Isolation to Affiliation**

**Exploring, experiencing, learning**

**Personal and planetary health combine**

**Detoxification**

**From alternative to mainstream**

**Going deeper**

**Authentic Aesthetics**

**Energy Consciousness**

**Quality over Quantity**



## A Changing Context

### East meets West; West transforming East

*Non-democratic nations are absorbing a host of Western concepts*

- *Reciprocal transfer of social, cultural, and philosophical ideas*
- *Unprecedented resettlement of people, resources, and technology*

Individual  
liberties

Due  
process of  
law

Universal  
education

Respect for  
diversity  
and human  
rights

Rights of  
privacy

Legal  
safeguards  
for fair play  
in business  
and finance

Notions of  
civil society  
premised  
on self-  
destiny





## What is so dramatically changing?

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- ☐ **The organization**
- ☐ **The public at large**
- ☐ **Consumers and customers**
- ☐ **Shareholders**
- ☐ **Stakeholders and interest advocates**
- ☐ **Employees**
- ☐ **Competitors**
- ☐ **Government**
- ☐ **The Media**



# What is a 'Paradigm'?

## *Origins of Technical Use in Science*

First introduced by the philosopher and historian of science - Thomas Kuhn, The Structure of Scientific Revolutions (1962)

Defined scientific precedent and the characteristics of the framework that constitutes “normal science”:

- ▶ *Non-revolutionary periods in which theoretical and methodological rules are made*
- ▶ *Assumptions upheld*
- ▶ *Instruments validating the rules and assumptions are accepted*
- ▶ *Set standards for measurement are established*

Research is then judged, conclusions drawn, and consensus is established

Consensus derived from adoption of some past scientific achievement

Paradigm: Requires sufficiently convincing resolutions of previously recognized problems to attract adherence by enough specialists to form a *new consensus*. Must also have enough unresolved problems for subsequent research within the tradition it has redefined



## The New 'Responsibility Paradigm': *What is a paradigm?*

“A philosophical and theoretical framework of a scientific school or discipline within which theories, laws, and generalizations - and the experiments performed in support of them - are formulated... a philosophical or theoretical framework of any kind.”

*(Merriam-Webster Dictionary)*



Also used in the sense of *Weltanschauung* - a German term for “world view” and referred in the social sciences as:

*A set of experiences, beliefs, and values that affect the way an individual perceives reality and responds to that perception.*



## The New 'Responsibility Paradigm': *What is a paradigm shift?*

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A change in how society goes  
about organizing and understanding reality.

*A dominant paradigm:*

The values, or system of thought, that are most  
standard and widely held at a given moment.

(Definition of a *paradigm* advanced in 1986 by Indian writer and philosopher M.L. Handa in the context of social sciences: Changing social circumstances that precipitate a shift on social institutions - including education - impact perceptions of reality.)





## The New 'Responsibility Paradigm': *What is a paradigm **shift**?*

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The result of collective yet seemingly  
unrelated phenomena  
unintentionally conspiring  
to produce fallout  
in the form of a steady  
succession of transformational occurrences.



## The New 'Responsibility Paradigm': *An Evolution in Collective Consciousness*

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The pursuit, on a continuum, of **a consensus for** - and **expectation of** - notions of responsibility.

A fundamental realignment - in character and purpose, authority, impact, and connectivity - of many instruments of our government, culture, economic and political system.

A permanent alteration or transformation of an entrenched way of thinking, being, and acting.





# **The New 'Responsibility Paradigm' is becoming a *Dominant Paradigm***

***Professional organizations give it legitimacy***

***Dynamic leaders introduce and purport it***

***Journalists and editors chronicle the system of thought; providing essential information and bestowing it with legitimacy***

***Government agencies give credence to it***

***Educators propagate its ideas***

***Conferences and other gatherings are convened to discuss its central ideas***

***Media pay attention to it***

***Lay groups, or groups based around the concerns of lay persons, embrace the beliefs central to it***

***Sources finance research to further its development***

# The 'New Responsibility Paradigm'

## *A Universal Set of Impacts*

### **Sustainability**

- the viability, continuity, and longevity of the enterprise

### **Innovation**

- perpetual product and service improvement in fulfillment of customer aspirations

### **Brand integrity**

- equity enhancement premised on closing the walk-talk gap

### **Stakeholder wellbeing**

- the social, cultural, economic, and political dimensions of values consciousness

### **Governance**

- ethics, accountability, transparency, competence

### **Human capital development**

- training and education, just labor practices, diversity

### **Environmental stewardship**

- resource conservation, responsible consumption, utilization of clean tech and renewable energy

### **Corporate citizenship**

- economic democratization, emerging market development, local community re-investment





# Examples of Corporate Responsibility

## Human Capital

- Workplace diversity - ethic and cultural diversity, life experience, world view or perspective
- Suitable working conditions
- Non-exploitation of workers - discrimination and harassment
- Fair and open review, impartial restitution process

## Environmental Stewardship

- “Going Green” programs - with recycling, resource conservation, consumption reduction
- Reducing carbon emissions - telecommuting, process re-engineering
- Partnering with environmentally-compliant suppliers

## Competitive Sustainability

- Becoming an authentically responsible organization - product quality, reliability, value
- Continuous quality management (TQM, Six Sigma, etc.)
- Perpetual training/continuing education

## Leadership & Governance

- Values modeled - accountability, transparency, trust
- Ethics policy, whistleblower provision
- Democratic business model - “knowledge organization”
- Community reinvestment/economic development initiatives

## Stakeholder Engagement

- Proactive issues analysis, assimilation and management
- ‘Voice of the Stakeholder’ dialogues
- Thought-trend leadership and influence

## Corporate Culture

- Work-life balance initiatives - flex time
- Commitment to charitable giving
- Incentive-based employee volunteering program
- Entrepreneurial environment of distributed leadership - promote innovation