

Caux Initiatives for Business Conference Report

November 7 to 11, 2013



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'ETHICAL BUSINESS IS SUSTAINABLE'

“Being ethical, you succeed and sustainably succeed,” affirmed Mr B Muthuraman, Chairman, Tata International, while inaugurating the Fifth International Biennial Conference of Caux Initiatives for Business (CIB) at Asia Plateau (AP), Panchgani, Maharashtra, India on November 7, 2013.



Mr B Muthuraman

Referring to a real-life instance, the Vice Chairman of Tata Steel described the historic scaledown from 78,000 to 35,000 employees—marked by generous severance terms for those who were laid off. All employees who left did so by mutual consent and the company did not budge from financially supporting them despite the massive cost, he added.

Mr Hironori Yano, Chairman, Initiatives of Change (IofC), Japan, and Senior Advisor, Central Nippon Expressway Company, mentioned the cultural and economic ties between India and Japan, going back to the sixth century when Buddhism arrived on Japanese shores. The five-day event, titled ‘Economic Growth—Possibilities amidst Challenges in Making it Sustainable and Humane’, was jointly hosted by IofC, Japan and India.



Mr Christoph Spreng

“There is today a need to create social and generational contracts based on ethical leadership,” stated Mr Christoph Spreng of Caux Foundation, Switzerland. He stressed on the need to establish a contemporary process of dialogue and collective bargaining under the shadow of the ongoing financial crisis.

Mr Sarosh Ghandy, CIB Director, emphasised that it was possible to conduct business and run industries ethically and still remain competitive.

Ms Vidya Pol, Panchgani Municipal Council Chief Officer, appreciated Asia Plateau for putting the hill station on the national and international map. Welcoming the guests, Dr Ravindra Rao, Resident Trustee, spoke about the relentless pursuit of the centre, over five decades, to help bring change in India, Asia and the world.

‘It’s better to light a candle than to curse the darkness’, proclaimed a song by the choir. The function ended with the lighting of the lamp by representatives of various countries. A special issue of *Disha*, the IofC journal, was released on the occasion.

More than 200 delegates, speakers and volunteers from over 20 countries, including Australia, Denmark, Germany, Kenya, Lebanon, Malaysia, Norway, Romania, South Korea, Switzerland, Taiwan, United Kingdom and United States, attended the meet. The conference was preceded by Round Tables in Bangalore, Mumbai, Pune, Jamshedpur and New Delhi.



Dr Ravindra Rao, Ms Vidya Pol, Mr Sarosh Ghandy, Mr Hironori Yano and Mr Christoph Spreng listen to Mr B Muthuraman’s keynote address at the inauguration of the CIB 2013 conference



IT'S A GIFT

During the inauguration, the audience applauded the gesture of the Japanese delegation, co-hosts of CIB.

Following failed attempts to grow cherry blossoms at the Japanese Garden in Asia Plateau, IofC Japan gifted a specially-crafted porcelain plate, having motifs of Mount Fuji and cherry blossoms.

Mr Hironori Yano, Chairman, IofC (Japan), explained the significance of the precious gift, before handing it over to his Indian counterparts.

TURNING THE SEARCHLIGHT INWARDS

The second day of the conference witnessed a solemn beginning. Serenaded by chirping birds, more than 50 participants sat in a circle around a lamp to offer prayers from their respective faiths – followers of Hinduism, Islam, Christianity, Tibetan Buddhism and Zoroastrianism sang hymns, poems and chants in different languages, from English and Hindi to Bengali and Swahili. Friday also witnessed the arrival of many more delegates.

A Time of Quiet

'To bow and to bend we shan't be ashamed' – participants were struck by the powerful words of the song, *It's a Gift*, in the morning. 'Where do we begin' and 'how' were questions that were delved on in the 'inner governance' session.

Dr Amit Mukherjee observed that "while all of us are born with gifts, or have developed gifts, some of us hold back in giving those gifts out." The orthopaedic surgeon from Jamshedpur, India, shared his own experience of making amends for his earlier acts of dishonesty – while he was a student – after adopting the practice of 'quiet time' a few decades ago.

Everyone took time in silence to reflect, before a gentle buzz filled the hall as neighbours shared their thoughts with each other.



Dr Amit Mukherjee



Mr David Bernard-Stevens

Mr David Bernard-Stevens recalled the process of defining his core values. The former Senator, who moved from US to Kenya following an inner calling, explained his decision to dedicate his life to service. "I rediscovered my values and my purpose," said the CEO of Effective Change Consultants, Nairobi, while emphasising on the importance of 'the time of silence'.

"There is more contentment, joy and impact when we do what our hearts know we should do," he commented.

'You can turn the searchlight in on me... I can face the future boldly from today' – a

touching performance of *Images* by IofC volunteers provided the audience with the right setting to pause and reflect.

Follow Your Heart



IofC volunteers – Mr Jayang Dorjee (Tibet), Ms Rhea D'Souza (India), Ms Athalia Zwartz (Australia) and Ms Jisun Jung (South Korea) – lend their voice to one of the many songs that the AP choir presented

BEING THE CHANGE YOU WANT TO SEE

The tone for the first plenary was set by its moderator, Mr Mike Smith, as he echoed Mr Amartya Sen's emphasis on the symbiosis of economic and inclusive growth. The Head of Business Programmes, IofC (UK), quoted from the Nobel Laureate's latest book, *An Uncertain Glory*, to emphasise on participatory growth.



Mr Mike Smith

Inclusive Development



Mr Anup Mukerji

The transformation of Bihar since 2005 was portrayed by Mr Anup Mukerji. "Good persons work in isolation; we must build a virtuous network," said the former Chief Secretary of the state in eastern India.

"That which is beneficial to the subjects should be the kings' goal," he added, while quoting from Kautilya's *Arthashastra*, putting in context the approach of Chief Minister Nitish Kumar. "In democracies, it's the elected representatives who determine the quality of governance; Mr Kumar brought in good governance," he added.

"Bihar is now relatively safe and its infrastructure is better. Access to education for the poor, particularly the girl-child, has improved," said the retired IAS officer, while sharing his personal conviction of working in the field of primary education.



Mr Mark Goyder

Many of Mr Mukerji's points resonated in the talk by Mr Mark Goyder. While introducing his latest book, *Living Tomorrow's Company – Rediscovering The Human Purposes of Business*, he talked about the inclusive approach to success in business.

"We cannot separate our role as shareholder with that as a citizen," the founder of London-based thinkthank, Tomorrow's Company, observed, highlighting the need for social inclusion in economic growth.

While pointing out that most problems did not have a technocratic solution, he sought a better understanding of the impact of economic processes on the communities that relied on them. The need of the hour was humane capitalism, he added.

"The sacrifice of those who steward the businesses is the key towards creating a culture of value in business," he said. "We've noticed that listed companies have a lack of ownership responsibility while families that see their destinies attached to their businesses tend to act responsibly and in the interests of their employees and the communities that are impacted by them," he added.

The author acknowledged the contribution of Mr Anant Nadkarni, former VP, Group Corporate Sustainability, Tata Council for Community Initiatives, Mumbai, in encouraging him to write the book. It was formally released by Mr Sarosh Ghandy, former Resident Director, Tata Motors, Jamshedpur, who wrote the foreword, too.



Mr Sarosh Ghandy

'Be the change that we want to see in the world' – the session witnessed a fitting finale with a song amplifying Mahatma Gandhi's message.

MAKING A WORLD OF DIFFERENCE

The second plenary was chaired by Dr Eugene Sensenig-Dabbous, Associate Professor, Faculty of Law & Political Science, Notre Dame University, Lebanon.



Dr Armin Bruck

Dr Armin Bruck, MD & CEO of Siemens India, listed the initiatives taken by the German multinational towards sustainability. “Employee engagement has significantly reduced absenteeism, accidents and defects, while increasing productivity and profitability,” he stated, citing statistics.

“Happy employees are the best requisite for profitability,” he affirmed, while acknowledging IofC’s role in the shift by Siemens to a ‘value-driven’ culture.

Presenting a video about a CSR (corporate social responsibility) project in association with an NGO, the Siemens chief explained how Project Asha (Hindi for hope) brought light in the lives of people at Amle village in Maharashtra.

Dr Bruck, who would soon move from India to Singapore to take charge of the regional office there, told the audience about the ‘greening’ of the head office at Worli in Mumbai. The ROI was achieved in 1.5 years instead of the forecasted five years, he revealed, adding that similar projects would be extended to the company’s 50 offices and 23 factories across the country. About 40% of the revenue came from the environment portfolio, he pointed out, underlining the company’s commitment to help customers improve efficiency and performance.



Mr S Joshipura

According to Mr Shishir Joshipura, MD of SKF India, profit is not just a set of figures, it is a set of values. To make the company more humane and inclusive, crèches were started, employees were allowed to bring kids up to four years to office, and women were given a year’s paid leave post child-birth. Thanks to such steps, attrition dropped, profits increased, and SKF was recognised as the most admired company in the sector last year.

“People will be more loyal to job not organisation,” the former Thermax executive averred, while talking about the shift that organisations would face. SKF Care was launched by the Swedish multinational to prepare the company for the future.

Describing SKF’s initiatives in India, Mr Joshipura stated that four facilities built in the last four years were LEED Gold certified, illustrating the company’s commitment to environment. The operating costs were lower, contributing to a healthier bottomline, despite the higher initial costs. SKF Sports Academy, which had trained over 200 students in Pune since 2005, was being expanded to other cities.



Dr Eugene Sensenig-Dabbous

Going beyond Profit

SIGHTED: The amusing yet charming encounter between a young Tibetan intern at AP and an older Indian delegate: pulling to and fro a dirty dinner plate – who should carry it to the wash-up! ☺

GROWTH, LEADERSHIP, PURPOSE

The post-tea time witnessed three parallel panel discussions on the sub-themes:

- Obstacles to Growth and Sustainability in the Absence of Good Governance
- Leading the Knowledge Worker
- Business beyond the Bottomline – The Key Purpose for Business

GDP versus HDI



Mr Anil Chopra

Mr Anil Chopra, VP (SCM-IM), Siemens, Mumbai, moderated a discussion on what constitutes growth—can it be measured in GDP (gross domestic product) terms, or do we need to factor in HDI (human development index) as well?

Whether governance was essential for growth was another topic that was touched upon by over 40 delegates gathered in the North East Room. Conversations ranged from India and Kenya to Japan and Lebanon, listing the common as well as unique challenges.

“CSR is not a waste of money, it gives tremendous returns,” said Mr Sarosh Ghandy, while citing an instance involving Tata Motors, Jamshedpur. “We learnt that we cannot manipulate people or manage them, we need to lead them,” said the company’s former Resident Director.



Dr Hasan Younes

Distinguishing between mechanical growth and human/social growth, Mr Ghandy underlined the human aspect. “The potential of a human is virtually infinite; we just haven’t seen what is possible,” he added.

Arguing that “consumers have more bargaining power than ever before,” Dr Hasan Younes said that educational institutions could play a key role in raising awareness among consumers.

The Associate Professor, Faculty of Business Administration and Economic, Notre Dame University, Lebanon, recalled a statement of former UN Secretary General, Mr Kofi Annan, to say that improvement in education could build sustainability and ethics.

Ms Dorothy Nditi Muchungu, Deputy Governor of Embu county, Kenya, explained her decision to join politics. “Good people need to enter politics,” she observed, while adding that people must not complain about issues, but take action.



Ms Dorothy Nditi Muchungu

QUOTED: “Profit is like petrol. You cannot run the car without it. But that is not the reason for running the car.” –Dr Ravindra Rao, quoting a friend, in the editor’s column of *Disha’s* CIB special issue.



Mr Mrutunjay Singh, Mr Arun Wakhlu and other participants listen to Ms Sue Snyder's comments

Knowing Your Workers

Mr Folker Mittag, former International Controller of 'Varta', Germany, moderated the discussion on knowledge workers.

Ms Sue Snyder, Director, Global Management Lead, United States, recounted Peter Drucker's role in introducing the concept of knowledge worker. Attrition and unpredictability were among the chal-

lenges that the management faces, she told a small group gathered in Australia Room.

While stressing that actions from the heart make a difference, she laid out three broad recommendations for the leadership: (a) connection with employees; (b) creating a healthy culture and (c) providing them with challenges in their work – avoiding monotony and giving autonomy.

Mr Arun Wakhlu, Executive Chairman, Pragati Leadership Institute, Pune, alluded to the Swedish connotation to the word 'work' –nourishing lives. Mr Mrutunjay Singh, CEO, Persistent Systems, Pune, shared his views on the topic.

Beyond the Bottomline



Prof. V Shukla

Scores of participants assembled in the auditorium to take part in a lively discussion on CSR, moderated by Dr Virendra Shukla, Professor, SP Jain Institute of Management and Research, Mumbai.

Mr Suresh Vazirani, CMD, Transasia Bio-Medicals, Mumbai mentioned the contributions that companies could make to society. Mr Shishir Joshipura observed that business' primary purpose was to create value, one of which was profit. Mr Bedan Mbugua, Director, Herbal Garden Ltd, Nairobi, shared his suggestions.

Without a strong bottomline, a business would not be able to implement CSR practices, and therefore could not move 'beyond the bottomline'.

Mr Mark Goyder differentiated between 'compliance' and 'conviction' CSR. "Do we live to eat, or do we eat to live (the role of profit and purpose)," he asked.



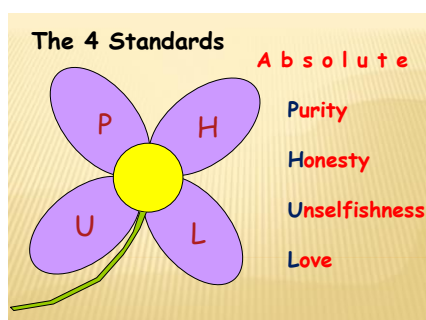
Flanked by Mr Bedan Mbugua and Mr Shishir Joshipura, Mr Suresh Vazirani responds to a question

THE POWER OF RESTITUTION

As the sun rose in the valley overlooking Asia Plateau on Saturday, a dozen visitors opted for yoga and pranayama in the foyer, with Ms Vinita Saxena, Director, Outbound Management Consultancy, Panchgani. The third day of the CIB conference also witnessed the arrival of more delegates and speakers, from different parts of India and abroad.



Visitors got an opportunity to experience India's ancient techniques



Taking off the Mask

'And goodbye wooden heart, and goodbye painted smile...' lines from Karen Taylor-Good's song *I Wanna Be Real* struck a chord with the audience at the 'inner governance' session.

Dr Amit Mukherjee introduced the concept of PHUL (flower in Hindi) – to start looking into one's past, by letting the searchlights of the four absolute

values of *purity*, *honesty*, *unselfishness* and *love* show where each one needs to make restitution, or apologise through admitting where we, and not where others, have been at fault; and purifying whatever saps energy from one's own life.

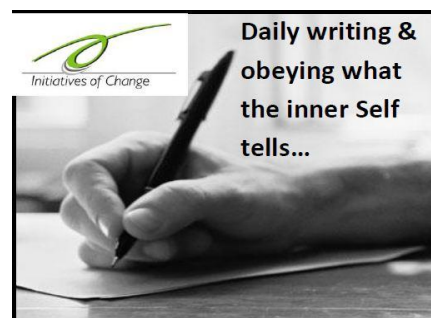
While recommending a regular time of quiet, he posed two questions to contemplate during the time of silence that followed:

1. What does 'real' mean for you?
2. When am I not 'real'?

"Be willing to suffer for standing up to your values," was the emphatic message conveyed by one participant. "Have the courage to speak out," said another. Joy, integrity, empathy and peace were among the values listed.

'You can win when those around you win' – the skit, *Corn at Country Fair*, evoked laughter even as it sent out an unambiguous message. "We are not here to compete with each other, but to complete each other," was a thought shared by one person.

Mr Rajendra Gandhi, MD of GRP Ltd, shared his experience of change – of writing a letter to his father 45 years ago after coming across the message of IofC, then known as Moral Re-Armament (MRA). The courageous, though simple, act of honesty by the IIT student dissolved the generation gap. Subsequently, the Mumbai-based industrialist's apology to a manager in his factory, following a thought during quiet time, built a strong bond within the company.



'GOOD COMPANY MUST PRECEDE STRONG COMPANY'

'Walk a mile in another man's moccasins' – words from a popular IofC song set the tone for the day's first plenary. "A company should be good before it is strong. That sequence is essential," proclaimed Mr Hironori Yano, who shared the dais with Mr R Gopalakrishnan, during a session moderated by Mr Folker Mittag.

"Businesses should share their values with stakeholders," said Mr Yano, while adding that the leaders should pass them on to the younger generation. Quoting IofC founder Dr Frank Buchman, the chairman of IofC Japan said that "what is right not who is right" should be the basis for a durable culture of ethics in organisations.



Mr R Gopalakrishnan listens to Mr Hironori Yano's address at the first plenary

The former Chairman of Central Nippon Expressway Company (Nexco) mentioned how he set out to devise the company's broad policy. He chose to prioritise the customer, be transparent and always keep promises. "Light your candle, and light up your own corner," he said, quoting Buddhist monk Saicho.

Referring to Kiedanren, Mr Yano said that the federation holds the belief that the private sector can self-regulate itself and catalyse positive change in society. Kiedanren ratified a charter for corporate behaviour in 1991.

"Corruption is everywhere, just like the air," said Mr Gopalakrishnan, while adding that there isn't a single country in the world unaffected by the malaise.

"It's important to first examine how we view corruption. We first need to understand human nature to isolate the root cause of corruption," said the Director of Tata Sons, Mumbai. "We have to confront it, only then we can contain it," he said, illustrating his statement with an anecdote about a young accountant.



Mr Suresh Vazirani

The Turning Point

The subsequent plenary was chaired by Mr JP Supramaniam Sinnasamy, Chairman, Business Ethics Institute of Malaysia.

Mr Suresh Vazirani shared vignettes from his journey of 35 years, since he met IofC as a young man just out of college.

Born into a family uprooted by Partition (1947), he got his first pair of shoes when he was eight-year old. His parents had come from Pakistan empty-handed – just grateful to be alive.

The CMD of Transasia Bio-Medicals grew up in a household with no electricity, water or proper drainage!

Thanks to his father's persistence, Mr Vazirani got into an engineering college, and like many engineers of his times, was preparing to go to the US. Destiny had other plans, though! While he was waiting for his papers to be processed, he came across the IofC musical, *Song of Asia*. This chance encounter with IofC and a memorable meeting with Mr Rajmohan Gandhi became a turning point in his life.

As I am so Is My Nation

Deep moments of reflection led to the uncomfortable realisation that while young students would talk about how corrupt politicians were, they did not really look at themselves. How they cheated, how they stole library books, how they travelled without tickets! While they were busy pointing fingers at others, they did not realise that three more fingers were pointing back at them!

It ultimately led to the belief, he continued, that if "I wanted to see a different world, the easiest place to start was myself."



Light, music, action – IofC team sends out the message that 'when I point my finger at my neighbour, there are three more pointing back at me'

A question by a visitor – whether he had any experience in business – while discussing ethics with a group of businesspersons from Mumbai that was visiting AP, sowed the thought of starting a business.

Transforming Asia

With a capital of Rs 250 and a briefcase, Mr Vazirani went into trading. As *Song of Asia* set off the change of course, he named his company, Transasia (Transforming Asia). The belief, "Find a cause and resources will follow," turned true for him. There are now 38,000 labs across the country, which use its equipment.

In 1991, an honest decision of "putting things right" changed the game. That year, Transasia started manufacturing machines – among the few globally who made such equipment. The R&D department discovered that these machines had defects that led to wrong diagnosis – an error that the customers were yet to find out.

But the company's founder was not in peace. He knew the right thing to do was to replace all the machines proactively. An action, his finance people pointed out, would set them back by Rs 20 million. For a company with an an-



Mr Arun Wakhlu greets Mr Suresh Vazirani as Mr Harsh Jha looks on

nual turnover of Rs 10 million, it was a huge challenge. With his mind and heart in congruence, in two months, all the pieces were replaced. This decision led to unflinching loyalty of the customers.

Even after two decades, the customers, and their children, recall and narrate this amazing story of conviction versus convenience. Mr Vazirani attributed the decision to the nine years that he had spent as a full-time volunteer with IofC.



Mr Harsh Jha

The Road Less Travelled

Mr Harsh Jha informed the audience that he was visiting the IofC centre after 25 years. The former MD of Tata Metaliks, Jamshedpur, provoked the audience with two questions: If so many attendees at the conference believe in high-integrity transactions, then why are we not able to make a huge difference to the society? Is it because we are satisfied with small incremental changes?

To amplify his questions, Mr Jha narrated an anecdote from Buddha's life. He emphasised that it was easier to bring about a change in new organisations, but challenging in inherited ones. In 2005, his company acquired another one. They hired a business ethics counsellor, whose primary role was to go to factories, detect unethical activities, and orient the employees about values. Subsequently, the local MLA, who had been elected four times to the state assembly, sought money every month. Mr Jha responded with a firm 'no'. He was threatened with dire consequences, but he refused to give in.

His courage, however, yielded results. The politician sent a crate of Alphonso mangoes as a mark of gratitude, with a message that he wished they had more companies like theirs. In the same breath, the former MD admitted that there was a price to be paid for integrity and honesty.

"If we are to walk this path, what should be the action plan?" questioned Mr Jha. *Atma deepo bhava* (be light unto yourself), he chanted, quoting the Buddha. Elaborating the message, he asked, "Each one of us has to define a path for ourselves; can we take the next step?" He concluded by saying that unless we connect with the bigger world outside, we will not be able to make a difference.



Mr Ignatius Pinto, a participant, asks the speaker a question



Many ladies opted for the tour of Grampari (right) and the Zentangles workshop, conducted by Mr Dilip Patel

ETHICS GOES BEYOND COMPLIANCE

The post-tea time witnessed a continuation of three parallel panel discussions. Anchored by Mr Anil Chopra, the deliberations on 'Obstacles to Growth and Sustainability in the Absence of Good Governance' featured Mr Sunil Mathur, CFO of Siemens India; Prof. Hiroshi Ishida, MD, Caux Round Table (Japan) and Professor, Kwansai Gakuin University, Tokyo; and Ms Joy Mbaabu, Executive Director, Amani Communities Africa, Ngongos Hills, Kenya.



Mr Anil Chopra moderates the discussion



Mr Sunil Mathur

Referring to various scams that had hit the corporate world, Mr Mathur emphasised on a value-driven culture across the organisation. Policies, processes or procedures by themselves would not suffice, said the CEO-designate of Siemens India, while citing statistics and referring to the experiences of the German multinational.

Everyone Is a Knowledge Worker

Can a company reeling with losses, invest in and nurture its knowledge worker (KW) – this was the question posed by the moderator of the second panel, Mr Folker Mittag. According to Mr Ramesh Shankar, if a business in dire straits took its KW into confidence and was transparent about the challenges, the KW would stand by the business and do his or her best to turn things around. "Leadership in the organisation today is established by knowing and doing rather than mere designation and entitlement," said the Siemens' Executive VP and Cluster HR Head, South Asia.

Mr Vijay Paranjape, who spent most of his working life at Siemens, recalled his transition from a KW to a leader of KWs, and the insight that it provided. "Consider the context of an IT firm where domain knowledge is vast and gets updated all the time. Hence the KW is compelled to focus on his or her core competency and there-



Mr Folker Mittag leads the discussions among a small group of participants in Australia Room

fore work with other KWs in teams towards a collective achievement,” he explained. “In such a scenario, leaders of the KW need to see themselves as first among equals and their role would be to empower rather than enforce authority,” he added.

Mr Paranjape argued that the policy of incentives had corrupted the KW. “Organisations need to communicate to their KWs that it’s the salary, challenging work environment and most significantly, their contribution that drives them rather than bonuses. Incentives can only perpetuate chaos on the office-floor,” he said.



Mr Ramesh Shankar, Mr Vijay Paranjape and Mr Folker Mittag listen to Mr Ravi Kamat’s comments

Mr Ravi Kamat recalled his encounters with KWs. At one point, he was upset because the KW was able to identify and troubleshoot a problem that he couldn’t solve quickly enough, thereby getting the credit for it. “They need to be understood. They need to be encouraged,” he declared. The tables have turned, cautioned the CEO of Softbridge Solutions, Pune. “You have to honour the commitment you make to a KW when you hire him or her. Hiring and retaining KWs are the biggest challenges,” he observed.

The unanimous conclusion of the participants was that every employee was a knowledge worker in different capacities.

People Planet Profit

For the second consecutive day, Prof. Virendra Shukla of Mumbai moderated the discussion on ‘Business beyond the Bottomline – The Key Purpose for Business’.

The Chair opened with the question: what is the core purpose of business: to create value, to sustain society, to benefit the community, or to satisfy shareholders? The consensus that emerged was along the lines of the previously discussed ‘CSR’.



Mr Vivek Asrani

Mr Vivek Asrani, MD, Kaymo Fastner, Mumbai, stated that a business that does not have a purpose beyond profit would not maximise its potential. “This is the true reason why a business must have a purpose beyond profit,” he added.

According to Mr Rahul Bharti, “this phenomenon that business has a larger purpose than profit conflicts with the approach adopted by his company.” Instead of focusing on short-term

profit, the Indo-Japanese automobile giant created a new market (rural car purchasers) over a few years and saw greater long-term, sustained profit, said the GM, Corporate Planning & Government Affairs of Maruti Suzuki, New Delhi.

Mr Hironori Yano, Chairman of IofC Japan, emphasised that CSR should be built in everyday business activities. He ended with a profound quote from Confucius: “The leader understands what is moral. The small man understands what is profitable.”



Mr Rahul Bharti

The Heritage of India



Visitors interact with the founder of Devrai Art Village in Panchgani

On Saturday afternoon, a few visitors chose to visit Devrai Art Village in Panchgani, to learn more about artefacts made of brass, iron and rock.

Those who missed the tour on Friday decided to go to Grampari rural and ecological centre.

Soccer fans, meanwhile, caught the opportunity to score a few goals in the adjacent football ground. Others just chose to take a stroll in the sprawling campus.



TEA-FFE: Pleasant weather outdoors provided the right ambience for chat, along with coffee, chai and cookies

As dusk descended on the plateau, it was time for soup and food, mint tea and informal chat. What followed was breathtaking: the demonstration of a traditional form of martial arts by a person associated with Grampari.

The Sound of Music

Mr Prabhakar Vartak emceed India Nite that featured Hindi and Tamil songs, besides Garba and Dandiya. A delightful rendition of Raga Yaman Kalyan on the sarangi (a traditional Indian instrument resembling a violin), by a Mumbai-based Japanese young man, left the audience spellbound.

SPECTACULAR: *Chalta Hai – We Will Manage*, a skit enacted post dinner on the inaugural day, created quite a stir. Videos shown on the subsequent evening, depicting business philosophies of an Indian and a Malaysian enterprise, gave the audience ample food for thought until the next morning.



ON TRACK: A group trekked to Tableland for a majestic view of the hills, the sunrise and the *Krishna* river. Sunday morning saw a few enthusiastic visitors continuing the yoga and pranayama practice under the guidance of Ms Vinita Saxena. Even as a gentle breeze made the weather chilly, the adventurous ones trekked to the Tableland. Asia Plateau buzzed with activities as the fifth international conference of CIB entered the fourth day.

BRIDGING THE DIVIDE

The 'inner governance' session got off to a 'flowery' start. A skit sent a clear image that appreciation can boost growth and confidence; criticism and condemnation can bring down people, while the vulnerable are susceptible to apathy and neglect. "We consciously and unconsciously give negative and positive feedback," said Ms Neeru Gandhi, home-maker and Member, Centre Managing Committee, Asia Plateau, Panchgani & Pune.

Speaking about her attempt to mend her relationship with her third daughter, Ms Gandhi told the audience how someone reluctant to continue schooling went on to do her Master's. "We need to strike a balance between



Ms Neeru Gandhi



Mr Anurag Maloo of Jaipur and Mr Dilip Patel of Bangalore enact a skit during the morning session

impulsive and logical decisions," she said, while adding how she had to earlier bridge the gap with her engineer-husband.

Ms Jisun Jung of South Korea recalled her apology to her father, which led to the dawn of a new relationship. She also talked about the deepening of the bond with her husband, Mr Jayang Dorjee, from Tibet. The couple currently coordinate the interns' programme at AP.

Mr David Bernard-Stevens (US/Kenya) shared the story of the transformation in his family: how creating a charter of core, shared values between his and his separated wife's homes helped their son bounce back to normalcy. Towards the end, the 'boulder' song, bridging the divide between the North and the South, enacted by Jayang Dorjee and Rufus Roshan, aptly summed up the proceedings.

Values Must Accompany Growth

There is a gap – the song set the stage for the first plenary of the day, which was anchored by Mr K. Haridas, Director, Business Ethics Institute of Malaysia. Dwelling on the topic, 'Business Beyond the Bottomline', Ms Anu Aga said, "Growth is meaningless if it does not go with values." Quoting a 2012 study, the Chairperson of Thermax Social Foundation pointed out that India ranked 136 among 187 na-



Mr K Haridas

tions in the Human Development Index (HDI). "Malnourishment in India is over 42%, worse than Sub-Saharan Africa," she rued, while adding that it was a silent killer.

The former chief of Thermax, Pune, called upon the corporate world to play an important role in social transformation, in-



Mr Ajit Lele listens as Ms Anu Aga responds to a question

stead of blaming the government. "Business cannot grow in a society that fails," she maintained, while stating that her company chose to spend 3% of net profits on CSR, even before the recently implemented Companies Act stipulated 2%.

Growth without purpose is like cancer, the Member of Parliament (Rajya Sabha), asserted, calling upon businesses to aim for triple bottomline: care for the society and environment while pursuing profit. "It's unfortunate that in the context of the immense social challenges we face, there isn't much of a debate for businesses to be humane and not just profit-driven," she added.

She urged business leaders to "consider the interest of the stakeholders, that is the society at large, and not merely the stockholders."



Ms Neeru Gandhi and Ms Anu Aga with staff at AP kitchen



Mr Sudhir Gogate, Director, Keihin Fie, Pune, makes a comment during a session

Sharing Core Values

“I will attempt to provide an earthworm’s view,” Mr Ajit Lele quipped, after thanking Ms Aga for providing a bird’s eye view.

The CEO of Mahindra Ugines Steel, Khopoli, underlined the importance of gender equality and stressed on the compilation of common values across the organisation.

Listing the Mahindra Group’s core values, Mr Lele mentioned professionalism, good corporate citizenship, dignity of the individual, customer first, and quality focus. “It is critical to make the

performance management process thoroughly transparent. No form of discrimination in terms of remuneration and promotion should be indulged outside of the performance parameter. This is vital to maintain an ethical and healthy ecosystem within any organisation,” he added.

“From my experiences over the years, I’ve learnt that for sustainable and humane growth, ethical behaviour is important. I imbibed this as a child, as a student and eventually as a professional. While growing up, my parent and books and debates were my biggest influence. While travelling to different countries, I was exposed to diverse value systems. Some of my greatest learning also came from my own mistakes,” Mr Lele remarked.

He enunciated the following principles and procedures for a sustainable business:

- Transparency, including face-to-face interaction with employees.
- Decisions in open forum; giving weightage to opposing views.
- KRAs of boss and reportees are known to each party.
- Customer gets priority over boss; customer visits shop-floor.

Transparency in Government

Dr Rajani Gupte, Vice Chancellor, Symbiosis International University, Pune, chaired the sixth plenary of the conference. Mr Vivek Asrani, MD, Kaymo Fastner, Mumbai, shared with the audience his approach to ethics.



Dr Rajani Gupte and Mr Vivek Asrani listen to Mr Pradeep Kharola’s response to a question



**Mr Pradeep
Kharola**

Mr Pradeep Kharola, former Principal Secretary to the Chief Minister of Karnataka, made a detailed presentation on use of technology to bring in transparency and compliance in collection of state taxes. Explaining eSugam, the senior IAS officer spoke about the simplification of procedures for entry of goods vehicles in the state. Monopoly + Discretion – Transparency = Corruption, proclaimed the Chairman of Karnataka Urban Infrastructure Development and Finance Corporation, Bangalore.

Business within the Campus

During the afternoon, the books' counter witnessed brisk sales. For the benefit of visitors, a few stalls were set up outdoors. Women from Grampari displayed handcraft and handloom items. Artefacts, including unique items made of rock and brass, were made available by Devrai, Panchgani. A variety of tea from eastern India, too, was available. Soccer fans once again got an opportunity to kick and dribble.

CARING FOR THE EARTH

The last plenary of the conference touched upon all aspects of the environment, besides the role of individuals and organisations in preserving it. In his opening remarks, the moderator, Mr David Bernard-Stevens, referred to his first meeting with Prof. Rajmohan Gandhi in Kenya.

According to Mr Gandhi, hatred, anger and fear, too, affect the environment. Referring to the history of undivided Punjab, the author and historian shared glimpses of both sides of British rule in the Indian sub-continent. The former Chairman of IofC International recalled the incredible partnership between India and Japan, within IofC and the world. "In Asia Plateau, we are reminded about this significant collaboration between these two nations. India still needs the support of the Japanese, e.g., in improving roads," said the former Member of Indian Parliament (Rajya Sabha).



Mr Rajendra Singh

Mr Rajendra Singh recounted how more than 1,000 villages in Rajasthan, spread over 8,600 sq. km, now have water. Speaking in Hindi (with translation provided in English and Japanese), he explained how a village elder inspired him to work on water. He described his initial struggle, mentioning that the government had thrust over 300 cases on him.

The Ramon Magsaysay Award winner spoke about traditional solutions to the world's modern problems. "Water security is the need of the hour," he asserted, stating that 70% of the small rivers in the country had died. "We must make maximum use of people's tradi-



**Prof. Rajmohan Gandhi with Dr Heita Kawakatsu,
Governor, Shizuoka Prefecture, Japan (right) and Mr
Hironori Yano, Chairman, IofC (Japan)**

tional wisdom and keep away engineers while harvesting water and reviving rivers,” said the former government official, illustrating his comment with details of how seven near-dead rivers were rejuvenated. Rise in GDP has caused more poverty and disparity, argued the Vice Chairman of Jal Bhagirathi Foundation, Jodhpur.



Mr DV Raidu

Mr DV Raidu, Director (CMSA), Society for Elimination of Rural Poverty (SERD), Andhra Pradesh, focused on community-managed side of sustainable agriculture.

The retired IAS officer explained how self-help groups for women were nurtured over 13 years. “We started pesticide-free farming because women demanded it,” he stated, adding that 12 million women were part of the SERD network. Highlighting the vulnerability of marginal farmers, he said, “We need a different paradigm in offering this group support.”

Dr Jared Buono, who hails from the US but had been involved with Grampari for many years, gave an overview of the rural and ecological centre adjoining AP.



Dr Jared Buono

He affirmed that businesses must look beyond profit and ensure that they embrace the triple bottomline (planet, people, profit). Drawing on his expertise in ecology and hydrology, an initiative to harvest water had been launched in nearby villages.



A delegate greeting Ms Jayashree Rao, Executive Director, Grampari, Panchgani

The Director of Grampari spoke about the ‘leadership in governance’ programme. He presented a gist of attempts to ‘green’ Asia Plateau, through composting of organic waste, harvesting of rainwater (for 40 years), energy conservation, etc.

WORLD IN THE CENTRE

For four days, the centre had been transformed into a global village. A memorable musical show brought down the curtains on the penultimate day.

At the Global Nite, people from various countries, many in their traditional costume, came forward to present their best, through song, dance, music, skit or story.

A Norwegian song sung by Jorulf B Silde and family charmed the audience. So did a tango – Beirut and Bombay meeting in Buenos Aires.

The British sense of humour was evident in Mike Smith’s joke. A Danish story conveyed the message that “we are perfect as we are.” Songs from South Korea, Lebanon, Taiwan and Australia entertained all. Many joined the US in singing ‘Amazing Grace’. The Kenyan troupe’s song and dance enthralled the audience.

The 20-member Japanese delegation left an indelible impression with their performance. They thanked everyone for their support after the earthquake and tsunami a few years ago. Japanese musician’s Yuji Nakagawa’s sarangi recital marked the end of an enchanting evening.



During plenary sessions and panel discussions, delegates stepped forward to contribute their views

THE POWER OF LISTENING

As the sun rose in the eastern sky on November 11, participants set in a circle for multi-faith prayers, followed by quiet time and sharing.

‘Listen to the still small voice’ – lines from an IofC song set the stage for the session that followed. Dr Amit Mukherjee underlined the importance of restitution, while explaining the concept of *satchidananda*.

Ms Christel Rosenkilde Christensen of Denmark presented her concept of ‘energetic leadership’. In a voice choked with emotion, she shared the pain that came with stopping meditation for two years and working hard to improve the bottomline of the company where she used to work. “A thought can be as powerful as a word,” declared the author of *The Treasure* and Founder & CEO of Treasure Consulting.

Post breakfast, it was time to lay down the action plan, in a session chaired by Mr Kiyoshi Nagano, Director, IofC, Japan.

A Ripple Effect

Mr Anil Chopra, who moderated the discussions on ‘Obstacles to Growth and Sustainability in the Absence of Good Governance’, gave a gist of the proceedings:

1. It requires people at the top to bring in change; e.g., in Rwanda, the Prime Minister and ministers clean the street once a week.
2. Explore partnership among companies to adopt cities located in different countries on *one* issue.
3. To share best practices among different countries, require collaboration among Caux Round Tables.
4. Bring in value education in schools and colleges.
5. Attract people in their 30s, 40s to the ideology of IofC and bring them to AP.
6. Find ways to improve HDI, not GDP.
7. Change starts from within; when you change, a ripple effect follows.
8. Reemphasise that we *can* and *should* clean up the garbage.



A delegate puts forward his view during the deliberations in North East Room

Burry All Barriers

Mr Folker Mitter summarised the discussions on 'Leading the Knowledge Worker':

1. Treat workers individually and give them space.
2. Honour the commitment you make.
3. Hiring or retention is a challenge.
4. IT workers dislike monotony; need motivation.
5. Incentives, mainly in IT, may not help retain staff.
6. Do not differentiate between blue and white collar workers.



The small group engrossed in the proceedings in Australia Room

Ms Mugdha Shah of Rallis India, Navi Mumbai, recited a few lines that summarised the discussions:

For leading knowledge workers, acknowledge every worker

For living life with purpose, appreciate every treasure

In order to create the connect, build the culture and the challenge – be them

In order to lead the wiser, appreciate; don't be miser – be them

Burry all barriers; integrate careers

Travel light, climb together, leaving all carriers

Teacher, engineer or sweepers, we all are knowledge workers

Whether leaders or homemakers, we all are knowledge workers

For leading...

Experience or education, matters what? Implementation, there is no point in segregation

Today is of new generation, hierarchy is out of fashion, pyramid needs a revision

Burry all barriers...

We are One and Not lonely; let the work life be friendly; company too is community

Intelligent serve inner wisdom, kind king gets longer kingdom, for life sustainability

Burry all barriers... For leading...

(For tune, refer to Youtube > Hindi film > Mere Brother ki Dulhan > Song: Dhunki Lage)



Among the three panels, the one on 'key purpose of business' drew the maximum number of participants

Purpose beyond Profit

It was Prof. V. Shukla's turn to speak on 'Business beyond the Bottomline – The Key Purpose for Business'. He submitted the following list before the audience:

1. Listen to your stakeholders regularly.
2. Businesses should review CSR goals regularly.
3. Should the spending on CSR be increased?
4. Strong bottomline is needed to sustain CSR.
5. Choose 'conviction' CSR in place of 'compliance' CSR.
6. Build CSR in everyday activities.
7. CSR should be implemented with integrity; it should be transparent.
8. Business needs purpose beyond profit; profit is just one dimension.
9. Business must build a better world.
10. Sustainability is the goal; consider impact on environment and society.

THE WAY AHEAD

CIB national coordinators took turns to announce their plans for the future.

India

1. Established five chapters in Bangalore, Delhi, Jamshedpur, Mumbai and Pune.
2. Organize CIB fora wherever possible.
3. Initiate RM Lala Memorial Lecture Series.
4. Partner with big audit firms to conduct Round Tables within the country.
5. Visit educational institutions to address values and ethics in business.
6. Support HEL and ELL programmes in enlisting possible keynote speakers to share their practical experiences.
7. Nurture CIB teams wherever required.

In addition, IC Centre for Governance, New Delhi, will collaborate with IofC Malaysia for an event at Caux.

Malaysia

1. Business Ethics Institute of Malaysia (BEIM) cements collaboration with CIB for obtaining Speakers for luncheon/dinner talks. They also plan to invite Dr Armin Bruck of Siemens in 2014 to be a Speaker.
2. Start Round Table in Malaysia.
3. Host a CIB conference for ASEAN Region with the help of Japan and India in the next 3 to 5 years.

Kenya

1. Joseph Karanja together with a team will devote most of their time in 2014 to consolidate CIB in Kenya.
2. Give a report of CIB 2013 to CEOs in Kenya and use inspiring video clips to engage them. James Mageria, Chairman, Karen Hospital, Kenya has offered to help the team for this work.
3. The team will organise Round Tables in the first quarter of the year and have requested for help. The RT's will continue to take place in Nairobi and another city.
4. The team will work towards organizing a CIB conference before the end of 2014.

5. The Governor of Baringo County has very generously offered land for building an IofC Centre. This will provide space and a platform for people from in and around Kenya to come for training. The team needs all support within the country to follow up on the plan.

South Korea

1. Host an HEL (Heart of Effective Leadership) programme for Tata Daewoo.
2. Organise Round Tables

United Kingdom

1. Hold a series of evening lectures on the four pillars of global sustainability – economic, environmental, human and ethical – in London and other European cities during 2014.
2. Bring HEL (Heart of Effective Leadership) programme to UK and support HEL programmes in Switzerland.
3. Hold one-day Trust in Integrity ‘Road Show’ events in UK – may be two in 2014.
4. Continue to support Caux Business Conference on Trust and Integrity in the Global Economy (July 5-10, 2014)

Switzerland

1. Caux Foundation will create ‘global interface’.

Lebanon

1. Focus on how students and faculty can interface with the business world.
2. Work on West Africa, where many Lebanese business people reside, to introduce CIB and IofC in general to the diaspora business community there.
3. Link with Norway regarding extraction industries in order to learn from their model of dealing ethically with off-shore oil and gas income.
4. Along with Japanese friends, proceed with revitalizing the Caux Round Table in Lebanon and the MENA in general.
5. Participate in the TIGE conference at Caux as a long-term co-organizer of the Food and Sustainability work stream.
6. Work with IofC in Central Europe and Scandinavia to re-focus in the historical MRA ‘Social Partnership’ (labour, business, government) agenda at TIGE.
7. Expand the ‘interactive learning kitchen,’ which was introduced at Caux in 2011, to Asia Plateau, Panchgani.

Japan

1. Help to plan the next CIB Conference.
2. Facilitate visit of Japanese executives to Indian companies; followed by CIB programmes at Asia Plateau, Panchgani.
3. Organise Caux Round Tables, Japan.
4. Focus on ‘key-wording’: holistic and practical.
5. Have context and content.
6. Compile a position paper.



Dr Heita Kawakatsu,
Governor, Shizuoka
Prefecture, Japan, delivering
valedictory address

From the Land of Mt Fuji

In his valedictory address, Dr Heita Kawakatsu, Governor of Shizuoka Prefecture, Japan, used Mt Fuji as the backdrop to explain steps taken by the state to care for the people and the planet.

The Governor fondly recalled his last visit to India 27 years ago – to research on cotton spinning in Mumbai. He referred to the numerous Maruti Suzuki vehicles that he saw on the way to Panchgani, while pointing out that Suzuki's headquarters were located in Shizuoka.

Dr Kawakatsu recounted India's profound influence on the world, including its importance as the birthplace of Buddhism. "India is bound to harmonise, as it has spiritual wealth, and is located strategically between the East and the West," he said, while adding that Shizuoka's location between Kyoto and Tokyo entrusts it with a similar role within Japan.

Throughout his address, the Governor used Mt Fuji, a World Heritage Site, as a metaphor. "It stands like a mirror in front of me, as if asking me whether I am taking the right decisions," he said, while narrating how he enjoys, from his office, a magnificent view of Japan's highest mountain. Sharing the vision of his province, "The affluent and virtuous nation of Fuji," he explained what Fuji stands for: Fu can mean 'material wealth' and Shi/Ji can stand for 'virtuous person'.

FEEDBACK

It is the second time I have been to the CIB at AP. I realise that the more time I spend here, the more I love it. I feel very much at home here; it's a place full of inspiration and world changing ideas. –Mr H. Yano, Chairman, IofC, Japan

~

I loved meeting new people from around the world. I've been inspired and have got many new ideas and knowledge to take back to my country that will help my local community. I want the CIB conference to come to Kenya! –Mr Wesley Lekakimon, Member, County Assembly (IChamus Ward), Baringo County Government, Kabernet, Kenya

Good Ethics Make Good Business

Mr Kishor A Chaukar, former MD, Tata Industries Ltd, conveyed an encouraging message on being profitable while being ethical.

"Business is an economic activity that balances the interest of all stakeholders," said the Chairman of Tata Teleservices (Maharashtra). "Making money is an activity, not business," he added.

Speaking of sustainability, the Chairman of Tata Business Support Service, Mumbai, referred to a little hotel (inn) in Japan, which has been running for hundreds of years and was currently managed by the 46th or 47th generation of the family.

"Ethics is the sum-total of behavioural patterns that meets expectation of every stakeholders," he proclaimed.

Mr Chaukar drew on his long innings in the financial sector (including as Managing Director of ICICI Securities & Finance Company), to speak about ethics in the financial sector. Referring to the unethical practice of banks offering 0% loans, he laid emphasis on transparency in business.



Mr Kishor A Chaukar

“Go beyond compliance,” he suggested, while citing the example of firms using a provision in Weights & Measures Act to give ‘less’ to the customer. Narrating another anecdote, he concluded that going beyond the contract builds trust and respect.

“Commitment beyond self, self-respect with humility, discipline and accountability for one’s actions, respect for people around you and care for all, including environment” – Mr Chaukar listed these values as essential to businesses.

Sayonara and Au Revoir

“I am ecstatic,” exclaimed Mr Sarosh Ghandy, Director, CIB, while referring to the success of the event and thanking those who worked tirelessly for its success. He reserved a special word of appreciation to the CIB Secretariat, comprising Mr Luis Gomes, Trustee, Friends of Moral Re-Armament (India), Goa; Mr Charles Fernandes, Panchgani and Ms Neha Mukherjee, Jamshedpur.

Mr Ghandy acknowledged the contribution of many individuals, including Lt Col. (Retd) Allan Burby, Mr TP Mukherjee, Mr Anil Chopra and Ms Vinita Saxena.

It was time for many delegates to leave Asia Plateau for their respective countries or states within India.

A few opted to go to nearby Mahabaleshwar while others stayed on to support ensuing programmes at the IofC centre, including a one-day workshop for post-graduate students of Symbiosis Institute of Business, Pune.



Altogether 218 delegates, speakers and IofC volunteers (above) participated in the Fifth International Biennial Conference of Caux Initiatives for Business at Asia Plateau, Panchgani, Maharashtra, India from November 7 to 11, 2013. The event, titled ‘Economic Growth—Possibilities amidst Challenges in Making it Sustainable and Humane’, was jointly hosted by IofC, Japan and India. While a majority of participants could attend the sessions on all five days, a few could come for one or two days.

For internal circulation only. Compiled during the CIB 2013 conference in Panchgani by Mr Pravir Bagrodia, Bangalore; with inputs from Mr Bhisham Mansukhani, Mumbai; Ms Sudakshina Banerjee, Pune; Ms Rhea D’Souza, Mumbai; Ms Athalia Zwartz, Australia; Ms Fatima Hassan, Lebanon; Mr Mohamad Ghabriss, Lebanon and Ms Talia Smith, UK. *Photo Credits:* Mr Siddharth Singh, Mumbai; Mr Parag Shah, Panchgani; Ms Aarzu Sadana, Pune; Mr Aris Robert Huang, Australia; Mr Mike Mukia, Kenya; Mr Narain Suvrat, Pune; Mr Puvaan Jayendran, Malaysia.



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