



Workshop 10

The role of the private sector in ESD

Time: 31 March: 15.00 – 18.00h (first part), 1 April: 11.00 – 13.00h (second part)

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The private sector has a strong tradition of training employees to improve competitiveness. As companies take on a broader role in society, they have extended their influence to other types of education and training. This includes learning at the primary, secondary, tertiary and community levels through both formal and informal channels. On the occasion of the DESD, this workshop aims to better understand the rationale and roles of the private sector in education for sustainable development and education about sustainable development. We will look at the boundaries of business responsibility and the role of government and civil society, with a focus on exploring different modalities of engagement and how to ensure win win partnerships. This background paper outlines some initial thinking on the above.

We live in a world that is increasingly shaped by sustainable development issues. There is no doubt that globalization and opening up of markets and trade have created tremendous economic growth. However, the wealth generated has not been evenly distributed either between countries or within countries, nearly 4 out of 5 people in the world still live on less than \$11 per day.

Poverty and inequality is just the tip of the iceberg. The link between energy and climate impacts is becoming increasingly visible. Population growth and rising standards of living will trigger will double or triple energy demand in the coming decades, and water and ecosystems are being degraded or used unsustainably according to the Millennium Ecosystems Assessment, services that business relies on. We are therefore undermining our resources, our people and our societies unless we take the issue of sustainable development seriously.

The business link

These are just some of the challenges the business sector faces, but they demonstrate the inextricable link between business and society in a world estimated to reach nine billion people in 2050. Business leaders increasingly recognize their company's future success depends on how well they address these challenges and how well they understand sustainable development. There are clear business benefits to a sustainable approach, and weaknesses in environmental, social or health-related performance can present great risks for a company. Sustainable development policies and procedures allow a company to stay "ahead of the game" as it is anticipating these risks. Sustainable business practices can increase operational efficiency and profitability while improving the environmental and social performance of a company such as eco-efficiency, innovation and safety. A focus on sustainable development will lead to both the development of new markets and increased value in enhancing products, services and brands with positive environmental and social properties.

Where does Education for Sustainable Development (ESD) fit into all of this?

Education is a key pillar of sustainable development. There is a positive correlation between the literacy rate of a country and economic and human development. Education is a key factor in empowering the

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poorest people to improve their socio-economic situation. Equally, education plays an important role in gender equality and strengthening the social and economic situation of girls and women. In the context of ESD, as described in Chapter 36 of *Agenda 21*, ESD (education for/about sustainable development) has four major focus areas: (1) improve basic education, (2) reorient existing education to address sustainable development, (3) develop public understanding, awareness, and (4) training. The private sector has a role to play in all of these areas.

Improving basic education and reorienting existing education

The onus for improving education tends to fall on national governments, with the help of donors, but companies can and should get involved. Corporations can engage with governments through multi-stakeholder partnerships to support the educational infrastructure, including administrative and project management training and support.

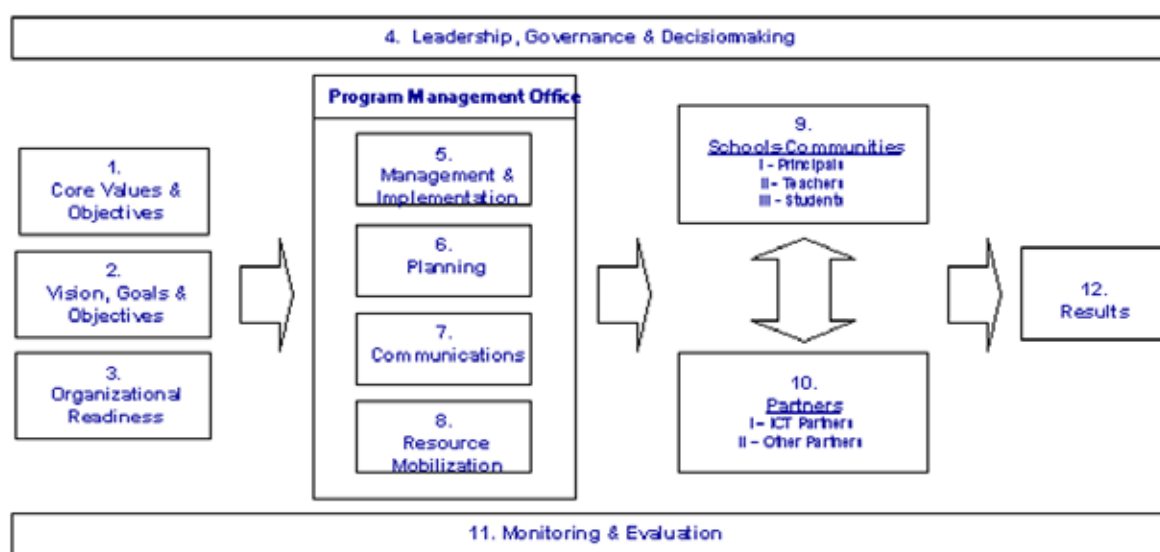
A global meta-review of 12 multi-stakeholder partnerships in education (MSPE) initiatives (Alexandra

Draxler, Jan 2008) by Partnerships for Education, a joint initiative between UNESCO and the World Economic Forum to research and catalyze the use of MSPEs on a global level has found that the involvement of private sector to help achieve a country's national education sector plan has the comparative advantage of:

- Making education relevant to the economy
- Innovation - in education and more widely
- Educational programmes can readily be targeted to specific groups
- Improved technological and financial management techniques
- Improving the overall learning environment

Through engagements with Jordan, Rajasthan, and Egypt since 2003, the World Economic Forum Global Education Initiative has developed a country education model (Tom Cassidy, October 2007) to facilitate the government's engagement with private sector and other key education stakeholders in developing win-win partnerships.

The GEI Model of Effective Partnership Initiatives for





In reviewing the lessons learned where government has partnered with the private sector in education, several items stand out:

- Multi-stakeholder partnerships initiatives can be very effective providing sufficient care is taken and there is early agreement on fundamental principles
- Multi-partner initiatives must be very well and systemically managed with guidelines and legal frameworks in place
- An assessment of needs and desired results should be the first step
- MSPEs may not reduce costs, and there is may additionally be a need to fund the unforeseen
- Leadership and management teams must include a balanced representation of stakeholders
- Changing what goes on in schools, and particularly changing teaching practices in classrooms, is a much more complex and challenging undertaking than partners often believe.
- Teachers and principals are at the heart of the change process and must be involved actively in their design and implementation.
- Sustained partner involvement should not be taken for granted.
- Monitoring and evaluation with transparent reporting must be given much greater attention in all such initiatives
- Good partnerships and partners should not be taken for granted.

Developing awareness and building capacity

To gain business value, sustainability must be adopted as a core feature of corporate practice - from supply chain, R&D, to codes of conduct to energy efficiency, which mergers and acquisitions, to transparency and reporting. Yet despite progress, few companies have the relevant leadership and capabilities in place to deliver on business and sustainability priorities, with limited buy in from most parts of the

corporation. Companies are therefore exploring how to inform, train, equip, direct, motivate and support employees in sustainable development. Sustainability requires new knowledge, skills and values to allow managers to balance profitability with stakeholder interests and social and environmental realities. A critical mass of employees with the basic comprehension of sustainable development is required to achieve sustainable literacy, and these concepts need to be integrated into a range of disciplines such as marketing, finance, strategy, supply chain management and human resources.

This does not imply that learning should be uniform. Specialist responsibilities - for example to assess labor conditions in global supply chains will normally be assigned to particular individuals and will require specific training and development. However, developing three generic capabilities will help business to address its strategic goals and generate long-term value.

- In an increasingly interdependent world, it is critical to be aware of the local and global context in which companies are operating in.
- Sustainable development requires a long-term view – it is about meeting our needs today while still being able to hand over the planet to the future generations.
- Companies must continually enhance their workforce's skills to respond to the emerging demands of customers, investors and society. Part of this is understanding why a stakeholder approach is essential to an organization's long-term approach and who and how to consult.

To best learn about sustainable development issues, especially in the private sector where time is of the essence, many companies are developing in-house training programs. This often involves action learning - putting an employee through an experience, allowing them to experiment and use their judgment to understand the complexity of the topic. Companies also make use of executive education programs for senior management. These programs are increasingly integrating sustainable development issues into

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leadership, strategy and ethics to equip executives to think and manage more effectively in a changing business world.

For large corporations, investing in ESD education and training can:

- Create a healthier, better trained, more qualified work force
- Create a larger pool of labor locally with the appropriate skill sets and knowledge to meet the particular requirements of the corporation
- Lead to improved capacity and performance of local suppliers
- Strengthen the business license to operate through participation in local enterprise development and the development of vocational training programs
- Make an important contribution to curriculum development, particularly at secondary and tertiary education levels, ensuring that it stays relevant to business needs.