

Leading Sustainability

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Abstract

Many firms and organizations have embraced the longer view of their relationship and responsibility to the bottom-line, the environment, society, and their employees. Concurrently, standards for sustainability such as Corporate Social Responsibility (CSR), the Triple Bottom Line, and the Triple Bottom Line +1 are evolving, as the pace of globalization increases. This paper will first briefly explore sustainability and the pressure placed on it by globalization, and creates a context for describing how an individual can lead it.

The paper will then provide an overview of recent research on Cross-Cultural Leadership Intelligence (XLQ), and will set forth the dimensions that describe international leadership dimensions. The dimensions have been shown to be *etic* (universal) (Pike 1967) and thus well-fitted to international and domestic endeavors be they public sector, private sector, or NGO's.

Having laid the groundwork, the paper will then correlate sustainability attributes to the XLQ dimensions. It will discuss the dimensions and skills that are necessary to lead sustainability in a multi-cultural environment where norms, values, and beliefs vary widely. The paper will explore how leaders enact the tasks of leadership in firms or organizations that are pursuing, or considering pursuing, sustainability.

Keywords: Sustainability, Cross-Cultural Leadership, XLQ, Globalization, TBL

Sustainability

Ehrenfeld (2004) describes the Brundtland Report¹ which defined sustainable development as development that (Pg. 1): “meets the needs of the present without compromising the ability for future generations to meet their own needs².” This led to the concept of the Triple Bottom Line (TBL) (Elkington 1998). The TBL concept

¹ Named for Norwegian Prime Minister Gro Harlem Brundtland, who chaired the U.N.-appointed World

Commission on Environment and Development, the report was published commercially as *Our Common Future*, G. Brundtland, ed. (Oxford, UK: Oxford University Press, 1987).

² This is the same definition utilized in the Global Reporting Initiative (GRI is an Collaborating Centre of the United Nations Environment Program) draft Sustainability Guidelines issued for public comment in January 2006.

is that firms and organizations have a responsibility to make money, to protect or not damage the environment, and to be good citizens in the societies in which they function. The TBL+1 includes corporate governance, and the care and nurturing of the workforce including issues like transparency, as an additional responsibility³. Rapid globalization, however, continues to work against sustainability for firms and organizations. Quick and constant change forces people to focus on the most critical this-minute issues in an effort just to keep up with the pace. The realities of the markets are that corporate mortality awaits firms who do not attend to the bottom line of profitability, and organizations to which do not strive to reduce expenditures. These realities are driven by the incessant march of globalization.

Stiglitz (2003) - a Nobel laureate, presidential advisor, and chief economist at the International Monetary Fund (IMF) and the World Bank – offers a unique view of globalization. His assessment is (Pg. 214): “Globalization today is not working for many of the world’s poor. It is not working for much of the environment. It is not working for the stability of the global economy.” He states that the fundamental change required to make globalization work is a change in governance at the IMF, World Bank, and the World Trade Organization (WTO), and that transparency is a critical component of governance. In the conclusion of his book, Stiglitz emphasizes that globalization undermines traditional values, and that the pace matters. He argues, rightly, that a more gradual process is needed to offer people an opportunity to adjust.

The Economist (Staff 2006) indicates that globalization has provided a number of benefits to firms. First, the reduction of labor costs gained from off-shoring to low-wage countries. Second, the flexibility of moving production curbs the bargaining power of workers in rich countries. Third, increased immigration has depressed wages in certain sectors, like construction. The article also points out that these labor issues are not just limited to low-wage workers. For example the number of students graduating in India and China with science and engineering degrees in 2004 was over 1.2 million, compared with 0.9 million in the US and the EU combined. On the economic scale, the article indicates that the emerging economies will produce over 60% of the world GDP by the year 2025.

In this same article, the Economist notes that since 2000 the GDP per head has increased at 3.2% per year offering more people better living conditions. However, the article warns that the sharing of economic benefits is seriously disproportionate. Corporate profits and their percentage of developed economies are increasing while the share of wage earners is decreasing. For example, wages in the G10 countries in 1980 represented almost 63% of national income, and corporate profits in the G7 countries approximately 11%. In 2006 the wages were at about 59% of national income, and the corporate profits at about 15%. The article suggests that governments may have to intervene to force sharing through taxes and benefits.

Firms and organizations are on the leading edge of these challenges, and must find creative ways to cope with them as part of their ongoing business operations, which are also in a state of flux. Many of the governmental systems in the 21st century are still relatively insular, and thus firms and organizations must often navigate through un-charted waters. Ethical inconsistencies abound in the international markets, and

³ The Global Sustainability Institute at RMIT University added the governance dimension: <http://www.global.rmit.edu.au/about/tbl/index.php>

they force firms and organizations to define standards for their employees to be used internationally. Unfortunately, while international standards exist, they are inconsistent, and are not in widespread use by a plurality of governments. Thus, an offering of baksheesh (gratuity for a service) in one country could be a bribe in a second country, and a tax deduction in a third country. The establishment of international cultural values has been an ongoing human endeavor for the past 5,000 years, beginning with the recorded worship of deities (Grun 1982), and it continues to be a work in progress.

Gladwin, Kennelly, and Krause (1995) argue for a new sustainability paradigm. In introducing their theory they provide a number of definitions of sustainability, one of which is (Pg. 877): “a sustainable society is one that can persist over generations, one that is far-seeing enough, flexible enough, and wise enough not to undermine either its physical or its social systems of support (Medows, Medows et al. 1992).” The author’s analysis suggests that sustainable development is (Pg. 878): “a process of achieving human development in an inclusive, connected, equitable, prudent, and secure manner. Inclusiveness implies human development over time and space. Connectivity entails an embrace of ecological, social, and economic interdependence. Equity suggests intergenerational, intra-generational, and interspecies fairness. Prudence connotes duties of care and prevention: technologically, scientifically, and politically. Security demands safety from chronic threats and protection from harmful disruption.”

This definition will be utilized for the purposes of this paper for it provides a greater emphasis on time, which lies at the center of the dilemma with sustainability in this author’s opinion. Most people have a view of time that is bordered by their lifespan of say 100 years; it is genetic in *Homo sapiens*. As Santayana said: “Those who cannot remember the past are condemned to repeat it (1953).” Sustainability *requires* that people learn from the past and look to the future, or adopt a view that covers millennium. On this longer scale, one can more readily consider ethics and values, and ways to improve the human condition and avoid damage to our environment. More immediate is the need to take some action today that could stop current suffering, killing, and environmental destruction. So it is possible to redefine a form of sustainability, virtual sustainability, which can be measured in terms of days. Thus, a *time horizon* needs to be established for measuring sustainability on a reasonably consistent basis. What then is the horizon for sustainability? Is it plausible, possible, or necessary for a CEO to consider what the computer market will look like 50, 200, or 1,000 years from now, and to make sustainability decisions on this scale? As shareholders would we want this?

Consider the metaphor of driving a formula-1 racer running at 200 kilometers per hour. At one extreme consider a driver that is un-experienced, and blindfolded, only able to peek a meter in front of the car. At the other extreme consider that the driver is experienced and has an unencumbered view. Virtual sustainability in the first case is immediate security or survival. Sustainability in the second case can consider inclusiveness, connectivity, etc.

Elkington (1998) refers to the Brundtland definition but also offers a definition by Herman Daly, an economist at the World Bank as (Pg. 55): “a sustainable society needs to meet three conditions: its rate of renewable resources should not exceed their

rates of regeneration; its rates of use of non-renewable resources should not exceed the rate at which sustainable renewable substitutes are developed; and its rates of pollution emission should not exceed the assimilative capacity of the environment.” This definition ignores the societal side of the TBL and the governance aspect of the TBL + 1 as well.

Elkington devotes an entire chapter to the subject of time, which he believes is one of the most critical dimensions of sustainability. He found only nine of the original 30 companies on the original Financial Times Ordinary Share Index launched in 1935 was still in business in 1984. He also found that General Electric was the only survivor of the twelve companies that made up the Dow Jones Industrial Average in 1900. Interestingly, his research discovered that Sweden’s Stora Kopparberget could be traced back to a mine dating from 850 AD. Elkington notes that an average corporate life expectancy is about 50 years. The life expectancy of people is normally well under 100 years of age and depends greatly upon the society. The oldest monarchy is that of the Japanese Emperor which dates back 2,600 years (Staff 2006). Civilizations also have life expectancies, with the Chinese dating back say 5,000 years. Again, the *time horizon* associated with sustainability is a critical component.

The question is what should, or could, be a sustainability time horizon? Some problems with the definition proposed by Daly are that we often can only speculate about the rate of regeneration, do not know what scientific advancements are possible, cannot tell the rates of pollution (the argument about green house gasses), and what our societies will metamorph into in the next 100 or 1,000 years. Elkington points to the work of Peter Schwartz (1991) who suggested that companies should create a bandwidth of probabilities, similar to the probability cones of hurricane tracks, by using scenario analysis. Elkington summarizes the work of the European Partners for the Environment by suggesting that three possible scenarios are individualistic (trust technology and market forces), hierarchical (trust technology and market forces but with integrated government leadership), and egalitarian (bottom up or grass-roots change in paradigm).

Gladwell (2000) describes tipping points, and uses epidemics as a metaphor to describe their effect of a tipping point. The three rules of tipping points are the law of the few (charisma, and infectious behavior), the stickiness factor (making information irresistible), and the power of context (people are sensitive to their environment). The concept of tipping points goes to the issue of globalization, and the potential for rapid radical changes rather than slow adjustments. In a world filled with both poverty and economic inequality, the potential for explosive change is increasing.

Ehrenfeld (2004) states that one of the intransigent problems associated with sustainability is unchecked consumption, what some call westernization, or the need for material things. Ehrenfeld points to the issue of shifting the burden (Senge, 1990) to achieve short-term fixes for problems that are difficult to solve, and that address only the symptoms of a problem. Others have called this the low hanging fruit approach (a term used in Six Sigma as well). Ehrenfeld suggests a reframing of the triple bottom line from the Brundtland report. Whereas Brundtland included equity, environment, and economics, Ehrenfeld included ethics, nature, and human dimensions.

Ehrenfeld sums up the challenge as he sees it (Pg. 8): “In the case of sustainability, this means that change within the firm must be built on change in the larger society outside of nominal company boundaries. The work of change agents inside and outside of firms is going much too slowly to overtake the magnitude of un-sustainability. The growing magnitude is due, I believe, to a failure to recognize that sustainability rests on a system much larger than the firm. If business as an institution – the most powerful one on the globe – truly cares about sustainability, then it must begin to move outside of its boundaries.” Ehrenfeld’s argument is that we face a daunting task to achieve sustainability as people worldwide must adjust their attitudes about consumption (ethics), about the environment (natural), and about social equality (human). People decide what emphasis to place on these considerations, and in turn determine the attitudes of governments and of businesses toward them.

Fromm (1976) argued that we have moved from a *being* mode to a *having* mode where we associate identity and self-worth with satisfaction gained through material objects. From this perspective consumption is short term gratification, whereas sustainability is longer term gratification. Fromm states that (Pg. 27): “consuming is one form of having...it relieves anxiety...but it also requires one to consume more, because previous consumption soon loses its satisfactory character.” The author points out that individualism (liberation from social chains) is ego based, and ego is a thing we have, which reinforces the consumption mode of being. Further on the issue of consumption, Fromm describes what he calls *marketing character*, or a person’s view of their value in terms of their marketability, rather than their values. Marketing characters have no deep attachment to either themselves or others, and they respond to the world through manipulative intelligence that is dangerous. Fromm summarizes by stating that (Pg. 81): “in the having mode, one’s happiness lies in one’s superiority over others, in one’s power, and in the last analysis, in one’s capacity to conquer, rob, kill. In the being mode it lies in loving, sharing, giving.”

The view taken by Fromm and others is that there is a contravening trend in values running parallel with the impetus for firms and organizations to embrace sustainability. Fromm says that the *having* mode of existence is past and future bound, as the past determines what we have amassed and the future what we will amass. The present is just the intersection of past and future. The being mode represents the now, or the present. If Fromm’s ideas are pervasive in the global community today, the *time horizon* for sustainability is really the future, for entirely individualistic reasons. This underscores the tension between sustainability and socio-political trends.

From a political view, John Dean (2006) quotes Stanley Milgram (1969) (Pg. 42) as saying: “most men, as civilians will not hurt, maim, or kill others in the course of the day,” but, place them into a organization with an authoritarian structure and a man may act, “with severity against another person...because conscience, which regulates impulsive aggressive action, is per force diminished at the point of entering the hierarchical structure.” In other words, people of conscience can act without conscience if they believe they are only following orders. The implication for CSR and sustainability are clearly that firms and organizations must have a conscience.

Perhaps the global society has recognized the importance of values with the advent of globalization. For with the benefits of globalization come the disadvantages such as placing more emphasis on the *having* mode. It is possible that this recognition is placing pressure on people, societies, firms, and organizations to return to a healthier balance between *being* and *having*. Since economics are the driving force, and firms are the embodiment of our economic system, it makes sense that the focus should be on CSR, TBL, and other such endeavors.

Another aspect of sustainability that is an ongoing debate is that of what are the global values that firms and organizations should strive to meet. John Hoyt (1998) (Pg.63) Said: “If we are to succeed in our quest for a humane future, we must begin by embracing and nurturing values that place far less emphasis on consumption and much greater emphasis on conservation. The exploitation of our natural resources has reached a point where it is no longer regarded as fanatical to imagine a world that may not be capable of sustaining future generations. We must also begin to be considerably more honest in differentiating between want and need. James Gustave Speth (1977), administrator of the United Nations Development Program (UNDP) reminds us that: “Desperation and despair are still the lot of many people. Some 1.3 billion people live in absolute poverty, with incomes of less than a dollar a day, and poverty is growing as fast as populations Over a hundred countries are worse off today than fifteen years ago. Each year 13 to 18 million people—mostly children—die from hunger and poverty-related causes. That computes to 1,700 human beings an hour—with only about 10 percent to 15 percent caused by emergencies.”

In the interim, business and life go on, and people must find ways of functioning in a bi-polar (mixed state) world. The second part of this article will argue that leadership is one tool for mitigating the fear and uncertainty that result from a system in flux. As many firms and organizations work in multicultural environments today, Cross-Cultural Leadership Intelligence (XLQ) can provide a stable foundation for change.

Cross-Cultural Leadership

Leadership can provide the stability and momentum to bridge this schism between long term sustainability and short term survival, or avarice. It is the mass that may enable the momentum to swing in favor of long term values becoming the default. Values are implicit laws, intent⁴, and are the foundation for sustainability, CSR, the TBL, and the TBL+1. To integrate these concepts consider the values as economic responsibility (profitability and frugality), environmental stewardship (far more than meeting the legal standards), social leadership (imbuing the desire to strive for more than norms), and compassionate governance (doing for others as you would for oneself and one’s family).

⁴ General Electric requires ethics training for employees. At one time, the training material was called “Letter and Intent.”

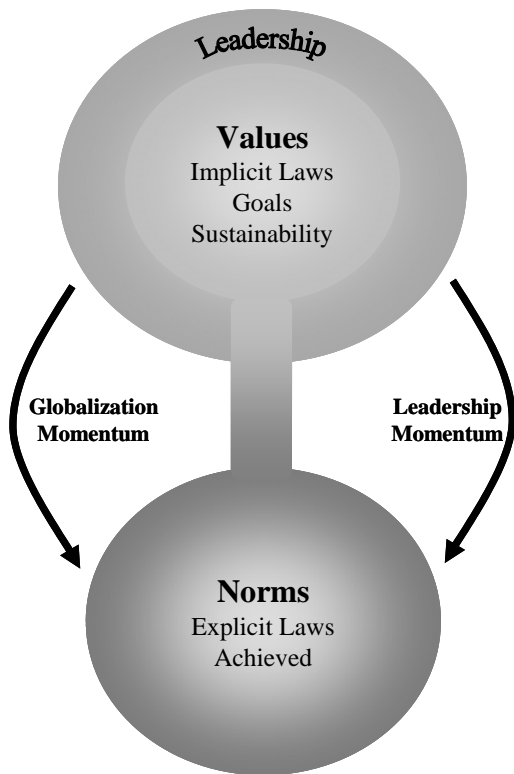


Figure 1 – Sustainability Momentum

Figure 1 provides a graphical metaphor for Sustainability Momentum. The default of globalization is, unfortunately, a short-term view by nature. Small companies in what Friedman (2005) calls a *flat world*, attempting to go global will not generally have the time or resources to devote to sustainability, they must focus on survival first. Large firms wanting to go global are similar in that they too have to meet quarterly metrics, or the shareholders will likely look for other opportunities. Friedman describes the markets through what he calls the triple convergence (Pg. 328) – new players, on a new playing field, developing new processes and habits for horizontal collaboration.

Organizations that are charged with providing more services at a lower cost are also subject to the scrutiny of their constituents on a short term basis.

Thus the impetus, if the vision is short term, is to rely upon written laws and norms that can be copied and distributed. There is a tremendous inertia in the global markets, represented by the density of the norms.

The values (*being mode*) represent long term goals and aspirations, looking to the needs of future generations. This sphere's size and density are initially related to the avarice of the firm or organization. However, the ability to add mass, by adding leadership, can create enough momentum to break the inertia, and inspire people to look past the short term, and strive for more than their own current wants (*having mode*). And, as Gladwell noted, there is a *tipping point* when the mass just overcomes the inertia, and a rapid change in attitudes occurs. On a conceptual level most people embrace the concept of sustainability, for who would not want their children to have a better life? The seed of sustainability exists, but it must be nourished and encouraged to grow. This is where leadership skills can make a difference.

Balasubramanian, Kimber and Siemensma (2005) in an article about Corporate Social Responsibility (CSR) in India point to Van Marrewijk's (2003) comparison of CSR to sustainability. At the most basic, it considers CSR as a duty or obligation to be fulfilled – it is mandated. At the most advanced level, CSR is voluntary, and is ingrained into every aspect of the firm or organizations activities. This idea of a sustainability scale is another way to look at Sustainability Momentum. Millstein (Millstein 2001) introduces a broad report that compares views of corporate governance across a number of countries. The report provides a good view of the global application of CSR.

Kline (2005) provides a summary view of globalization and the roles that firms and individuals should play (Pg. 244): “The key challenge, however, rests at the personal level. A truly global society connects individuals, not just organizations, in a community built around common concerns and interdependent interests,” and (Pg. 246): “International business plays a prominent and perhaps indispensable role in the dispersion of globalization forces. MNEs [Multinational Enterprises] represent particularly significant conduits whose interconnected operations link diverse countries and cultures around the world.” Taking this individual initiative perspective, Denning (2004) suggests that storytelling is a way to build such values. This proactive approach by individuals, and leaders, is the subject of this section of the paper. He suggests the following points for crafting a story to transmit values (Pg. 76 & 77):

- The leader establishes values through actions, particularly actions that deal with adversity.
- Values are transmitted by stories about the actions that have established the values.
- These stories have meaning in the here and now: they are not merely lists of abstract values.
- In dealing with difficult issues, the leader recognizes the need to balance contending values.
- The leader recognizes that rules are the beginning of developing values, not the end.

Caveat: actions speak louder than words. It’s not enough for the story to be told. Leaders have to live the values consistently.

In a thesis on Cross-cultural leadership (Grisham 2006)⁵, a model of Cross-Cultural Leadership Intelligence (XLQ) was proposed. The model was created from a horizontal review of the sociological, psychological, anthropological, business, economic, Project Management and other literature. It also included cross-connections to a current global study of culture and leadership (House and Javidan 2004). The hypothesis was that there are etic leadership skills that are effective globally, regardless of the cultural situation in which they are utilized. The hypothesis was then tested and confirmed using a Delphi panel of experts with well over 600 years of experience.

The definition of leadership used in the thesis was “the ability to inspire the desire to follow, and to inspire achievement beyond expectations,” and the definition of culture was “a body of learned behavior, a collection of beliefs, habits and traditions, shared by a group of people and successively learned by people who enter the society (Mead 1955).” The results are summarized in the model shown in Figure 2.

Now, let us return to the sustainability for a different view. The primary goal of sustainability is a focus on human development over time. The major aspects described for this goal in the Gladwin, Kennelly, and Krause definition are as follows:

- Inclusive (human development over time and space)
- Connected (ecological, social, and economic interdependence)
- Equitable (intergenerational, intra-generational, and interspecies fairness)

⁵ www.thomasgrisham.com

- Prudent (care and prevention)
- Secure (safety from chronic threats and protection from harmful disruption)

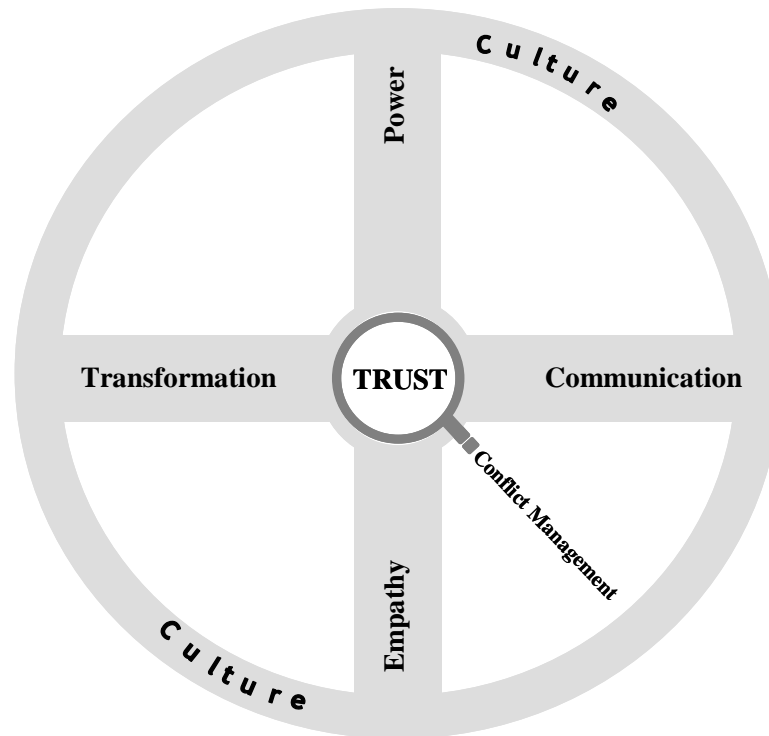


Figure 2 – XLQ Model (Grisham)

All of these aspects can be mapped onto the XLQ leadership dimensions to show the relationship between leadership attributes and sustainability. Table 1 provides a comparison between the descriptors and sub-descriptors of the XLQ model and sustainability points.

The XLQ dimension of trust is a critical leadership dimension, and a critical aspect of sustainability, for a variety of reasons. In a world of rapid change, and great uncertainty about the future, people need to feel secure if they are to develop. One current drastic example of this is Iraq. Security is not in existence, and it overshadows all other aspects of development, and certainly casts a shadow over the leadership of the country. Other examples are global warming, AIDS, and globalization itself. Belonging to a group is a strong need for those who live in collectivistic cultures (Hofstede 1980), but also is sought by those who live in individualistic cultures (Fromm 1976). The inclusiveness aspect of sustainability is fomented by a leader that inspires loyalty, honesty and integrity. Indeed, trust is connected to every aspect of sustainability.

Empathy is the desire to see the world through the hearts of others. Equity and justice spring from this effort, and connect a group through common understanding of the diversity of the group. One key ingredient in cross-cultural leadership is the desire to explore and celebrate the ways that different cultures approach life. This requires

knowledge of a culture, and a concurrent assessment of one's self - travel. Or as Tournier said (1957) (Pg. 132): "The real meaning of travel, like that of a conversation by the fireside, is the discovery of oneself through contact with other people, and its condition is self-commitment in the dialogue." As noted in Table 1, empathy goes directly to the need for connectedness in a group, and if displayed by a leader, will often become infectious. The establishment of this norm provides the security for group members to stretch past their perceived limits, and to risk failure. In multicultural environments this is a difficult group norm to establish in many cases, particularly when the group is comprised of people that have different power distance attitudes (the degree that members of a culture accept and endorse authority, power differences, and status privileges) (Hofstede 1980). But, it is an essential leadership goal.

XLQ Dimension	Descriptors	Sub-Descriptors	Sustainability Points
Trust	Care and Concern	Esteem, Face	Equitable
	Character	Honesty & Integrity, Duty & Loyalty, Admiration	Inclusive
	Competence	Technical, Jugement	Prudent
	Dependability	Predictability, Commitments	Trust, Secure
	Fearlessness	Confidence, Self-Sacrifice	Secure, Prudent
	Humaneness	Tolerance, Respect	Equitable
	Integrator	Goals, Cohesiveness	Inclusive
	Integrity & Ethics	Values, Ethics	Connected
	Truth & Justice	Fairness, Candor	Connected, Equitable
	Empathy	Cultural Intelligence	Metaphors, Customs
Humaneness		Compassion, Consideration	Equitable, Connected
Servant Leadership		Self Sacrifice, Empowerment	Equitable, Secure
Transformation	Inspiration	Expectations, Mentoring	Inclusive, Connected
	Charisma	Decisive, Uniqueness	Inclusive
	Risk Change	Desire to change, Security	Secure
	Vision	Foresight, Goals	Inclusive
Power	Knowledge Power	Sharing knowledge, Mentor	Inclusive
	Position Power	Legitimate, Political	Equitable, Prudent
	Power Distance	Locust, Communitinarism	Inclusive, Connected
	Referent Power	Bravery, Warmth	Secure, Prudent, Inclusive, Connected, Equitable
	Reward & Punishment Power	Coersive, Reward	
Communication	Adaptability	Understanding, Communication	Connected
	Competence	Cultural, Communication, Listening	Connected, Equitable
	Creativity	Storytelling, Metaphor	Inclusive, Connected
	Patience	Time, Repetition	Secure, Prudent
	Sensitivity	Facework	Inclusive
	Wisdom	Accuracy, Culture	Equitable, Connected
	Conflict Management	Knowledge, Listening, Preparation	Equitable, Connected

Table 1 – XLQ/Sustainability Matrix (Grisham)

Transformation is a leadership attribute that includes the ability to provide vision (the idea of *time horizon*), to inspire, to motivate, and to encourage taking risks. For those who are raised in societies that have long histories of collectivism, and who accept larger power distance relationships this is daunting notion. A leader can inspire such changes in attitudes however by creating a group culture of risk seeking, and striving past one's perceived limits. If a leader demonstrates the behavior, rewards taking risks, and provides a safety-net for failure, it can mitigate, and in some cases reverse, societal cultural training. It can "inspire the desire to follow."

Position, political, and reward/punishment power are generally well documented in the literature, and well understood. In the research for the thesis the only negatively correlated aspect of leadership was coercive power, which was expected. The attribute of referent power is not widely researched, and is still debated in the literature. When discussing referent power, Bass & Stogdill refer to the work of Podsakoff and Schriesheim (1985) who found that (Pg. 235): "the use of referent power by leaders usually contributes to their subordinates' better performance, greater satisfaction, greater role clarity, and fewer excused absences." Bass and Stogdill (1990) believe that referent power is a strong force, though not a well tested form of power. In "inspiring the desire to follow" referent power goes directly to all aspects of sustainability. It is inclusive, prudent, and secure because the leader demonstrates the norm for the group inspiring bravery, warmth, recognition of capability, and connection to global standards of care and values. It is connected and equitable because of the norms established for the group by the leader, and their acceptance by the group. Their acceptance is driven by a desire to emulate the leader, and to belong to the group.

Communication is critical in all endeavors, and goes first to the sustainability aspect of being connected. In order to imbue the norms described above, a leader must get the message across to the group through action, reaction, paralanguage (body language), and language. A leader, who can adapt her /his communication style and tempo to fit the needs of the individual members of a group, and to listen actively, demonstrates competence, sensitivity, and patience. This engenders inclusiveness and connection to the group. Managing conflict effectively is, and the XLQ model suggests, the lubrication necessary for functional groups. Conflict will occur, particularly when there is rapid change. A leader can turn this to the advantage of the effort by dealing with it head-on, and through equity and justice. The group will understand that conflict is natural, and should be approached with compassion and equity, rather than with fear and uncertainty.

Conclusion

Globalization will continue, and it will bring blessings, but also curses. It is hoped that firms and organizations will continue to strive for sustainability practices, including the TBL. Unfortunately this is a work-in-progress, and will likely be for the next millennium, and leaders will be continue to be confronted with disparities, inconsistencies, and contradictions in values, economics, environmental standards, and governance in the global market. Individual leaders must be proactive and help point the way toward a more stable international community. It may be our only, sustainable, hope.

There will be innumerable challenges to confront, and so having a recognized foundation is essential, even if imperfect. It is suggested that foundation be the Universal Declaration of Human Rights, Adopted and proclaimed by General Assembly of the United Nations (resolution 217 A (III)) dated 10 December 1948⁶. It is sustainable, internationally recognized, and can serve as an anchor in times of strife and uncertainty, even if it is still not practiced in many places.

Cross-cultural leadership requires a number of skills and abilities that can be learned. Leaders must learn about themselves first, and then about the world in which they live. They must have a burning inquisitiveness that leads them to explore, to seek understanding, and to strive for knowledge.

Leadership requires a person to be self-assured, fearless of change, and compassionate. Demonstrating such attributes will encourage others to willingly follow, and to emulate, even when chaos prevails.

If a leader has the knowledge gained from the XLQ dimensions or trust, empathy, transformation, power, and communications, s/he can provide the safe harbor from the international storm that is raging, and in doing so, lead sustainability.

Future Research

In today's international business environment, it is essential to establish metrics for leadership efficacy. Research needs to be conducted into establishing and testing ways to measure the dimensions of XLQ - for example how well does a person communicate. There is focused research on various aspects of leadership, emotional intelligence, and cultural intelligence, but little or no research on how to measure the overall interaction of the components. And, there is no research yet performed to measure the XLQ dimensions.

Once benchmark metrics are thus established, the efficacy of various educational techniques can be undertaken to measure the progress of a leader towards the benchmark goals. On both, the research must be conducted on internationally diverse test groups if it is to be meaningful.

Next Analysis

The follow on research will begin with a survey of the psychological, sociological, cultural and emotional testing protocols that are currently in use to predict strengths and weaknesses in the XLQ dimensions. Myers-Briggs testing and the like can be reviewed to see if they directly, or indirectly can be utilized in establishing metrics for measuring trust, empathy, transformation, power, and communications.

⁶ <http://www.un.org/Overview/rights.html>

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