

# 12

## The Eco-Leadership Discourse

Connectivity, Networks and (Ethics)



Figure 12.1 Eco-Leadership

## Key Words

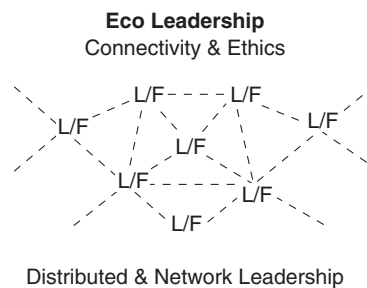
Ecosystems  
 Distributed  
 Ethical  
 Networks  
 Connectivity  
 Interdependence  
 Globalization  
 Technology  
 Sustainability

## Chapter Structure

- **Introduction: ‘New Leadership for New Times’**
- **A New Paradigm: The Context Informing Eco-Leadership**
- **The Four Qualities of Ethical Eco-Leadership**
- **Eco-Leadership in Practice**
- **Conclusion**

## Introduction: ‘New Leadership for New Times’

The Eco-Leadership organizational form is a fluid network of distributed leaders and followers (Figure 12.2).



**Figure 12.2 Eco-Leadership organizational form**

The Eco-Leadership discourse emerged at the turn of the millennium, responding to the radical technological, societal and environmental changes taking place in this digital age, as modernity exhausts itself. All organizations are impacted by the disruptions caused by technological innovations, and new forms of leadership are urgently needed to respond to the huge challenges and opportunities faced. Relying on the status quo, i.e. working within the Controller, Therapist and Messiah Leadership discourses alone, cannot deliver in this fast-changing, turbulent environment. Something more is needed, yet most leaders and organizations remain fixated by what worked in the twentieth century and find change very difficult. The Eco-Leadership discourse radically disrupts the way leadership is thought about and practised. It offers new ways of conceptualizing and practising leadership, adapting to our increasingly networked society.

From the outset, it is important to note that Eco-Leadership does not only focus on the environmental and social issues. Eco-Leadership at its best is both an ethically driven approach, but also a very pragmatic and progressive approach to leading business and other organizations. Ethical Eco-Leadership is advocated in this book but there are also commercially-driven and other non-ethical forms of Eco-Leadership taking place. This chapter discusses how commercial Eco-leaders are harnessing the technological networks and ecosystems that are driving change and disruption, but for commercial benefits rather than embracing a fully holistic Eco-Leadership position that also demands an ethical response. Without taking account of the interdependent nature of ecosystems which means including wider social and environmental concerns, a partial Eco-Leadership approach can only deliver short-term business results, whilst continuing to cause social and environmental damage.

Many leaders and organizations from all sectors are trying to adapt to, and harness the power of, today's networked society (Castells, 2000). The prefix of 'Eco' refers to internal organizational ecosystems and networks, and also to the external ecosystems and networks that organizations have increasingly to engage with. Recognizing that organizations are not closed systems that function like efficient machines, is the first step for Eco-leaders. This opens a space for non-linear thinking, and shifts the leader's mindset from hierarchical, vertical dynamics, to lateral peer-engagement dynamics to drive organizational success. The second step is to lead from the premise that organizations are 'ecosystems within ecosystems'. Internally organizations<sup>1</sup> are webs

---

<sup>1</sup> When I refer to organizations in this chapter, I do so with the broadest remit, i.e. I include the global and local, big and small, public, private, not-for-profit, religious, social and political: from corporate giants to family businesses and even expanding to social movements that are organizations in the most fluid sense, as they are the outcome of organizing (Parker, 2002). I will specify types of organization where necessary.

of connected and interdependent networks, and externally organizations function within wider ecosystems, as the external environment impacts on their internal dynamics and vice versa. Eco-leaders (whatever their organizational purpose) have to focus externally more than ever to deliver on purpose and success, as disruptive change from technological, social, regulatory, competitors and natural causes is always close at hand. This is the starting point for Eco-Leadership.

## Two Forms of Eco-Leadership

The Eco-Leadership chapter subheading refers to Connectivity, Networks and (Ethics). In this third edition the brackets appear around ethics for the first time, as it became clear through extensive research and through working in the field over the past ten years, that Eco-Leadership and ethics are not necessarily bound together. Ethical Eco-Leadership is driven by an ethical purpose, and is practised by avant-garde and progressive leaders. Ethical Eco-Leadership embraces the idea that organizations have to take responsibility by accounting for the wider ecosystems they function within. This includes technological, social, political and environmental ecosystems. Eco-Leaders recognize our interdependence and connectivity, taking social responsibility not to exploit workers and preventing pollution and environmental damage.

Commercial Eco-Leadership utilizes the external network society in innovative ways to develop their business. However, this is a partial form of Eco-Leadership as the interdependencies and social/environmental impacts are not considered. The boundaries between ethical and commercial Eco-Leadership are often blurred. A full account of ethical Eco-Leadership is given later in the chapter, defining it with four qualities. Below are set out the two distinct forms of Eco-Leadership:

1. **Ethical Eco-Leadership** This book not only describes ethical Eco-Leadership as a rising leadership discourse, the author also advocates it taking an activist position. This is because I believe it to be important from both an ethical and pragmatic stance. Eco-Leadership is a necessary meta-discourse of leadership to address the disruptions, opportunities and challenges of our networked age. Ethical Eco-Leadership strives to successfully deliver on the organization's purpose, and to place ethics at the heart of leading organizations, recognizing the connectivity of all things. Ethical Eco-Leadership therefore focuses on human/social issues and the environmental, whilst also aiming to deliver success for the organization and for wider society, by harnessing the power of the networked age. Ethical Eco-leaders are also more likely to

apply Eco-Leadership ideas internally, to radically transform their organizations, distributing leadership and making them more agile, responsive and self-managing. This is done for both pragmatic and purpose-driven reasons. Organizational leaders with high levels of ethical purpose believe not only in their particular cause, but also more generally in giving their employees maximum autonomy and freedom. Pragmatically they see the benefits of unleashing the trapped talent of their employees that is traditionally suppressed by hierarchical structures and power dynamics that create dependency and oppressive cultures. They achieve this by creating internal networks, distributing leadership widely throughout the organization, by reducing top-down control and maximizing participation in decision-making.

2. **Commercial Eco-Leadership** This is emerging very strongly in big and small businesses, whereby leaders adapt their business models to take advantage of the huge opportunities presented by the increasingly networked society. They are driven by commercial success and do not have ethics as their guiding compass (although it may play a part). The best-known examples of commercial Eco-Leadership are the global giants, Facebook, Google, Apple, Netflix, Microsoft and Amazon. Their leaders saw the future early, pioneering ways to monetize the business-human-technology ecosystems, and in doing so radically disrupting major industries and services with phenomenal success. They are less likely to promote Eco-Leadership internally in a radical way, as they are not driven to distribute leadership and power for ethical purpose. They may portray the image of being cool companies that offer a lot of freedom to employees, but this is driven by pragmatism and commercial goals. This makes commercial Eco-Leadership a more partial form of Eco-Leadership as it doesn't meet the four principles set out later on in the chapter.

Commercial and ethical Eco-Leadership are not binary opposites, and a small pioneering group of commercial-ethical Eco-leaders are combining business savvy and ethics. Facebook and Google, whilst commercially driven, offer 'free' platforms that have transformed how people connect and gain access to the world's information. They stake claims to being ethically driven, e.g. when Google relaunched as Alphabet, it replaced its famous slogan 'Don't do evil' with an official code of conduct, i.e. 'do the right thing'. Zuckerberg changed Facebook's corporate mission of 'making the world more open and connected' to 'give people the power to build community and bring the world closer together', in order to emphasize their ethical credentials in the face of a wave of criticism that their market-driven

approach lacks ethics and presents real dangers to democracy itself. As Lanchester writes:

Facebook is in the surveillance business, Facebook in fact is the biggest surveillance based enterprise in the history of mankind ... It knows far more about you than any intrusive government has ever known about its citizens ... What Facebook does is watch you, and then use what it knows about you and your behaviour to sell ads. I'm not sure if there has ever been a bigger disconnect between what a company says it does – 'connect', 'build community' – and the commercial reality. (Lanchester, 2017: 8)

Some commercial Eco-leaders such as Elon Musk see the potential of harnessing new technologies long before others. Whilst some claim he is driven by ego and commercial success, his work is already revolutionizing the car industry and energy sector, as other manufacturers and regulators take a leap forward to keep up, and this will potentially have a hugely positive environmental impact. Ethical leadership will be described in detail later on, and examples of commercial and ethical Eco-Leadership in practice will follow. The following section contextualizes the Eco-Leadership discourse.

## A New Paradigm: The Context Informing Eco-Leadership

Eco-Leadership is the emergent and growing leadership response to the changing nature of society and organizations, informed by the digital age. It refers to the growing use of environmental and network metaphors found in the leadership literature. Eco-Leadership is the most important leadership discourse for our times, although it is not yet the dominant discourse. As stated, organizations from this perspective are rethought as 'ecosystems within ecosystems', meaning that:

- **Internal Ecosystems:** Organizations internally are webs of connections, networks that operate like ecosystems. The machine metaphor was for the factory; today's metaphor is to imagine our organizations as ecosystems. We can then realize how the parts make up an interdependent whole, how change in one part of an organization impacts throughout, and how organizations cannot be led top-down because an ecosystem requires nurturing, not controlling.
- **External Ecosystems:** The organizational ecosystem is connected and interdependent within larger ecosystems, e.g. financial and economic ecosystems, technological and non-human ecosystems, social-political ecosystems, local and global natural ecosystems.

- **Emotional and Unconscious Ecosystems.** These cultural and 'soft' ecosystems are rarely accounted for, yet are very often the real drivers of change and resistance. Trump's election and Brexit are examples of how emotional and unconscious ecosystems drive change that rational observers completely underestimate. Also, the financial crash in 2008 cannot be explained without accounting for the forces of the libidinal economy, e.g. greed and manic energy (Stein, 2011). Anybody working in organizations can witness how emotions and unconscious dynamics impose themselves unwittingly on the rational ideas of leaders. Emotions, like memes, go viral very quickly, enhanced by the speed of digital communication. Perhaps it's time to develop new theories of emotional ecosystems for the digital world.

Like the natural ecosystems of a rainforest, organizational ecosystems are interdependent with other ecosystems. Organizations are commonly conceptualized as human systems functioning within buildings, e.g. offices and factories and using technology as tools. Eco-Leadership challenges this human-centric notion, which diminishes the agency of the other non-human agents in the ecosystems of organizational life. 'Ecology is not the exclusive domain of the environmentalist' (Hasdell, 2008: 99) and the ecosystems referred to here are not only natural ecosystems, they are hybrids, made up of nature, technology and the human/social (Latour, 2005). When referring to nature, this includes the natural environment and human-built environment (which cannot be easily divided), e.g. our buildings, architecture, gardens, nature parks, etc. The social includes all human activity: institutions, employees, clients, customers, regulatory bodies, competitors, politics, etc. Technology references machines both digital and virtual alongside physical technology. Non-human aspects of the ecosystem have their own agency which is not adequately accounted for in the leadership field. In actor-network theory, both human and non-human actors are called 'actants' rather than actors, to recognize how technology as well as humans act on our systems (Law, 1993). Eco-Leadership is therefore not exclusive to environmental leadership, but applies to all leadership. It implies that leadership is governed by systems intelligence (Senge, 2006) and that leadership is dispersed throughout organizations rather than residing in a single individual or team. This enables organizations to better adapt to changing environmental conditions (Redekop, 2010: 305), an environment that consists of technology, nature and the social.

Economically the deregulation of markets and the digitalization of capital led to the 2008 financial crash, which in turn gave rise to an ongoing social and political crisis (Castells, 2012; McDonald and

Robinson, 2009; Sennett, 2006). Political impacts have been wide-ranging, and leaderless social movements utilizing social media and digital platforms such as Twitter initially had immense social impacts such as the Arab Spring uprisings, and protest movements such as Occupy promised to challenge the business and political hegemony. Yet the promise of networks giving power to the many, through enabling lateral rather than vertical communication and unleashing distributed leadership as never before, was soon challenged. In Egypt the Army reversed populist gains, following mass demonstrations a year after Mohamed Morsi became Egypt's first democratically elected president in 2012, representing the Islamic Freedom and Justice Party.

Populist politicians mainly on the right soon learnt how to harness the power of social media and the network society to by-pass traditional media and disrupt traditional politics. The stunning election of Donald Trump in 2016 captured arguably the most powerful role in the world and turned politics in the USA upside down. Across Europe populist parties and radical movements left and right are harnessing platforms such as Twitter and Facebook that enable them to challenge conventional media reporting.

Sadly, organizational leadership has failed to keep pace with these changes, and whilst the ethical Eco-Leadership discourse is becoming more widely discussed, it now needs to be adopted and developed quickly, if business, social, political and religious leaders are going to meet the challenges they face.

Leaders have emerged to address the challenge of ethical Eco-Leadership, sometimes with authenticity, innovation and persistence. An example was Anita Roddick of the Body Shop; as an early pioneer of the ethical Eco-Leadership discourse she said 'Businesses have the power to do good ... we dedicate our business to the pursuit of social and environmental change'. Her idea was that business could be a part of the 'Green revolution' (Roddick, 2006). Other leaders have made rhetorical and symbolic gestures but are widely critiqued as merchants of 'greenwash', such as Richard Branson who announced his environmental commitment at the Clinton Global Climate Initiative in 2006, pledging \$3 billion of his transport business's profits over the coming decade to combat global warming and promote alternative energy. The profits were to be invested to find renewable, sustainable energy sources 'in an effort to wean the world off oil and coal' (*NBC News*, 2006). Pearce (2009) writes of Branson's airline emissions, 'But with Virgin Atlantic's CO2 emissions now above those of most nations in Africa, we can do with a bit less of the greenwash from its flamboyant boss'. Paul Polman, CEO of Unilever, is perhaps the best-known commercial voice of Eco-Leadership. The headline on Unilever's website reads:



Paul Polman has been CEO of Unilever since January 2009. Under his leadership Unilever has an ambitious vision to fully decouple its growth from overall environmental footprint and increase its positive social impact through the Unilever Sustainable Living Plan.

Polman (2012) writes there is a 'fundamental readjustment going on as a result of the financial crisis, from a rules-based society back to a principles-based society'. He challenges leaders who say they have to put short-termism and shareholders first:

What we firmly believe is that if we focus our company on improving the lives of the world's citizens and come up with genuine sustainable solutions, we are more in synch with consumers and society and ultimately this will result in good shareholder returns.

The ethical Eco-Leadership discourse is also embraced by politicians such as Bill Clinton and his Global Initiative connecting environmental and social challenges, Mikhail Gorbachev and The Green Cross, and Al Gore who won a Nobel Peace Prize in 2007 for his campaign to tackle global warming and is a leading proponent of 'sustainable capitalism'. China's leaders have also realized that protecting the environment is a living necessity for many of their citizens, and vital for their future. Thomas Friedman writes:

Yes, China's leaders have decided to go green — out of necessity because too many of their people can't breathe, can't swim, can't fish, can't farm and can't drink thanks to pollution from its coal- and oil-based manufacturing growth engine. And, therefore, unless China powers its development with cleaner energy systems, and more knowledge-intensive businesses without smokestacks, China will die of its own development. (Friedman, 2009)

China is now leading the world in green technology with a 'remarkable 77 percent growth in production of green technologies a year according to [a] report ... commissioned by the World Wildlife Fund for Nature' (*New York Times*, 2011b), and Luxton reveals how 'China has become a green energy superpower' (Luxton, 2016).

As each year passes, more ethical Eco-Leadership rhetoric is heard from business leaders, for example: Robert Swanell, recent chairman of the retailer Marks and Spencer, says that capitalism has lost its way because companies and investors have focused too much on the short term and the primacy of 'shareholder value'. Carolyn Fairburn, the CBI Director General, said 'Capitalism had taken a number of "wrong turnings", the financial crash, a fixation on shareholder value at the expense of purpose and the toxic issues of payment of tax and executive pay

stand in the way of redemption' (*Financial Times*, 23 October 2017, p.1). Larry Fink, CEO of Blackrock, the world's largest asset management company, hit the headlines in 2018 by saying 'every company must not only deliver financial performance, but also show how it makes a positive contribution to society', and promising more corporate governance to police this. Wigglesworth in the *Financial Times* comments on Fink's statement, saying 'Some even hailed this as a revolutionary manifesto, but such statements are a staple of virtually every gathering in Davos of the global business and political elite' (20 January 2018, p.20).

The problems are clearly being recognized, however, trying to be an ethical leader without understanding or addressing the issues raised by the Eco-Leadership discourse is like trying to drive a train away from its tracks. There is a huge gap between rhetoric and delivery, and also between good intentions and facing the hard issues. Radical change really does mean radical change, not performative change.

Regulating global trade, environmental controls and the financial markets in a digital age is problematic. Whilst countries and businesses continue blindly to chase economic growth across the globe this leads to a host of secondary problems, and we ignore sustainability at our peril. The European project is under pressure, populist and reactionary politicians utilize new social media to by-pass centralized forms of media and communications to grab power, and China is undertaking the biggest social, political and economic experiment the world has ever known, trying to deliver a capitalist economy in a state-controlled system. Whilst raising the living standards of millions, social inequity increases and the social and environmental implications of such rapid change are unknown. As African and Asian economies come out of poverty and become increasingly wealthy, they consume more and use more fossil fuels, and the pressures on the environment and climate increase too. Social inequities between rich and poor continue to increase disproportionately: 'in the USA the portion of national income going to the richest 1% tripled from 8% in the 1970s to 24% in 2007' (Rachman, 2012). Over 50% of the world's population is urban for the first time. Slum housing filled with the urban poor creates peripheral communities without civil rights, legal status or basic infrastructures such as public transport, electricity, water and sewerage: 'the problem is not just that they are poor but that they are excluded, which is a more radical barrier than poverty' (McGuirk, 2012: 78).

The whole idea of work needs to change (Bughin et al., 2016) as AI, robotics and technology increasingly reduce job availability and job security. Precarious work means precarious citizens, and populist politicians are taking advantage of these gaps that are not being addressed by mainstream political and corporate leaders, at their and our peril.

The changes required go much broader and deeper than a charismatic corporate or political leader taking an ethical stance. What is required is a radical shift of power and dynamism from the vertical to the lateral, from Messiah-Controller leaders offering bureaucratic, authoritarian and transformational leadership (however well-meaning and benevolent) to a radical distributed leadership of the network. Two key questions that arise on this journey are, (a) how to move from the twentieth-century mindsets of modernity and hierarchy to networked approaches, (b) how to harness the multitude in a democratic way (Hardt and Negri, 2001), without creating more problems. Increasingly networked societies can unleash anarchy or a dangerous power-grab by corporate elites who own and manipulate our data. Or marginalized radical groups, terrorists or rogue nations who can distort information and data.

### Techno-Utopia or Techno-Dystopia

There are two poles of thinking about the digital revolution taking place. Consulting to hi-tech global companies in west coast USA, there is a positivism about the potential of technological innovation. Techno-utopians have merged libertarian and 'hippy' idealism with technological advances, predicting an amazing future we cannot fully envisage. They claim that technology will end economic scarcity, healthcare will improve dramatically (extending life indefinitely) and the social benefits will lead to a radical democratization of society and eliminate social evil. They believe environmental challenges and climate change will be solved by technology, that Mars and other planets will become habitable. That the mass unemployment predicted by many due to AI and robotics taking jobs will not cause havoc, but will liberate workers from the dreadfully mundane jobs of the twentieth century. They also claim new social structures and leisure activities will emerge to counter unemployment and new ways of sharing wealth will be created (Bechtold et al., 2017; Rushkoff, 2002; Segal, 1986).

Techno-dystopians on the other hand predict disaster: as AI and robotics take jobs creating mass unemployment and even greater inequality, this will lead to increased population economic migration and social unrest. At a more subjective level they see humanity being fractured as the technical and virtual world increasingly invade the once sacred domain of humans, creating cyborg cultures that will unleash unthinkable changes. Techno-dystopians believe that false hope in technology solving environmental and social problems is distracting us from urgently dealing with the social and environmental problems. They fear this will lead to the dreadful consequences of climate change, flooding and human catastrophes on a scale never before witnessed (Brockman, 2015).

Leadership scholars, researchers, developers and practitioners need to urgently wake up to the new leadership required for our new times, to prevent the dystopian scenario, and begin to build new social structures to manage the impacts of the digital and technological revolution. This means working to develop and practise Eco-Leadership.

The internet and digital age have also impacted on the fast rise of globalization, which is blamed by many for job losses and other problems. Yet globalization has many facets; it brings new opportunities and also huge challenges that feed the emergent Eco-Leadership discourse. Box 30 gives a brief overview of globalization, as it is so important yet rarely reflected on in leadership studies.

### **Box 30 Globalization**

Globalization can be interpreted in different ways: some argue for its benefits, others that it creates social divisions and global elites. Either way globalization is with us, and requires leaders in all sectors of society to think and act in new ways. As Kiely (2005) says, 'The impact of global flows means that no "local society" or culture can exist in a self-contained way'.

#### **Global Flows**

Castells (2000) claims that globalization changes power relations, and he argues that a shrinking world has led to social divisions where those who are insufficiently globalized are confined to living in the 'space of places': they live in urban ghettos, favelas and local communities. The poor may live next to wealthy neighbourhoods and share the same cities, yet they might as well be living on different planets. The global elite are immediately connected to each other by ICTs (information and communication technologies) and live in global 'spaces of flows', disconnected from the 'spaces of places' by living in gated communities, and shielded from the place they actually exist in:

[They] experience much of their life – both in work and leisure – in the 'spaces of flows' in which they link up with other, distant places, in order to make money and take expensive holidays. They still live in particular localities but are abstractly – and literally – fenced off from those confined only to the 'space of places'. (Kiely, 2005: 10)

Twentieth-century globalization was linked to westernization, i.e. western countries exporting their economic, cultural and political ideologies and practices. Today globalization might be considered neo-liberal, exporting a

*(Continued)*

(Continued)

pervasive world order of economics and ideology led by the triad of the World Trade Organization, the International Monetary Fund and the World Bank. But perhaps a twist is now occurring, led by China and India, producing a counter-easternization global flow, with unknown outcomes. A further global flow emanates from anti-capitalist movements that arise in the margins, resisting the dominance of the market and increasingly having an impact. Localism also influences the global, as Gwynne et al. (2003: 37) write, 'The "local makes the global", e.g. when Japanese production methods spread across the globe'.

### **Globalization Creating or Alleviating Poverty?**

A (2002) World Bank report defended globalization as a progressive force:

A widespread view of globalization is that it makes 'rich people richer and poor people poorer'. This simply does not seem to be true: poverty is falling rapidly in those poor countries that are integrating into the global economy. (2002: 152)

Their argument is that we need more not less globalization. Critics of globalization focus on the 'facelessness and undemocratic nature of global capitalism' (Gwynne et al., 2003: 226), arguing that globalization causes a split between the 'haves and have nots', where countries and regions get caught at the periphery of globalization through no fault of their own, and development and wealth by-pass and further impoverish them, as they become less and less able to compete or even contribute to the global economy.

### **What Does Globalization Mean?**

It can mean global capitalism, and unelected supra-national institutions such as the WTO and IMF having immense power, dictating to nation-states that they must become neo-liberal economies. Post the financial crisis global finance institutions inflicted austerity on populations across Europe, with citizens paying for the mistakes of banks and global finance failings. As Boland points out, in Italy in 2011 'elected representatives were swept aside as the then president picked Mario Monti a former EU commissioner to run a technocratic administration' (*Irish Times* online, 31 March 2018). Transnational corporations have bigger budgets than nation-states, so corporations and neo-liberal institutions share agendas and promote one-size-fits-all solutions, e.g. the privatization of public services, market deregulation, welfare cuts, increases in the cost of living, rationalization

and debt reduction. In the hyper-globalization thesis (Ohmae, 1995) the existence of the nation-state is undermined, resulting in:

1. The triumph of individual autonomy and market principles over state power.
2. The triumph of oppressive global capitalism, creating structural patterns of inequalities between and within countries.

Perhaps the financial crisis of 2008 initially dampened the triumphalism of global capital, yet its onwards march continues unabated, creating a fightback whereby the nation-state is being reclaimed. Steve Bannon, when President Trump's chief strategist in the White House, called the America First doctrine 'economic nationalism'. Brexiteers in the UK call for 'taking back control' and across Europe populist nationalists are on the rise mostly from the right, with some from the left, and in Turkey and Asia we see authoritarian leadership also on the increase. Castells (2012) sees another reaction to globalization and the aftermath of the financial crisis as a shift from self-interest to the growing idea of 'common-interest' using social media to bond around 'shared interests'. This change however has thus far remained on the margins.

Globalization is a plural concept; it has all of the effects mentioned here. Attempts to restrain global finance and trade are problematic yet more regulation seems necessary. The global impact of digitalization is playing out, e.g. Russia being blamed for interfering in the 2016 US elections with many other questions being raised. There is global cooperation to work on climate issues, but how it shapes the present and future is dependent on activists and leaders working towards a globalization that supports sustainable communities and environments, and develops social equity. This means taking an Eco-Leadership orientation at the highest political levels, and being worked by activists in social movements at the same time.

## The Emergence of the Eco-Leadership Discourse

The Eco-Leadership discourse emerges from the work of diverse scholars, politicians and practitioners (Capra, 1996; Castells, 2000; Lovelock, 1982; Polman, 2012; Senge, 2006; Wheatley, 2006). Redekop, writing for the *Berkshire Encyclopedia of Sustainability*, refers to the growing 'Eco-Leadership' paradigm (citing my earlier work):

Thus in contrast to the industrial paradigm of leadership, a new 'eco-leadership paradigm' is beginning to emerge among students and practitioners of leadership. The writer Simon Western goes so far as to suggest that 'the next [leadership] discourse will be that of the eco-leader [2008: 184]'. (Redekop, 2010: 305)

In management education, leadership and sustainability courses are becoming commonplace, and the literature on systems thinking, network approaches, complexity and sustainability in relation to leadership and organizations is growing prolifically. The 'One Planet MBA', a collaboration between Exeter University and the World Wildlife Fund, is a leading exponent of the Eco-Leadership discourse, and a project they hope to extend to many other universities and countries.

### *Three Influencing Factors Leading to Eco-Leadership*

Three converging intellectual and social changes have created the new zeitgeist that underpins Eco-Leadership. We look at these next.

#### *Quantum Physics and New Science*

New science challenged our dualistic and binary view of the world. Fritjof Capra writes, 'The new concepts in physics have brought about profound change in our worldview; from the mechanistic worldview of Descartes and Newton to [a more] holistic and ecological view' (1996: 5). Wheatley made a major contribution to the Eco-Leadership discourse in her book *Leadership and the New Science*, where she claimed we have 'Newtonian organizations in a quantum age' (2006: 27).

#### *Technological Advances and Globalization*

Perhaps the biggest driver of change is technology; the internet and digital revolution have had a huge impact on all aspects of life, including increasing the pace of globalization. Globalization shrinks the world, connects many, and also creates new divisions. Communication technologies transform our personal, social and economic worlds, and the network society creates new cultures, new democratic potentials, new business and economic realities, and new challenges. Other technologies, artificial intelligence, robotics, 3D printing, human genome, biogenetics, nanotechnology and environmental/green technologies, all contribute to a new zeitgeist.

#### *Environmental Activism and New Social Movements*

Environmental activism raised awareness of finite natural resources, the imminent dangers of climate change, and the increasing loss of biodiversity. It also highlighted, before the internet revolution, our connectivity and interdependence. Awoken by a minority of eco-activists at the WTO meeting in Seattle 1990, the world suddenly realized the

looming environmental catastrophes that it was facing, and the need to work together to face these challenges. The environmental movement (and other activist new social movements) also pioneered new forms of organizing. Utilizing social networking and social media, they developed what they called new 'leaderless' non-organizations such as Anonymous (Castells, 2012) and Occupy, mixing face-time meetings in public squares and virtual organizing. This radical distributing of leadership and new forms of organizing has contributed to the Eco-Leadership discourse, by questioning the norms, challenging convention, and developing real alternatives. The new millennium and the financial crisis have refocused us sharply. Manuel Castells tells us:

In this crisis, some people are trying to go back and other people are trying to discover what the future could be. What doesn't work any more is the present, for anyone. That's why it's Aftermath Time. (Aftermath Project, 2012)

In their book *Aftermath*, Castells et al. claim that the post-crisis challenges are economic and cultural. The political-economic system has lost its cultural power which relied on people's trust that the economic and financial system was safe and reliable. Castells claims that 'disenfranchised masses no longer believe in their leaders; a civil society in disarray, as old social organizations become empty shells' (Castells et al., 2012: 308). Two responses are occurring. Firstly the return of nationalism led by populist leaders gaining influence from the discontented and disenfranchised. Secondly, new social actors of change are beginning to emerge, creating new cultures that refute *Homo economicus*, and are attempting to 'translate the meaning of life into economic meaning' rather than be dominated by market forces (2012: 308). New forms of non-hierarchical leadership are emerging. Autonomist Leadership (Western, 2014) describes pioneering forms of leadership in so-called leaderless movements that offer new forms of Eco-Leadership. Social movements have always been a vanguard of change that becomes adopted as mainstream later, and Autonomist Leadership will hopefully migrate from social movements to organizations and wider society.

The following section will describe in detail ethical Eco-Leadership and will be followed by examples of Eco-Leadership in practice from ethical and commercial perspectives.

## The Four Qualities of Ethical Eco-Leadership

There is much diversity within the Eco-Leadership discourse, but the four qualities below set out a framework to define ethical Eco-Leadership practices (see Box 31).



## Box 31 The Four Qualities of Eco-Leadership



Figure 12.3 The four qualities of Eco-Leadership

### 1. Connectivity and Interdependence

Eco-Leadership is founded on connectivity, recognizing how the network society has transformed social relations, and it also recognizes our interdependence with each other and the environment. Eco-Leadership focuses on internal organizational ecosystems (technical, social and natural) and the external ecosystems in which organizations exist. Eco-leaders pay attention to distributing leadership internally and making their organizations more autonomous, creative, participatory and self-managing. Externally Eco-leaders look to take advantage of opportunities and adapt to disruptions, through their connectivity and interdependence with wider ecosystems, that go way beyond the usual stakeholder maps.

### 2. Systemic Ethics

Eco-Leadership is concerned with acting ethically in the human realm *and* protecting the natural environment. Systemic ethics goes beyond company values and individual leader morality, which conveniently turns a blind eye to the wider ethical implications of their businesses, e.g. by ignoring social inequality, the downstream impacts of pollution and supply chain workers, world poverty and environmental sustainability.

### 3. Leadership Spirit

Eco-Leadership acknowledges the importance of the human spirit. It extends its values beyond material gain, paying attention to community and

friendship, mythos and spirituality, the unconscious and non-rational, creativity and imagination. It draws upon the beauty and dynamic vitality within human relationships, and between humanity and the natural world. The human spirit is evoked in myriad diverse ways, and is not locked into a particular spiritual, religious or humanist belief.

#### **4. Organizational Belonging**

To belong is to be a part of the whole, it is to participate in the joys and challenges faced by communities. Businesses and corporations, like schools, banks and hospitals, belong to the social fabric of community, and cannot operate as separate bodies. Eco-leaders commit organizations to belong to 'places and spaces', developing strong kinship ties. 'Place' refers to local habitat and community, and 'space' to the virtual and real networks that organizations also inhabit. Organizational belonging means ending a false separation, realizing that company interests and societal interests are interdependent. Organizational belonging is to rethink organizational purpose and meaning.

These four qualities will now be explored.

#### **Connectivity and Interdependence**

Bill Clinton, interviewed about his Global Initiative Conference 2012, spoke of interdependence:

Our world is more interdependent than ever. Borders have become more like nets than walls, and while this means wealth, ideas, information and talent can move freely around the globe, so can the negative forces shaping our shared fates. The financial crisis that started in the US and swept the globe was further proof that – for better and for worse – we can't escape one another. (Clinton, 2012: 26)

Ecosystems and ecology, systems thinking, fractals and complexity, self-organizing systems, ethics and sustainability, networks and connectivity are becoming commonplace ideas used in relation to leadership and organizations. What they have in common is a growing realization of the connectivity and interdependence referred to by Bill Clinton.

#### *Hybrid Ecosystems*

Eco-Leadership addresses complex challenges using the ecosystem as a metaphor but with an expansive meaning of the term 'ecosystem'

(Lovelock, 1982). The social world, natural world and the non-human world of machines and technology are increasingly enmeshed in inseparable networks, forming twenty-first century ecosystems that have interdependencies just like rainforests and coral reefs. Hybrid ecosystems, made up of humans, technology and nature, form both organizational ecosystems and social ecosystems. Our individual and social interconnectivity to technology and machines is inseparable, leading Haraway to call us 'cyborgs':

By the late twentieth century, our time, a mythic time, we are all chimeras, theorized and fabricated hybrids of machine and organism; in short, we are cyborgs. (Haraway, 1991: 151)

Humans and non-humans participate together to make things work. As John Law explains:

... the social world is this remarkable emergent phenomenon: in its processes it shapes its own flow ... so ordering has to do with both humans and non-humans. They go together. So it doesn't make much sense to treat them separately as if they were different in kind. (Law, 1992: 15)

Eco-Leadership is to continually work within these multiplicities; leadership is understood within a network of other actors and agents (both human and non-human).

The hubris of modernity has made us anthropomorphic; we situate humans at the centre of everything, an outcome of our narcissistic society (Lasch, 1979). Science and rationality became the human tools to overcome nature. Pre-moderns understood the interdependencies with nature better than us moderns, and they created myths, narratives and gods to explain these. It is now the turn of post-moderns to reclaim this holistic understanding, to find new and relevant narratives that are fit for our times. The technology revolution, social media, the internet and the new platform economies are releasing new forms of globalization, social, political and economic changes that form what Castells (2000) calls the Network Society.

### *Power and Connectedness*

Whilst Eco-Leadership emerges from social activism it has shifted from being an outsider and perhaps having an idealistic approach to leadership to becoming a mainstream influence. It challenges the very coordinates of current organizational theory and practice, including a critique of power relations. Power and authority do not disappear in

some utopian dream when environmental awareness and social responsibility are addressed; they become more transparent. A valid critique of systems theory and environmental thinking in organizations is the lack of critical theory in relation to power. Coopey (1995) claims that Peter Senge's work idealizes community and overplays the importance of dialogue without adequately addressing power. Guha (1989: 81) critiques American deep ecology for its lack of power and social critiques, claiming that Third World perspectives have 'a greater emphasis on equity and social justice ... on the grounds that in the absence of social regeneration, environmental regeneration has very little chance of succeeding'. When systemic approaches are applied to organizations, power as well as communication patterns have to be addressed. Who has access to knowledge and resources? Which groups control resources and communication? Which discourses are privileged and which are marginalized? Post-structural theories help reveal hidden power dynamics, showing that power is more distributed and fluid than we think, and we mistake power at the centre as strength, and power at the margins as weakness, when neither is the case.

Some commercial and ethical Eco-leaders pay more attention to the external possibilities of connectivity, such as building platform economies to deliver healthcare or commerce differently. However, the most progressive also turn their organizations into participatory nodes and clusters of networked activity. They see how applying Eco-Leadership internally unleashes and unlocks talent, motivation and creativity that lead to both improved employee engagement and unexpected gains that could not be foreseen by a top-down approach. At the heart of this internal change is the basic idea that leadership is everywhere and not just at the top, and that Eco-Leadership is about making connections (people, technology and nature) in the ecosystem to nurture and promote a flourishing internal ecosystem.

## Systemic Ethics

Systemic ethics means to expand the boundaries of rights and responsibilities beyond the immediate and obvious (McIntyre-Mills, 2008). Companies and leaders often hide behind a shallow veneer of value statements, which have little impact on systemic ethical practices.

If the purpose of ethics is to inform moral conduct, then two questions arise. The first is well rehearsed: how can ethics inform the moral conduct of individual leaders? When business ethics are taught the focus is often at this 'close level'. By 'close' I am referring to ethics of proximity, of our actions which affect others near to us, those we are in contact with or those we are responsible for. For individual leaders,

Aristotle suggests that ethics and moral actions can be cultivated: 'Virtues, by contrast we acquire, just as we acquire crafts ... we then become just by doing just actions, temperate by doing temperate actions, brave by doing brave actions' (Aristotle, *Nicomachean Ethics*, Book 2, Chapter 1, cited in Morgan, 2011).

The second question is less well rehearsed in leadership circles, but is becoming more prominent. This takes ethics beyond 'close' relationships and accounts for the 'distant' relationships, those we are engaged with indirectly, e.g. outsourced workers in Asia, or our damaging impact on the environment that affects all humanity. Both close and distant ethics are required and this demands systemic ethical perspectives, taking ethics to mean that we all share a responsibility for the planet, and for the indirect consequences of our individual and collective actions.

Eco-Leadership demands an ethical approach, which stands firmly against the ethic of Milton Friedman that dominated the last century. As we saw in Chapter 11, Friedman (1962, 1970) claimed that businesses serve society only if they focus on increasing profit. This ethic has led us to climate crisis, war, divisions between rich and poor, and individual alienation. A new ethic is needed in business and public sector organizations, one that subverts the logic of the market. Much of the leadership literature seeking an ethical stance unfortunately oversimplifies the challenge, and by doing so contributes to the problem. Servant Leadership (Greenleaf, 1977), Transformational Leadership (Bass and Riggio, 2006) and Post-heroic Leadership (Binney et al., 2004) all promote individualistic approaches to leadership: they define the leader as an individual, and argue for a moral individual leadership. Bass, for example, argues:

Leaders are authentically transformational when they increase awareness of what is right, good, important and beautiful, when they help to elevate followers' needs for achievement and self-actualization, when they foster in followers higher moral maturity and when they move followers to go beyond their self interests for the good of their group, organization or society. (1990b: 171)

While this is important, it unfortunately does nothing to question the deeper structural ethical questions, and I would argue that this type of statement becomes part of the structural problem, because it creates a power imbalance: it situates goodness in a hierarchical, heroic leader, creating dependency and a disciple followership that inevitably give rise to a silent and conformist organization.

Slavoj Žižek (2008) differentiates systemic and subjective violence. He claims that subjective violence (interpersonal violence) can indicate

and also be caused by the much greater evil, i.e. systemic violence. News reports are 'fascinated by the lure' of subjective violence, the murder of a young person or the abduction of a child. Systemic violence, on the other hand, is invisible: it is the unseen and disowned violence that inhabits bureaucracies, institutions and governing structures. It is the violence of poverty that kills infants in thousands, the violence of oppression where immigrant workers get low pay and poor healthcare and suffer accordingly. It is the violence that surrounds us but becomes 'normal' and ignored. Much systemic violence is caused by corporations, and therefore a systemic ethical response is urgently needed. There is a problem when leaders espouse personal values but ignore the big picture: 'The hypocrisy of those who while combating subjective violence, commit systemic violence that generates the very phenomena they abhor' (Žižek, 2008: 174).

Systemic ethics means to take into account the impact of your organization on others and on the environment, to account for the externalities, i.e. the toxic waste, the use of carbon fuel, and the social justice to workers downstream in the supply chain working in terrible conditions in Bangladeshi factories for example. Eco-Leadership situates ethics as part of an overall systemic approach, asking questions about the primary purpose of an organization, what it values, how it serves society and its impact on the natural world, before jumping to immediate assumptions about profit, output and growth.

### *Rethinking Value, Growth and Purpose*

The Eco-Leadership approach is to take the ethical questions to the fundamentals of business, which means to rethink value, growth and purpose.

### *Rethinking Value*

The old way of measuring value is becoming irrelevant. (Al Gore, *Guardian*, 6 November 2006, p. 24)

Many companies look at their values, but not at the meaning of value itself. Success is measured in terms of financial value, without accounting for 'externalities': the costs of plundering our natural environment, the true costs of carbon energy and disposing of waste, the human costs of climate change, the human and social costs of unemployment that occur to drive 'efficiencies' and re-engineer companies to make them more competitive. Valuing externalities is good economics, as it accounts

for 'real costs'. Society has to pick up the costs of environmental damage, climate change, of social problems caused by unemployment or mental health problems through stress at work. The challenge is (a) to find ways to agree and measure externalities and diverse values, and (b) get agreement on revaluing work, when so many organizations exploit a system that is currently biased towards their profiteering. Fortunately a growing body of serious work is emerging in green economics (e.g. Schumacher College and the New Economics Foundation in the UK). I will give the last word on value to the agrarian writer Wendell Berry (1972: 164):

There is only one value; the life and health of the world.

Financial value has also become distorted within the media, economics and politics. Financial value is created through complex networks with multiple contributors, yet business, media and political narratives claim much simpler and distorted value creation, by heroic individual companies who are excessively talented. Mazzucato (2018) points out that all of the major technological innovations that have made companies like Apple billions of dollars, were originally funded by the public sector, i.e. a huge part of the value was created from public wealth.

Apple has declared that its contribution to society should not be through tax but through its recognition of its great gizmos. But where did the smart tech behind those gizmos come from? Public Funds. The Internet, GPS, touch screen, SIRI and the Algorithm behind Google all were funded by public institutions. (Mazzucato, 2018: xviii)

In the USA the economy has roughly tripled in size since 1975, from \$5.49 to \$17.29 trillion and productivity has increased by about 60% (ibid.) yet average wages have stagnated or fallen. 'In other words for almost four decades a tiny elite has captured nearly all of the gains from an expanding economy' (ibid). Mazzucato then asks 'Is this because they were particularly productive?' before going on to address value creation:

The way the word 'value' is used in modern economics has made it easier for value-extracting activities to masquerade as value-creating activities. And in the process, rents (unearned income) gets confused with profits (earned income); inequality rises and investments in the real economy falls. (Mazzucato, 2018: xviii)

Addressing financial value extraction and creation in more progressive ways, and costing externalities are vital as we move forward. Yet there is more.

We need to rethink value as being something that transcends finance. Not everything can be monetized or financially driven. How can we value healthy communities and environments, creative workspaces, personal and social wellbeing? Organizations are not simply money-making machines, they are also social enterprises (whether we/they acknowledge it or not), and what is valued as success must go beyond money.

Growth is a founding principle of current economic ordering. The only solution to economic and social stability politicians and economists know is growth. The neo-liberal agenda led by the IMF, WTO, the World Bank, corporations, and national governments depends on growth. Growth ensures winners and losers, simply because we cannot all win the economic game of outperforming the other, and growth demands ever-increasing production, but this no longer equates to employment. Castells notes that productivity growth is now disassociated from rises in income and jobs: between 1988 and 2008 productivity grew by 30% in the USA whilst real wages rose by 2% over that period (Castells, 2012: 157). Growth also demands consumption, and this was fuelled in the past decade by credit on a mass scale, rather than earnings and savings. The notion that a rising tide raises all boats is no longer an accurate portrayal of the economy. The giant industrial corporations of the past employed large numbers of workers, raising living standards for much of the twentieth century, whereas the giant corporations such as Microsoft, Google and Apple employ tiny numbers in comparison, yet their profits are vast so the winners become far richer and far fewer, leaving a social and ethical challenge that requires urgent attention.

The alternatives to every country and company chasing economic growth are argued by the New Economics Foundation in its 2010 report *Growth Isn't Possible*. The report cites the work of Wilkinson and Pickett, who show that economic growth is no longer doing us good in terms of quality of life. They argue that it is not higher GDP that improves health and social outcomes but more equality in income. It is income inequality that causes a greater range of health and social outcomes (such as trust, the status of women, mental health, drug use, educational attainment, murder rates, life expectancy and obesity) (Wilkinson and Pickett, 2008, cited by Robins, 2010).

Growth is a key issue, and ideally a holistic approach is required that supports growth in developing countries to alleviate social exclusion and poverty, and requires the rich nations to adopt zero growth policies, rethinking consumption, production and the use of resources. Different ways to recognize and measure value and success will be key to challenge the hegemony of growth as the only real measurement of value today.



### *Rethinking Purpose*

Rethinking value and growth leads to the inevitability of rethinking organizational purpose. Discovering organizational purpose is an ongoing process, and entails taking a systemic ethical approach. When a company has a strong purpose, it is surprising how unexpected organizational gains are made in diverse areas, such as raising morale, discovering unexpected opportunities, and developing new business models and partnerships, community and client goodwill and the retention and recruitment of talented staff. Organizational purpose will always include the company being successful in order that it survives (this means being financially viable) but it can also include much more.

### Leadership Spirit

Leadership spirit means to draw from the spring from which the human spirit and ethics flow. The term 'leadership spirit' in this context references the human spirit which (I hope) is universal, yet reflects the diversity of sources that inspire it, whether humanism, different religions and spiritual beliefs, or deep ecology for example. When tracing the emergence of the Eco-Leadership discourse, workplace spirituality cannot be ignored as it has become a widening literature. Spirituality at work and leadership spirituality reflect a social desire to move away from rationalism and materialism, a reaction to traditional religious institutions, and to address the alienation of modernity. In terms of leadership, employees are increasingly expecting their leaders to embrace a more holistic approach, to embrace subjectivity and spirituality, and to show a leadership approach that values the human spirit and wellbeing as well as profit.

The mention of spirituality engages some and immediately disengages others. I am fully aware that the connections between spirituality, leadership and work are problematic, and that spirituality can be misused and distorted in this field, particularly when instrumentalized, i.e. used as a tool to increase performance and 'the bottom line'. Leadership spirit is vital yet intangible; it inspires and awakens the human capacity to strive for beauty and the 'good society', and to see beyond the clutter of activity, to reach out to others in friendship, to be good neighbours, to love, build community, and to be courageous and resilient when called to 'speak truth to power'. Leadership spirit isn't just the spark of an individual acting on others, it is a spirit that flows amongst us. Anti-slavery activists, environmental activists, the Arab Spring uprisings, are all inspired by and enact leadership spirit. The post-Marxist writer

Žižek (2012) offers a materialist's view of the Holy Spirit, when addressing the Occupy supporters outside Wall Street:

What's the Holy Spirit? It's an egalitarian community of believers who are linked by love for each other. And who only have their own freedom and responsibility to do it. In this sense the Holy Spirit is here now. And down there on Wall Street there are pagans who are worshipping blasphemous idols.

Of course leadership spirit can be misused and is dangerous when egotistical leaders believe forces beyond themselves are inspiring them. This can result in further grandiosity, creating defence mechanisms and blind spots that can lead them and their companies into big problems.

Whilst intangible and subjective and therefore open to critique from rationalists and Marxists, leadership spirit, like wisdom, is something worth exploring. Drawing on my personal experience of coaching leaders, it is those who act with an inner and collective sense of leadership 'spirit' that are most engaging, purposeful and liked, from whichever source they are inspired.

Leadership spirit, like leadership itself, is collective as well as personal. Leadership teams and distributed leaders have to find their communal spirit to work well together, to embrace what is important. Much of my work as a consultant is to get groups and individuals to pause, to hesitate, to create a space not just for cognitive thinking or reflecting on a challenge, but also to re-engage as humans on a journey, to reconnect with each other, to share stories, and rediscover mythos and their leadership spirit.

## Organizational Belonging

Gary Snyder, poet and environmentalist, writes:

When an ecosystem is fully functioning, all the members are present at the assembly. To speak of wilderness is to speak of wholeness. Human beings came out of that wholeness and to consider the possibility of reactivating membership in the Assembly of All Beings is in no way regressive. (1990: 121)

Snyder, like many other environmentalists and deep ecologists, believes that humans have become dissociated from nature and from place. When we lose our connection to place, to the natural environment, we lose our way, and finally we lose ourselves. We have not only become dislocated from the natural ecosystem, but also from others and from

community through modernity's process of individuation and alienation (Putnam, 2000). This dislocation is not just with regard to individual phenomena, it is also organizational. Companies were located much closer to communities, drawing on local labour, often providing 'jobs for life', and because they were embedded in communities, successful business men and women often took public office. Strong connections existed and 'good' companies worked to improve their local communities, because they were part of the community. This is not to romanticize this relationship, as worker exploitation and local pollution also occurred in many workplaces. In a post-agrarian society, modernity was premised on separation. The private sphere was separated from the public domain, the church separated from the state, the body from the mind. The economy became separated from society, home became separated from work, and the concept of employment was born (Caraça, 2012: 45-7).

Globalization, multinational corporations, chain stores and global finance created new levels of separation, and new accountabilities and loyalties to distant shareholders, thereby cutting further any sustainable engagement with communities. The link between organization and place has been broken. Organizational belonging is now only for a minority of locally-based organizations. Corporate business and financial organizations consider themselves a different category, separated from communities existing in a business 'bubble world'. There is a grandiosity in this bubble, summed up by the financial traders who call themselves 'Masters of the Universe'. This separation of business from the social not only frees them from responsibilities (e.g. tax avoidance, polluting, exploiting people who work in far-off lands), it also denies them the benefits of 'mutuality and meaning' that 'belonging' offers. However, the split between the business world and the 'other world' of society is, of course, a myth.

Many of the corporations I work in exist in these disconnected business bubbles, detached from society. Canary Wharf, London's financial hub, is an eerie and sublime place, where beauty, power and conformity meet. A towering collection of glass towers, built on an 'island' in the East End docklands, and surrounded by some of London's poorest communities, it's a wonderful sight and a huge success story (pre the 2008 crash) yet it carries a dystopian sensibility. As you pass through the security barriers you enter a separate world, detached from the society around it, with its own rules and behaviours and dress codes. It is a hybrid space, a public space anyone can visit, yet with private security firms who watch over you and ban basic rights such as photography. Transparent glass buildings mock the transparency they are supposed to evoke. Banking employees shop in underground malls, travel on underground railways, exercise

in gyms in their workplaces, eat in staff canteens, and are catered for in every possible way, for their comfort and at the same time ensuring they don't have to mix with the other world, the poor people on the outside of the island. This organizational detachment led to unchecked delusions. Individually and collectively traders and bankers crossed the line that led to the chaos and madness but there were no social checks to stop them. The delusion that organizations such as financial institutions and corporations operate in a business bubble, and are separate from society, was painfully exposed by the financial crisis that has led to a social and political crisis, with many suffering. There is no escape from organizational belonging.

### *Corporate Social Responsibility*

Corporate social responsibility (CSR) and environmental concerns are now on the corporate agenda (Maak and Pless, 2006; Parker, 1998), and mark a move towards organizational belonging that is welcomed, but with a healthy scepticism. Mervyn Davies, chief executive of Standard Chartered bank and a director of Tesco, discusses the breadth of CSR:

There isn't a management meeting in Standard Chartered where we don't talk about corporate responsibility and sustainability ... you won't survive in business if you are not environmentally responsible ... Every company in the FTSE 100 now produces a corporate responsibility report ... 80 of them have identified climate change as a business risk ... (cited in Armstrong, 2006)

CSR is distrusted by many activists. The environmentalist Jonathan Porritt is concerned that it's 'business as usual with CSR retrospectively welded on' (Armstrong, 2006). CSR and sustainability concepts in corporations are too often 'greenwash', a façade to keep the brand strong. Even when authentically applied, CSR often lacks the critical approach necessary to address the systemic ethical issues that require change. CSR still puts business outside of society; it emphasizes the costs of compliance and regulation, highlighting social imposed regulations, where companies are negotiating with society, rather than belonging to society. CSV (Creating Shared Value) gets closer to the notion of organizational belonging, as it looks to build social value into corporate strategy, realizing that corporate success and social success are interdependent.

CSR and CSV are steps on the way towards organizational belonging, with many scholars and practitioners aware of the pitfalls of 'greenwash' that uses CSR to hide rather than create real change (Bansal and Roth, 2000; Fry et al., 1982).

### *Three Principles of Organizational Belonging*

- **Mutuality** is the foundation of organizational belonging. Mutuality infers this is a covenantal relationship rather than a transactional one, whereby there is a mutual promise of caring for the other, and for the planet.
- **Solidarity** implies that we stand alongside each other and in lateral fraternal relations, and not with one party above or below.
- **Engagement** means 'not to walk on the other side' but to engage, recognizing the obligation to our local and global neighbour. Our contemporary neighbour can be our networked global neighbour, the machine operator in China, the unemployed youth down the road, or the environment we share with others.

Organizational belonging means that organizations locate and commit themselves to place and space. *Place* means engaging and working with local communities, being transparent about the challenges of getting rid of waste, of pollution, and helping build community. *Space* refers to networked belonging, to engaging in the extended networks the organization shares with international others, to best social and business practice, and developing sustainable business models. Finally we hope the message is getting through:

Apple's CEO Tim Cook in 2018, spoke of the need of business to belong, to be part of the wider ecosystem, and realize its responsibilities: 'The reality is that government, for a long period of time, has for whatever set of reasons become less functional and isn't working at the speed it once was. And so it does fall, I think, not just on business but on all other areas of society to step up' (Sorkin, 2018).

Organizational belonging is to rejoin the assembly, and collectively we must find adaptive structures and processes to reconnect our organizations and businesses. This is a philosophical task, an ethical task and a practical task. Taking Eco-Leadership from a theoretical context and putting it into practice is to develop the concept of organizational belonging.

The next section will describe some examples of Eco-Leadership.

## Eco-Leadership in Practice

This section will look at Eco-Leadership in practice from both a commercial and an ethical perspective.

### Commercial Eco-Leadership in Practice

Pioneering commercial Eco-leaders see the business opportunities that arise from harnessing the capabilities from new technologies. The industrial

revolution utilized the technology of the day to innovate, changing from pre-industrial craftwork producing unique products, to the industrialized mass production that led to increased productivity, and eventually to rising incomes and living standards, and to mass consumption and growth. The post-industrial and technological revolution now taking place is unleashing new commercial innovations that are transforming how business works and how services are delivered. From a business perspective, leaders who have a commercial Eco-Leadership orientation are clearly winning the game. They develop new business models such as the platform economy, on-demand economy and gig economy, unleashing huge new potential and gaining commercial success. They understand the Eco-Leadership quality of connectivity and exploit this knowledge by creating new companies that are trailblazing the future, with both positive and negative repercussions. Satya Nadella, CEO of Microsoft, writes about the power of the ecosystem and the shift from a protectionist mindset to a generative one, believing that only through interdependent collaboration with their ecosystem of partners can Microsoft soar to greater success:

Microsoft already has the largest ecosystem of partners in the world ... Employees and products command attention everyday, as they are closest to us, customers provide the resources we need to do anything, so they also command energy. But partners provide the lift we need to soar. (Nadella, 2017: 134–8)

In relation to leadership Nadella sets out his own commercial Eco-Leadership orientation, making the links between the internal and external ecosystems:

A leader must see the external opportunities and the internal capability and culture – and all of the connections amongst them – and respond to them before they become obvious parts of conventional wisdom. It's an art form not a science. (Nadella, 2017: 62)

### *The Platform Economies: From one-sided Demand to Shared Value*

The leading business model in the twentieth century was for companies to respond to customer demand (and later to create demand). Successful companies met the one-sided demand of customers with the cheapest, best quality, most desirable and accessible services and products. For example, customers wanted cheap, accessible, quick and consistently reliable food they enjoyed, and MacDonald's excelled at fulfilling this demand, becoming a global brand.

New technologies today enable platforms that can change this business model from one-sided demand to fulfilling multi-sided demand, thereby creating shared value. These platforms allowing multiple demands to be

met blur the boundaries between consumer and producer (creating pro-sumers). Importantly they enable products or services to be personalized, with the client/customer partaking in the production of their individualized service/product. Social media are a good example, where a platform is provided (Facebook, Instagram) and each individual produces their personalized pages and information. Multiple demands are being met as the platform enables advertisers to get personalized data so they can target individuals specifically. Facebook makes vast profits from this advertising revenue, and Facebook users get free personalized pages and connect to their friends ... all good so far until problems emerge over how personalized data is protected and used. New technologies such as these platforms have unintended consequences, such as the 'echo-chambers' occurring which transform how people receive news and make sense of the world around them. Companies like Amazon, Netflix, Deliveroo, Facebook, Google, Microsoft and Uber, and Chinese companies like Alibaba, TenCent and Baidu,<sup>2</sup> are all companies that work in the commercial Eco-Leadership space, seeing the potential to disrupt traditional business models and win vast market share through platform economics. Commercial Eco-leaders create platform strategies and platform architectures that deliver shared value as described by Bughin et al. from McKinsey Consultants:

**Employment engines**—from companies to ecosystems. Digitization has given rise to business strategies that lead companies to establish themselves as platforms, with an array of contacts across markets, that manage interactions among multiple organizations. These new business ecosystems amplify hiring beyond the boundaries of the platform owners ...

Those dynamics have in turn created new jobs in content creation, digital production, and more ... These ecosystems aren't direct employers. But the livelihoods of digital-age workers depend upon them to a degree that seems to depart from the 20th-century norm of individual companies (and sometimes their supplier networks) as the dominant engines of employment. (Bughin et al., 2016)

Amazon doesn't just sell and deliver products, it creates a platform whereby millions of others create products that are sold on that platform. If you bought this book on Amazon for example, we are entangled in the Amazon ecosystem – me as a producer, you as a consumer, Amazon as a platform that connects us and takes its profit

---

<sup>2</sup> A western-centric view often misses the rise of tech China, that already has 9 of the world's top 20 tech companies today and is fast growing (French, 2018).

margin, my publisher who takes their slice of the action, other book-sellers advertising their products next to my book who now have your data and will pursue you with adverts for other leadership books. Boxer (2012) describes how a platform strategy is more about the way it extracts value from the ecosystem of relationships, than the characteristics of the platform itself:

Amazon and Apple are pursuing *direct value* from their products and services that are in turn dependent on building indirect benefits for the customers and businesses within their respective ecosystems ... What about shared value? This is still being created because of the focus on the performance of the ecosystem rather than just on that of the supplier.

### *The Gig Economy*

The gig economy emerges from the innovation of platform economics. In the gig economy, workers are self-employed and 'self-manage' their workload, overseen by new algorithmic forms of management, operating within platform economies. This is where Commercial Eco-Leadership can drift into dangerous Controllor Leadership territory, where those working in the gig economy feel like they are working under an unremitting techno-surveillance management system. Some claim the gig economy as liberating, as the worker can adapt to the hours they choose, work in different companies taking on plural roles without the usual restrictions. Others claim the gig economy exploits workers, offering low pay and the constant surveillance via technology being managed by algorithms that track their every movement, and assess their performance by measuring journey times, customer feedback, delivery rates, and limits their freedom. If you are not available for work your ratings drop which means less work for the future. If you are judged to be impolite to a customer (whether you are or not) or if you are late on a delivery, whether it's your fault or not, your ratings drop – the Algorithm Manager has no compassion! The gig economy is growing at an extraordinary rate. Hill, writing for the *Financial Times*, cites a survey that suggests freelancers will make up more than half the US workforce by 2027 (23 October, p. 12). Whether an Uber driver or Deliveroo cyclist, or a high-end freelancer, gig economy work is precarious and enables exploitation, particularly as platform economies get the benefits of flexible workers on low wages, without having to take on the risk and expense of being employers (sick pay, holiday pay, pension contributions, etc.). The cost savings alongside the responsive services they offer, disrupt traditional ways of delivering. Uber for example, is being resisted by traditional taxi firms and some governments



as it undermines taxi drivers who are trained and have paid large fees to buy or lease vehicles with licences. Yet for the customer, the experience of hitting an app and getting a taxi appear directly at your location, at low cost, and having friction-free experience of payment, with money and tip being taken directly from your account without exchanging cash, and the app telling the driver precisely where to go, is very tempting for many. Jumping into an Uber taxi in Seattle, I was talking to the young woman driver who told me she had recently arrived in the USA from a troubled Ethiopia. The barriers to entry as an Uber taxi-driver were low, sat-nav technology allowed her to navigate a new city with ease, and she was delighted to be able to earn money to support her family. New technologies and innovative business models had enabled her to become employable quickly and she could work around her childcare and other family commitments. For her the gig economy gave her a new chance in life, a place to step up from; for others it's an exploitative and inescapable trap. This new gig economy is now under scrutiny as the regulatory world catches up with the digital world's innovations where disruptions create winners and losers, opportunities and challenges.

### *Apple*

Apple computers began their commercial activity by producing amazing computers, but soon realized the potential of working on new business models:

Apple's introduction of the iTunes store platform, for example, gave birth to a major mobile-app industry, which has created more than a million jobs in both the United States and in Europe (though Apple employs only a fraction of that number). The YouTube platform has spawned online multichannel networks (known as MCNs) that aggregate microchannels to attract advertisers looking for new ways to target spending. (Bughin et al., 2016)

Their move into music is a perfect example of commercial Eco-Leadership, disrupting the way the music industry operated, changing how music was sold, bought and listened to, and moving the music industry into the twenty-first century. Pressured by open-source activists sharing files, Apple found a solution where most people were happy to pay for rather than pirate music, just so long as they could buy it at home, and download and listen to it in seconds as they could with pirated songs. Another new key income stream for Apple came with its invention of 'apps' (applications), outsourcing creativity and innovation to anybody and creating shared value.

No longer does Apple alone create content for its phones, as thousands of small collaborator-competitors also create apps. Constantly updating apps means more people want an iPhone/iPad as a phone and as a platform to access this flow of inventiveness. This is commercial Eco-Leadership where there is a shift from vertical control to lateral creativity – its platform economics, harnessing the talent of the multitude whilst creating business models that ensure those running the platform take a big slice of the benefits. At the time of writing Apple became the first trillion dollar company.

### *Facebook and Google*

Whilst Apple sell prestigious high-end products and create platforms for others to provide content, Facebook and Google take this a step further. Their business model doesn't only create platforms for others to use and sell products and services such as music or apps, they have also turned each one of their 'customers into producers', extracting value from the unpaid work of those who use the platform. As John Lanchester explains:

Anyone on Facebook is in a sense working for Facebook, adding value to the company. In 2014 the *New York Times* did the arithmetic and found that humanity was spending 39,757 collective years on the site every single day... almost fifteen million years of free labour per year. (Lanchester, 2017: 6)

New technological possibilities create new opportunities and new ethical dilemmas. Without ethics at the forefront of this pioneering work, serious problems soon arise, sometimes due to explicit unethical behaviour and sometimes as an unseen consequence that arises, which if ethically driven is dealt with transparently, and if not a blind eye is often turned. Companies don't have to be bad and greedy from the outset, but they can become unethical due to privileging profit and success over being open and addressing ethical challenges. Google and Facebook are perfect examples. As I write this article, Google have just been fined 4.3 billion euros by the EU Commission for abuse of their dominant market position, the largest anti-trust fine ever, i.e. 40% of its \$12.6 billion profit (*Irish Times*, 19 July 2018), and Facebook have been entangled in a mire of problems due to misuse of the mass data which potentially impacted on major elections in the USA and UK (Martínez, 2017; Taplin, 2017; Wu, 2017).

Eco-Leadership is generative; it creates new capability and unleashes distributed leaders, creators and producers, and pioneers adaptive new ways to do business. The challenge for Apple, Facebook, Google, Uber,

Amazon and the other commercial Eco-Leadership-led companies, is to embrace the four qualities of Eco-Leadership. They understand better than anyone the first quality of Eco-Leadership, i.e. 'connectivity and interdependence', and with great skill and vast resources exploit this understanding, creating hugely successful companies that deliver shared value to many. They may also partially work with the quality 'leadership spirit' within their companies, attempting to create great workplaces that are like families/community filled with passionate and committed workers, Google and Apple are well known for their cool office spaces for example. However, the leadership spirit they seek is often connected to strong organizational cultures that emerge via Messiah Leadership, and these apparently cool companies also utilize their technological ability to create Controller Leadership approaches in unprecedented ways, surveying their employees every moment, and they are critiqued for having cult-like cultures. Authentic leadership spirit, systemic ethics and organizational belonging are the missing qualities, the gaps that reveal they are not working holistically in a balanced, commercial and ethical Eco-Leadership space. This not only raises questions about how much they take and what they give back to society, it also places their viability and sustainability in question. People quickly become disenchanted with companies that they feel are exploitative, and in no time a top-dog can find itself at the bottom of the pile. The *Guardian* recently reported on Facebook's troubles after the media exposure that data had been breached and used for political ends, with the headline, 'Over \$118bn wiped off Facebook's market cap after growth shock'. The collapse of Facebook's share price was the biggest ever one-day drop in a company's market value:

Facebook's shares plunged 19% on Thursday in New York, a day after the Silicon Valley company revealed that three million users in Europe had abandoned the social network since the *Observer* revealed the Cambridge Analytica breach of 87m Facebook profiles and the introduction of strict European Union data protection legislation. (Solon, 2018)

Apple became the first trillion dollar company in August 2018, and these leading companies are working hard in the media to address complaints about their ethics as they realize the dangers. Whether this is greenwash/rhetoric or a real recognition of the need to be more aware of their responsibilities in society, we shall see. Tim Cook, Apple's CEO, is committed to the environment: 'we are running Apple 100% on renewable energy in the USA today and we have now hit that in over 23 other countries'. Cook's spoken aspirations are to make Apple a more systemically ethical organization that belongs locally and

globally to society at large, and doesn't just take from it. However, to persuade more people the huge gaps between rhetoric and reality require addressing: questions about how much they take in state subsidies, how they use their global position to avoid tax, the conditions of downstream workers, and as important the impacts of their technologies on unemployment and work, subjectivity, relationships, democracy and society.

## Ethical Eco-Leadership in Practice

Ethical Eco-Leadership can be found in diverse settings, commercial, public and not-for-profit sectors, and also in networked social movements campaigning for social change. New social movements and social and business entrepreneurs provide vanguard examples of how distributed and participatory forms of leadership work across the boundaries of the 'virtual and real', leading to self-managed organizational forms.<sup>3</sup>

This section will begin by setting out a business case for ethical Eco-Leadership in Business.

Box 32 sets out the business case for ethical Eco-Leadership.

### Box 32 The Business Case for Ethical Eco-Leadership

- **Protecting the brand** against social activism and negative consumer voices.
- **Efficiency savings** by focusing on green issues whereby energy bills and waste are reduced.
- **Talent attracted and retained** where ethical practice and socially responsible companies are more attractive to bright and motivated employees.
- **Employee engagement and brand loyalty** where employees and customers respond to companies that align 'good business' with 'doing good'. Cool companies are innovative, dynamic and ethical companies.

*(Continued)*

<sup>3</sup> Non-ethical Eco-Leadership movements and organizations: it is important to note that social movements and purpose-driven organizations utilizing Eco-Leadership approaches are not all ethically driven from a progressive and democratic standpoint. Far-right political groups, populist nationalists, fundamentalist religions and terrorists all have utilized the new platforms, mobile networks and social media to great effect.

(Continued)

- **Organizational belonging and community engagement** where creating ‘social capital’ is as important as financial capital. Goodwill and engagement with local communities and global networks pay dividends in terms of good relations, reducing conflict and tensions. In unexpected ways knowledge and ideas are shared, and the organizational network is distributed beyond company walls.
- **Anticipating regulation** As natural resources decline and climate change increases, and as data-protection becomes increasingly problematic, international and national regulation will increase. Eco-leaders engage with these issues and lead on them rather than follow these moves. Therefore they anticipate change and are less vulnerable to disruption from regulation.
- **Adaptive organizations and emergent capability** Distributing leadership, creating participatory organizations and engaging employees in tackling the big issues create unexpected opportunities. Emergent strategies are formed from having open communication across networks, within and beyond company boundaries. Opportunities arise from the cross-pollination of ideas, from patterns that emerge across the whole.
- **Diversity and inclusion** Encouraging diversity and inclusion encourages both creativity and ensures the potential and talent of women and excluded minorities who are engaged rather than disenfranchised, as happens in many monocultural workplaces and male-dominated boardrooms.
- **New business models** Business models are at the heart of success. Innovative new business models are emerging that replace traditional make-and-sell models. Google, Facebook and Apple are all new companies that have a huge market/share value, and operate with diverse and new business models. The challenge for them and for all companies is to connect these with more ethical practices.
- **Sustainable supply chains** Engaging suppliers collaboratively and creatively to find sustainable solutions not only helps the environment, it also creates good supplier relations and longer-term ethically-based contracts.

### *The Circular Economy*

Ethical Eco-Leadership in the business sphere is constantly evolving and one current expression is via a growing interest in the Circular Economy. In a call for papers for a special (2020) edition on the Circular Economy (in

*Culture and Organization*, 26(2)<sup>4</sup>), Steffen Böhm and guest editors nicely summarize the Circular Economy:

In the past few years, the Circular Economy (Stahel 2016) has surfaced as a reference framework for economic, industrial, and environmental strategies and policies for different organizations, such as: the government of the People's Republic of China and the European Union; the World Economic Forum, Zero Waste Europe and Greenpeace; and mega companies such as Cisco, H&M and Renault, as well as activist associations promoting bulk retail, repair, sharing, and other instances of sustainable consumption.

Chinese and European politicians and bureaucrats, top-level managers, and activists join in a plea to replace today's take-make-use-waste economic system, called the Linear Economy, by an economic system where materials and goods circulate in circular ways. Drawing on the 4R-model (Reduce, Reuse, Refurbish, Recycle), the Circular Economy is to turn waste into resource, and lay the groundwork for a zero waste economy (Greenpeace 2016). Industrial circles are to mimic natural circles (McDonough and Braungart 2009; Ellen MacArthur Foundation and McKinsey Center for Business and Environment 2015) to develop and prolong resource productivity (Blomsma and Brennan 2017), create closed loop production and consumption systems (Hobson 2016), manage material scarcity (Bermejo 2014) and integrate economic activity and environmental wellbeing (Murray, Skene et al. 2017). The Circular Economy is to decouple environmental pressures from economic growth (Ghisellini, Cialani et al. 2016) and allow for an economic growth respectful of the planet's boundaries (H&M 2014). (Böhm, 2018)

The Circular Economy seems to be an attempt to break the polarization between the environmental activists and the political and business mainstream. Environmentalists are often perceived to have a puritanical edge, offering a negative picture of the future that is difficult to engage with, and they can seem blaming, anti-business and to have Luddite tendencies. The Circular Economy counters this, and offers an opening where business and politics can take place in a dynamic economic system that focuses on the simple idea of circularity and recycling, in order to promote responsible economic growth within environmental resource limitations.

---

<sup>4</sup> Guest editors are Hervé Corvellec (University of Lund), Steffen Böhm (University of Exeter), Alison Stowell (Lancaster University) and Francisco Valenzuela (University of Chile). Available at <http://explore.tandfonline.com/cfp/bes/gsco-si-circular-econ-3q2017>.

Another expression of ethical Eco-Leadership is highlighted in *Reinventing Organizations* (Laloux, 2014), a book popular with managers, coaches, consultants and HR/OD practitioners. Laloux draws on ideas that attempt, rather naively and without academic scrutiny (Meyerhoff, 2010), to categorize human development into distinct evolutionary stages. Laloux writes:

Anthropological research suggests that this is a natural next step in a process that began more than 100,000 years ago. There have been, according to this view, at least five distinct organizational paradigms in human history ... (Laloux, 2015)

The colour-coded five stages of evolutionary human development, drawing on Ken Wilbur and others, are highly questionable. For example:

Life, in all its evolutionary wisdom, manages ecosystems of unfathomable beauty, ever evolving toward more wholeness, complexity, and consciousness. Change in nature happens everywhere, all the time, in a self-organizing urge that comes from every cell and every organism, with no need for central command and control to give orders or pull the levers. (Laloux, 2014: 56)

Raymar critiques this:

However, there is no evidence whatsoever that life uses “wisdom” to evolve toward “more wholeness” and “unfathomable beauty”; these are human constructs that only apply to nature when we observe it through an aesthetic lens. (Raymar, 2016)

Laloux’s research does however find organizations that fit broadly within the ethical Eco-Leadership discourse. His criteria for finding companies were that they had to have a minimum of 100 people, and been operating for a minimum of five years, in ways that were consistent with the characteristics of what he refers to as the ‘Teal stage’ of human development.

A Teal organization has a number of important breakthroughs, such as ‘self-management, wholeness and evolutionary purpose’. The case studies Laloux gives are useful as they highlight a move from traditional hierarchy towards participatory, self-managing and purpose-driven organizations, working within the ethical Eco-Leadership discourse. Examples he gives are:

- *Burtzorg* – a Netherlands-based healthcare non-profit.
- *Morning Star* – a US-based tomato-processing company with 400 to 2,400 employees (depending on the season), and a 30 to 40% share

- of the North American market. (If you have eaten pizza or spaghetti sauce in the US, you have probably tasted a Morning Star product.)
- *Patagonia* – a US\$540 million manufacturer of climbing gear and outdoor apparel; based in California and employing 1,300 people, it is dedicated to being a positive influence on the natural environment.
  - *Holocracy* – a management system first developed at the Philadelphia-based software company Ternary, which has been adopted by a few hundred profit- and not-for-profit organizations around the world, most famously by Zappos. (Laloux, 2014)

However, Laloux's work is problematic in two areas. Firstly it is based on an over-simplistic and idealistic account of evolutionary human development, that is populist with practitioners but not with academia. Secondly, many practitioners are drawn to the simplicity of coloured stages with clear levels of development. These work alongside the heady mix of spirituality and idealized self-managed organizations that point towards a utopian form of Eco-Leadership, led by transformational Messiah leaders. The seductive desirability of the spiritually and ethically-driven charismatic Messiah leader, leads to many problems as described in the previous chapter, and is not a good model to deliver Eco-Leadership. Whilst the examples Laloux gives are interesting, the overall account of Teal organizations does not offer a strong base from which to move forward. In a recent book chapter, 'The Eco-leadership Paradox' (Western, 2018b), I discuss the paradoxes and complications that occur when Messiah and Controller Leadership are engaged to deliver distributed and participatory forms of Eco-Leadership. Below are brief case examples of ethical Eco-Leadership in practice, to show the diversity of practices.

## Ethical-Commercial Eco-Leadership

### *Unilever*

The Unilever Sustainable Living Plan is a radical attempt for a company of such a size and impact to create a long-term plan that addresses environmental sustainability and protects social interests.

Paul Polman, CEO of Unilever, demonstrates Eco-Leadership, claiming:

People always think that to do the right thing costs you more. That is not true at all. It can actually ignite innovation and lower your costs. The alternative of not having sustainable sourcing, of having to deal with the effects of climate change, is a much higher cost on business ... It is time to change, that is why I am here. I want to live in a better world.



... The business case for growing Unilever sustainably is compelling. Consumers are asking for it, retailers demand it, it fuels product innovation, it grows the company's markets around the world and, in many cases, it saves money. (Polman, 2012)

In a March 2012 global sustainability report Unilever retained its top ranking and continued to perform well in traditional terms.<sup>5</sup>

#### *Interface, Inc.*

Ray Anderson [was] often called the 'greenest CEO in America' for his crusade to turn his billion-dollar carpet company [Interface] into an environmentally sustainable enterprise ... 'I always make the business case for sustainability,' he told the *New York Times*. 'It's so compelling. Our costs are down, not up. Our products are the best they have ever been ... And the goodwill in the marketplace – it's just been astonishing.' (*Washington Post*, 2011)

I met Ray Anderson, who died in 2011, a few years ago at Schumacher College in the UK. Ray led a very successful carpet business and he had a profound environmental awakening, leading him to reverse his environmentally high-cost company to become carbon neutral, with a Mission Zero vision. Ray was genuinely surprised by the success of his 'mission', as he had encountered serious resistance at the outset. He expected to be making business sacrifices, yet found himself making savings and improving business models, employee morale, brand reputation and profits too! His enthusiasm was contagious and he will be missed.

Other companies claiming to pioneer ethical Eco-Leadership approaches include Walmart, who set some fairly radical goals in 2005, and 'CEO Doug McMillon points to a "new era of trust and transparency" for customers and communities' with a new roadmap, following a hefty \$81 million fine in 2013 for breaching environmental regulations.

The roadmap builds upon the three environmental sustainability goals Walmart set in 2005: to create zero waste in company operations, to operate with 100 percent renewable energy, and to sell products that sustain natural resources and the environment. (McMillon, 2016)

Walmart are not the first company to come to mind when we think of corporate responsibility and ethical Eco-Leadership as both they and

---

<sup>5</sup> See [www.globescan.com/commentary-and-analysis/press-releases/press-releases-2012/h84-press-releases-2012/181-experts-again-name-unilever-as-top-corporate-sustainability-leader.html](http://www.globescan.com/commentary-and-analysis/press-releases/press-releases-2012/h84-press-releases-2012/181-experts-again-name-unilever-as-top-corporate-sustainability-leader.html).

similar companies have a lot of reparation to do! Their business has produced cheap goods, but with out-of-town supermarkets they have created big social problems by leaving whole communities without local shops who cannot compete with this giant retailer, and the company's carbon footprint is huge. There are critical voices against Walmart who claim their radical agenda is simply 'greenwash', pointing to the serious exploitation of immigrant agricultural labourers, 50% of whom earn below \$5,000 a year, live in shacks and suffer poisoning by pesticides. This view reaffirms the need for the application of systemic ethics; it is no good doing good in one sphere whilst exploiting in the other. The social and environmental agendas are inextricably linked. A 2007 analysis of Walmart's sustainability plans, by a critical coalition of labour, environmental and human rights organizations, criticized the plan as nothing more than a corporate ruse. Even if every possible target goal were reached, the plan would not make any 'real impact on global warming, employee health and welfare'. According to Walmart's own reports, total global operations in 2006 released 220 million tons of greenhouse gases, an amount that is more than 40 times greater than the emissions the company's sustainability plan pledges to reduce (Corella, 2012). Walmart's commitment to address these issues in its latest drive will be closely monitored.

What is clear is that sustainability is at the top of many corporate agendas. The debate rages as to whether this is greenwash or serious attempts to change. Both co-exist and the task is not to polarize the debate into good activists, bad corporates, but to continually look at the structural and systemic ethics, and push for improvements.

### *Ethical Eco-Leadership in Emancipatory New Social Movements*

Alternative economic practices are burgeoning, according to the research from Castells et al. (2012: 214), sometimes led by activists, and also by everyday folk in a response to a changing world and austerity cuts. Networked cultures shift from being self-interest driven to common-interest driven according to Cardoso and Jacobetty (2012: 200), who call these 'cultures of network belonging'. They claim openness is a core principle, citing YouTube, Twitter, Flickr and WikiLeaks as examples that change media power relations, and engage the multitude.<sup>6</sup>

---

<sup>6</sup> Global corporations such as Facebook, Google and Microsoft are fast to pick up on these trends, acquiring companies like YouTube and WhatsApp who pioneer 'new cultures of network belonging' and quickly monetize them.

Research into networked social movements such as Occupy<sup>7</sup> revealed how a particular form of ethical Eco-Leadership has emerged in so-called 'leaderless movements', named as 'Autonomist Leadership' (Western, 2014). These movements organize with a very strong ethical purpose, focusing on the environment, wealth redistribution, etc. They also have very strong individual and collective identification with how the internal organization functions in radical forms of participatory democracy (for a discussion see Chapter 4, Autonomist Leadership). Networked social movements (Castells, 2012) differ from traditional social movements in two ways.

Firstly, they reject having charismatic leaders such as Martin Luther King, and traditional hierarchical structures such as the labour and trade union movements, claiming ultimately this way of organizing undermines their cause. Following McLuhan and Fiore's (1967) idea that the 'medium is the message', NSMs advocate that the only way to change society is to 'be the change you desire', and therefore they organize in radically participatory ways.

Secondly, 'Social movements become networked when they use digital technology as a main tool to communicate, a political expression and manifestation of the today's networked society ... NSMs have imaginatively utilized social media, mobile communication and digital platforms such as Twitter, which enables the rapid diffusion of information and increases autonomy in communication and actions' (Western, 2014). Autonomist Leadership is an anti-hierarchical, informal and distributed leadership pioneered in emancipatory and networked social movements, underpinned by five principles: Spontaneity, Autonomy, Mutuality, Affect and Networks (see Chapter 4).

Two examples of Autonomist Leadership are set out below:

#### 1. Occupy Wall Street

When the magazine collective *Adbusters* called for the Occupation of Wall Street, they used their media savvy to call for 'a Tahrir Moment', bringing the energy and inspiration of the Egyptian experience to mobilize activists in the USA. They showed an overt form of leadership, yet one that did not rely on position power. Rather, they emotionally engaged citizens and activists and took a transparent Autonomist Leadership role (amongst many other leadership actors) drawing on their particular talents and resources.

---

<sup>7</sup> <http://www.occupy.com>.

## 2. Arab Spring

During the Egyptian revolution, the activist Noha Atef explained how he uses the internet to:

... communicate with others 'to increase their anger, this is my favourite way of online activism [...] when you ask people to go and to demonstrate against the police they were ready because you had already provided them with materials, which made them angry' ... Activists like Noha lead autonomously and spontaneously, connecting through digital networks, encouraging others to demonstrate by providing resources to produce the necessary emotional engagement required to influence others to act. This is a precise example of Autonomist Leadership, achieved without a formal position, being enacted by an individual alongside many other leadership actors engaging in their own personalised forms of activism, online or on the streets. (Western, 2014)

Distributed forms of ethical Eco-Leadership and Autonomist Leadership also occur in global online platforms such as Wikipedia and Linux; both have around 100,000 active contributors working in self-managed ways. More traditional organizations also self-manage and distribute leadership such as Alcoholics Anonymous with '1.8 million members participating in over 100,000 groups worldwide - each of them operating entirely on self-managing principles, structures and practices' (Laloux, 2014). The Religious Society of Friends (Quakers) are another interesting example of ethical Eco-Leadership. They have successfully run their organization with outstanding social impacts (leading in the abolition of slavery, prison reform and mental health provision), yet their organization is run without hierarchy and leaders through a form of spiritual consensus, whereby all members present must come to agreement before a decision moves forward.

Taking part in an annual decision-making meeting at Friends House in the UK, with nearly 10,000 'friends' working on difficult decisions, following their consensus method was truly enlightening. Distributing leadership to the many rather than the few can be a moving as well as a pioneering and successful experience. More recently the Quakers in 2009 became the first UK 'church' to allow same sex-marriage to take place in their meeting houses (prior to it being legal for same-sex marriage to take place in the UK).

The platform strategies and architectures that have made commercial Eco-Leadership so successful by unleashing shared value in ecosystems, also apply to delivering public and not-for-profit services.

Boxer (2012) applies the principles of platform economics and shared value to healthcare, describing two forms of value:

We can draw a parallel with the difference between acute and primary health care: both forms of care depend upon playing a valued part within larger ecosystems, but while the former aim to capture *direct value* from acute episodes of care, the latter aim to capture *indirect value* through the way they enable patients to manage their long-term risks of becoming unwell.

To meet future rising healthcare demands from an ageing demographic, an increasingly obese population, growing mental health challenges and epidemic levels of diabetes, to name a few of the growing complexity of care challenges we face, requires a very different way of responding to healthcare demands. In the past century the modernist perspective led to the 'industrial factory hospital complex' treating healthcare as a one-sided demand problem. A patient got sick, went to a hospital/doctor and received treatment, recovered (or not) and went home. Care was accounted for by treatment episodes, e.g. a hernia cost £20,000 priced on the length of hospital stay and treatment costs. However, this system fails both at a humane level and an economic one, as single issue health challenges are being fast overtaken by complex cases with multiple demands. The elderly patient with diabetes, mental health challenges, poor eyes and hearing and social care requires an Eco-Leadership approach taking a multi-sided shared-value approach, that includes the patient and family in designing and delivering their care needs. To deliver this drawing on the lessons from platform economies to create shared-value is helpful. However, it demands not only new technology but also new mindsets and new cultural approaches. It draws on the principles of Eco-Leadership and the idea of harnessing the power of lateral dynamics, peer-to-peer support rather than relying on a vertical top-down delivery of care. An example of this approach is given below.

#### *Hospice Care: A Case Study of Eco-Leadership*

This example of ethical Eco-Leadership comes from a consultation to a hospice I undertook over a number of years. It offers a fascinating example of an organization in transition. Our aim was to see how we could apply Eco-Leadership thinking to the social and economic challenges of providing the 'best possible death' to as many people as possible, with specific aims of inclusivity, i.e. to reach out to excluded and marginalized groups who didn't currently access this care. The ideals were excellent but the implementation of Eco-Leadership principles was far from easy.

*Distributing Care Means Distributing Leadership*

In my work consulting to the hospice CEO, we discovered together that to attain the vision of a 'social and inclusive approach', and to distribute care from the hospice to the community, a parallel transformation had to take place within the hospice. Power and leadership needed to be distributed internally, freeing employees and volunteers to work and think differently. This meant changing how people worked together, creating networked and integrated relationships between diverse groups, which for some meant challenging deeply held 'unconscious' assumptions about their professional identities and the nature of the work. Below is a consultation note I wrote to help clarify their aims and reflect back to them their journey and challenges.

## **Consulting Note to Hospice Leadership Team**

### **Social Hospice Care: Reconnecting Life and Death**

The vision is to turn the hospice 'inside out' to deliver a social model of hospice care that engages family, friends, neighbours, local charities, professionals and volunteers. The aim is to transform the current idea of a hospice from being a building, a good place to die whilst nursed by angels, to the idea that a hospice should 'mobilize hospitality' to the dying and their relatives in the community. The care of the dying will be returned to those best placed to do the caring – family, friends, neighbours, community – supported by volunteers and vocational experts when needed.

The advantages of this model are manifold, but three key areas stand out.

#### **1. The Moral Case: Expanding access**

- *Getting more from existing funding.* Four per cent of those dying currently access hospice care. By enabling the community to do the caring, this percentage can be increased thereby maximizing the benefits from the same resources.
- *Engaging diversity.* Hospice care throughout the UK is taken up mostly by the white, middle classes. By engaging the community the hospice hopes to reach diverse and marginalized groups that currently don't access hospice care, such as the homeless, travellers and racially excluded groups.

*(Continued)*

(Continued)

## **2. The Quality Case: ‘Light touch’ interventions**

By engaging the community a more personal, tailored care is given, and delivered in the person’s home whenever possible. Professional expertise is used where necessary, but care of the dying is so much more than a medical intervention, or talking to a bereavement counsellor. A ‘better death’ means taking an holistic approach, drawing on all the resources available: family, friends, neighbours, familiar surroundings and expert help where necessary.

## **3. The Social Case: Reconnecting life and death**

By returning the experience of dying to the community a process of reconnecting life and death takes place. Modernity alienates, gives power to experts and removes it from the community. The social case is to access and reclaim the collective wisdom of the community (including the patient and family), wisdom that exists beyond the functional knowledge of experts. Hospice beds and the building can play a part in the social hospice care model, but a small part and not its totality.

Social hospice care is to reconnect life and death by making the dying process visible and accessible, to reclaim it from the hospice hidden away in nice grounds, to once again make dying an acceptable part of all of our experience.

### *Distributing Leadership*

This social application of Eco-Leadership distributes leadership to all actors, where the dying patient can take a lead in having greater influence over their care. Where husbands, wives, sons and daughters, hospice neighbours, faith ministers, health carers and doctors and nurses all take leadership and followership positions fluidly, adapting to the context and being guided by the patient/citizens and their families.

The Eco-Leadership challenge for the hospice is four-fold:

1. *Gain critical mass support*: to clarify and share the vision to gain a critical mass both within the hospice stakeholders (this includes convincing the staff, the board, funding bodies and other stakeholders) and influencing the community at large.
2. *New ‘business’ model*: to develop a new business model that supports the vision. The existing business model supports the ‘patients in

- hospice beds' delivery of care, and new ways of funding social hospice care will be required.
3. *Develop the internal structures and culture, to deliver flexible social care:* to achieve this vision requires a generative leadership, leaders learning from each other and from the community, following and leading in a fluid way.
  4. *Transform professional identities and roles:* Leading a transformation in hospice care means rethinking professional and vocational identities, that will enable a more fluid approach than the traditional roles and hierarchies of power and profession allow.

Our work led to increased community and volunteer activity, with over 100 'hospice neighbours' recruited and trained to deliver non-expert support and care. This alleviated the pressure on nurses and other professionals as the 'neighbours' offered non-medical support. Community walk-in hubs were another initiative that took the hospice into the community, making access to services far easier.

Ethical Eco-Leadership, when delivered fully, nearly always demands a radical internal organizational change in order to deliver external change. Attempting to deliver sustainable and adaptable Eco-Leadership through Messiah Leadership and other top-down approaches, as led by the commercial sector, will always be problematic.

## Conclusion

Ethical Eco-Leadership addresses two interrelated challenges:

1. To develop radical new forms of distributed leadership that reshape organizations, enabling them to harness and unleash dormant talent, skills, knowledge and energy. This move creates adaptive and innovative organizations filled with 'leadership spirit' that can deliver success in today's turbulent and disruptive networked society.
2. To respond ethically and creatively to the huge social and environmental challenges and opportunities created by globalization, urbanization, hyper-consumerism and the technological and digital revolution.

The ethical Eco-Leadership discourse is growing but uncertainly. When economies go into recession, political and business leaders often hit the Messiah and Controller Leadership button. As I write late in 2018,



populist and nationalist leaders are following this path across Europe and in the USA. Yet crises and constraints also stimulate innovation and change, and this is where hope lies. The challenge is to break into a new paradigm, where functionality and a utilitarian and linear approach no longer constrain and determine us. In 1930 Max Weber prophetically warned us of the iron cage that was ensnaring us, and he suggested that carbon fuel was directly implicated in this:

This order is now so bound to the technical and economic conditions of machine production ... perhaps it will so determine them until the last ton of fossilized coal is burnt ... (Weber, 1930: 123)

Weber was right – the finite resources of carbon fuel and the implications of climate change have awoken us, and for the first time since we ensnared ourselves there is an opportunity to free ourselves from this iron cage of materialism, of the pursuit of unending growth and devotion to the market. The primary task of ethical Eco-Leadership is to dismantle the modernist hegemony and become reconnected, and recognize our interdependencies with technology, society and with nature ... in our plural ecosystems.

Box 33 describes the Eco-leader character. Eco-Leadership differs from the other three discourses as it doesn't privilege individual leaders, but focuses on distributed forms of leadership. However, individual characters still internalize and represent the Eco-Leadership discourse, whilst distributed, virtual and autonomist forms of leadership evolve in many other ways as well.

### **Box 33 The Character of the Eco-Leader**

The Eco-leader character is a generative leader, who creates organizational spaces for leadership to flourish. Eco-leaders think spatially and connectedly. They think like organizational architects, artists, sociologists and biologists; connecting people, technology and nature; thinking systemically, seeing patterns emerge and creating networks of engagement. They see how change takes place through nodes in networks of activity, and delight in connecting a cluster of people to trigger small changes that lead to change across a whole ecosystem.

Design, the natural environment and aesthetics matter to Eco-leaders; they recognize our working environment is essential to our psychological and spiritual wellbeing, and to our creativity and productivity.

Ethical Eco-leaders are passionate about ethics, humanizing the workplace, developing sustainable business models, engaging positively with local communities, and protecting the natural environment. Eco-leaders are progressive thinkers, interested in current affairs. Many are engaged in technological innovations, others not. They often lead quietly from the sidelines, whilst others are visionaries with a missionary belief in their work, drawing also on the Messiah Leadership discourse in order to inspire change. Hopefully they will balance Messiah Leadership with a profound belief in ethics, collaboration, diversity and distributing leadership, that counter the hubris, power imbalances and conformist cultures that can arise with Messiah leaders. Successful Eco-leaders work comfortably with difference, they encourage dialogue and dissent, and delight in autonomist and participatory leadership approaches. Some Eco-leaders draw heavily on the Controller discourse, using data to provide information and to control carbon emissions, etc.

Successful Eco-leaders embody generous and generative leadership. They live by the simple equation that by giving you gain much more, internalizing the notion that everything is connected and interdependent. Creating spaces for others to lead, they recognize that leadership is a collectivist effort. They constantly connect others in the network, allowing mutuality and creativity to blossom, and conflict and tensions to be worked through.

Ethical Eco-Leadership is now mainstream and what is encouraging is that companies like Unilever are not only winning prizes for their sustainability work, they are also successful businesses, which should help encourage sceptics and shareholders that a longer-term vision and Eco-Leadership approach is the future.

There is a growing awareness and commitment to change. In November 2018, business leaders from Coca-Cola, Unilever and Danone amongst others signed a letter to the UK prime minister urging the government to set clear and radical goals for reducing carbon emissions to zero:

As we reach the 10th anniversary of the Climate Change Act we can reflect on the success of our approach to tackling emissions. Over that time, UK emissions have fallen by over 40% while simultaneously the economy has grown by around 70%. Indeed, as your own government has made clear, the fastest growing parts of the economy are the new, green industries, which are able to pay their way whilst safeguarding a cleaner, safer environment for us all ...

We believe that to fulfil the promises made in the Paris Agreement, advanced economies like the UK should aim for net-zero

emissions by 2050 at the latest, and hope the Government will carefully study the evidence in the recent IPCC report and set its ambition accordingly ...

As business leaders, we understand that stretching goals bring challenges but we are also aware that the transition to a climate-safe world with net zero emissions is necessary, that the work to achieve this has already begun, and that human ingenuity can achieve wonders.<sup>8</sup>

This is interesting as it turns upside down the notion that corporations only reluctantly respond to government regulation. This is Eco-Leadership in practice, with corporations urging governments to push harder for change.

The challenge is clear: to move from twentieth-century leadership to twenty-first century leadership, recognizing that organizations and the world have irrevocably changed.

Over the past decade I have been giving keynote speeches on Eco-Leadership, consulting to organizations and coaching CEOs and leaders across the globe. I have worked in global banks in London, hi-tech giants on the west coast of the USA, and public and private organizations in Russia, Poland and Belarus emerging from post-communism. In the public sector I have delivered Eco-Leadership approaches to the National Health Service in the UK, and delivered a national further education research project using the Eco-Leadership discourse (Western, 2018b). I have also worked with family businesses, not-for-profits, and retail and manufacturing companies. I write this to bring to life the theory. Eco-Leadership is not something abstract or a distant but desirable idea, it is happening in practice all over the world. Whichever sector or country I visit, people understand the world is a place of connections and interdependencies, that organizations need to belong, and they are ecosystems that cannot be controlled from the centre any more, that climate change is not only a danger to others, but to their own futures. To move forward is to adopt ethical Eco-Leadership approaches, drawing on Controller, Messiah and Therapist approaches in proportion, but always taking the Eco-Leadership meta-position to see the big picture.

Eco-Leadership is the application of a worldview to lead organizations, and social and political movements, an ecological worldview that

---

<sup>8</sup> The letter can be read in full here: <https://www.corporateleadersgroup.com/reports-evidence-and-insights/pdfs/cca-at-10-years-business-letter-2-002.pdf>.

embraces technology, the social and nature. Eco-Leadership is about recognizing the multitude of talent in society, and harnessing the potential, creativity and adaptability of our technical, social and natural ecosystems. The task of Eco-Leadership today is to 'Adapt and Belong', to co-create organizations that are adaptive to change, and also 'belong' to the social and natural world. Eco-Leadership is to develop 'webs of work' and then connect these to the 'webs of life'.

How to develop Eco-leaders and Eco-Leadership will be discussed in the chapter on leadership formation.

## Suggested Readings

- Blomsma, F. and Brennan, G. (2017) The emergence of Circular Economy: a new framing around prolonging resource productivity, *Journal of Industrial Ecology*, 21(3): 603–14.
- Capra, F. (1996) *The Web of Life*. New York: Doubleday.
- Jackson, T. (2009) *Prosperity Without Growth? The Transition to a Sustainable Economy*. London: UK Sustainability Commission.
- Maturana, H. and Varela, F. (1987) *The Tree of Knowledge: The Biological Roots of Human Understanding*. Boston, MA: Shambala.
- Redekop, B.W., Gallagher, D.R. and Satterwhite, R. (eds) (2018) *Innovation in Environmental Leadership: Critical Perspectives*. Abingdon: Routledge.
- Wheatley, M. (2006) *Leadership and the New Science*. San Francisco, CA: Berrett-Koehler.

## Reflection Points

- What does it mean that organizations are ecosystems within ecosystems?
- What are the strengths of distributing leadership throughout an organization?
- Reflect on how Eco-Leadership works internally to support organizational change and at the same time looks outwards. These two positions are traditionally separated, but reflect on how these two activities are complementary and connected.
- Eco-Leadership capitalizes on external opportunities created by new digital technologies. Think of an example where there is an urgent need for an ethical stance.

## Sample Assignment Question

At the heart of Eco-Leadership are the **four qualities**:

1. Connectivity and interdependence
2. Leadership spirit
3. Systemic ethics
4. Organizational belonging

Apply the four qualities of Eco-Leadership to an organization you know well. Imagine you are an external evaluator, assessing the success of this organization against these four qualities, and write a report summarizing your findings. Conclude the report by suggesting what initial actions could be taken to improve against each of the four qualities.