

Engaged scholarship on business sustainability: Oxymorons or paradoxes?

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Preface

This paper is on the role of business in complex social and ecological problems, and on the role of scholars in engaging with this. I am juxtaposing the roles of business and scholarship, because both are important to each other and because both are characterised by a set of overlapping tensions between contradicting perspectives, principles or interests. I will argue that much depends on the way we respond to these tensions. Applying a paradox lens will lead me to a critique of prevalent approaches to business sustainability, a revised set of objectives for scholarship, and an invitation to work more ardently at the boundary between conflicting perspectives and between theory and practice.

As a preface, let me start with a question: What is the purpose of the university? As far back as 1970 Erich Jantsch identified the purpose of the university as “enhancing society’s capability for continuous self-renewal” (p. 407). Such societal self-renewal is as crucial as ever in this age of contradiction: “Forces for globalization, innovation and competition are opening new technological and economic frontiers while simultaneously exacerbating human rights violations, financial injustice, and environmental devastation” (Smith, Besharov, Wessels, & Chertok, 2012, p. 463).

These deep and powerful conflicts and contradictions resist straightforward solutions. The university is uniquely placed to connect science and technology with the political processes of setting societal objectives and priorities, for experimentation, and “for keeping hope alive” (Jantsch, 1970, p. 407).

But to be a catalyst for societal self-renewal presupposes that the university can reinvent itself with changing times. Universities are among the oldest institutions in our culture, and they include profoundly conservative elements. The institution of the inaugural lecture is one of these very old traditions. This conservatism has led some to see the university not as

¹ This paper was presented as my inaugural lecture at the University of Cape Town on 14 May 2014. I am grateful to Warren Nilsson for his insightful and kind vote of thanks at the lecture, and to Verena Bitzer, Erin Powell, and Ted Baker, who are my co-authors on a journal paper on related themes. Helpful feedback on previous versions was received from Ted Baker, Tima Bansal, Verena Bitzer, Marjolijn Dijksterhuis, Brian Ganson, and Tim O’Riordan, as well as students in the UCT Graduate School of Business MBA Modular (2014-15) class. The underlying research relied on many interviewees (including Colleen Magner, who introduced me to the phrase ‘holding paradox’), as well as funding from the National Research Foundation, TrustAfrica and the UCT Vice-Chancellor’s Strategic Fund.

a catalyst of change, but as its target. Bourdieu (1990, p. 4), for instance, railed “against the institution of the university and all the violence, imposture and sanctified stupidity that it concealed”.

This is our first paradox of the evening: universities are among the oldest and most conservative institutions in our culture and they are also at the centre – at least potentially – of societal innovation and change. This is not a fatal flaw. Indeed it is part of what gives universities their power for societal renewal. But it does create interesting and important tensions that require skilful responses, and as a point of departure for this lecture I will suggest that it is time to reconsider the role and objectives of the university.

The role of business

One of the key questions that the university needs to address is the role of business in society. An increasing amount of wealth and influence is concentrated in large corporations. As calculated by Eccles and Serafeim (2012), in 2010 the world’s largest 1000 corporations had a market capitalisation of close to USD30 trillion. This was about half of the global total for listed companies, up from a third in 1980. Vitali and colleagues (2011) conducted a network analysis of over 43,000 transnational corporations and find that just 737 firms control 80% of the total value. WWF South Africa estimates that five retail companies and 10 food companies control 70% of consumers’ choices in South African food supply chains (von Borman, personal communication).

Through their supply chains, large companies wield immense influence – for good and for bad – over how we live our lives and how social and ecological systems are changing around the world. This influence is exerted not just through managers’ decisions, but through a broad range of rules, norms and ways of thinking about how investors allocate money, how governments regulate markets, and how we consume products and services.

Adopting this broad view of what we mean by “business”, let me pose the following question: Is business primarily part of the solution to societal problems such as inequality and climate change, or is it primarily part of the problem? This is a somewhat unfair question, given its dichotomous options, but I’ve found over the years that it elicits very diverse responses and provides a useful entry into this discussion. Assume for a moment that you were forced to choose one or the other option in this question – which would you choose?

This is not just a hypothetical, abstract question. There are very different ways of responding and not only do these responses reflect very different perspectives and

assumptions about the role of business. They also have profound implications for practice and policy.

Nobel laureate Milton Friedman (1970) cogently argued that business managers' quest for shareholder wealth maximisation was the best they could do for society, because it assures an efficient allocation of resources on the back of companies' responsiveness to market needs and innovation capabilities. The keywords are competition, efficiency and innovation. Gordon Gecko in the film *Wall Street* summarised this stance as "Greed is good." The resulting policy prescriptions focus on reducing the role of the state as regulator and provider of public services.²

On the other hand, authors like David Korten (2001) emphasise the social and environmental costs of increasingly large, globalised companies, whose managers face powerful incentives to externalise such costs to keep them off their balance sheets. Keywords are justice, solidarity, and ecological integrity. A common policy prescription is more state regulation and taxation, including increasing multilateral regulation to respond to globalised enterprises.

In some of my early work I studied these rather distinct and polarised discourses. I was struck by how separately they were enacted and I referred to them as different totem poles around which distinct groups of scholars and practitioners were circling, with precious little interaction between the groups. One of my favourite examples of this was attending a business breakfast during the Summit, at which Anglo American's CEO at the time, Tony Trahar, welcomed everyone to Johannesburg as a shining example of sustainable development built on the gold industry. An hour later, down the street, academic and activist Patrick Bond called it the world's most unsustainable city, due to systematic exploitation by rapacious miners. Both statements received unanimous agreement in their respective audiences.

This disconnection between different perspectives on the role of business in sustainable development is often at the root of policy and development conflicts. Consider for instance the sprawling informal settlements surrounding the platinum mines in the Rustenburg area, scene of the Marikana tragedy two years ago. In the wake of the shooting, even the deputy president and the minister of mining were complaining vocally that the root causes for the violence are related to the mining companies not doing enough to provide housing for their workers and "social investment" in surrounding communities. Municipal officials I interviewed some years previously blamed mining companies' migrant labour system and inadequate housing policies for the growth of informal settlements. In other words, the grim

² Though note that the caricature of Milton Friedman often neglects to recognise his strong support for pollution penalties, for instance. I am grateful to Ted Baker for reminding me of this.

living conditions around the mines were seen as an externality of managers' and owners' greed.

Mining managers, on the other hand, emphasized the positive social impacts of mining activity based on employment creation and social investment, and they faulted government incapacity for the urban development problems. Mutual blaming and accusations have thus prevented any strategic and collaborative approach to dealing with the socio-economic problems in the Rustenburg area, as in many other mining communities around the country.

The role of scholars

In this context of polarised perspectives on the role of business in sustainable development, what is our role as scholars? In particular, do we aspire to objective analysis and theory development, or do we "get stuck in" and engage in addressing complex problems, such as the mining settlements mentioned above?

A common perception and critique, of course, is that academics isolate themselves from practical concerns in their "ivory tower," and as a result become increasingly irrelevant to practitioners and policy makers. This critique has focused prominently even on professional schools, including in particular business schools such as ours, despite our original purpose to address the practical challenges of organisational actors.

Indeed there has been much discussion and consternation, already for many decades, about the concern that "organizational/administrative science has had little effect on life in organizations" (Beyer, 1982, p. 588, quoted in Gulati, 2007, p. 776). Poole and van de Ven (1989, p. 563) bemoan scholars' "'trained incapacity' to appreciate aspects not mentioned in her or his theory, [...which] becomes more and more 'perfect,' with less and less correspondence to the multifaceted reality it seeks to portray." We thus risk operating in an "incestuous, closed loop of scholarship" (Hambrick, 1994, p. 15).

Van de Ven and Johnson (2006) argue that the gap between theory and practice may be interpreted in different ways. It may be seen as a knowledge transfer problem, with the implication that researchers need to pay greater attention to translating and making compelling their research findings for a practitioner audience. Building on Aristotle's advice on rhetorical argument, this requires not only scholars' traditional emphasis on rigor (*logos*), but also emotions and narrative (*pathos*), as well as ethics and trustworthiness (*ethos*) (see also Bartunek, 2007).

But interpreting the theory-practice gap only as a knowledge transfer problem assumes a unidirectional flow of knowledge from scholars to practitioners, which ignores that

practitioners are also continuously creating knowledge. This knowledge has its own validity in the context of the erosion of a positivist scientific monopoly on objective truth claims.

Van de Ven and Johnson (2006) hence emphasise the need to appreciate the distinctions between scholarly and practitioners' knowledge, premised on varying contexts, processes and purposes.

Both forms of knowledge are valid; each represents the world in a different context and for a different purpose. The purpose of practical knowledge is knowing how to deal with the specific situations encountered in a particular case. The purpose of scientific and scholarly knowledge is knowing how to see specific situations as instances of a more general case that can be used to explain how what is done works or can be understood (Van de Ven & Johnson, 2006, p. 806).

Both forms of knowledge are vital in addressing complex social-ecological challenges. The more generalised "scientific" knowledge generated at larger temporal and spatial scales of analysis needs to be augmented by the more particular, context-specific knowledge at local and more immediate scales (Berkes, 2009). But there are likely to be significant tensions in this encounter (Parker & Crona, 2012).

In their discussion on "engaged scholarship" Van de Ven and Johnson see these differences between scholarly and practitioner knowledge – and indeed the differences between scientific disciplines, as well – as a defining opportunity for new forms of collaborative inquiry and "intellectual arbitrage":

[...] to exploit the differing perspectives that scholars from different disciplines and practitioners with different functional experiences bring forth to address complex problems or questions. Arbitrage represents a dialectical method of inquiry where understanding and synthesis of a common problem evolve from the confrontation of divergent theses and antitheses (Van de Ven & Johnson, 2006, p. 809).

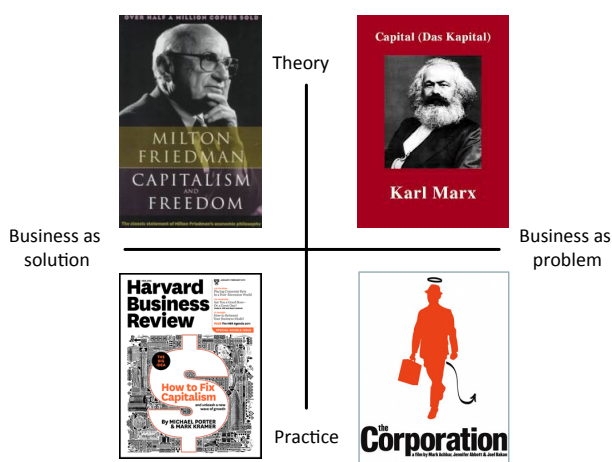
Others, however, are less optimistic about this possibility.

Firms have particularistic, specific, dated interests and proprietary concerns. Is this a good platform for scientific truth claims? Action researchers and academic consultants always have a conflict of interest: keeping the client happy and getting consulting fees versus doing what would be best for science... Personally, I think consulting addles the scientific mind (McKelvey, 2006, p. 825).

This is not an isolated disagreement between cantankerous academics, nor is it only a gap between scholars and practitioners. In addition, there are deep fissures among scholars depending on how they identify themselves stereotypically as "serious scholars" or "management types." This results in a kind of tribal warfare that prevents constructive collaboration and furthermore excludes "boundary spanners" that seek to work in both the scholarly and practical domains. This is despite the fact that many of the progenitors of

organisational studies’ root disciplines – such as Max Weber, Emile Durkheim, Karl Marx and Adam Smith – were prominently active in both practice and theory building (Gulati, 2007).

To summarise, we’ve discovered fissures and contradictions between those perspectives that emphasise either the positive or negative role played by business in society, and those that emphasise either rigour or relevance in scholarly work. For the sake of convenient and hopefully not all too superficial illustration, it may be possible to combine these options into a two-by-two matrix and identify four caricatured perspectives defined by their responses to these questions (see Figure 1).



(Sources: amazon.com; fsg.com; wikipedia.org)

Figure 1: Caricatured examples of perspectives on the role of business and scholarship

In the first quadrant, theoretically minded scholars emphasising the positive impacts of the institution of for-profit business are led by the likes of Milton Friedman and finance professors like him; in the second, the caricatured opposing perspective would be that of Marxist sociology professors; the third quadrant might include reports such as Christian Aid's (2004) critique of corporate social responsibility or the activist film “The Corporation;” the fourth quadrant, then, would include management consultants, business associations and lobbyists, as well as NGOs that see business as important collaborators in creating “shared value” (Porter & Kramer, 2011).

Over and above these perspectives’ disagreements on the role of business, they also differ along the y-axis, with the scholarly-minded representatives in quadrants one and two often expressing some disdain for practitioners, as illustrated by McKelvey’s (2006, p. 825) complaint that “most managers are seemingly incapable of aspiring even to the ‘intellectual’ level of the *Harvard Business Review*.” Practitioners in quadrants three and four, on the

other hand, are often more or less explicit in their criticisms of academics as aloof or irrelevant.

Predominant responses to these tensions (1): Ignorance

There are two overarching ways in which these tensions between the positive and negative impacts of business, and between rigour and relevance, are often responded to. The first is to ignore them. The result is a kind of “muddling through,” with no explicit or implicit commitment to either of the polar principles or positions. Investments of time and attention are made in domains that sidestep the underlying tensions, or as reactive or opportunistic responses to circumstances as they arise.

An approach that ignores the tensions between efficiencies and externalities has been prevalent in the debate on the role of business. In particular the significant attention given to corporate social responsibility (CSR) and especially its philanthropic aspects, often called corporate social investment (CSI) in South Africa, risks missing the point entirely. On the one hand, it often acts as a fig leaf, a distraction from the serious social and environmental problems caused by core business practices. So, in my early research on CSR among the mining companies mentioned earlier, I was amazed to be shown diverse good deeds in education or healthcare as the primary, sometimes even exclusive, response to my question on how these companies interact with local communities.

Furthermore, much of companies’ CSI efforts ignore the real potential for companies to make a difference through innovation. Not only do they commonly fail to influence product or process innovation in the companies’ core businesses, so that they become socially or environmentally benign. They generally replace the state in what ought to be routine provision of public goods and services. This can have serious detrimental effects on the state’s accountability for these responsibilities. It also ignores the potential for companies to assist in addressing a structural challenge faced by the state, which is to innovate and experiment (Friedman, Hudson, & Mackay, 2007).

Ignoring tensions is also how I would characterise my personal response to the question of scholarly rigour vs relevance in much of my career. I used to think there was no real difference between the work of a thoughtful consultant or journalist and a scholarly researcher, and I remember shocking my first methods class with this assertion! To some extent this was due to my commitment to a post-positivist critique of science’s exclusive claims to knowledge (Lee & Hassard, 1999). Feyerabend's (1975) “Against Method” was my inspiration, even though I had not read it properly! More recently I have come to the view that, while the boundaries between science and non-science are socially constructed and ambiguous (Gieryn, 1983), there are distinctive elements of diligent scholarly work that require nurturing and development.

Neglect of the underlying tensions between rigour and relevance also characterises South African business scholars' approach more generally, in my view. While the paradigm was mentioned above in the international organisational science journals, there is a relative silence on these issues in South Africa. North American business schools experienced significant pressures to develop scientific rigour in response to prominent critiques in the late 1950s (Gordon & Howell, 1959), followed by European and then Asian schools, and according to some this pendulum has swung too far (Gulati, 2007). South African business schools, on the other hand, identified research and scholarly publication as a core purpose only much later. Coupled with a lack of rigorous PhD training, an implication of this is that we have been largely absent as contributors to the international organisational science literature. This is illustrated in Figure 2, which provides an overview of authors' origins for articles published in four of the well-regarded management journals.

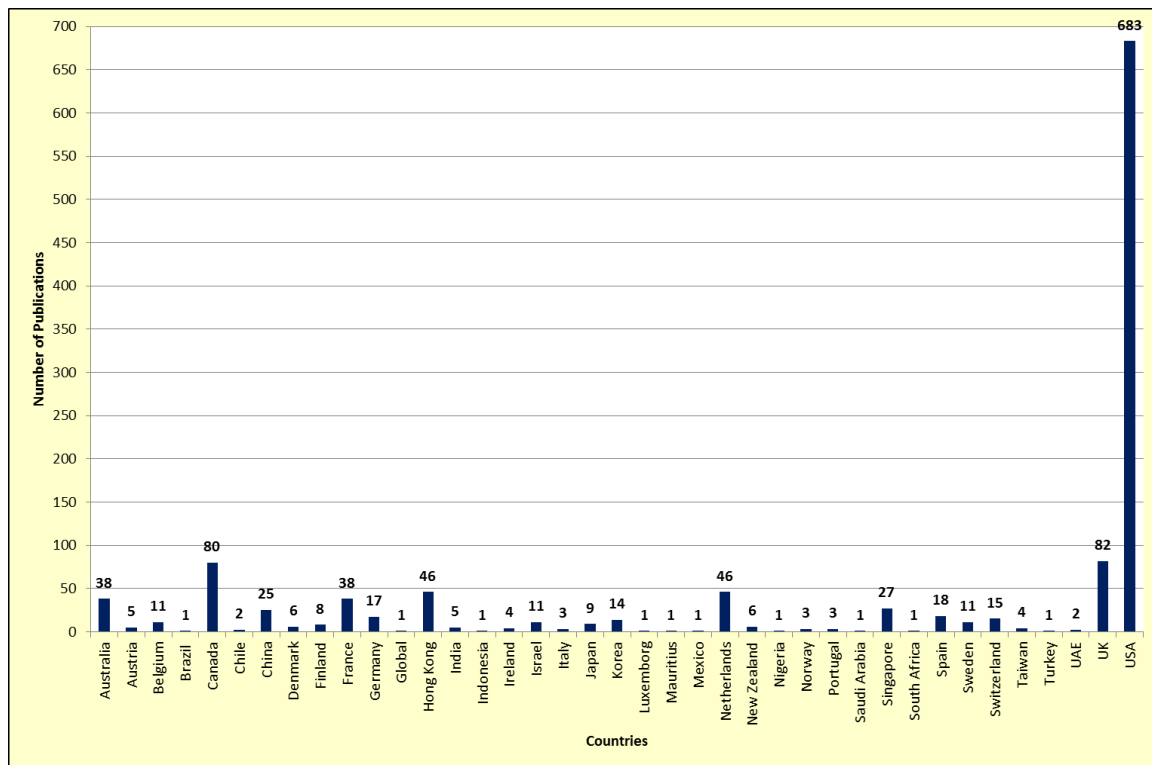


Figure 2: Number of authors per national origin of articles published in *Academy of Management Journal*, *Academy of Management Review*, *Administrative Science Quarterly*, and *Journal of International Business Studies* (2006-2010)

If Van de Ven and Johnson (2006), Bartunek (2007), Gulati (2007), and others are right, the rigour vs relevance debate will subside and not only will practical relevance again become prominent as an objective for organisational scholars, but increasing emphasis will be placed

on synergies – rather than contradictions – between scholarly rigour and practical relevance. Ostensibly this might put South African scholars in a good position to contribute to this development, given that we never lost our link to practice as much as in North American PhD programmes. On the other hand, a more critical view might remind us that not only have we largely failed to contribute to the international literature; our contributions to practice also remain modest. With a few exceptions, South African business school Professors are not often quoted in *Business Day*.

Predominant responses to these tensions (2): Polarisation

The second response is to see the tensions as oxymorons necessitating strategic choices. This approach emphasises the mutually exclusive, “either/or” nature of the perspectives and principles on either side of the divides. As a result, the necessary response is to choose which of the perspectives to adopt and enact, and then to become wholeheartedly invested. Like Isiah Berlin's (1953, p. 3) hedgehog, the proponent of his or her chosen position then relates “everything to [this] single central vision, one system less or more coherent or articulate, in terms of which they understand, think and feel.”

The hedgehog's strength comes from its focus and single-minded determination. In the strategy literature such “strategic commitment” has been argued to provide firms with competitive advantage, for instance by increasing market share on the back of “durable, irreversible investments” (Ghemawat, 1986, p. 54). To be fair, this strategy literature has come to also emphasise the simultaneous need for flexibility (Ghemawat & del Sol, 1998), and a parallel line of thought has prioritised the need to make such strategic choices contingent on circumstances (Lawrence & Lorsch, 1967; Luthans & Stewart, 1977). The overarching assumption, however, has been the need to make decisive choices when confronted with apparently contradictory options (Smith & Lewis, 2011).

There are psychological reasons, too, for adopting the “hedgehog” approach, as we seek to avoid the anxieties associated with ambiguity, uncertainty, and change (Vince & Broussine, 1996). Furthermore, once we commit to a particular stance, our attitude is likely to be cemented as we selectively interpret evidence. That is, beliefs “serve as agents in their own confirmation” (Kelly, 2008, p. 682).

This response is evident among scholars and practitioners in their responses to the question of business' role in society, and also in their emphasis on either rigour or relevance (Gulati, 2007). One-sided commitment is manifest even in such ostensibly integrative notions as “shared value,” recommended by Porter and Kramer (2011) as a way to unlock “the next wave of business innovation and growth, [... and to] reconnect company success and community success.” In selling this good news story to business practitioners, Porter and

Kramer (2011) systematically under-consider the likely tensions that arise when considering company and community interests (Crane, Palazzo, Spence, & Matten, 2014).

That is not to say that innovative responses to identifying “win-win” solutions cannot exist. But we need to give due regard to the many instances, in which they remain elusive, and we also need to recognise that from a public policy perspective we cannot bank on more than a few companies seeking and achieving such synergies. One implication for the business sustainability field is that more emphasis needs to be given to the “rules of the game” embodied in state regulation and stock exchange listing rules, for instance.

Another implication is to recognise the complex trade-offs not only between corporate and community interests, but between different social goals, such as between increased salaries or pollution prevention, on the one hand, and securing existing jobs, on the other. Current debates on these trade-offs are characterised by adversarial lobbying and bargaining on short-term objectives. We need more integrative negotiation and cross-sector coordination on long-term transition strategies.

This emphasis on choosing sides and escalating polarisation gives rise to stakeholders ensconcing themselves in one – and only one – of the far corners of one of the quadrants in Figure 1. Complex problems arise when groups need to cooperate but have opposing and increasingly polarised views of the problem and of each other, as in the case of the informal settlements around the mines in Rustenburg.

Paradox thinking for social innovation

The informal settlements surrounding mines in Rustenburg and the attempts at cooperation between the mining companies, the government, and other key stakeholders in addressing this complex problem are one of eight case studies analysed in a recent paper I have written with Verena Bitzer, Erin Powell and Ted Baker. In this paper, we find that differences in leader behaviour explain differences in performance across such collaboration initiatives. These performance differences are largely driven by how leaders respond to diverse tensions that arise due to the different perspectives and interests among the various stakeholders, including opposing views of the role of business. Rather than seeing such tensions as a negative feature to be ignored, avoided, or reduced, the most successful leaders were able to proactively harness the creative potential of such paradoxes, defined as “contradictory yet interrelated elements that exist simultaneously and persist over time” (Smith & Lewis, 2011, p. 382). We identified five leadership behaviours but for the sake of simplicity, I will collapse these into three, which are also aligned to paradox leadership skills identified by Smith and colleagues (2012).

“Holding” paradox: We found that leaders in the most successful initiatives were characterized by the ability to accept and – in the words of one interviewee – “hold” paradox. That is, they encouraged stakeholders within and outside their organisation to accept a prevalent tension without seeking a convenient and perhaps premature response which might entail either choosing a particular option or attempting a superficial integration. Leaders in successful initiatives emphasised this need to be comfortable in the presence of ambiguity and uncertainty. One interviewee, for instance, noted, “Ambiguity is my favourite space; there are no clear-cut answers... it requires an adaptive approach to complexity”. Similarly, this stance or bearing was identified by another interviewee as a “fundamental outlook”:

Holding paradox is key; it relates to the fundamental outlook: one approach is to emphasise ‘either/or’ – but what is needed is an approach that says, ‘things are constantly in motion’, ‘we are trying things out’ – the world is seen as a living system, not as a machine.

Articulating paradox: Tensions may be present and influential even if they are latent or hidden. A key leadership contribution identified in our case studies is to articulate and “surface” such tensions. Doing so not only makes the tension explicit, but it also allows the conflicting perspectives to be delineated more clearly, so that strengths and weaknesses, as well as areas of potential synthesis and real conflict, can be identified and clarified proactively.

Integrating paradox: Leaders in the relatively more successful initiatives were able to make creative use of tensions by motivating and facilitating the reframing of organizational identities and problem definition, and the search for innovative organizational changes or solutions to complex problems facing the partnership. Interviewees in the more successful initiatives were often explicit in their recognition of this creative potential in tensions: “I do think we need a different language around conflict – it is a pathway towards innovation”. This link between tensions and innovation was achieved through a number of means. One of these was to challenge participants or the partnership itself to reconsider their self-conception and purpose definitions. Another approach to integrating tensions entailed the identification of previously hidden or unexpected synergies between the principles or options, which could be simultaneously enacted, or the development and implementation of an innovative “third-way” option.

So our argument is that the necessary collaboration between mining companies and other stakeholders in Rustenburg has been insufficient in large part because of a lack of paradox thinking. Much of the tension underlying the discussions related to attributions of blame and responsibility for deleterious social conditions around the mines. A municipal manager noted, “Mining companies have not accepted their primary responsibility for being the root cause of the informal settlements”; while a mining manager countered, “It is very much a government responsibility.” While these tensions were underlying all discussions, there was

no coherent attempt to articulate them. There was a palpable resistance to recognising that both parties were part of the problem, and hence needed to be part of the solution. Integrative negotiation and cooperation have thus been elusive.

For a more positive example, consider an urban development initiative in Cape Town, the Cape Town Partnership.³ Motivated by an exodus of businesses and tenants from the inner city in the mid-1990s, its early focus was on ensuring a “clean city,” motivated in large part by the private sector partners’ emphasis on the need for a conducive business environment. This entailed an emphasis on policing and a self-confessed “hard-line” approach to misdemeanours and social crimes. A social worker criticised the initiative in 2004 as “virtually running a private army in Cape Town, intent mostly on serving the needs of tourists” (quoted in Klopper, 2003, p. 228). Four years later, that same social worker was a member of the initiative’s board, invited by the initiative’s new CEO, who – in the words of the social worker – had “a more social, collaborative approach... getting people to talk to each other.” This contributed to a new way of looking at the problem:

So we [now] look at the [homeless] person not as a problem but as a person in distress. Through dialogue in the partnership... we have learnt and agreed that we cannot apply a security focused approach to social issues.

The juxtaposition of alternative objectives within the partnership, and the expansion of the initiative’s identity to focus not only on “clean” but also “caring” city, gave rise to particular innovations. For instance, board discussions contributed to the development of community courts that would effectively respond to misdemeanours but avoid the offenders entering the criminal justice system.

This and other examples show that holding, articulating, and integrating paradox helps develop innovative responses to complex social problems through three means: By reframing organisational purpose and identity (in the above example, the shift from “clean city” to “caring city”); reframing the problem (seeing social crimes not only in terms of law enforcement but also human rights); and by developing new responses that simultaneously address diverse objectives (such as the community courts).

Implications for business sustainability

Applying a paradox lens and reframing identity, problems, and options can help us reconsider the role of business in sustainability. My favourite examples of corporate strategy involve a broadening of conceptions of self-interest as the fundamental expression

³ Note that my research on this initiative preceded my joining the Partnership’s board by a number of years. Also note that of course the context of this initiative is very different to that of the challenges experienced in the Rustenburg area, and these differences preclude a straightforward comparison.

of identity. Consider for instance Santam's Eden project, in which Vanessa Otto-Mentz and others argue that the company's traditional focus on risk assessment and reduction at the client level is becoming increasingly insufficient in the context of growing social-ecological risks associated with extreme weather events and climate change. Working with colleagues at UCT, WWF and the CSIR they have thus sought to figure out some of the proximate drivers of risk in the landscape, which might be addressed directly. In other words, the company's identity is potentially broadened from a focus on risk at the individual level, to addressing risk at the landscape level.

Yet addressing risk at the landscape level is a different kind of problem than individual clients' risk cover. It illustrates that often we focus on the role of business managers and what they do and do not do, but a broader level of analysis and action is often necessary. We need to recognise the systemic interconnections between, for instance, climate change, extreme weather events, increased run-off due to hardened land surfaces, inappropriate land use planning and building permissions, blocked stormwater drains, and flooded households, plus a whole bunch of other factors. This complexity makes it difficult for any single actor to decisively influence the system, but it also suggests particular points of leverage that can be focused upon. So, for instance, Santam has identified the need to help build local municipalities' capabilities in fire-fighting and stormwater management.

However, if Santam makes such investments, a key obstacle is likely to be shareholders' concern that Santam is making such public benefit contributions while competitors are free-riding, that is they are benefiting without contributing. This is where the market logic fails and "crossing over" to principles of solidarity and mechanisms of collaboration becomes necessary. Scaling such efforts for broader impact – especially in the absence of a proactive, effective state – often requires that competitors learn to cooperate on issues of public interest, while retaining their competition in matters of price and markets. Few managers currently seem willing or able to hold this paradox, to articulate when and how both competition and collaboration are possible and necessary, and to implement both in a transparent manner.

Implications for scholarship

Scholars should play a vital role in helping business reframe identities, problems, and options. Sometimes they do, as has been the case in the Santam example, with UCT researchers like Clifford Shearing and ecologists like Deon Nel at WWF and CSIR playing vital roles. But this potential is too seldom realised.

Too often, scholars either ignore or exacerbate the tensions that arise due to differences between scholarly and practitioners' knowledge. We thus "muddle through" without

significant contributions to either theory or practice, or we become ensconced in a focus on only peer-reviewed publications or practical problems. Reframing identity might encourage us to develop the commitment and diligence required for top-tier publishing, while remaining actively engaged in the world of practice. This is not about being “all things to all people” – a danger inherent in such ambitions (Parker & Crona, 2012). The goal is not to publish world-class research and also to get stuck-in to address practical problems as part of our day-job. Instead, we need new skills and organisations to facilitate better communication and coordination between scholars and practitioners.

Reframing the problem therefore suggests that this is not just a matter for scholars to ponder, but it's a question of how we define the purpose of the university, as noted at the outset. If our purpose is to enhance society's capacity for self-renewal, we need to reconsider the boundary between scholarship and practice. Such “boundary-work” has been investigated by sociologists of science, as well as management scholars, but it has been framed largely in defensive and exclusionary terms. Gieryn (1983) analysed scientists' day-to-day efforts to create and maintain the boundary between science and “non-science” essentially to maintain and expand their privileged access to resources and positions of cognitive authority. This defensive posture was also emphasised in organisational analyses, where “boundary roles are a main line of organizational defense against information overload” (Aldrich & Herker, 1977, p. 218). Our view of boundary work thus needs to be reinvigorated and celebrated for its potential not just for organisational or institutional defense, but for institutional change and social innovation (Zietsma & Lawrence, 2010).

One vital option for such a positive challenge to established boundaries is for the university to create, host and support boundary organisations, which facilitate communication and coordination between scholars and practitioners. They “involve the participation of actors from both sides of the boundary, as well as professionals who serve a mediating role [... and] they exist at the frontier of the two relatively different social worlds of politics and science, but they have distinct lines of accountability to each” (Guston, 2001, p. 401). They also provide for the creation of “boundary objects” that can be used by actors on both sides of the boundary in different ways, but still maintain an overarching identity; that is, they allow for cooperation without consensus (Star, 2010).

By linking researchers across disciplines and including practitioners, such organisations are expanded versions of the “systems innovation laboratories” called for by Jantsch (1970), and they are an organisational manifestation of the collaborative research progress outlined by Van de Ven and Johnson (2006). In the most committed versions of such boundary organisations, repeated face-to-face interactions between diverse researchers and practitioners allow for the creation of trust, which in turn allows participants to share questions and novel ideas without fear of ridicule or theft. Scholars and practitioners hence do not give up their core identities and objectives, but they gain a much better

understanding of each other's perspectives and strengths, ultimately leading to the kind of "intellectual arbitrage" recommended by Van de Ven and Johnson (2006).

The university is uniquely well placed to create, host and support such boundary organisations, not only because there is no shortage of committed scholars with an interest in linking their research to practice, but also because the university provides a "safe space" away from political posturing and bargaining. Indeed there are important initiatives of this sort at UCT, including for instance the City Labs hosted by the African Centre for Cities. In our own work, we helped set up the Network for Business Sustainability (NBS) in South Africa. We convene key business leaders to identify research priorities and then commission systematic reviews of the scholarly literature on some of these themes. These reviews develop synthesis models that help scholars and practitioners make sense of our current state of knowledge. For instance, one such boundary object developed by NBS in Canada is the "culture wheel", which provides a coherent overview of the formal and informal measures that managers can take to embed sustainability in their organisational culture (Bansal, Bertels, Ewart, MacConnachie, & O'Brien, 2012).

By broadening scholars' identity to allow for both world-class, rigorous research and active engagement in the world of practice, and by nurturing boundary organisations that effectively span these social worlds, the university can move beyond its current reliance on "muddling through" or blinkered focus. This age of contradiction provides both a vital opportunity and challenge to the university to reimagine itself, before it can help reimagine society.

Conclusion

I started with the question, What is the role of business in society, and how can scholarship shape this role? I've come to the following conclusions:

- 1) Business sustainability is framed by opposing perspectives that emphasise either a positive role for business based on efficiency and innovation, or a harmful role due to negative social and environmental externalities. The role of scholars is characterised by conflict between those that emphasise the need for rigour and objective analysis, and those that highlight the possibility and need for enhanced relevance and practical engagement.
- 2) Our predominant response to such tensions is either to ignore or to polarize them. Ignoring them leads to lukewarm responses or negligence of underlying causes; polarization leads to debilitating conflict. So, in the business sustainability field, there is often too much emphasis on philanthropic initiatives or exaggerated claims of win-win solutions, which ignore or downplay externalities and trade-offs, or there is intractable

conflict between proponents and critics of business. As scholars, we try to be “all things to all people” or we engage in tribal warfare and shun boundary spanners.

- 3) Paradox thinking offers an alternative response: holding tensions prevents reactive approaches; articulating them means that they are well understood; and integrating tensions allows for more creative possibilities. Integration occurs through reframing identities, problems, and options.
- 4) Through this lens, business sustainability can be advanced, for instance, through broadening conceptions of self-interest, recognising the systemic character of problems, and more sophisticated collaboration, also with competitors.
- 5) For societal self-renewal, the university must work across boundaries without being all things to all people. Scholars’ identity can stretch to allow for rigorous theory-driven research, while building strong links to practice. This requires the university to nurture boundary organisations that positively challenge and bridge the boundaries between theory and practice, and between opposing perspectives.

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