

## **CIB Pune Chapter Round Table Report**

*The Caux Initiatives for Business Pune Chapter conducted its second Round Table at the SKF India Ltd. campus in Pune on March 11, 2016. Below is a report written by the Pune Chapter team, more particularly Lt. Col. Allan Burby (Retd.)*

The CIB Pune Chapter thanks SKF India Ltd. and its MD, Shishir Joshipura for co-hosting this RT. The event was held at the SKF Guest-house premises in Pune, followed by a sumptuous lunch hosted by SKF India. Kiran Gandhi and Lt. Col. Allan Burby (Retd.) of the CIB Pune Chapter moderated the discussions at this RT.

Theme: Can Ethics be an important pillar for sustainable growth?

Participation: A total of 42 persons took part in this RT. The majority of delegates were MDs or CEOs and Directors of companies and institutions. The Chairperson of a reputed company also actively participated in the deliberations. Participants included four MBA students from Pune University and a few Directors of academic institutions in the city.

Questions that were fielded at the RT for discussion among the captains of industry were:

1. Do I stay awake at night about ethical questions pertaining to the way business is presently conducted in Pune or Maharashtra or even India?
2. Where does my "circle of care" end? (a) with my own employees? (b) with my business partners? (c) with the communities with which I operate? or (d) with the society at large?
3. To what degree am I willing to take a stand for ethical principles, when the question of monetary cost arises?

Thanks to earlier guidance from Pradeep Bhargava of Cummins India Ltd., the CIB – Pune team included suggestions also from Shishir Joshipura and Farhad Forbes, Director, Forbes Marshall Pvt. Ltd. in constructing the March RT. The March 2016 RT attempted at looking beyond business ethics as an issue related only to bribery and corruption. It was important that the topic of ethics be viewed both from an internal as well as external stakeholder perspective beyond dealings with just the government and regulators.

The RT delegates, captains of industry in their own right, shared their perspectives on other important dimensions of business ethics, significant for business reputation and sustainability. These perspectives were supported by examples in some cases of the way by which these business leaders currently respond to related dimensions such as:

- Care for the environment
- Child labour utilised by suppliers and care for suppliers' employees
- Standing up to pressures for quarterly performance and being transparent about AR status and related provisions to the shareholders
- Commitment to product quality, no matter what the cost
- Safety of contract employees at project sites
- Limitations to growth

- Responsibility of elders towards building the ethical fabric of future generation of leaders – the students
- Paying suppliers their dues on time, consistently

At the same time the delegates recognised the implementation of business ethics as a continual journey, with new challenges unfolding.

What was heartening to note was that all business leaders held the view with deep conviction that being ethical is the only way to being sustainable in business. The sharing by a significant number of delegates revealed that ethical practices in business counted as a real differentiator in the eyes of their partners and other stakeholders, positioning them with a clear business advantage. Moreover, at a personal level, many delegates shared that being ethical allows them to sleep better!

On a disruptive note however, thanks to the request by one of the delegates a question that provoked keen discussion was “*what is it that keeps me awake at night?*” What are the ethical dilemmas we are struggling with? Let’s start working towards addressing such challenges meaningfully. This question leveraged an important turnaround in the RT deliberations that followed after the break.

The main dilemmas shared in context of ‘what is it that keeps me awake at night’ were:

- The worrisome struggle with ethics that the young generation faces in society these days (future leaders, today’s students) as also the ethics within our families. This point came to the fore because of thoughts shared by the four business management students who were present as volunteers. One said, “Until we witnessed the deliberations at this RT we were not aware of the impact or importance of ethics in business.” Another commented “for us ethics was just a chapter in a book, a dry part of the curriculum.”
- The Head of an academic institution said something to this effect: I am branded as a bad guy for enforcing ethics upon my students. Even their parents don’t support me. It breaks me down.
- On dealing with the government on land acquisition matters, there is a whole corrupt system so difficult to deal with. We really struggle with our conscience.
- Unethical top management leadership, leading to collapse of a company. There is an opportunity of influencing ethical practices from the grass roots upwards. A company CFO shared a live experience.
- The MD of a company commented that as the nation progresses, there will be large scale job/employment losses due to increasing application of technologies in manufacturing, for example. This realistic possibility also needs to be viewed as an ethical issue, he said.
- “Should we continue businesses based on exploitation of fossil fuel? Isn’t it a matter to be concerned about our children’s future when we think about the planet,” reflected a company Chairperson.

The practice of “Quiet Time” (10 minutes of silent reflection time) to think on what *initiatives of change* could be taken to address the challenges encountered, brought out the following thoughts:

- One SKF observer said “all change begins with changing oneself”

- The Chairperson of a company said "I feel we need to more openly discuss with our employees some of our decisions which did not go right and those which went right, to sensitise them about ethical aspects in our decision making."
- "I would like to use my 'town hall' meetings with employees to discuss our ethical challenges," another said.
- "Tomorrow's Collectors and Tehsildars are today's students in school. Let us speak with students and work collaboratively for a better tomorrow."
- "We will focus on reaching out to students' families. I will first discuss it with my faculty," said the head of a management school.
- "I have to deal with controlling my anger," said a strategy head of a company.
- "I would like to incentivise ethical behaviour in my company. I will incorporate it into employee appraisals," said a CEO of a company.

A key outcome of this RT was the forward poised initiative on "easing the way businesses are operated/run". A team led by Dr. Sunil Dhapte, a director of YASHADA (on behalf of the government) and Mr. Unnikrishnan, the MD of Thermax (on behalf of industrial sector) was formed. The body decided to set up a holistic and wholesome dialogue process between local business leaders and government officers, through a collaborative working process. At least half a dozen business leaders enlisted themselves in this initiative. This project is aimed at creating a collaborative relationship between government and business on ethical practices and principles for the sustainable larger good.

#### Conclusion:

The sentiment on which the RT ended was one of hope combined with challenges about sustaining the future of ethically operated business. Networking bridges and collaborating with positive forces will give the ethics movement added impetus in navigating these challenges.

Delegates departed with a breadth of optimism stemming from the project that was undertaken around "easing the way businesses are operated/run". At the next RT, footsteps in this direction would be shared. Thermax India Ltd., has kindly agreed to co-host the next RT on June 24, 2016.

The CIB-Pune core team comprising of Sudhir Gogate, Anant Nadkarni, Kiran Gandhi, Sanjiv Mehta and Lt. Col. Allan Burby thanked all delegates and students for their active participation which has culminated in a renewed commitment to bring about meaningful change in promoting ethically operated businesses in the future.