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Leadership in the 21st Century

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Did you know that Mother's Day, the holiday that we now celebrate in the US on the first Sunday in May with flowers and gifts for Moms, had a very different birth purpose? This holiday had its origins in the heart and pen of Juliet Ward Howe the famous lyricist of the "Battle Hymn of the Republic", which was the inspirational marching song of the Union Army during the American Civil War. While an ardent supporter of the fight to end slavery and keep the country together, she was sickened by the carnage of the Civil war in the US. In 1870, appalled at that time by the outbreak of the Franco-Prussian War, she declared a Mothers' Day Proclamation for Peace and had it translated into French, Spanish, Italian, German and Swedish and disseminated internationally.

"arise arisegreat congress of women of all nationalities who have hearts, whether your baptism be of water or of tears... We will not have great questions decided by irrelevant agencies... and our children shall not be taken from us to unlearn all that we have been able to teach them of charity, mercy and patience... We women of one country will be too tender to those of another country to allow our sons to be trained to injure theirs." She continued, "let women now leave all that may be left of home for a great and earnest day of counsel with each other as to the means whereby the great human family can live in peace, each bearing after his time the sacred impress not of Caesar but of God."

She ended her proclamation by declaring, ..."In the name of womanhood and humanity, I earnestly ask that a general congress of women without limit of nationality be appointed and held at some place deemed most convenient and at the earliest period consistent with its objects, to promote the alliance of the different nationalities, the amicable settlement of international questions, the great and general interests of peace.

Two years later, in 1872, JWH went to London to spread her message, and when an established peace organization there would not let her speak to them because of her gender, she hired a hall and conducted her own meetings.

So here we are. One hundred and forty years later, a great congress of women from all nationalities gathered to discuss the great question of the 21st century. "How to shape a sustainable future"?

To answer this question let's first examine the word sustainable. In some definitions, it means "capable of being sustained". Surely that is not why we are gathered here.

Sustaining the status quo of the models that have gotten us to this place - - colonialism, patriarchy, the power of quarterly earnings, super-size it mentality, trickle down economics, glass ceilings - - is a recipe for disaster.

The most popular definition of sustainability can be traced to a 1987 UN world economic conference on development. It defined sustainable developments as those that "meet

present needs without compromising the ability of future generations to meet their needs. Or said in simple story book terms - - do onto future generations as you would have them do onto you." Think of that for a moment - what would our reaction be if future generations could somehow reach back through a time machine, back to our present day, and steal from us as we so regularly steal from them?

To that end, I think the native American Iroquois elders had it right with their definition of seven generation sustainability. The Great Binding Law of the Iroquois directed the tribe to think seven generations ahead and decide whether the decisions they make today would benefit their children seven generations into the future.

Here is the original language that comes from: "The Constitution of the Iroquois Nations: In all of your deliberations in the Confederate Council, in your efforts at law making, in all your official acts, self interest shall be cast into oblivion. Cast not over your shoulder behind you the warnings of the nephews and nieces should they chide you for any error or wrong you may do, but return to the way of the Great Law which is just and right. Look and listen for the welfare of the whole people and have always in view not only the present but also the coming generations, even those whose faces are yet beneath the surface of the ground - the unborn of the future Nation."

In the succeeding decades since the first UN conference on world economic development, the working scope for global focus on sustainable development has been refined to clarify the dynamic cause and effect of our attitudes and actions on the world's natural and human resources. Clean air, water, climate change, energy, vibrant flora and fauna have tended to be the focus of most conversations about all things "sustainable".

Today I would like to go back to the sentiments of the Iroquois nation and suggest a critical pre condition to achieving a sustainable approach to sustainability - - and that would be creating sustainable cultures that have the "long view" as part of their DNA. To do that it will require redefining the type of leadership we need for the 21st century. Historically we have seen models of "vertical" leadership in our corporations and institutions, carved up by legal, tribal or territorial boundaries, into separate and often times competing silos. As the world gets more and more flat, our vertical models get steeper and more parochial, with a hardening of the arteries that puts a limit on systemic change. However any real success that has been achieved in sustainable development has proven that crossing silos and creating boundaryless inter-organizational collaborations is critical for real change. Leadership for the 21st century will need to be horizontal leadership that connects the perspectives, energy and interests from the spheres of work, family, community, culture and religion. These spheres don't have inviolate boundaries but rather are interoperable systems that need to be honored, respected, encouraged and connected - - for both institutions and individuals to shape a sustainable future for generations to come.

Why do I think this is true? - - Because today's siloed leadership has run out of answers. The questions are too big, too interconnected, too complex, too tangled, too critical for any one silo or group to answer satisfactorily for all. And I believe that our leaders today, those with the best intent, are frustrated with their inability to do what is really right.

Let's take a concrete example of what I mean.

At Ernst & Young I am the industry leader for our advisory, audit and tax work with biotech, medtech and pharmaceutical companies around the world. I spend most of my time helping our clients think through the implications of all the changes that are reshaping their universe. Last year in our Annual Report, Progressions, we outlined the beginning shift in the industry to what we called Pharma 3.0. The essence of the message is that the "block buster" model for the pharmaceutical industry, pharma 1.0 can't be solved by the current Pharma 2.0 model which is focused on product and market diversification, cost efficiency efforts, and merger synergies. The meta trends of global demographics, unsustainable health care costs, technology, and exploding information are pushing the industry into Pharma 3.0 which is all about demonstrating improved health outcomes for patients and improved economic benefits for health systems. In a pharma 3.0 world, the patient, not the pill, is in the middle and improved health outcomes will be the driver of value.

Now let's take a look at the history of health outcomes. You can say that HO1.0 was sanitation - - where clean hands and clean water created an exponential increase in HO. For the last century, HO2.0 was defined by curative interventions of drugs and devices - - antibiotics, vaccines, statins, stents - - but today, that is not sufficient to get to a radically improved level of health outcomes. Today, the exponential improvement of HO, HO 3.0, will come from behavioral change - - behavioral change of patients and health care systems. Today 75% of health care costs are from treating chronic diseases like diabetes, obesity, and cardiovascular where diet, exercise, education and lifestyle management are the major part of the answer as well as better management of the last 6 months at the end of life. And the health care system - one of the most complex and dysfunctional across the planet will need all players - - patients, payors, providers, regulators, legislators to change their behavior and align around new standards, norms and incentives to create the collective impact that will increase health outcomes for all the worlds human beings.

One of the underlying principals in our Pharma 3.0 work is the requirement for radical collaboration across multiple systems for 3.0 to become a reality. We are advising our clients that it is not enough to think about how their pill business model is changing - - but critical to think about how to fit into the changing business models of other industries like food companies, technology companies, telecom, insurance, information services companies and the government. These other sectors have assets and attributes that, taken together, can form innovative partnerships to increase patient outcomes, increase access and meet unmet medical needs. Examples of emerging pharma 3.0 partnerships include smart phone apps to help you manage your glucose levels or sms texts that remind you to take your medicine.

However - - to become part of the larger community and have a seat at the table as health care systems undergo the needed transformation, the pharma industry and its leaders need to be trusted that their business model truly has health outcomes as its core operating principal and they can demonstrate their ability to co-create value for patients, systems and shareholders. Leadership for the pharma industry requires horizontal, collaborative,

networked, systems integrators working collaboratively across many types of boundaries to answer the scientific, ethical, economic and social issues that we confront as a society.

About 8 years ago I heard a great presentation by Mary O'Hara Devereaux a noted futurist who helped put this question about Leadership into perspective. She had just written a book called, *Navigating the Badlands Thriving in the Decade of Radical Transformation*. She described the Badlands (a reference to an unnavigatable and hostile piece of territory in the old American West) as the time when the institutions of today no longer meet the needs of its citizens. Throughout history, going back to BC times, civilizations have found themselves stranded in the Badlands looking for the way out. She describes that throughout history new technologies and their subsequent innovations haven't directly caused social change; rather they created problems and dilemmas that drive society to seek new solutions from a diverse set of choices.

This search for new solutions and a new way is never easy because they tend to create major structural shifts across all economic, environmental and social dimensions which create huge transition costs for society that need to be navigated wisely. What really struck me was her point that the ability of today's leaders to manage the transition through the churning marketplace, geopolitical realities and failing social institutions we are experiencing - - in politics, health, education and business - - depends for the first time in history on a new global cast of characters. She goes on to say "However their knowledge of their colleagues around the world is incomplete, their ability to craft solutions together is untested, the stakes for all parties are extraordinarily high: and the good or bad choices they make will lay the foundation for the next era."

Most remarkably, Ms Devereaux described the conditions of what she called "toxic leadership" that fights the changes necessary and that throughout time - - the ability to navigate society and institutions through and out of the badlands requires the Hero's journey - - and she predicted that the Heroes for the 21st century will be the Women. Which brings me to us. The women. We are at a critical inflection point for a variety of reasons. Ms Devereaux has charted that navigating the Badlands through toxic leadership and great technological changes tend to stretch for about 75 years through difficult transitions until a new plateau of goodness can be reached. I came of age in the 60s when the huge disruptions of social and political change were unleashed - - women's rights, civil rights, sexual expression, realpolitik - - and in the intervening periods as the effectiveness of social, economic and political institutions defined in the shadow of World War 2 began to fray, women have come of age. Around the world we make up the majority of students in higher education, the majority of consumers, the critical backbone of families and communities and we make up a significant percentage of the ranks of lower and middle management. And although we haven't cracked the code to break down the barriers at the very top of the house, we are more and more attaining critical positions of power and influence. However we are facing a real paradox.

As women become ubiquitous in the halls of companies, if not in the corridors of power, both men and both genders of the younger generation, believe that "we have solved the problem" - - but we haven't.

One hundred years after JWH called for women to declare themselves united, my mother's generation fought hard for equal opportunity and equal rights for women - - and the chance to enter the edifices of politics, money and education. And in the ensuing 4 decades, women joined the ranks of government, business, education and civil society. Yet regardless of our numbers in the ranks which are impressive, the progress of getting women to the top has stalled and we still make up a minority of leadership in all sectors of the public and private arenas. We are still leading from the foot of the table, not the seats of power. And we are still arguing about the business case of D&I efforts. While Rome is burning.

And one more critical fact. Do you know what percentage of white men make up the current college graduates in the world of an age appropriate for the work force of the type of companies and institutions represented in this room? 17%. That's all. That's it. The majority of the leaders of our companies and governments in the developed world are the new minority. In this, the early days of the 21st century, our future - - of our society and world - - as well as for the collective mission of our companies and institutions, will require us to tap into the 83% of college graduates around the world who are not white men.

All of these experiences has brought me to a belief in what the legacy will be for my generation of the women's movement. It's not enough to fight to get more women in positions of leadership. We now have to clearly answer this question - - "for what purpose? For what purpose do we need more women in leadership" For what purpose do we need to have more women's voices speaking truth in the halls of power?

I teach a course at Columbia University Graduate School for International and Public Affairs called "Women and Power". My students come from all around the world - - committed, wonderful, passionate smart women, seeking their masters' degree in IA and wanting to change the world. I have found that women are nervous about that word - - Power. And they are schizophrenic about the subject of ambition. Think about that for a second. How comfortable are you proclaiming your ambition to be powerful? For the term paper, the students have to declare their Purpose - - for what purpose are they on this planet? Then they have to do an inventory of their current sources and level of power and do a two year action plan on how they are going to increase their power and use it intentionally to make progress on their purpose. Although this is a graduate level course, part of curriculum that includes advanced economics, heavy duty policy and legal theory, year after year my students tell me that this paper was the hardest one they had to write in graduate school. I love reading their papers. Let me tell you the story of one of my students which will best illustrate both the importance of the question - - For what purpose do we need more women in leadership? - - as well as the answer

Jackie is a Captain in the army. She has led soldiers during two combat deployments in Iraq. As a young woman she was determined to prove that she could be physically fit and mentally tough enough to graduate from the top US military academy, West Point. It was important for her to prove to herself and others that women could do what men could do - - and graduating at the top of her class at West Point and leading with distinction in Iraq were proof statements. The army was sponsoring Jackie at Columbia for her Masters and then she was bound back for West Point to teach a generation of cadets.

The journey through the class discussions and required readings brought her to a stunning realization in her final paper. Her purpose went beyond proving that she was equal to men. Instead, struck by her experiences and the fact that only 11% of the leadership in the armed forces are women, she realized that the military can not reach their potential promise - - national security given the current face of leadership. Let's listen to Jackie...

"...studies show that diverse groups tend to make better decisions than groups of experts
When I added to that the undisputable fact that the military's success is vital to the American way of life, it dawned on me that the lack of women in the highest levels of military leadership goes beyond my sense of self-righteous indignation at the blatant discrimination, but it is actually a matter of national security. Our military, which is arguably the best in the world, is failing to meet its potential because half the nation's population is explicitly excluded based on an archaic law against women in combat roles. While women are not explicitly excluded from promotion to the highest ranks, they are at a decided disadvantage because they are not allowed to serve in the combat roles necessary for a "critical mass to build the experience needed to attain the very highest levels of leadership"

In her paper she went on to reflect that many of her "feminine instincts" of leadership - - collaborative, nurturing, empathetic - - were drummed out of her as "weak" in the masculine world of the "get tough" military ethos. She completed her paper by declaring her intention to make sure that she returned to West Point to teach as a woman and to legitimize the importance of these attributes to the kind of leadership the nation needs.]

For what purpose do we need more women in the military - - so that we, both men and women, can think holistically about all the conditions necessary for national security, peace and fullness of life. Consistent with our values.

Which brings us back to Mother's Day - - and JWH's proclamation for Peace

"arise arise ... great congress of women of all nationalities who have hearts, whether your baptism be of water or of tears... We will not have great questions decided by irrelevant agencies... and our children shall not be taken from us to unlearn all that we have been able to teach them of charity, mercy and patience.

We women have a great responsibility to "arise arise" and take our positions in a type of leadership that is needed to shape the future for seven generations. As business women leaders, we are called upon to move from being about profits to being prophets - - to speak the truth, draw from our collective strength and mobilize stakeholders beyond artificial, man-made boundaries to achieve the sustainable future that our great-grandchildren will thank us for.