

CIB on wings



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Initiatives of Change
Caux Initiatives for Business

Dear Readers,

As part of this month's updates on some of the happenings in CIB, we cover three events that happened in Mumbai in November.

The Mumbai Chapter meeting held at the Siemens Ltd. Head-office; their honest discussions; and their attempts at being useful to the large body of businesspersons in the city are captured in this report.

The CIB India Working Group met on two different occasions, one earlier in November and then later that month. The earnest desire to consider the various rapidly changing factors affecting society the world over in general and business and industry in particular required close to 15 hours of deliberations spread over four days. We have attempted to carry some of the highlights of those discussions in this issue.

Editor



CIB Mumbai Chapter Meeting

A Report

Always looking for ways to encourage maximum participation and involvement from members of the CIB Mumbai Chapter, its Convenor, S. Venkatesh experimented with conducting the November Chapter meeting at any member's work place. Considering each one's busy schedule and time crunch, this experiment was seen as a good idea. Thus on November 18, 2016, Venkatesh took the initiative to host the month's meeting at Siemens Ltd. Head office premises at Mumbai. His detailed planning, periodic reminders and constant contact paid off. The meeting room at the multinational's premises was official yet welcoming. It provided opportunity for a close-knit, interactive and meaningful discussion.

Since several newly joined members were attending the meeting for the first time, Venkatesh went through the customary, yet necessary time of introductions. He then placed the Agenda before the group of 10 members. The purpose of the agenda was simple: Revisit the core purpose of the Mumbai Chapter and see if in the fast-changing economic and political situations sweeping the world over, if CIB's



role is still relevant and what can it do, if it is to play a role in business and industry.

Projected on the screen were the bullet points:

Definition of Ethics:

- Legal versus Ethics
- Rules versus Ethics

Role of Mumbai Chapter:

- What should we do?
- How should we do this?
- How can you help?

It seemed a good idea to all present that instead of reinventing the wheel to answer these questions; the team should reflect on CIB's existing framework and pick up from there. The reflections brought out the following thoughts:

*It provides an opportunity for
businesspersons to share from their heart
the challenges and struggles to remain
competitive while walking the often lonely
road of ethicality.*

CIB is a fraternity of persons from business and industry that come together with a common intent—to encourage one another that it is possible to remain competitive while being ethical; the operative word being 'encourage'. If the purpose of CIB is to be an 'encourager' then it should refrain from playing the role of an 'activist'. This point became

particularly relevant because several business persons had been asking, “What do I gain from being a part of CIB?” or “How can CIB help me in my business?” or “Can CIB help with my excise problems?” and similar such questions.

The reflection further yielded that meetings of the present kind that the Chapter was conducting on a monthly basis; Round Table deliberations; speaking forums; and other events were the kind of things that CIB was already involved with and should continue. The benefits of such forums were considered:

- It provided an opportunity for business persons to share from their heart the challenges that they were going through in the struggle to remain competitive while walking the often lonely road of ethicality.
- It gave opportunity for others to share their own experiences and learning—those of success and failure.
- It created a platform to look at best business practices and learn from them so that the same could be considered or emulated at another setting.



- It provided scope for business persons to network and see how at an individual or corporate level, help and advice could be offered.

To the definition of legality or rules versus ethics, someone shared that being ethical is not equal to following the law or staying legal. Another submitted what CIB believes and has often advocated. “Ethics is doing what is right.” This brief response covered a wide spectrum of white, black and all the grey in between. If one’s moral conscience (and it can be said that there is always inherent good in all men) looked beyond ‘what is ethical’ to ‘what is right’—bearing in mind the wide gamut of not just profitability in business but even its employees, society at large and the environment—it would be a safe plumb line to go by while making decisions.

There is a target and often one has to make decisions that do not let your conscience rest in peace Yet there is the risk of being a non-performer.

This further prompted another to say that ethics is also being able to take responsibility for one’s mistakes.

Other indicators of knowing that you are doing what is right were highlighted:

“Do you feel good after you make your decision?” asked one business person.

“The barometer of doing what is right is your own assessment,” said another.

One member who is part of the banking sector revealed how there were several challenges and ethical dilemmas that one faces when it comes to say, utilization of funds. There is a target and often one has to make decisions that do not let your conscience rest in peace. Yet there

is the risk of being a non-performer where it can be said, “If you don’t do it, someone else who can, will fill your place.” In such a dilemma how does one stand firm? The quiet response was clear—such decisions require courage and conviction. Someone gave an example of how his friend stood firm in his conviction and courageously took his stand. “He resigned,” he continued, “and is now working in a better organization with a greater responsibility.”

The MD of a small-scale industry while citing his own experiences with corrupt regulatory officials shared how planning the foreseeable gives you an edge and puts you in control. “What is not within your control is what forces one to succumb,” he said honestly.

*The barometer of doing what is right
is your own assessment.*

The members of the CIB Mumbai Chapter then reflected on the way forward and agreed that striking a balance between small meetings and larger Round Table deliberations was the practical way forward. The importance of a small core team consisting primarily of persons from business and industry was also re-emphasised. Several were urged to see how they could give a small amount of their time per week, even if via conference calling, to help put the wheels into accelerated motion.

Within the hour, a sense of having had a useful, enriching time of fellowship pervaded the room. Each left with the feeling of being happy that they had come. Before closing the meeting, Venkatesh announced that the next meeting would be at the IofC flat on the Worli Sea-face on the second Saturday of the month, which in this month falls on December 8, 2016.

CIB India Working Group Meeting

A Report

Two rounds of deliberation were held at Mumbai by core team members of the CIB India Working Group, one on November 14 and 15, 2016 and the other on November 29, 2016. The former was graciously hosted at the conference room in the Indo-Italian Furniture showroom at Mahalaxmi where Vivek and Rashida Asrani played the gracious hosts. The latter meeting was hosted at the board room of GRP Ltd. at Kurla with Rajendra Gandhi as the host.



While the initial thought was to consider the planning and design of the CIB Biennial International Conference that has been planned at Panchgani, India from February 2 to 6, 2018, the team soon realized that given the fast changing scenario the world over, both politically and economically and its consequential effect socially, CIB should revisit the drawing board and reflect on what role CIB should play to encourage business persons in these challenging times.

The meeting on November 14 and 15 first threw open a box full of challenging questions. Hours of deliberation resulted in the team making the following proposal:

Considering the rapid and unpredictably changing global scenario—Brexit, U.S. relations in the Trump era, demonetization in India and other events the world over, it was felt that we need to engage with CEO's from business and industry and senior leaders to determine their effect.

(a) For India:

It was proposed that a second internal Round Table be held again in Mumbai on November 29, 2016 with the CIB Secretariat and CIB City Chapter Convenors. At this meeting, the CIB team would revisit the CIB (i) mandate, (ii) message and (iii) methodology in the context of the existing global scenario.

(b) Switzerland and Europe:

It was proposed that a suggestion go out to the team at Caux, Switzerland to invite a gathering of specific individuals having knowledge of business and IofC to help build a core European CIB team and conduct a small Round Table in the summer of 2017. CIB India has offered to help.

(c) Africa:

CIB would be in touch with Kenya and South Africa to see what support they would like to have in their own countries in 2017.

(d) Malaysia:

CIB could also collaborate with the Business Ethics Institute of Malaysia (BEIM), Malaysia, under the stewardship of K. Haridas, to help host their third Round Table in February 2017.

These proposals then paved the way for a second round of deliberations which the CIB India team took on when they gathered together on November 29.

Here again the group of 10 persons consisting primarily of senior leaders from business and industry first considered and recapped the volatile



and unpredictable scenarios that the world has thrown up; its impact on business and industry; and the role that CIB should play. The deliberations focused on the Indian economy post-demonetization.

Vivek Asrani, who moderated this session, asked two questions

that first pertained to demonetization of Rs. 500 and Rs.1000 notes by the Government of India, before throwing the floor open:

1. What is the short-term and medium-long term impact on business?
2. What can business do to be a part of a solution?

The first question brought forth responses that could be summarized as follows:

- The short-term impact, which could last for four to six months, will see a drop of 1% to 1.5% in the country's GDP.
- The long-term, as seen by several economists, promises to be bullish, possibly after two or three years.
- It was also expressed that if the situation does not improve within the next six to eight months, employment will take a hit; sales and the eventual bottom-line will drop; and the pressure on small businesses that could risk collapse.
- An attempt to define the effects of the Indian government's bold move was made. Three aspects were shared:
 - (a) Demonetization – of high denomination notes would

eliminate fake currency in circulation. It would also bring more businesses into transparent, formal, official trade.

(b) Unaccounted Wealth (Black Money) – would force those who have hoarded cash to deposit this into banks. This would raise the money available to banks which could in turn help lower interest rates; and increase the tax revenue.

(c) Corruption – This aspect would however not be addressed. It will require administrative reforms.

What is the change to business in India?

- There could be possible postponement of investments in the short term.
- There could be a shift to digitalization and this in turn could affect employment.

The effect of business in the global scenario was also considered. Brexit and the US elections have shown clearly that there is an increasing population of people that now fear intolerance and feel insecure. The effects of the global phenomenon is rapidly forcing people to safeguard themselves, thus choosing a more rightist, national view. It was shared that a reputed Professor who had



predicted Donald Trump's victory, when asked how he could predict this answered that most polls look only at the immediate scenario;

however when looked at with an overview of government policies over several years (even decades) and its impact on people, it is possible to predict the long-term socio-economic bearing it would have on people.



This prompted the focus to shift to CIB and its role in business.

- It was expressed that CIB should look beyond the predictable and have a feet-on-the-street attitude.
- Another shared of two economic models. One model that had the support of World Bank focused on business being consumption oriented. This was thought to be a sustainable model; as increase in consumption would result in increase in production; which in turn would increase efficiency; which in turn would affect technology. However in this model, the environment and societal needs had taken a back-stage. The question asked was, “Is this a sustainable model?” The second model was mooted in the form of a question. “Shouldn’t business also consider the humane and environmental aspects in

its planning and strategies?”

- How do we move from needs and challenges that businesses face today given the highly volatile, disruptive and unpredictable nature of world situations to more long-term issues dealing with society—more particularly with an emphasis on skills and opportunities?
- Should business look at only meeting material needs or should it also extend its responsibility to meet societal needs that focuses on employment and the environment?
- If business cannot look at these needs then who else can make this paradigm shift?
- There is a huge potential for gainful employment, be it in education, paramedics and ‘last-mile connectivity’.
- The shift should be from consumption to service.

It was however advised that while CIB should encourage businesses to consider the more long-term societal and environmental aspects in its planning, this should be done without neglecting to address the fears



and concerns that businesses face in present situations.

Concluding the 150-minute non-stop deliberation that the team had it was proposed that:

1. CIB should first go back to its primary purpose and contextualize its focus and scope.
2. CIB should gently encourage business to always keep before them its eventual role and purpose.
3. To do this it was decided that a clear message should be enunciated. It was suggested that part of the message should convey that business needs to change its mind-set from “doing a favour to society” to “paying back society”.
4. CIB has shown that its methodology of carrying out its work is best done through Round Tables and Speaking forums. The same methodology should be continued.
5. It was further proposed that CIB should now examine whether it is time for it to move from holding events to being a ‘movement’.

Business needs to change its mindset from “doing a favour to society” to “paying back society”.

It is believed that whatever is right will happen. Whenever there are good intentions, with a genuine search for answers, God directs such steps to do what is right. The CIB India team had experienced it in these meetings. They first embarked on a journey that thought of planning and relooking at the design of the CIB 2018 conference and ended up coming to an important, loftier and impactful destination—a path for a better tomorrow.