

POSITION PAPER

What is GSL™?

Corporate citizenship requires major firms to re-think how they fit

by Nicholas Dungan

Major business firms need to prepare now for a sea-change in the way they fit in global society.

A broad-based, holistic concept of corporate citizenship, already displaying increasing momentum, will soon disrupt and displace the mere exercise of corporate social responsibility (CSR).

Global firms—multinational enterprises, financial institutions, professional services firms—will henceforth be compelled to prove, convincingly and continuously, their commitment and their conduct as exemplary global citizens.

A new form of thought leadership is needed

People across the world are intent that institutions of all kinds should demonstrate responsible societal behaviour. This determination will only be amplified as global society faces the combined challenges of Covid19, climate change, artificial intelligence and consequent inequalities.

As an essential component of their corporate citizenship, global firms in the top tier of their industries and professions must prepare to exercise a new, consistent and dynamic form of thought leadership: Global Strategic Leadership (GSL™).

GSL™ requires a firm to build its brand equity as a top-tier global standard-setter. Firms will need to produce consistent content as reliable and authoritative as any think-tank, consultancy or university. That content needs to be delivered in a variety of forms, on a variety of platforms, to a variety of audiences. The firm's representatives must be sought out and respected as experts, to participate in shaping the global conversation, not just to convey corporate messages.

Global audiences will evaluate an organisation's GSL™ as an indicator of its corporate citizenship. Asset managers should incorporate the quality of a firm's GSL™ into their ESG criteria.

Major firms which fail to exercise GSL™ will run the risk of losing trust, reputation and value. Those which do it well will almost certainly gain trust, reputation and value.

Global Strategic Leadership (GSL™) takes thought leadership to a higher level

Global firms will increasingly be required to demonstrate the quality of their strategic thinking, over and above their business performance. This is a paramount implication of corporate citizenship. Corporate messages are not enough—indeed, they may erode brand equity on their own.

The new kind of thought leadership required is Global Strategic Leadership (GSL™).

- GSL™ is *global*: the breadth and depth of thinking must be all-encompassing, address multi-stakeholder relationships from a pluri-disciplinary platform and extend beyond comfortable close-to-home geographies;
- GSL™ is *strategic*: the thinking within GSL™ must focus on major long-term issues facing the firm, its industry or profession and all societal stakeholders;
- GSL™ produces *leadership*: the firm achieves—and then must maintain—its status as a multi-stakeholder standard-setter for the best quality thinking about the fundamental strategic issues of its business, industry or professional sector within the widest definition of global society.

GSL™ requires cross-sector, multi-stakeholder leadership and impact from the firm. The firm's critical strategic intelligence on priority issues must be a model both within and beyond its industry. Building the firm's GSL™ requires inclusive change management within and around the firm, across all its ecosystems—and, especially, buy-in and ownership at all levels throughout the entirety of the firm itself.

But firms are unprepared

Despite heightened awareness, global firms—industrial, financial, services—have yet to come fully to terms with the imperative for broad-based, holistic corporate citizenship. All leading global business firms need to reconsider their business models. And they need to prove to society their ability to think globally and strategically as standard-setters, in order to remain global leaders.

CogitoPraxis drives GSL™

The CogitoPraxis GSL™ model gives equal importance to high-quality thinking and effective practical action. CogitoPraxis designs, executes and re-evaluates its GSL™ assignment jointly with the client organisation, consistently seeking collaborative solutions and positive outcomes.

Achieving GSL™ typically involves an assignment in five stages: assessment, objectives, strategy, implementation, impact. Each stage can be undertaken independently, one-by-one.

Our goal at CogitoPraxis is to assist each client firm to achieve its own best form of GSL™:

- support clients in achieving the highest-quality thinking in their areas of speciality and expertise;
- collaborate in conveying that thinking to audiences across the client firm's ecosystems; and
- create in the client firm lasting stewardship to sustain, renew and perpetuate the client's GSL™.