



## Business Dilemmas Forum: Navigating Expectations for Societal Leadership

### Key Insights

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Businesses face mounting pressure to engage on political and societal issues. A climate of higher expectations from investors, consumers, employees and government, in addition to the war in Ukraine, global warming and the pandemic, have increased pressures on business leaders to engage on controversial and complex questions. The Risk Coalition urges companies to integrate oversight of geopolitical risk into environmental, social and governance (ESG) perspectives. The *2022 Edelman Trust Barometer Special Report* confirms that societal leadership has become a core expectation of business.

Against this backdrop, 50 business leaders convened for a two-hour discussion on converging crises, on 20 September 2022. Hosted by the United Nations Global Compact and Thomson Reuters during the UN General Assembly's week of high-level debates, and facilitated by The B Team, the Business Dilemmas Forum was an invitation-only roundtable held under Chatham House rules.

This session brought together a select group of global executives for a candid, business-to-business discussion of complex dilemmas related to strengthening peace, justice, and strong institutions (Sustainable Development Goal 16). Participants represented diverse industries and geographies, as well as business functions (i.e., C-suite, government affairs, sustainability, governance, legal, risk, and communications).

#### Discussion centered on three questions:

1. *How are you and/or your companies managing increased pressure to take a stand on political and/or social issues?*
2. *How are you and/or your companies weighing the cost of doing something, versus the cost of doing nothing?*
3. *How can lobbying be part of an accountability framework regarding your corporate decisions and actions in these areas?*

#### Key takeaways include:

- **With respect to the war in Ukraine and issues of Diversity, Equity, and Inclusion, employees have emerged as a significant mobilizing force**, pressuring multinational companies to engage and/or strengthen engagement. Youth is another source of pressure across topics; they expect companies to take a stand on social and political issues.

- **Even among companies that choose to “take a stand,” there are varying degrees of action.** It is one thing to take a public stance, and another to act on the problem—for example, by deploying products, assets and/or technologies.
- **Employees and customers expect consistent action, but this may present a challenge.** It might make sense to engage on one issue but not another. Criteria may include relevance to the business, ability to affect change, pressure from stakeholders, accountability to shareholders, etc.
- **Meaningful stakeholder engagement can help formulate and communicate thoughtful plans.**
- **Companies cannot always make decisions under optimal conditions and may need to choose their battles.** There may be a need to respond within 24 hours, there may be internal disagreement, but a choice needs to be made, and ideally, all agree to move on.
- **It can be helpful to communicate to employees the analytical framework used for controversial decisions.** Further, while there may be one common set of values across global operations, it may be appropriate to communicate those values with different nuances and priorities, according to local context.
- **Multi-stakeholder investment and collaboration is needed to tackle world issues—companies alone cannot solve them.** This is especially true for complex issues and environments where speaking against public institutions can result in revoked business licenses or imprisonment. Some companies find more latitude exercising their voice through partnerships and industry alliances.

### Resources to Learn More

- United in the Business of a Better World: A Statement from Business Leaders for Renewed Global Cooperation, United Nations Global Compact ([here](#))
- Sustainable Development Goal 16 Business Framework: Inspiring Transformational Governance, United Nations Global Compact ([here](#))
- Transformational Governance: Expanding the “G” in ESG, United Nations Global Compact ([here](#))
- The Business Case for Protecting Civic Rights, The B Team ([here](#))
- The Role of the Private Sector in Protecting Civic Space, Chatham House ([here](#))
- Geopolitical Corporate Responsibility Can Drive Change, Chatham House ([here](#))

### About the United Nations Global Compact

As a special initiative of the UN Secretary-General, the United Nations Global Compact is a call to companies everywhere to align their operations and strategies with ten universal principles in the areas of human rights, labour, environment and anti-corruption, and to take action in support of UN goals. With more than 17,000 companies and 3,000 non-business signatories based in over 160 countries, and over 60 Local Networks, it is the largest corporate sustainability initiative in the world.

For further information, please contact [governance@unglobalcompact.org](mailto:governance@unglobalcompact.org).