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Letter from the Editor

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Letter from the Editor

"Once you become environmentally conscious, there is no going back."

This philosophical proclamation was made by author Ray C. Anderson, Founder and Chairman of Interface, Inc., during a November 2008 interview. Mr. Anderson has been touted as the "greenest CEO on earth." He has transformed the business he founded in 1973 from a "plundering, global, billion-dollar carpet business" into a company whose mission is zero environmental impact by 2020.

With the catch-phrases of "going green" and "sustainability" permeating the airwaves, several queries arise. How much of this is banal, opportunistic marketing? Are there serious endeavors being implemented to really reduce greenhouse gases to preserve the earth's eco-systems and the biodiversity needed to maintain interdependent life systems?

And how do these environmental objectives square with "values-based" leadership? Are they synonymous, interconnected, or subject to segregation as a distinguishable subset of ethics? Querying a colleague on this point, my question was answered by yet another question: "How can you be a steward of environmental resources without being ethical – and ethical without being eco-friendly? For to be right with one, you must be right with the other."

Therefore, building upon this foundation, values-based leadership would naturally command the business entrepreneur to make the important differentiation between "shareholder" and "stakeholder." While a "shareholder" connotes one holding a financial interest in an enterprise, a "stakeholder" represents any person, group, government, country, ecosystem, or other species affected by the goods or services produced by that business.

No longer can a business remain viable by simply pursuing the "bottom line." While that singular point of focus ignited the Industrial Revolution – producing many of the inventions and innovations enjoyed today – little was known then about the cost being borne by the planet in the process. In an effort to make industry more sustainable and accountable, emphasis has been shifted to what is more commonly known as the "Second Industrial Revolution" or the "Triple Bottom Line." Responsibilities to the stakeholder are now measured by economic, environmental, and social factors. Simply stated, no matter how much revenue is produced by a commercial entity, if the health of the planet is compromised, of what practical significance is monetary wealth?

Values-based leadership requires a continuous assessment and responsible management of the consequences of a business's operations. Therefore, this issue of the *Journal of Values-Based Leadership* is primarily dedicated to businesses, organizations, and individuals leading the way in providing world populations with the products and services needed in a sustainable way.

The first article is segregated into three parts: (1) an examination of the reasons leading to the restructuring of Interface, Inc. as explained in Ray Anderson's 1998 book, "Mid-Course

Correction;" (2) an interview with Chairman Anderson at Interface headquarters in Atlanta, Georgia regarding goals for complete sustainability of company operations by 2020; and (3) lessons learned and reflections gleaned from a recent tour of Interface's facilities.

Continuing with sustainability trends in business, BMW, known for its well- engineered vehicles, has also reviewed the efficacy of its designs and base materials incorporated into its products. In addition to the production of new models of vehicles with better mileage, the company is designing a plethora of products which combine eco-friendliness with aesthetics. Leading this vision-turned-reality is BMW Group DesignWorksUSA, confidently and competently led by the company's president, Verena Kloos.

Continuing with the theme of environmental awareness in commerce and industry is the Washington, D.C. leading policy former – the Union of Concerned Scientists (UCS). As medical researchers were primarily credited with the awakening of both the public as well as the nation's lawmakers to the dangers of tobacco use, it is the scientists who have unrelentingly opined that business can no longer be done as usual without assessing the costs to the health of the planet. While certain industries are busily attempting to re-tool to meet the demands of the 21st century, UCS has doggedly reminded our representatives of the very prominent part they play in fashioning policies that create jobs, develop alternate sources of cleaner, renewable, energy, and stimulate industrial creativity to remain competitive in the world marketplace.

Charles Manz and colleagues return to the JVBL with a submission addressing the need for shared leadership in a world that poses new and serious challenges. It is the dynamic of the collaboration – without necessarily losing the individual perspective – that is needed to make the changes the industrial world is demanding.

Lastly, <u>Spiritual Enterprise</u>: <u>Doing Virtuous Business</u>, is reviewed by critic Dane Starbuck. The book's author, Theodore Roosevelt Malloch is credited for not rehashing the corporate scandals of recent years which have already become inculcated in the public's mind. Rather Starbuck describes that Malloch takes a novel approach to identifying those business entities which have done well through the continual practice of virtues and recognition of a transcendent being.

— Elizabeth Reiner Gingerich , J. D., Editor