

The Albert Luthuli Centre for Responsible Leadership

Creating Value:

Reflections from the ALCRL 2013/2014

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Message from the Dean



The Faculty of Economic and Management Sciences is proud to present the 2013/2014 Annual Report of the Albert Luthuli Centre for Responsible Leadership (ALCRL).

The theme of this report "Creating Value: Reflections from the ALCRL – 2013/2014" is displayed in the wide range of engagements in the areas of responsible leadership, integrated reporting and biodiversity.

The high profile international visitors and visits, the various industry and research reports, the published research outputs, the completion of the first cohort of students on the postgraduate diploma in Integrated Reporting and the continuation of the MPhil programme are all highlighted. We are extremely proud to be the first Faculty to offer a PhD in Leadership focusing on Responsible Leadership.

I wish to congratulate Prof Derick de Jongh and his team with these accomplishments.

Prof Elsabé Loots

Dean of the Faculty of Economic and Management Science

"The aim of education is the knowledge, not of facts, but of Values" – William S Burroughs.

Message from the HOD: Business Management



Very few, if any, other research centre at a tertiary education institution globally is in a better position to make this saying ring true. The Albert Luthuli Centre for Responsible Leadership at the University of Pretoria is in many ways a world leader. The ALCRL is not only a thought leader in responsible leadership, but it also puts its money, so to speak, where its mouth is. The Centre was the first tertiary education institution on the continent, and one of very few internationally, who instituted a multidisciplinary doctorate degree in leadership.

The focus is on responsible leadership in all spheres of life: government, NGOs, business, NPOs, society, education, etc. Almost three thousand first year students in the Faculty of Economic and Management Sciences at the university are annually exposed to the concept of responsible leadership as part of their formal curriculum.

They are challenged on their thoughts on what it means to be socially responsible, the factors that lead to ethical behaviour and obviously, as business management students, they should be well versed in their role as future managers on their role to encourage ethical business behaviour. They study ethics as principles, beliefs and Values that define right and wrong decisions and behaviour. They also touch on environmental sustainability (green management) and know they get to understand the difference between the light green approach (meeting legal and social obligations) and the dark green (activist) approach of organisations when considering the impact of organisations on the natural environment.

Through its various post graduate degree offerings the ALCRL adds Value to the University of Pretoria's education portfolio of doing research on higher level responsible leadership issues and challenges, such as companies' roles as responsible corporate citizens, governance issues, corporate social responsibility and integrated reporting.

Again South Africa (with the King III Report on Governance) and the Centre are world leaders on how to conduct business in a triple context environment of people, profit and planet.

We strive to teach the students of today not to remember only the facts in their curricula, but to ultimately remember the Values that they have learned while studying at the University of Pretoria.

Prof. Anské Grobler

HOD: Department of Business Management Faculty of Economic and Management Science

Message from the Director: Prof Derick de Jongh



Having the opportunity to reflect on the "fruits of one's efforts" remains a most humbling experience. This is mainly because these metaphorical "fruits" are the result not of my efforts, but indeed the result of many around me who share my vision and passionately believe in what we do. I would therefore like to start my message by dedicating this report to them. You know who you are....

Creating value, as this report is called, puts one in a rather precarious position. In a way one suggests that we did indeed create value during the reporting period.

We live and work in a field where the term value is often used with great ambition — and quite often with very little actual evidence. It is therefore a risky "claim" to argue that the Centre has created value, but we believe there is indeed evidence in this report pointing to that. You be the judge.

Furthermore, it is also argued by many scholars interested in the emerging discourse of economic and other forms of value creation, that value should be created in the short, medium and long-term and in the interest of all stakeholders. With this in mind, it therefore made sense when I started contemplating about the focus and "tone" of this report that we should critically reflect on the

The field of "Responsible Business" is coming of age. value we have created over the past 2 years. More importantly however, is our critical introspection on whether the value we created has longevity on the one hand and, on the other hand, has indeed benefit to all our stakeholders. We really hope this is the case.

On a more personal note, when I look at the Centre today, it is almost like it has "come of age". Its been almost 5 years since its inception and on many levels we can sit back with a certain measure of content that our focus is clear and our intentions solid. More importantly though is that we remain focused and never become complacent with who we are and what we do.

Coming of age, however, suggests at a conceptual level that we ask more complex questions on responsible leadership, and that is where the fun starts. Socrates said, "to know, is to know that you know nothing. That is the meaning of true knowledge". So, at the Centre we acknowledge that we still need to know much more, but we are a long way down the road from where we started back in 2010.

Looking back at the first report (2012), I realised that my message was in a way crafted around justification of our existence. Today I reflect differently, more on who we have become. I also reflect not on why we exist but more on the value we create, for our stakeholders and ourselves. As is the case with any new initiative, we first had to, through trial and error, find our way in what many would argue is a fruitless attempt to define something which is suppose to be inherently part of the concept of leadership. We now know that Responsible Leadership is not just another flavour of the month.

It also is not just another theory, neither is it a form of tautology; perhaps rather an oxymoron. The past few years offered us plenty opportunities to explore the emerging responsible leadership theory by doing actual research in the field and by introducing our newly found understandings into our teaching and learning activities.

Immanuel Kant once said, "it is beyond a doubt that all our knowledge begins with experience".

What I can, however, say with some level of conviction is that the body of knowledge on Responsible Leadership has advanced beyond academic rhetoric. I believe it has developed to a level where current reality has transformed even the most sceptics to a point where they would argue for a more responsible way of doing business, where responsible leadership gets centre stage.

When a Multi-National Corporation such as Old Mutual PLC decides that there central strategic driving force for the future is "Responsible Business", the field is indeed "coming of age".

The future of the Centre excites me beyond my wildest imagination. We will continue to explore the emerging discourse of responsible leadership and the secrets of what it means to be responsible. Africa is endowed with richness beyond natural beauty, offering us wisdoms of leadership not really explored in the past. We will grab this opportunity and weave the philosophy of responsibility into our research efforts in Africa.

We will aim to connect the dots between our diverse fields of interest, whether it is integrated reporting or business and biodiversity. These fields form the building blocks of our conceptual position and we hope to remain focused on increasing our conceptual clarity through all our endeavours.

I hope your reading of our report is of value to you. We invite you to join us in celebrating our progress.

Prof. Derick de JonghDirector:
Albert Luthuli Centre for Responsible Leadership
May 2015

All endeavours of the Albert Luthuli Centre for Responsible Leadership (ALCRL) aim to add value towards achieving the 2025 Vision of the University of Pretoria (UP) – to strengthen its international profile and visibility.

Collaboration and Impact

The goal realised in turn strengthens the ALCRL's value proposition, academic stature and overall impact. Over the past two years, the ALCRL's value proposition specifically included constructive collaboration with a number of international universities.

Not only have ground-breaking findings come from this, but long-term partnerships, both across our seas and on the African continent, have been formed. The ALCRL views solid partnerships with key stakeholders as a vital part of the value it creates in broader society.

♦ Contributing value: Australia



In 2014, Prof. Derick de Jongh was invited by the Asian Pacific Centre for Sustainable Enterprise (APCSE), Griffith University, Australia, to share his expertise on leadership and corporate responsibility as a visiting professor.

Collaborative research in the areas of integrated reporting and the philosophy of responsibility is now under discussion between the two centres. The ALCRL also hopes to embed exchange programmes for postgraduate students at the two centres, which would lead to great opportunities, international exposure and invaluable experience.

Subsequent to the visit, Prof. Derick was appointed Adjunct Professor at APCSE – a centre which is highly regarded and respected in Australasia and beyond.

The APCSE specialises in research on sustainable enterprise and, more specifically, the social and environmental responsibility of business. Prof.

Derick's term will run from 31 July 2015 to 31 July 2017. As part of his appointment at the APCSE, Prof.

Derick will teach in the MBA programme at Griffith Business School, specifically focusing on the MBA module called 'Responsible Leadership and Change'.

The Principal and Vice Chancellor of Griffith, Prof. Ian O'Conner, commended Prof. Derick's capacity to make a positive difference in the lives of others. Prof. Ian has a high regard for Prof. Derick, particularly when it comes to leadership and his standing in the professional community. He also commends Prof. Derick for his willingness to always engage with students.

Highlights of the Value we created during the period 2013/2014

- International experts visit the ALCRL.
- Two world-renowned visiting professors spend time at the ALCRL.
- World-first inter-disciplinary PhD in Leadership approved.
- Position papers offer insight and solutions on large-scale "wicket" problems.
- The ALCRL hosts an international conference on responsible leadership focusing on transdisciplinarity and leadership.
- International Integrated Reporting (IR)
 expert joins the ALCRL for a constructive
 debate.
- The ALCRL's director shares his knowledge across the globe.
- The first cohort of students of the unique PGDIR graduate in 2014.

♦ Contributing Value: Canada



Prof. Derick was also invited by the Public Research University in Canada, Dalhousie, to share his expertise on the broader field of responsible leadership. During his lectures to undergraduates, MBA students and academic staff, he related his discussion to areas such as business and biodiversity within the mining sector of South Africa, integrated reporting and corporate governance.

The visit also set in motion discussions for research opportunities and collaboration. Exchange programmes are also on the cards, proving this to have been a valuable trip, holding great promise for the future for both institutions.

Prof. Derick and Prof. Peggy Cunningham, Dean of the Faculty of Management at Dalhousie, are also both founding members of the Global Responsible Initiative (GRLI), launched in 2004.

Contributing Value on African soil

In partnership with Nepad, the UNDP and the Uongozi Institute of African Leadership for Sustainable Development (UI) in Tanzania, the ALCRL initiated the Leadership for Africa (LFA) research project.

This project is premised on the conviction that responsible leadership in Africa can play a major role in realising the continent's potential. This project endeavours to identify the key enablers and disablers of top-level leadership in its individual, collective and institutional dimensions for a sustainable Africa.

Creating Value around a table

"Integrated reporting is a pointless pursuit if integrated thinking is not part of a business's ethos", according to Paul Druckman, CEO of the International Integrated Reporting Council. He was speaking to well-known and respected delegates in business and other leaders at the ALCRL's 2014 Roundtable Discussion event on Integrated Reporting.

The theme of the event was Conventional thinking vs Integrated Thinking: A duel. Over 150 people, comprising academics, postgraduate students and business people, attended the evening. Fruitful discussions arose from the round-table sessions.

During the event, based on the principles underlying integrated reporting, the relevance of business degrees in South Africa was also critically evaluated. Delegates productively questioned whether universities adequately equip students with the knowledge and skills to solve complex business problems related to social and environmental issues.

The renowned Judge Mervin King concluded the evening with a message on the necessity for change in the business world and confirmed that changes to curricula are indeed essential. He also acknowledged the leading role that the ALCRL plays in being the first to offer a Postgraduate Diploma in Integrated Reporting. King further commended the Centre for its leadership in researching the field of integrated reporting.

The broader academic Value of this event will emerge in the form of a research report to be compiled in 2015.

Highlighting the Value of a sustainable future

The ALCRL believes in a world where the role of leadership is viewed from a multi-disciplinary perspective in support of a sustainable future.

The ALCRL acknowledges the Value it can contribute to this vision; an attempt to realise this vision was the holding of its 3rd International Conference on Responsible Leadership in November 2014.

Bridging science, business and politics

The theme of the two-day conference was Bridging science, business and politics: The role of responsible leadership in creating the necessary transitions to a sustainable global economy. The ALCRL hosted an international pool of delegates from diverse fields and backgrounds.

Experts in the fields of business, sustainability, conservation, health sciences and politics shared their insights into ways of realising the vision of a better tomorrow.

An optimistic but challenging conclusion to the conference was reached, namely that responsible leadership as a value-creating philosophy believes in measuring success holistically and over the long term, rather than focusing solely on monetary gain over the short term.

The ALCRL has, through this conference, once again emphasised the importance of creating value not only in the short term, but also in the medium and long term. The ALCRL firmly maintains that this is only possible through responsible leadership.

Creating lasting Value through international visits

The ALCRL believes that the value it creates is dependent not only on internal staff members' contributions, but also on its association with international scholars.

The visiting professor programme at the ALCRL supports the presence of distinguished academics from international institutions whose research interests hold specific benefits for the ALCRL, as well as the broader UP community.

Looking to increase its international partnerships, the ALCRL has since October 2013 hosted two highly esteemed academics, as well as one senior research fellow, in fields of relevance.

Prof. Sandra Waddock



Professor Sandra Waddock of Boston College is a widely published scholar; her research interests are in the areas of macro-system change, intellectual shamanism, stewardship of the future, wisdom, corporate responsibility, management education, and multi-sector collaboration.

"What are responsible leaders actually responsible for?" In a land of such contrasts as South Africa, Prof. Sandra during her visit stressed that responsible leadership is about stewardship of the planet not only for the present, but also the future.

Working closely with ALCRL staff and postgraduate students on visits in 2013 and 2014, she set out to further understand and examine leadership, responsibility and integrated reporting.

By her questioning of the characteristics and skills of a responsible leader, her visit certainly contributed immense research and academic value to the ALCRL. Her knowledge and experience will add great value in the future through joint research publications and presentations in South Africa and beyond.

Prof. Carol Adams



Prof. Carol Adams, Integrated Reporting (IR) specialist at the Monash Sustainability Institute in Australia, visited the ALCRL in 2014. Prof. Carol is an internationally recognised leader, researcher, author and advisor, working to improve the relationship between organisations, society and the environment through the practice of integrated reporting.

Prof. Carol's philosophy is that responsible leadership is central to integrated reporting. She also believes that responsible leaders should guide organisations in communicating and reporting on the value they create and that this should be done in an integrative manner. Prof. Carol's insights and inputs also greatly enriched the Centre's Post Graduate Diploma in Integrated Reporting (PGDIR).

After visiting the ALCRL, Prof. Carol is of the opinion that the ALCRL is leading the way globally when it comes to IR research and education, with the rest of the world positioning South Africa as a leader in IR practice.

She acknowledges the ALCRL as a fundamental contributor to this position.

♦ Dr Joël Houdet



The ALCRL strives to attract researchers who have demonstrated outstanding talent in their respective fields. These senior researchers, in their capacity as research fellows at the ALCRL, add immense value towards sustaining a productive research culture by offering their expertise and co–authorship in multiple research endeavours by the ALCRL.

In 2014, Dr Joël Houdet from the African Centre for Technology Studies joined the ALCRL as a Senior Research Fellow. Dr Joël is an expert in natural capital accounting, as well as ecosystem valuation and reporting.

He is involved in several high-profile initiatives, including the drafting of the Natural Capital Protocol and several work streams of the Intergovernmental Platform on Biodiversity and Ecosystem Services (IPBES). His experience and technical expertise also position him to add great value to the ALCLR as supervisor to PhD students of the Centre. His international role and profile as advocate for business and biodiversity add academic legitimacy to the endeavours of the ALCRL.

Dr Joël holds a PhD in Management Sciences from AgroParisTech (France), a Masters in Practicing Accounting from Monash University (Australia) and Bachelor of Sciences from Rhodes University (South Africa).

ALCRL researchers set out to produce new theory about Leadership in Africa.

♦ Valuing our research reports

The ALCRL's academic value and legitimacy is determined not only by scholarly work, but also by the industry research reports it publishes on an annual basis.

These reports attempt not only to deepen academic knowledge, but also to advance and shape crucial debates in industry on matters of contemporary importance. It remains the intention of the ALCRL to ensure research outputs emanating from these industry reports in the form of academic papers in high-impact journals.

Leadership for Africa (LFA) Report

In 2013 the ALCRL set out to answer an important question on "what the enablers and disablers of leadership in Africa are, in support of transformational change on the continent".

The first country case study that was published was Tanzania, which also formed the pilot study of the bigger LFA project.

An extensive literature review on leadership theory in Africa and the research methodology and findings made up the LFA Tanzania Pilot Project report, which was launched in 2014 under the title Leadership for Africa: Tanzania Pilot Project.

Proudly African, ALCRL researchers set out to produce new theory about Leadership in Africa. The report assesses what enables and disables effective leadership in Africa and aims to understand the implications for political, business and civil society leaders on the African continent.

The value of this pilot-phase report lies in its ability to clearly map out the research scope and process (methodology) for replication on the African continent.

Ten countries and research partners have already been identified where LFA research could be replicated.

Integrated Reporting (IR) Yearbook 2013

The Value and importance of critically reflecting on current financial reporting practices in South Africa and beyond cannot be overemphasised.

With this in mind, the ALCRL produced the <IR> Yearbook 2013. The objective of the report was to evaluate some of the JSE's Top 40 Companies' interpretations of integrated reporting. The report also set out to compare different sectors' interpretations of the different elements of an integrated report.

Report on the research gaps in Integrated Reporting: 2014

The Integrated Reporting Committee of SA, Working Group (IRC WG) commissioned the ALCRL to conduct a study on the research gaps in the field of IR in 2014. The final report highlighted the key research gaps and added great value towards the advancement of scholarly work desperately needed in the field of Integrated Reporting (IR).

The report also positioned the ALCRL as a key player in South Africa and beyond as a research centre advancing the body of knowledge on IR.

Business and Biodiversity Working Paper

The ALCRL is aware that true sustainability requires critical care and careful use of the earth's living organisms and depends on well-functioning ecosystems, whether they be terrestrial, or marine or other aquatic ecosystems.

The ALCRL realises that the understanding of the nexus where business and biodiversity come together is still in its infancy. The Centre's key value proposition for this project was therefore to facilitate and enhance thought leadership on the interface between Business and Biodiversity (B&BD) through research, ongoing engagement with stakeholders, advocacy and public discourse.

In 2013, the Centre produced the Business and Biodiversity Leadership Landscape working paper, highlighting the value of a clear understanding of the relationship between business and biodiversity.

Because many economic production activities have a negative impact on well-functioning ecosystems and biodiversity (while being dependent on them), the ALCRL recognises the big challenge in attaining best-business practices to create enduring socioeconomic opportunities for a growing population while ensuring sustainability of biodiversity.

The B&BD working paper focuses on addressing these challenges through the pursuit of new and 'smarter' policies that are derived from a position of responsible leadership.

This paper presents new insights that could reshape local and international businesses and policies, so that socio-economic and environmental justice can be assured.

The research programme is funded by Exxaro.

We believe responsible leaders should care about the environment, the community and future generations.

Adding value through our teaching and learning

Responsible leadership is about making business decisions that not only consider the interests of the shareholders, but also take into account all other stakeholders. The ALCRL's core Value proposition lies at the heart of this notion.

We believe that responsible leaders should care about the environment, the community and future generations. A key value contribution of the ALCRL is therefore to develop responsible leaders.

This is achieved by offering postgraduate programmes that provide insights and equip students with the necessary skills and competencies to become responsible leaders: leaders who will make a positive difference in the world. These postgraduate programmes aim to encourage students to think holistically and assess local and international business practices and policies in support of social and environmental justice.

These programmes include the Postgraduate Diploma in Integrated Reporting (PGDIR); the MPhil in Responsible Leadership; and the PhD in Leadership.

Postgraduate Diploma in Integrated Reporting (PGDIR)

The ALCRL believes in business's pivotal role when it comes to sustainable development.

This foundational belief led to the introduction of the PGDIR in 2013, sponsored by PriceWaterhouseCoopers (PwC).

Staying true to the nature of IR, the programme takes a multidisciplinary approach, preparing students for the multi-faceted challenges that IR aims to address. It also encourages students to think broadly when contemplating these challenges.

The programme provides the necessary theoretical knowledge for students to critically evaluate integrated reporting and assurance practice, both in South Africa and globally. Assignment topics are based on the latest local and international integrated reports, which further equip students with the necessary hands-on experience required to adequately implement integrated reporting in a real-life setting.

Subject areas within the PGDIR include: Strategic Management; Strategic Communications Management; Contemporary Management and Leadership; Reporting Frameworks; Assurance; and Information and Knowledge Management.

Some of the issues these courses tackle include: understanding the strategic intent of an organisation; effectively engaging with stakeholders; IR within the broader discourse of sustainable development; outlining leadership in order to realise sustainable development; effective reporting; and legislation and policies.

16 students in 2013 and 13 students in 2014 were awarded the Post-Graduate Diploma in IR. Graduates were very positive about the value the programme created, not only at a professional level, but also at a much deeper personal level.

Students recognised their world-views had been broadened to think not only analytically and holistically, but also in a caring and responsible way.

The PGDIR is highly regarded, as it is the first of its kind in the world at a postgraduate level, which in itself is indicative of the ALCRL's focus on creating leaders for a better tomorrow.









Valuing the role of an MPhil in Responsible Leadership

The MPhil in Business Management (Option: Responsible Leadership) is a two-year multidisciplinary programme with a focus on creating leaders that strive for a sustainable future.

The modular component of the programme focuses on emerging theories of leadership, providing students with alternative perspectives (shaped by the mandate of sustainability) on the role and nature of leadership. The connectedness of business with society and the natural environment are also important focus areas. The course caters for the working individual by being a part-time course and welcomes students from various sectors and diverse backgrounds.

Subjects in the first year tackle not only local, but also international challenges that restrict a sustainable future.

The relevance of philosophy, ethics and systems thinking within the context of local and global economic and business practices are also evident in the curriculum.

The second year involves the completion of a minidissertation. Students are encouraged to pursue the research component of the programme (minidissertation) by focusing on topics related to issues of leadership and sustainable development.

Upon completion, successful students earn an MPhil degree in Business Management: Responsible Leadership. In 2014, 11 students enrolled in the programme and their feedback regarding the course has been overwhelmingly positive, while 80% of the 2014 students have progressed to the research phase of the programme.

Valuing the importance of undergraduate education on responsible leadership

The Dean of the Faculty of Economic and Management Sciences, Prof. Elsabe Loots, identified responsible leadership as a key attribute that all BCom graduates at UP should possess. Acknowledging the value of the Centre, Prof. Elsabe requested that the ALCRL develop and add a specific focus on Responsible Leadership to the first-year module: Introduction to Business Management (OBS 114).

The undergraduate option will commence in 2015. This is a very valuable prospect, because not only is this an opportunity to develop younger minds to think more responsibly, it also positions the Centre as an important influencer of younger students on campus.

The programme follows a problem-based learning approach, positioning the importance of (responsible) leadership in the world of commerce, encouraging young students to engage with the literature on responsible leadership on the one side and their personal leadership views on the other side. The course content demonstrates the value of critically reflecting on the role of business in society and will also challenge the values of young students in their pursuit of becoming professionals in business. The course uses a blended learning approach, utilising the latest teaching methods, particularly online tools, making it a relevant and appropriate approach for the younger generation of students.

The ultimate value: PhD in Leadership

The PhD in Leadership is another world first offered by the ALCRL. The value created by the PhD in Leadership is that it aims to equip PhD candidates with a comprehensive understanding of the emerging field of responsible leadership as a transdisciplinary emerging discourse. Focus is placed on leadership as it relates to the sustainability of the planet's socio-ecological systems.

Through the programme, the Centre hopes to develop a cadre of candidates who will continue to research and teach in the field of responsible leadership at institutions of higher learning, or become effective agents of change in the world of practice, leading the way to a sustainable future.

Though the PhD in Leadership programme is still in its infancy, two PhD students have already registered towards the end of 2014 and will pursue their doctoral studies in 2015. While these candidates work on an array of subject areas, they all share a common voice, advocating sound ethics and decision–making that considers not only business, but also society and the natural environment.

The PhD in Leadership is another world first offered by the ALCRL.

The two PhD in Leadership students' focus areas are:



1. Elme Vivier: Exploring responsible leadership as an individual, institutional and collective process with emphasis on the relational dimension of leadership theory. A study that will also emphasise citizenship engagement as a precursor of responsible leadership.



2. Kiruben Naicker:

Exploring responsible

leadership as a key

determant for calculating

(and accounting) the value

of natural capital.

The ALCRL also has five PhD students who are in the advanced stages of completing their PhDs in Business Management, focusing on responsible leadership.

PhD in Business Management (Responsible Leadership) students' focus areas are:



◆ 1. Teboho Nkahle: A

conceptual exploration of
the dynamics, determinants
and strategies to earn and
sustain social licence to
operate in the South African
mining sector



 2. Alan Childs: Changes in socially responsible leadership values of students involved in servicelearning



 3. Rene Swart: Integrated Reporting and investor decision-making.



4. Clare Lalor:
 Responsible Leadership:
 Developing the concept of leader character from a virtue ethics perspective.



5. Leo Kok:
 Materiality, stakeholder
 engagement and integrated
 reporting

Adding value through our research activities

The ALCRL aligns itself with UP's strategic objective to be a leading African research-intensive institution, with a focus on areas of research that address some of the enduring challenges of the 21st century. Conducting of research remains a key value-contributing strength of the ALCRL and one that amplifies the ALCRL's role in the bigger UP research mandate.

The ALCRL's ability to advance responsible leadership is evident not only in its teaching programmes, but most importantly also in its research initiatives. Its research outputs are regarded as a premium source of information for not only the Centre's stakeholders and the broader UP community, but also the private, public and civil-society sectors.

From a research-output perspective, the past few years have seen the publication of several academic papers, all focused on adding value and contributing to the greater pool of knowledge on responsible leadership.

Research focused on areas of responsibility, leadership and the development of a responsible leader within a business environment. Some of the articles can be found in the Research Outputs section of this report.

The ALCRL acknowledges its value-differentiating ability through its core research areas. These areas form the foundational platform from which the ALCRL positions itself as the leading authority in the field of responsible leadership. The ALCRL

has already received international recognition for its research. The following research projects bear testimony to the strength of the ALCRL as a research—intensive centre.

♦ Leadership for Africa (LFA)

While the ALCRL is committed to developing next-generation leaders who believe in social justice and environmental sustainability, it focuses much of its time on understanding the dynamics of leadership in developing countries, particularly on the African continent.

The Centre believes that Africa has responsible leaders, but more importantly that their stories should be documented in order to create a better understanding of leadership in Africa.

The ALCRL's value lies in its ability to showcase these leadership stories through its research endeavours in Africa and to emphasise the kind of leadership needed to transform the fragile potential on the continent into sustainable realities.

In the past, however, predominant research done on leadership in Africa has not been by African academics.

Proudly African, the ALCRL wanted to change this and create value from within the borders of the continent by conducting empirical research.

This led to the birth of the LFA project. The project's main focus is on investigating the enablers and disablers of leadership for transformational change in Africa.

Advancing knowledge, shaping debates and deepening discourses

The pilot phase of the project was conducted in Tanzania, in partnership with the Uongozi Institute of African Leadership for Sustainable Development in Dar es Salaam.

The project is thus proudly African, with the main contributing value being research conducted by African researchers for Africa's benefit.

The initial phase of the research was to conduct a comprehensive literature review of research that had been done over the past 60 years on leadership in Africa.

The next phase was conducting the pilot study in Tanzania. The unique value of this research lay in the grounded-theory approach, whereby stories of transformational change were documented in Tanzania, after which the enablers and disablers of leadership were determined.

These findings led to preliminary expressions of leadership, supporting the overall mandate of the research project, namely to describe leadership in support of a sustainable African continent.

The planned scale of the project is large, not only in terms of the number of countries it intends to reach, but also in the impact this research could have on the continent.

The longevity of the study is evident in its intention to replicate the study in 10 additional countries in Africa, covering all regions on the African continent.

The study and resulting phase one (pilot study) report is a valuable tool for exploring possible steps needed for progress in Africa and the role of responsible leadership in this, leading ultimately to a more transformed and sustainable Africa.



Responsible Leadership Discourse Analysis

To become a centre of excellence in an emerging field such as responsible leadership requires a fundamental view and position.

Without a clear and unequivocal position in this regard, the ALCRL would remain exposed in its academic standing among its peers. Its value proposition therefore relies heavily on its academic legitimacy and research integrity. In the latter part of 2013, the ALRCL commenced with a research project reviewing the literature of all peer-reviewed articles written on responsible leadership over the past decade.

The main goal of the project was to map the emergent discourse of responsible leadership, to allow the ALCRL to position itself within this discourse and differentiate its value proposition from its peers and competitors.

The ALCRL's discourse analysis of responsible leadership shows the emergence of the field of responsible leadership through a backwards citation analysis. The research also highlights "feeder" disciplines that have influenced the development of the responsible leadership discourse.

The research ultimately mapped the potential future directions of the responsible leadership discourse, as well as several new research areas associated with responsible leadership. The discourse analysis report therefore forms a crucial basis for the development of an academic position on responsible leadership that will result in a position paper to be completed towards the end of 2015.

This position paper will highlight the theoretical position of the ALCRL, hence strengthening its academic legitimacy and research integrity.

The discourse analysis has also informed (and will continue to inform) all of the formal degree (and diploma) programmes of the ALCRL. The multiple value implications of this research can therefore not be overemphasised.

Integrated Reporting Research

The ALCRL's involvement in this project stems from the realisation of the value that integrated reporting could add to the broader business community of South Africa.

With sponsorships from Eskom and PwC, this project aims to help companies report their performance on issues related to the environment, society and governance in a clear and concise manner.

Since its inception, the IR programme has developed a comprehensive curriculum for the Postgraduate Diploma in Integrated Reporting (PGDIR), mentioned above, that welcomed its first students in January 2013.

Together with its academic programmes, the IR programme has promoted the ALCRL's vision that integrated reporting should become a stand-alone profession, again reinforcing the Centre's leading role in this specialised field.

The following two research projects have strengthened the position of the ALCRL and added significant value to the IR landscape in SA and beyond.

Valuing the role of IR in South African Companies

The ALCRL produced a report entitled <IR> Yearbook 2013: Current challenges and future considerations in 2013.

The report identified a number of trends in the integrated reports of the top 40 JSE listed companies in terms of the International Integrating Reporting Council's International Framework.

Its results provided valuable guidance for companies to improve on their business practices holistically, ensuring their contribution towards a sustainable, thriving future.

Broadening the scope of IR through Research and Publications

The ALCRL's contribution to the international business community in 2014 was evident in a co-authored academic paper that stressed the important areas of focus in integrated reporting that should be researched in depth in the future. The paper was published in the internationally recognised Journal of International Financial Management and Accounting.

Highly regarding the value of the ALCRL's researchers, the Integrated Reporting Committee of South Africa (IRC of SA) called on the ALCRL to compile a report that identified common trends in existing research and identified areas where further research and development was required.

The report serves as a valuable asset to the IRC of SA in its endeavours to develop perceptible guidelines for good practice in integrated reporting.

The research project has grown from strength to strength over the past two years and promises to continue to excel in its results. 2015 is set to be a year the unit continues to impart value to the international community, having submitted a paper to Emerald's Meditari Accountancy Research.

This paper reflects on the development of the International IR Framework, and questions whether the framework will be an appropriate instrument to facilitate the integrated reporting movement.

The paper also considers the latest academic research to identify the important challenges that will have to be addressed if integrated reporting is to become the new corporate reporting norm.

Two additional papers have also been accepted by Scotland's University of St Andrews.

These papers will be presented at the 2015 international research congress hosted by the University's Centre for Social and Environmental Accounting Research (CSEAR). The congress promises to be a valuable opportunity for the ALCRL to build relationships and to further research opportunities with the international business community.

Business and Biodiversity Research Project

As businesses continue to interact and make use of biodiversity, the ALCRL realises that business and biodiversity can co-exist as two systems in harmony if the right conditions are provided. The B&BD project, funded by Exxaro, promotes these conditions through its research, relevant education programmes and advocacy.

Through the work of this project, the Centre aims to improve collective responsibility and ensure 'smart' business practices, better environmental policies, and effective regulatory frameworks. To achieve this, the ALCRL works with other biodiversity expert groups, government departments, the private sector, civil society and other interested stakeholders to enhance collective effort and responsibility.

The project adds value to the business community by generating knowledge and thought-leadership required to enable the business sector and other actors

The ALCRL recognises the value and impact its research has on the broader society.

to be more environmentally responsible and enhance the sustainability of biodiversity in South Africa.

Through ongoing engagement and public discourse, the project further seeks to encourage key stakeholders to begin asking pertinent and at times difficult questions regarding the role and contribution of business to sustainable biodiversity use. Some of the core areas of research under this project include land use planning, habitat loss and biodiversity offsets, corporate ecosystem valuation and quantification of business risks and opportunities, climate change, biodiversity, and eco-efficient technologies.

The following specific engagements demonstrated the adding of positive value to the ongoing debate on the state of biodiversity in SA, and more specifically the role of the private sector.

Broadening the value through engagement

The ALCRL recognises the value and impact its research has on the broader society. It is with this in mind that the Centre's researchers seize every opportunity to actively engage with the broader society. In 2013 and 2014 the B&BD researchers presented the following papers at international events:

Dr Claud Chikodzo and Laura Danga presented papers at the annual symposium of the Global Water Partnership — Southern Africa, in 2013. The first symposium was held in 1999 and the symposia have become a key event in water research, with international researchers attending the annual event. Held in Dar es Salaam, Tanzania, in 2013, the theme of the symposium was **Transboundary Water Cooperation: Building Partnerships**.

Claud, an expert hydro-sociologist, was also one of the main speakers on the new science plan of the International Association of Hydrological Sciences (IAHS) entitled: Panta Rhei—Everything Flows: Change in Hydrology and Society—The

IAHS Scientific Decade 2013–2022. Claud believes the plan will lead to hydrologists and engineers realising the benefits of collaborative work with social scientists. Claud is proud that, as a part of the ALCRL, he was able to showcase the value of this ground-breaking opportunity.

The plan also promises closer collaboration between natural scientists and social scientists over water resources management research and development in Eastern and Southern Africa. This collaboration again demonstrated the ALCRL's interest in interdisciplinary research and the collective value it creates for all stakeholders.

Claud's paper, entitled: Revisiting the Leadership and Management Capacity-Building Imperatives for Effective Transboundary Water Governance in Africa, was presented at the IAHS.

Laura presented a poster entitled Ecosystem
Services, Conservation and Perceptions of the
Wakkerstroom Wetland, South Africa. She was
awarded "Best young Waternet water Scientist 2013"
in the poster category.

Research Officer at the ALCRL, Anesu Makina, presented a paper at the Millennium Development Goals Conference in New York in 2014. Anesu's paper served as a sturdy platform to discuss the role of the private sector against the backdrop of environmental, social and governance issues on the African continent.

Over the period of 2013 and 2014, the B&BD researchers reflected the identity of the ALCRL at these international events, leading the way towards a future where natural resources are responsibly managed and carefully used. They amplified the value it creates for society as a whole.

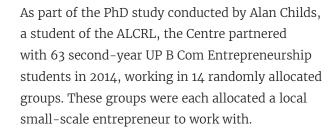
Deriving value through community engagement

The value added by the ALCRL to the broader society stems from its core mission of developing a new generation of responsible leaders through various interventions.

The Centre aims to be socially responsive to the needs and assets of communities and so ensures that community engagement is incorporated into teaching, learning, postgraduate studies and research. The Centre makes sure this incorporation is beneficial to all stakeholders.

The following initiatives bear testimony to the ALCRL's interest in also adding value to stakeholders other than the core group of the academic fraternity.

 Global Ambassadors Community (GAC) student leadership / entrepreneurship movement



With guidance from the ALCRL, groups advised entrepreneurs on ways to improve the success of their businesses over a four-month period. Entrepreneurs were all connected to the PEN NGO in the City of Tshwane CBD. The primary aim of this study was to show the value of service learning in developing responsible leaders at an undergraduate level.

This project made it clear that service-learning assists the development of an important graduate attribute: social responsibility. The ALCRL therefore believes this project achieved a critical aim, namely to contribute towards the development of next-generation responsible leaders who care for communities in the South African context.

Hanna Charity Foundation

The ALCRL is committed to its role in making the world a better place, which is why every year it allocates from own funds an amount dedicated to a worthy cause. In 2014, the ALCRL chose to assist the Hanna Charity Foundation with food parcels that are distributed to underprivileged families in Pretoria West.

The Hanna Charity Foundation builds disadvantaged communities where children can live under loving adult care with access to food, healthcare, education, recreation and emotional support.



Service-learning assists the development of an important graduate attribute: social responsibility.

Communicating value









♦ The ALCRL Website

The value created by the ALCRL is proudly reflected on the ALCRL website. Web presence is very important to the Centre for exposure and visibility of its work. The website hosts the ALCRL's research projects, as well as all editions of its newsletter, Reflect. Reflect continues to be a very important marketing asset of the Centre and an effective medium for building relationships and maintaining regular contact with all stakeholders. The main purpose of Reflect is, on the one hand, to share with its readers the value the ALCRL has added to the responsible leadership debate, and on the other hand to encourage readers to critically reflect on complex issues such as the purpose of business, equality, dominant economic paradigms, the future of the planet and the collapse of civilisation.

◆ The ALCRL Road Show

The ALCRL believes in the benefit its knowledge and expertise can confer on those directly and in-directly affiliated with the Centre. As an example, in 2014, the ALCRL, in partnership with PwC, undertook a national road show, visiting all major cities in South Africa. The purpose of the road show was to highlight the importance of responsible leadership and emphasise the necessity for businesses to practise in a sustainable way. This was done by discussing the value of integrated reporting, and giving greater exposure to the unique, world-first PGDIR offered by the ALCRL. The road show was open to academics, students and people working in the field of integrated reporting. More than 200 people were introduced to the work the ALCLR is doing, with specific emphasis on the importance of integrated reporting.

The value of research outputs

Industry reports

The following industry reports were published during the 2013/2014 period. As mentioned earlier, these industry reports carry special value since they open up multiple opportunities for academic research outputs emanating from the industry reports.

- The Enablers and Disablers of Leadership for Transformational Change in Africa –
 D. de Jongh, W. Fourie, S. van der Merwe, R. Swart & B. van der Merwe.
- Business Responsibility for Biodiversity Conservation in South Africa: Emerging Priorities - C. Chikodzho and A. Makina
- Integration of Natural Capital into Private
 Sector Accounting J. Houdet
- The Business and Biodiversity Leadership Landscape: conceptual foundations, challenges, opportunities and pathways for the future – C. Chikozho
- <IR> Yearbook 2013 Current Realities and Future Considerations – P. Conradie, R.
 Swart and A. Schorn

Academic papers

The following academic papers appeared in peer-reviewed journals during the 2013/2014 period. These papers emphasise the academic value and research legitimacy of the ALCRL.

De Jongh, D., Goorah, D. & Makina
 A. 2014. 'South African renewable energy investment barriers: An investor perspective.' Journal of Energy in Southern Africa, Vol 25, No 2, May.

- De Jongh, D. & Mollman C. 2014/2015.
 'Market barriers for voluntary climate change mitigation mechanisms in the South African private sector.' The South African Journal of Economic and Management Sciences, Vol 15, No 5
- Van der Merwe, A., De Jongh., D.,
 Niewoudt., M. & Schulschenk, J.

2014. 'An analysis of the prominence of corporate governance in the South African print media for the period 1990-2012.' The Journal of Corporate Citizenship: publication forthcoming 2015.

- Chikodzho, C. & De Jongh, D. 2014.
 'Restoring degraded landscapes: Assessing the utility of biodiversity offsets for the business sector in Africa.' International Journal of African Renaissance Studies, Vol 9, No 2 (University of South Africa).
- Cheng, M., Green, W., Conradie,
 P., Konishi, N. & Romi, A. 2014.
 The International Integrated Reporting Framework: Key issues and future research opportunities.' Journal of International Financial Management & Accounting, Vol 25, No 1.
- Makina, A. 2014. 'Corporate South Africa and biodiversity in a green economy'. International Journal of African Renaissance Studies: Special Issue on green economy/ green growth, Vol 9, No 2 (University of South Africa).
- Chikodzho, C. 2014. 'Strategic capacity building imperatives for riparian state cooperation over water in Africa.' In: Owusu, F., Kobena, H. & D'Alessandro-Scarpari, C. Capacity Development and National Resources Management in Africa. Palgrave Macmillan, Hampshire, pp 118–139. ISBN: 9781137365606.

Valuing our talent



Carto Abrams-Swarts is in her final year of BAdmin (Public Management), Option: Public Administration.



 Rene Swart is pursuing her PhD in the field of Integrated Reporting and investor decisionmaking.



 Pieter Conradie completed his MPhil in Business Management (Option: Responsible Leadership). Pieter will be commencing with his PhD focusing on Integrated Reporting in 2015.



Ben van der Merwe is pursuing his PhD studies focusing on the Philosophy of Responsibility.



• **Anthony Makeketa** completed his Marketing Certificate programme at Unisa.

 Sarah Burton is studying towards her LLB III degree.



 Celiwe Mhlongo completed the Post Graduate Diploma in Integrated Reporting.



 Anesu Makina is pursuing her PhD focusing on the effectiveness of climate-change policies, projects and programmes in assisting with biodiversity conservation.



 Suzanne van der Merwe completed her Masters in Theology.



The ALCRL core strength lies in its staff and the respective talents they bring to the table.

During the 2013/2014 period individual staff members excelled in improving their academic qualifications.

The Value of having advisors

The ALCRL relies on individuals in industry, civil society and professional bodies to ensure its value proposition. These individuals add incredible value to the work we do. We salute them for their time, trust in the work we do and the support they give in pursuing our cause to develop the next generation of responsible leaders.

The ALCRL Advisory Committee



Prof. Derick de Jongh *ALCRL Director*



Prof. Elsabe LootsDean: Faculty of Economic and
Management Science



Prof. Anske GroblerHead of Department : Department of Business
Management



Prof. Anthony MelkExecutive Director: Institutional Planning, UP



Mr Brian Leroni
Group Executive Massmart Holdings



Ms Mardia Korsten van der Walt *Chairman and Non-executive Director: T-Systems*



Ms Nomhle Canca Luthuli Foundation



Prof.Stella NkomoDeputy Dean : Research and Post Graduate Studies



Prof. Stephanie BurtonDVC: Research and

Post-Graduate Studies



Mr John NorthManaging Director: Globally
Responsible Leadership Initiative(GRLI)



Prof. Barnard SlippersProfessor in Genetics at the University of Pretoria, FABI



Ms Florence Nazare

NEPAD



Mr Graham Terry Senior Executive for Strategy and Thought Leadership: SAICA



Mr Muzi Kuzwayo *CEO: Ignitive Agency*



Prof. Mike WingfieldUP Forestry and Agricultural Biotechnology
Institute



Dr Tanya Abrahamse CEO: South African National Biodiversity Institute

Integrated Reporting Advisorycommittee



Prof. Derick de Jongh *ALCRL*



Pieter Conradie

ALCRL



Rene Swart



Justice Mavhungu

Eskom



Jayne Mammat



Prof. Jean MyburgUP Department of Accounting



Prof. Karin BaracUP Department of Internal
Auditing



Marna de Klerk
UP Department of Accounting



Ian JamesonInternational Integrated
Reporting Council



Mohamed Adam

ArcelorMittal



Marius Schoeman

Business Connexions

Business and Biodiversity Advisory committee



Prof. Derick de Jongh ALCRL



Prof. Godwill Nhamo ALCRL Unisa Institute for Corporate Citizenship



Steve Nicholls



Kiruben Naicker National Business Initiative Biodiversity Planning, National Dep. of Environmental Affairs



Cosmas Ochieng IUCN, Pretoria



Marie Parramon-Gurney **Endangered Wildlife Trust**



Shelly Sanderson Endangered Wildlife Trust



Anthea Stephens SANBI, Pretoria



Yolan Friedmann Endangered Wildlife Trust



Benny de Lange Ernst & Young



Dr. Claudius Chikodzho ALCRL



Lorren Haywood CSIR, Pretoria



Prof. Gretel van Rooyen UP - Plant Sciences



Koos Smit Exxaro Resources

The ALCRL Staff



- Prof. Derick de Jongh
 ALCRL Director
- Dr. Claudius
 Chikodzho
 Programme Director:
 Business & Biodiversity





- Carto SwartsOperations Manager
- Celiwe Mhlongo
 Assistant Researcher:
 Integrated Reporting



- Rene Swart
 Senior Researcher:
 Integrated Reporting
- Anesu Makina

 Research Officer:

 Business & Biodiversity





- Pieter Conradie
 Programme Director:
 Integrated Reporting
- Suzanne van der
 Merwe
 Research Officer:
 Leadership for Africa





- Ben van der Merwe
 Senior Researcher and
 Lecturer
- Anthony Makeketa
 Communications and
 Marketing



• **Dr. Willem Fourie**Programme Director:

Leadership for Africa



ALCRL Finances

FACULTY OF ECONOMIC AND MANAGEMENT SCIENCES

ALBERT LUTHULI CENTRE FOR RESPONSIBLE LEADERSHIP



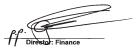
UNIVERSITEIT VAN PRETORIA UNIVERSITY OF PRETORIA YUNIBESITHI YA PRETORIA

INCOME AND EXPENDITURE STATEMENT FOR THE PERIOD 1 JANUARY 2013 TO 31 DECEMBER 2013									
Our Ref:	A01816	A0R835	A0U209	A0U697	A0V940	A0V073	A0V576	E0T599	OU 10039
	Centre for Business & Professional Ethics	ALCRL Development Fund	Microsoft Responsible Leadership Master Class	Exxaro Business & Diversity Leadership Programme	Eskom ALRCL PGDIR Sponsorship	Leadership for Africa	Leadership for Africa Phase 3 Pilot	ALCRL Operational funds	ALCRL Total
e e e e e e e e e e e e e e e e e e e	ZAR	ZAR	ZAR	ZAR	ZAR	ZAR	ZAR	ZAR	ZAR
Income	146,139	977,472	2,843	1,055,951	2,828,237	1,064	231,471	32,500	5,275,677
Expenditure	129,188	952,007	79,294	1,059,278	807,680	4,107	413,114	27,445	3,472,111
Salaries	117,228	599,260	36,788	918,733	408,796	-	30,853	-	2,111,659
Operational expenditure	11,960	344,001	42,506	120,851	371,534	4,107	382,261	27,445	1,304,663
Capital expenditure	-	8,746	-	19,694	27,350	-	-	-	55,789
Surplus/ (deficit) for the period	16,951	25,465	(76,451)	(3,327)	2,020,557	(3,043)	(181,643)	5,055	1,803,566
Surplus/ (deficit) from previous period	144,574	553,316	83,798	453,433		22,304	293,471		1,550,896
Surplus/ (deficit) as at 31 December 2013	161,525	578,781	7,347	450,106	2,020,557	19,261	111,828	5,055	3,354,462

This income and expenditure statement reflects the financial position of the Centre according to the records of the University of Pretoria.

Direkteur van Finansies
Director of Finance
Molaodi wa Ditšhelete
UNIVERSITET VAN
UNIVERSITY OF PRETORIA
YUNIBESITHI YA

INCOME AND EXPENDITURE STATEMENT FOR THE PERIOD 1 JANUARY 2014 TO 31 DECEMBER 2014



16/4/2015 Date

Notes to the income and expenditure statement for the period ended 31 December 2013

1 The debtors balance outstanding as at 31 December 2013 amounted to ZAR391 730.

ALBERT LUTHULI CENTRE FOR RESPONSIBLE LEADERSHIP

FACULTY OF ECONOMIC AND MANAGEMENT SCIENCES



UNIVERSITEIT VAN PRETORIA UNIVERSITY OF PRETORIA YUNIBESITHI YA PRETORIA

Our Ref:	A01816	A0R835	A0U209	A0U697	A0V940	A0V073	A0V576	E0T599	OU 10039
	Centre for Business & Professional Ethics	ALCRL Development Fund	Microsoft Responsible Leadership Master Class	Exxaro Business & Diversity Leadership Programme	Eskom ALRCL PGDIR Sponsorship	Leadership for Africa	Leadership for Africa Phase 3 Pilot	ALCRL Operational funds	ALCRL Total
	ZAR	ZAR	ZAR	ZAR	ZAR	ZAR	ZAR	ZAR	ZAR
Income	5,311	424,003	69	1,348,844	759,170	289	117,746	32,000	2,687,431
Expenditure	94,754	835,440	7,346	963,608	2,247,310	19,262	51,599	25,379	4,244,697
Salaries	51,829	91,169	4,088	723,719	1,586,401	-	39,210	-	2,496,416
Operational expenditure	42,925	706,146	3,258	239,889	660,909	8,272	12,389	25,379	1,699,166
Capital expenditure	-	38,125	-		-	10,990		-	49,115
Surplus/ (deficit) for the period	(89,443)	(411,437)	(7,277)	385,236	(1,488,140)	(18,973)	66,147	6,621	(1,557,266)
Surplus/ (deficit) from previous period	161,525	578,778	7,345	450,105	2,020,558	19,262	111,828		3,349,401
Surplus/ (deficit) as at 31 December 2014	72,082	167,341	68	835,341	532,418	289	177,975	6,621	1,792,135

This income and expenditure statement reflects the financial position of the Centre according to the records of the University of Pretoria.

Direkteur van Finansies Director of Finance Molaodi wa Ditshelete UNIVERSITEIT VAN UNIVERSITY OF PRETORIA YUNIBESITHI YA



16/4/2015

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